

# Assembly Bill 1657

Affordable Housing Bond of 2024  
Assemblymember Buffy Wicks (AD-14)

## SUMMARY

AB 1657 authorizes the Affordable Housing Bond Act of 2024 to fund the state's affordable housing programs, including, affordable rental housing for lower income families, homeownership opportunities, and, supportive housing for people experiencing homelessness.

## BACKGROUND

California needs over one million housing units affordable to lower income households to meet demand. Historically, the state has used voter-approved General Obligation bonds to fund the construction and rehabilitation of affordable housing and support homeownership. The Veterans and Affordable Housing Bond Act of 2018 authorized \$3 billion funding for various affordable housing programs. These funds will be fully allocated by the end of 2024.

## ISSUE

Our state is facing an affordable housing crisis. From October 1, 2020, to September 20, 2021, the average Fair Market Rent (FMR) for a two-bedroom apartment in the state was \$2,030. To afford rent and utilities without being rent-burdened (paying more than 30 percent of income toward rent), a household must earn \$6,766 per month or \$81,191 per year. This translates into an hourly wage of \$39.03 for a full-time worker. The top five most common occupations in California – home health care workers, fast food workers, cashiers, laborers, and retail salespersons – pay less than the wage needed to afford a home. Over 89 percent of extremely low-income renter households in California are rent-burdened and over 64 percent of lower-income, households are rent-burdened currently.

According to the Statewide Housing Plan, to meet California's unmet housing needs, the state needs an additional 2.5 million housing units, including 1.2 million for lower-income households. Decades of underbuilding have led to a lack of housing overall,

particularly housing that is affordable to lower-income households.

The state needs an additional 180,000 new units of housing a year to keep up with demand – including about 80,000 units of housing affordable to lower-income households. By contrast, production in the past decade has been under 100,000 units per year – including less than 20,000 units of affordable housing.

Over 173,000 people experience homelessness on any given night in the state. Supportive housing – affordable housing with services – is a solution to homelessness. State funding for supportive housing through No Place Like Home and MHP has been exhausted.

## SOLUTION

AB 1657 authorizes XX in bond funds to support the construction, rehabilitation, and preservation of affordable housing and permanent supportive housing. The state needs over one-million affordable housing units.

The last round of funding for the state's flagship multi-family affordable housing program, the Multi-family Housing Program (MHP) was oversubscribed ten to one. Affordable housing projects are ready to go if funding is available.

## SUPPORT

California Housing Consortium

## CONTACT

Lisa Engel  
Office of Assemblymember Wicks  
(916) 319-2085  
[lisa.engel@asm.ca.gov](mailto:lisa.engel@asm.ca.gov)