



## **CalCHA's Middle-Income Housing Program**

*Providing sustainable housing opportunities for California's essential middle-income workforce*

California's essential workforce (nurses, teachers, first responders and civil servants, among others) generally earns in excess of traditional affordable housing income limits yet not enough to sustainably reside within the communities they serve. The resulting dislocation and "drive until you qualify" commuting patterns result in traffic, congestion, pollution, social isolation, academic underperformance and negative health outcomes.

The California Community Housing Agency (CalCHA) was formed in 2019 to squarely address this growing crisis. As the State's first public agency focused exclusively on the production, preservation and protection of middle-income housing, our financing model has already created **>2,900 affordable rent-restricted rental units** throughout the State and has spurred the creation of additional State agencies hoping to leverage similar models to further California's middle-income housing needs.

### **Program Mechanics**

- Cities, counties and housing authorities become members of CalCHA
- CalCHA seeks housing opportunities within member municipalities
- CalCHA issues governmental revenue bonds and uses proceeds to acquire properties
- CalCHA assets are rent restricted to low-income and moderate-income households
- CalCHA assets become exempt from property taxation
- CalCHA grants all financial upside to the underlying member jurisdiction

### **Public Benefit Creation**

In addition to being granted the financial upside of its assets, CalCHA members benefit from the immediate production of essential middle-income housing. Other programs benefits include:

- Non-displacement of existing tenants
- 4% cap on annual rent increases
- No investment, cost or liability created for member jurisdictions
- No use of tax credits, private activity bonds or other scarce affordable housing subsidies/resources

### **Municipality Participation**

Participation in CalCHA's Middle-Income Housing Program begins with the adoption of a single resolution granting:

- CalCHA Membership (no cost, no liability)
- Authorizing CalCHA to issue bonds locally (no cost, no liability)
- Granting of financial upside (project-specific Public Benefit Agreements)

### **California Community Housing Agency**

CalCHA is a California joint powers authority and political subdivision of the State, specifically founded to provide, preserve and protect middle-income affordable housing projects throughout California. CalCHA's program administrators maintain more than 30 years of related experience, having issued in excess of \$50 billion of private activity and municipal bonds across more than 2,500 properties.