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**Newsom Administration Rewards Communities that Make Building Housing
Easier, Faster, Cheaper**

Prohousing Label Gives Jurisdictions Competitive Edge for
Oversubscribed Public Funds

*June 28 Budget Package Provides Additional \$600M in Planning Grants, Technical
Support to Help Communities Adopt Prohousing Policies*

SACRAMENTO – California communities that make significant changes to accelerate and cut costs on producing housing can begin applying today to be eligible for special preference from the state in certain housing, infrastructure, and community development programs, thanks to a new Prohousing initiative introduced by Governor Gavin Newsom and adopted as emergency regulations.

Local jurisdictions can successfully earn a Prohousing designation if they promote greater density by including multi-family housing such as duplexes to fourplexes, up-zone in locations near jobs and transit to reduce vehicle emissions, and create more homes in places of high opportunity for low-income families.

“We will be able to move more state resources to communities that have taken concrete action by adopting housing policies that center equity and expand housing units affordable to working residents and low-income households,” said Lourdes Castro Ramírez, Secretary of the Business, Consumer Services and Housing Agency. “We look forward to seeing communities up and down the state vying for this designation that has the potential to unlock significant funds including infrastructure grants.”

The benefits could be substantial – by adopting deliberate, transformative policies that center equity and eliminate barriers to producing affordable housing, communities will have a competitive advantage in several state programs that fund housing and transportation in the right places.

California’s Prohousing Designation Program rolls out just as the Biden Administration is looking to provide federal financial incentives to jurisdictions nationwide that take concrete steps to [eliminate needless barriers to producing affordable housing](#). The

Department of Housing and Community Development (HCD) will administer the new Prohousing Designation Program and begin accepting applications immediately from jurisdictions that want to uplift their communities after a deadly global pandemic.

The state provided nearly \$250 million in planning grants and technical assistance over the last year through the General Fund to help jurisdictions and regions update policies and prepare them for the Prohousing Designation Program. The June 28 Budget Package includes an additional \$600 million for planning and implementation grants to continue to help local governments plan for and meet their goals under their Regional Housing Need Allocations and their Sustainable Communities Strategies. These grants provide yet another tool to support jurisdictions to become Prohousing.

Compliance with state housing laws is a threshold for achieving and maintaining a Prohousing Designation, and to that end, HCD's new Housing Law Assistance and Accountability Unit will assist jurisdictions that are either ready to apply for the designation or want to beef up their local policies to be primed for Prohousing; and the unit will conduct ongoing monitoring to ensure the integrity of the Prohousing Designation.

Once a jurisdiction receives the designation from HCD, it will then receive bonus points or preference when applying for funds from the following programs: the **Infill Infrastructure Grant** administered by HCD, and the **Affordable Housing and Sustainable Communities** Program and **Transformative Climate Communities** Program administered by the Strategic Growth Council. All three programs include local governments and agencies as applicants or co-applicants with affordable housing developer partners. State agencies may grow the list over time of both housing and non-housing funding sources to provide further incentives to Prohousing jurisdictions.

"California is leading the way as a model in how to incentivize and reward local jurisdictions that step up to produce more affordable housing, promote equitable and sustainable development, and dismantle exclusionary policies," HCD Director Gustavo Velasquez said. "These efforts are critical to meeting our housing goals and ensuring we dismantle barriers that hold us back from building neighborhoods where all Californians can thrive, regardless of their income or skin color."

The Prohousing Designation Program remains flexible and open to change as it moves from emergency to normal regulations following a public feedback process over the next 45 days, according to HCD. The main principles of the program will remain intact, namely, accelerating housing production, facilitating sustainable and equitable communities and accounting for the rural, suburban, and urban differences in California's diverse communities.

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