

# Affordable Owner-Occupied Workforce Housing (AOWH) Activities

Affordable Owner-Occupied Workforce Housing (AOWH) is defined in the Permanent Local Housing Allocation Final Guidelines as: “owner-occupied housing per HSC Section 50092.1 that is affordable to persons and families of low or moderate income, as that term is defined in HSC Section 50093, except in High-cost areas where Moderate-income shall include households earning up to 150 percent of AMI.”

## **The following PLHA Activities would satisfy the 40% AOWH requirement.**

(2) The predevelopment, development, acquisition, rehabilitation, and preservation of Affordable rental and ownership housing, including Accessory dwelling units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days. ***This activity would count as AOWH only if used for predevelopment, development, acquisition, rehabilitation, or preservation of affordable ownership housing.***

(3) Matching portions of funds placed into Local or Regional Housing Trust Funds. ***This activity would count as AOWH only if the PLHA funds and the match are used for an ownership activity on this list.***

(4) Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176. ***This activity would count as AOWH only if the PLHA funds and the match are used for an ownership activity on this list.***

(7) Accessibility modifications in Lower-income Owner-occupied housing.

(8) Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments. ***This activity would count as AOWH only if used to acquire and rehabilitate homes that would then be sold to income eligible buyers.***

(9) Homeownership opportunities, including, but not limited to, down payment assistance.

## How does the AOWH requirement as listed in the 2024 PLHA NOFA impact prior awardees?

- Jurisdictions who have an approved plan will NOT need to amend their plan for allocations they have already been awarded.
- Jurisdictions who have an approved plan WILL need to amend their plan for allocations from this 5-Year Cycle that have not yet been awarded.
  - Ex: if you were previously awarded your 2019 & 2020 allocations but have not yet applied for and been awarded your 2021, 2022, or 2023 allocations you WILL need to amend your plan for those years to allocate 40% of each allocation to an AOWH activity.
  - EX: if you were previously awarded your 2019, 2020, 2021, 2022 allocations and will be applying for your 2023 allocation, you will NOT need to amend your plan for 19-22 but WILL need to submit a plan amendment to redirect 40% of your 2023 allocation to an AOWH activity with your application for your 2023 allocation.
- Jurisdictions who have an approved 5-Year Plan and just want to submit a request for an amendment to that plan will also have to direct 40% of each allocation year they are wanting to amend towards an AOWH Activity.
  - *No amendment requests will be processed to redirect funds from an ownership activity to a non-ownership activity if it means less than 40% of the allocation would be going towards ownership.*
  - *Similarly, no Budget Revision requests will be processed by State Grants Management to redirect funds from an ownership activity to a non-ownership activity if it means less than 40% of the allocation would be going towards ownership.*

## How does the AOWH requirement as listed in the 2024 PLHA NOFA impact New Applicants who are considering applying for their 2021-2023 allocations?

- Jurisdictions who will be submitting an application for the first time must submit a plan which covers the remaining allocation years (2021, 2022, 2023) and a resolution adopting the plan. New Applicants must have 40% of each allocation year going towards an eligible AOWH activity on their plan.

## How does this AOWH requirement impact the next 5-year cycle of PLHA funding?

- We anticipate keeping this requirement moving forward and jurisdictions should plan on dedicating 40% of each allocation in the next 5-year cycle to AOWH activities. The Department will be reviewing this requirement and updating requirements accordingly.