

**Metropolitan Transportation Commission and Association of Bay Area Governments
Joint MTC ABAG Legislation Committee**

May 10, 2024

Agenda Item 3c

**Assembly Bill 2396 (Reyes): State Partnership for Affordable Housing Registries in
California Grant Program**

Subject:

Funds the creation of local or regional online portals through which prospective renters can search for available deed-restricted apartments and submit applications.

Background:

Assembly Bill (AB) 2396 (Reyes) would establish a state program to fund the creation of online search and application portals for deed-restricted apartments in communities throughout the state, subject to an appropriation by the legislature. The bill is co-sponsored by Housing California and its Residents United Network (RUN) comprised of renters living in deed-restricted apartment complexes.

With AB 2396, the author and sponsor seek to greatly simplify the process of finding and applying for available deed-restricted apartments. California has more than 500,000 such apartments, whose legal covenants require their rents to be maintained at levels affordable to households at specific income levels. Under the current decentralized system, prospective renters must expend significant time and energy making phone calls, traveling between property management offices to fill out paper applications or using online listing services of varying quality that do not distinguish between deed-restricted and other properties. Given the lack of up-to-date information, renters may not be able to find available apartments for which they qualify, or they may submit applications for the same apartment more than once or apply for properties for which they do not meet the eligibility requirements.

Under AB 2396, the state Department of Housing and Community Development would establish a competitive funding program for which cities, counties, regional housing finance agencies, public housing authorities and council of governments would be eligible to apply. The first phase of funding would focus on developing portals in geographies that do not currently have one; it would require the new portal to, at a minimum, provide listings of all deed-restricted apartments in the portal's geography. Subsequent funding rounds would support portals in expanding to

offer prospective renters the ability to submit online applications, receive automatic notifications of new vacancies and track their place on waiting lists.

Recommendation:

Support if Amended / ABAG Executive Board Approval

Support if Amended / MTC Commission Approval

Discussion:

The Bay Area Housing Finance Authority launched its online search and application portal for deed-restricted housing – Doorway Housing Portal – in June 2023. With Doorway, the Bay Area is significantly ahead of other areas in the state in offering prospective renters easier access to affordable apartments. MTC-ABAG staff have worked with the sponsor and author to share our experience in standing up a regionwide portal since last year, when the first version of this concept (AB 312) was introduced. AB 2396 incorporates several of our suggestions, including a requirement for property managers of deed-restricted affordable apartments funded by the state to share their available listings with Doorway and other platform operators.

Staff finds the program design needs further modification, however, to reflect the best practices honed by Doorway and to enable Doorway to be eligible for funding to maintain our system. Specifically, we recommend: 1) Allowing existing portals to apply for funding to maintain their systems; 2) Eliminating the requirement for portals to use a “pre-application” to identify apartments for which a prospective renter may be eligible based on income. Beta testing for Doorway and other portals indicated users prefer to search available listings based on rent and unit size before they enter personal information, so Doorway was designed with this functionality. Once a user finds an apartment they’re interested in, they can fill out and submit their application with income and other information required to determine their eligibility; and 3) Limiting the required listings to *available* deed-restricted apartments in the portal’s geography rather than *all* deed-restricted apartments in the portal’s geography. The latter is a significantly larger universe of listings and doesn’t reflect Doorway’s current approach.

Staff recommends MTC and ABAG take a “support if amended position.” Should amendments be made in line with our recommendations, we would modify the position to “support.”

Known Positions:

Support

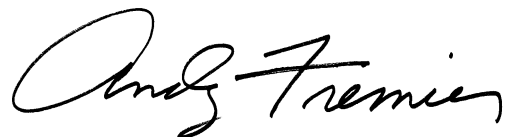
Housing California (Co-Sponsor)
Residents United Network (Co-Sponsor)
All Home
Brilliant Corners
California Housing Partnership
Corporation for Supportive Housing
East Bay Housing Organizations
LeadingAge California
Lift To Rise
National Alliance to End Homelessness
National Housing Law Project
SPUR
The People Concern
The United Way of Greater Los Angeles
United Ways of California

Oppose:

None on file

Attachments:

None



Andrew B. Fremier