

April 30, 2025

Subject: Tribal Housing and Capacity Building
Reporting Period: April 2025
Staff Lead: Amar Cid, Deputy Director of Community Investments and Infrastructure
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Recommended Action

Approve up to \$30 million expenditure from already accumulated Affordable Housing and Sustainable Communities Program's (AHSC) continuous appropriation funds to support technical assistance and capacity building activities for Tribal entities interested in affordable housing and related projects that implement land use, housing, transportation, and agricultural land preservation practices that support infill and compact development.

Summary

The lack of affordable housing across California is a matter of vital statewide importance, as noted in the [CA Executive Order N-06-19](#). Native American communities continue to face some of the most severe housing shortages in the state, and the number of Indigenous Californians who are unhoused or experiencing homelessness is two times that of the general population. As demonstrated by [CA Executive Order N-15-19](#), the administration is committed to addressing the disparities for Tribal communities. In line with these executive orders, the Strategic Growth Council (SGC or the Council) is dedicated to enhancing affordable housing and related projects that implement land use, housing, transportation, and agricultural land preservation practices to support infill and compact development for Tribal communities via the AHSC Program.

Since Round 5, the AHSC program guidelines have included targeted funding for Tribal entities. The Council has awarded a total of \$47,953,555 to three Tribal-affiliated projects to date: \$11,447,114 to Arcata 30th Street Commons in Round 5; \$16,540,259 to Cascade Village (formally known as *Shasta Lake Downtown Revitalization*) in Round 6; and \$19,966,182 to Kashia Windsor Housing in Round 7. However, in Round 8, despite strong support from state-funded application technical assistance providers, multiple Tribal applicants ultimately decided *not* to submit an application due to limited capacity, and no Tribal project applied for funding in that round.

California Native American Tribes encounter unique challenges in securing and implementing affordable housing investments. It is imperative that the state continue to alleviate barriers and provide capacity building support to California tribes and Tribal communities in accessing state funding. Expanding housing opportunities and solving the affordable housing crisis will require a new level of innovation and cooperation.

SGC has an opportunity to utilize a small portion of already accumulated AHSC funds (*this could be a combination of disencumbered funds from previous AHSC rounds and/or 24-25/25-26 funding years*) to support the development and planning of Tribal housing projects across the state, including funding training, technical assistance, and direct support to Tribal entities. These strategies will be co-developed with Tribal partners to provide multiple years of support, enabling multiple Tribal entities to be competitive for state affordable housing programs, including AHSC, Tribal Homekey+, other state housing programs, and/or funds available through the Tribal Housing Grant Program Trust Fund. These efforts align with the SGC's 2024-2027 Strategic Plan, specifically Council Priority 2 on capacity building, and CA Executive Order N-06-19, noted above.

If the Council approves this expenditure, SGC will engage and collaborate with Tribes, Tribal communities, and relevant organizations to develop culturally appropriate capacity building programs and strategies, focused on affordable housing project development and will also support pre-development infrastructure. Staff will bring any program concept or draft guidelines to the Council for approval. If a program is open for award, staff will bring the recommended projects back to the Council for consideration.

Background

AHSC Program Objectives

As established under SB 862, SGC is required to develop and administer the AHSC Program, continuously appropriating 20 percent of the annual proceeds of the Greenhouse Gas Reduction Fund for the program.

AHSC program awards lead to a reduction in greenhouse gas emissions through projects that implement land use, housing, transportation and agricultural land preservation practices to support infill and compact development, and that support related and coordinated public policy objectives, including the following:

- Reducing air pollution
- Improving conditions in disadvantaged communities
- Supporting or improving public health and other co-benefits
- Improving connectivity and accessibility to jobs, housing and services.
- Increasing options for mobility, including the implementation of the Active Transportation Program established pursuant to Section 2380 of the Streets and Highways Code
- Increasing transit ridership
- Preserving and developing affordable housing for lower-income households

The AHSC Program encompasses project goals that extend beyond project scores, addressing various criteria. Below is a summary of these goals for projects.

- Statutory Requirement: Housing Funds. A minimum of 50 percent of the total AHSC Program expenditures must be dedicated to affordable housing.



- Statutory Requirement: Disadvantaged Communities. A minimum of 50 percent of total AHSC Program expenditures must also be invested to benefit Disadvantaged Communities, as identified by CalEnviroScreen 4.0.
- Council Goal: Project Area Type. Ensure a minimum Notice of Funding Availability (NOFA) amount is awarded to each project area type [35 percent Transit-Oriented Developments (TOD), 35 percent Integrated Connectivity Projects (ICP), and 10 percent Rural Innovation Project Areas (RIPA)].
- Council Goal: Geographic. Ensure at least one project is awarded in each of the eight geographic regions identified by the Council.
- Council Goal: Tribal. Ensure that at least one project is awarded to a Tribal entity.

SGC's History of Providing Capacity Building and Technical Assistance

In addition to the affordable housing appropriations to SGC, between 2016 and 2019, the California State Legislature appropriated a total of \$6.5 million to SGC for technical assistance for California Climate Investments (CCI) programs. This funding enabled staff to work with partner agencies to develop and administer technical assistance initiatives across 12 CCI programs, including those administered by California State Transportation Agency (CalSTA), Caltrans, California Air Resources Board (CARB), California Department of Food and Agriculture (CDFA), California Department of Community Services and Development (CSD), and SGC. These initiatives were developed in response to substantial community input that capacity building and technical assistance are essential to ensure that the State meets its SB 535 mandate and that California's investments benefit all Californians. Through this work, SGC has become a state leader in developing technical assistance for its own programs (AHSC, Transformative Climate Communities, Community Resilience Centers, Regional Climate Collaboratives, etc.) and is leading a whole-of-government approach to prioritize capacity building through its Council Priority 2. SGC's leadership is particularly demonstrated in the development of the [Statewide Technical Assistance Toolkit](#) to help other state agencies create effective technical assistance and capacity building programs and make funding more accessible, especially to underserved communities.

In recognition of the success of these efforts, the Council opted to expand SGC's technical assistance and capacity building portfolio in 2018 by allocating \$5 million from the AHSC continuous appropriation to assist California communities with developing projects that align with AHSC's statutory goals to *"implement land use, housing, transportation and agricultural land preservation practices to support infill and compact development."* (Pub. Res. Code § 75200). This appropriation funded additional assistance for applicants to AHSC, Sustainable Agricultural Lands Conservation, and CDFA's Climate Smart Agriculture Programs, in addition to developing upstream capacity building programs like SGC's Partners Advancing Climate Equity (PACE) and Build Organize Optimize Strengthen Transform (BOOST) programs.

In 2020, the Council approved an additional allocation of \$2 million from AHSC funds to continue supporting SGC's Technical Assistance and capacity building activities. This funding

enabled SGC to provide application assistance for SGC and partner agencies' programs, and to develop the Tribal Capacity Building Pilot Program.

After eight years of providing technical assistance, capacity building services and programming, SGC developed the [Tribal Capacity Building Pilot Program](#) in response to consistent feedback from Tribes that their sovereign status and historical relationship with the State of California necessitate a dedicated capacity building program. The program is designed to help build long-term Tribal staff capacity to advance Tribal-led climate projects, including those focused on housing, land use, transportation and agricultural land preservation. SGC developed the program based on a year of robust public outreach, engagement and research.

Need to Expand Tribal-specific Technical Assistance

Capacity building to access state housing funds are among the top priorities that Tribes have shared with SGC through public comment and Tribal consultations. While Tribal applicants were interested in AHSC in Round 8, none applied, despite significant efforts with state-funded technical assistance for applicants. This suggests that a more comprehensive, Tribal-specific technical assistance program is necessary, particularly for Tribal applicants at the project planning or pre-development stage. Most Tribes do not have a project ready for AHSC or other housing programs and require funding to build staff capacity and expertise in housing, as well as pre-development funding (including site assessment, acquisition, design, and utilities). Capacity building and flexible state funding programs were identified as top priorities in SGC's Tribal engagement. The Tribal Capacity Building Pilot Program included 19 key informational interviews, six workshops, two Tribal Consultations, and seven in-person and virtual Tribal events. For the AHSC program, this included multiple rounds of Tribal-specific workshops, technical assistance feedback letters, public testimony, attendance at the California Coalition for Rural Housing Tribal Roundtable, and more.

While Tribal housing programs such as Tribal Homekey+ exist, and the Tribal Housing Grant Program Trust Fund is under development, established under the Tribal Housing Reconstitution and Resiliency Act SB 1187, AHSC is the largest continuously appropriated housing fund at the state and is a critical resource for addressing California's housing crisis. However, Tribal entities have difficulty accessing the program. While the current AHSC Technical Assistance program focuses on application readiness and conducts some capacity building with Tribes, the primary focus is on preparing individual projects for each upcoming round. Therefore, it is not sufficient for the longer-term support and upstream planning required by our Tribal partners. Many Tribes have limited or no staff capacity with housing experience and are unlikely to have a project at a stage that the current AHSC technical assistance program can support. Expanding SGC's tribal capacity will position Tribes to have projects ready to address their housing needs and prepare to apply for AHSC Tribal support.

Furthering Technical Assistance and Capacity Building

Given the AHSC Round 9 Tribal funding goal of \$50 million and SGC's dedication to successful Tribal housing projects, staff recommend approving an expenditure of \$30 million from already accumulated AHSC continuous appropriation funds (*this could be a combination of disencumbered funds from previous AHSC rounds and/or 24-25/25-26 funding years*) to provide Technical Assistance and capacity building for Tribal entities interested in funding for affordable housing and related projects. The enabling statute for AHSC requires the program to "reduce greenhouse gas emissions through projects that implement land use, housing, transportation and agricultural land preservation practices to support infill and compact development" (Pub. Res. Code § 75200). These funds will provide more foundational capacity building and pre-development support necessary to set Tribes up for success and expand access to state housing programs to a broader spectrum of Tribes and Tribal communities.

If the Council approves this expenditure, SGC will direct the funds to technical assistance and capacity building initiatives that would cover pre-development costs for Tribal housing projects. This includes reducing greenhouse gas emissions and vehicle miles traveled through mobility solutions designed by Tribal communities, as well as improving conditions within those communities. The technical assistance projects funded through this expenditure will align with the AHSC statute and support objectives related to sustainable community planning.

Development Plan

In order to address the unique and specific needs of California Native American Tribes and ensure the most constructive use of these funds, staff is currently seeking Council's approval for this funding allocation and will work with Tribes, Tribal communities, and Tribal serving organizations and partners to create a responsive, culturally appropriate, and effective capacity building program(s). Staff will also incorporate the lessons learned from the current Tribal Capacity Building Program pilot. The effort will seek to accomplish the following activities:

- **Housing Project Development:** Technical assistance and project development funds for soft costs such as site assessments, design and permitting, for Tribal applicants interested in housing projects
- **Pre-Development Infrastructure:** Direct grant funding for physical infrastructure such as broadband, sewer, water, electricity or transportation to support housing project readiness
- **Tribal Capacity Building:** Providing foundational capacity building specific to California Native American Tribes through funding for recruitment and retention of Tribal staff and consultants, as well as training, engagement and partnership development and other associated tasks. Given the unique challenges faced by Tribal communities in competing for funding, this technical assistance approach focuses on working in partnership with Tribal governments and communities to advance priority projects.

Outcomes

If the Council approves the funding expenditure, staff will present these concepts to the Tribal community and interested parties, seeking feedback through Tribal Consultation. Based on conversations and input from Tribal partners, the program scope will be refined to ensure broad-based support and effectiveness, as well as to support Tribal entities' increased access to state funding. Some anticipated outcomes of implementing this program include:

- Engage in pre-development activities, such as site assessments and analyses, design plans, surveys, permitting and acquisitions, to help position Tribal housing projects for access to state housing programs.
- Develop plans for future housing sites.
- Develop and construct critical utility infrastructure at potential project sites, including water, energy, broadband and more.
- Build Tribal staff capacity to engage in developing affordable housing and other related climate projects.
- Sustain the ability of Tribal project partners to develop a pipeline of affordable housing and other land use projects by strengthening their financial, legal, partnership and operational activities.
- Increase tribal entities access to state affordable housing programs, including AHSC, Tribal Homekey+, and/or programs established under the Tribal Housing Grant Program Trust Fund, and provide capacity building support to Tribal entities.

Next Steps

Council Recommendation

Should the Council agree with Staff's recommendation, the following motion language is suggested:

"I move that the Council approve up to \$30 million expenditure from already accumulated Affordable Housing and Sustainable Communities Program's (AHSC) continuous appropriation funds to support technical assistance and capacity building activities for Tribal entities interested in affordable housing and related projects that implement land-use, housing, transportation, and agricultural land preservation practices that support infill and compact development."