Prohousing Designation Program

Application Renewal and Funding Opportunities

City Council Meeting | June 23, 2026

Community Development Department

809 Center Street, Room 101
Santa Cruz, CA 95060



What Is the Prohousing Designation?



- Department of Housing & Community Development (HCD) program
- Gives priority/points for grants
- Eligibility for programs (such as PIP)

The City received a Prohousing designation in 2023 → ***expires*** **January 1, 2027**

Prohousing Designation Application

Council Action:

- Authorize City submittal of a NEW app
  → unlocks access to funding incentives/priority points



This action does not:

- Approve any new housing projects
- Change zoning, policies, or development standards
- Increase housing targets
- Authorize construction

PROHOUSING

As of April 1, 2026:

74 Designated jurisdictions statewide

Out of **58** counties and over **450+** municipalities



Source: HCD Prohousing Public Application Tracker, as of April 1, 2026

How the Designation has been used

Already helped leverage state funding:

- $500K award: **Prohousing Incentive Program (PIP)**
  - Supports rental assistance and emergency eviction prevention for lower-income households
  - Community Action Board (CAB)



Other ways Prohousing helps the City

PIP **Prohousing Incentive Program**

- Prohousing allowed the City to apply for another round of PIP

HE **Housing Element**

- References City's Prohousing designation

AHSC **Affordable Housing & Sustainable Communities**

- Gave the City bonus points to be competitive and successful for funding

Other Affordable Housing projects can leverage this too.



Additional Grant Incentives



- Prohousing Incentive Program (PIP)
- Affordable Housing & Sustainable Communities (AHSC)
- Infill Infrastructure Grant Program (IIG)
- Transformative Climate Communities (TCC)
- Solutions for Congested Corridors
- Local Partnership Program
- Transit and Intercity Rail Capital Program (TIRCP)
- Sustainable Transportation Planning Grants (STPG)

Recommendation

Motion to:

1. Adopt a resolution to apply for a new Prohousing Designation from the California Department of Housing and Community Development (HCD); and
2. Authorize the Director of Community Development to execute and deliver the application and any related program documents required for participation in the Prohousing Designation Program.



