

UCLA

Policy Briefs

Title

Balancing Climate Goals and Housing Needs in California

Permalink

<https://escholarship.org/uc/item/16n4300x>

Authors

Seidel, Alexandra

Delgado, Laila

Higgins, Ian

et al.

Publication Date

2025-07-31

DOI

10.17610/T6ZS46

July 2025

Balancing Climate Goals and Housing Needs in California



Alexandra Seidel, MPP, Laila Delgado, MPP, Ian Higgins, MPP, Jerusha Rainy Kannula, MPP,
Yohei Kumon, MPP

Issue

California faces dual crises: an acute housing shortage and rising climate vulnerability, especially affecting rural and disadvantaged communities. The Affordable Housing and Sustainable Communities grant program, administered by the California Strategic Growth Council, aims to tackle both challenges by funding affordable housing near public transportation to reduce greenhouse gas emissions.

However, structural issues in the grant program's scoring and selection processes consistently disadvantage rural applicants. Due to lower population density and limited public transportation options, rural projects often score lower in greenhouse gas reduction metrics, significantly diminishing their chances of receiving funds, as GHG reduction scoring constitutes 30% of a project's overall score. Additionally, existing geographic allocation requirements, intended to distribute funds across all eight California regions, sometimes result in selecting lower-performing projects purely to meet regional quotas. This inadvertently decreases the program's overall effectiveness in achieving meaningful environmental benefits.

This study provides a comprehensive analysis to guide targeted refinements to the scoring criteria and selection processes. Improvements to the Affordable Housing and Sustainable Communities (AHSC) grantmaking process is essential to create a more equitable balance between

housing affordability, statewide geographic equity, and environmental goals, ensuring optimal use of public investments to address these interconnected crises.

Study Approach

The project team undertook quantitative and qualitative methodologies. The quantitative component included an extensive review of historical application data from four recent funding rounds of the AHSC program. This involved evaluating discrepancies in scoring outcomes between rural and urban projects, assessing the effectiveness of geographic distribution goals, and examining how projects from disadvantaged communities align with program goals. It also included counterfactual analysis based on proposed policy recommendations to determine if the recommendations would achieve intended outcomes as observed in final scores and project selections.

Complementing this data-driven analysis, the team conducted semi-structured interviews with key program administrators and stakeholders. These interviews provided deeper insights into administrative challenges, perceptions of structural barriers for rural applicants, and practical implications of current scoring practices. Additionally, the research examined comparable grant programs from California and other states to identify best practices and effective strategies for balancing multiple policy objectives, informing recommended policy adjustments.

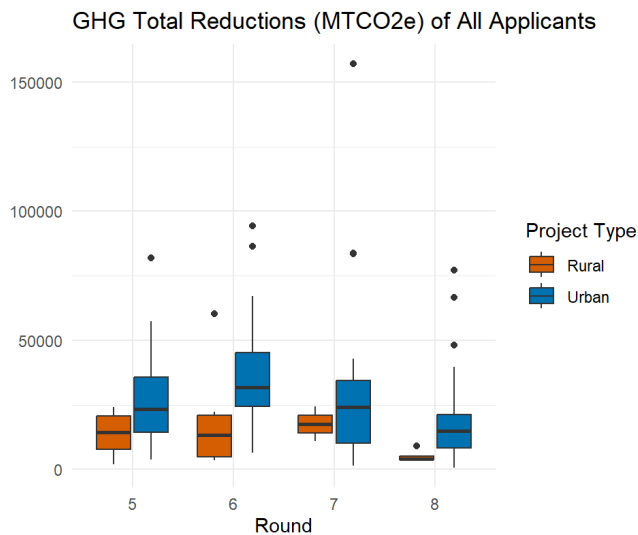


Figure 1. Distribution of Greenhouse Gas Reduction Scores for Rural versus Urban Applicants (Rounds 5–8). Rural projects consistently demonstrate lower scores under current criteria, highlighting the need for scoring adjustments.

Key Findings

- Rural projects consistently score lower in greenhouse gas emission reduction evaluations compared to urban projects, resulting in competitive disadvantages and limited funding opportunities (Figure 1). The current greenhouse gas scoring system heavily favors urban developments with higher public transit ridership and denser, mixed-use environments, inherently disadvantaging rural projects, which typically serve smaller populations with fewer transit options.
- Geographic distribution goals occasionally lead to the selection of projects with lower greenhouse gas reduction potential, negatively impacting overall program effectiveness. Due to uneven application distributions across regions, the program has had to select lower-performing projects simply to fulfill geographic diversity quotas, reducing the overall environmental impact of awarded projects.
- Projects from disadvantaged communities frequently align effectively with greenhouse gas reduction targets. Analysis shows no significant difference in greenhouse gas reductions between disadvantaged and non-disadvantaged community projects, highlighting the strong alignment of equity and climate objectives.
- Current scoring methodologies undervalue the long-term social and environmental benefits of affordable housing. Existing evaluation criteria inadequately capture dense affordable housing’s indirect and long-term benefits, leading to underappreciation and lower scores for these vital projects.
- Adopt a new greenhouse gas efficiency metric measuring reductions per grant dollar per housing unit, accurately reflecting rural project benefits. This approach captures the cost-effective nature of rural housing developments, acknowledging their critical role in achieving long-term sustainability.
- Refine geographic goal implementation by sequencing assessments to prioritize projects benefiting disadvantaged communities first. This ensures equity goals are central to funding decisions while maintaining strong environmental outcomes.
- Consider reducing the number of geographic regions or extending evaluation periods over multiple funding rounds. Fewer geographic categories or longer assessment periods could allow prioritizing high-performing projects, maximizing program impacts without neglecting geographic distribution.
- Implement these strategic refinements to significantly enhance fairness, transparency, and overall program effectiveness, enabling the Strategic Growth Council to better balance complex policy objectives and achieve a comprehensive, impactful statewide approach.



Delgado, L., Higgins, I., Rainy Kannula, J., Kumon, Y., & Seidel, A. (2025). Strategic Scoring and Selection: Balancing Tradeoffs in the Affordable Housing and Sustainable Communities Program (Master’s capstone, UCLA). Retrieved from: <https://escholarship.org/uc/item/9n83g19h>

Project ID UCLA ITS-LAS2510 | DOI: 10.17610/T6ZS46