

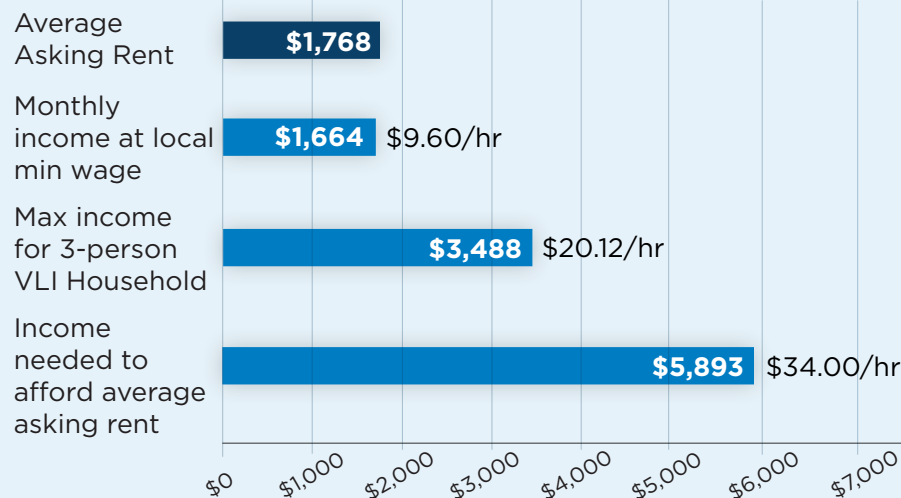
SPECIAL REPORT: LACK OF AFFORDABLE HOUSING DRIVING MORE CONTRA COSTA COUNTY FAMILIES INTO POVERTY

17.1% OF CONTRA COSTA COUNTY RESIDENTS LIVE IN POVERTY DUE LARGELY TO HIGH HOUSING COSTS

Official Poverty Measure:	Adjusting for Housing Costs and Social Programs:
11.9%	17.1%

Source: The Stanford Center on Poverty and Inequality with the Public Policy Institute of California. California Poverty by County, 2012.

RENTERS NEED TO EARN 3.5X MINIMUM WAGE TO AFFORD AVERAGE ASKING RENTS



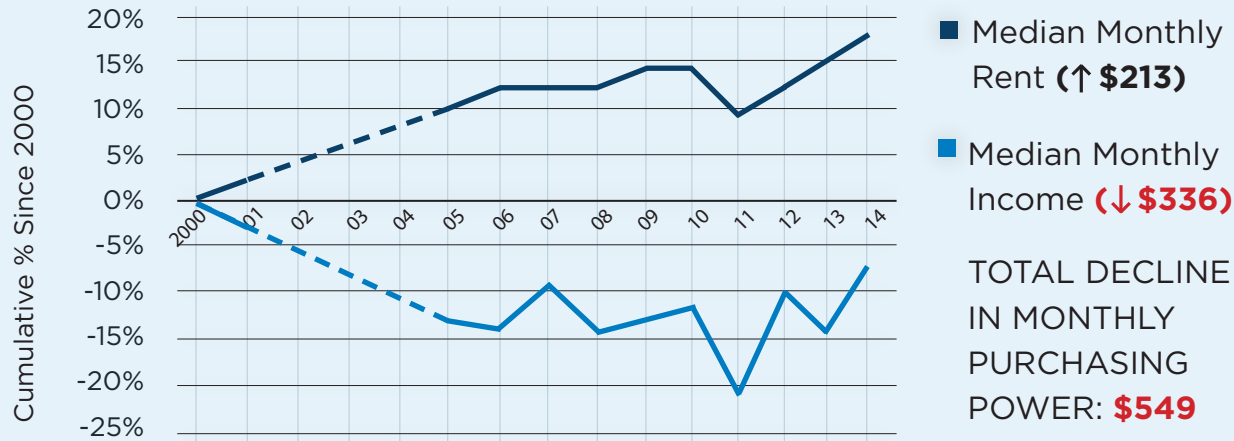
Source: 2015 Real Answers average apartment rent data, HUD 2015 County Section 8 Program Income Limits.



KEY FINDINGS

- A renter household needs to earn 3.5 times the local minimum wage in order to afford average asking rents in Contra Costa County.
- Inflation-adjusted median rents in Contra Costa County increased 17% from 2000 to 2013, while inflation-adjusted median renter household income declined 7%.
- Contra Costa County needs 36,759 additional affordable rental homes to meet the needs of its extremely low-income (ELI) and very low-income (VLI) renters.
- The majority of Contra Costa County's very low-income renters spend more than 50% of income on rent, leaving little left for food, transportation, health expenses, and other needs.
- When housing and other costs of living are considered, Contra Costa County's poverty rate rises from 11.9% to 17.1%, or nearly one in five people.
- Overcrowding for low-income renters in Contra Costa County is 43% above the national average, contributing significantly to poor health and academic achievement among low-income children.
- Reductions in federal and state funds and elimination of redevelopment have reduced Contra Costa County's affordable housing funding by over \$39.5 million since 2008, a 71% reduction.

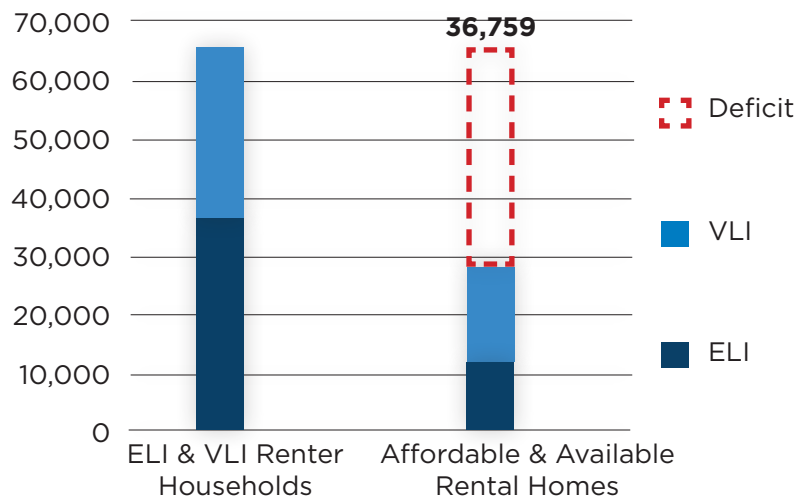
**INFLATION ADJUSTED MEDIAN RENT HAS INCREASED 17% SINCE 2000
WHILE MEDIAN RENTER INCOME HAS DECLINED 7%**



Source: US Census 2000 and Annual ACS Data 2005-2014. Median rents and incomes from 2001-2004 are estimated trends.

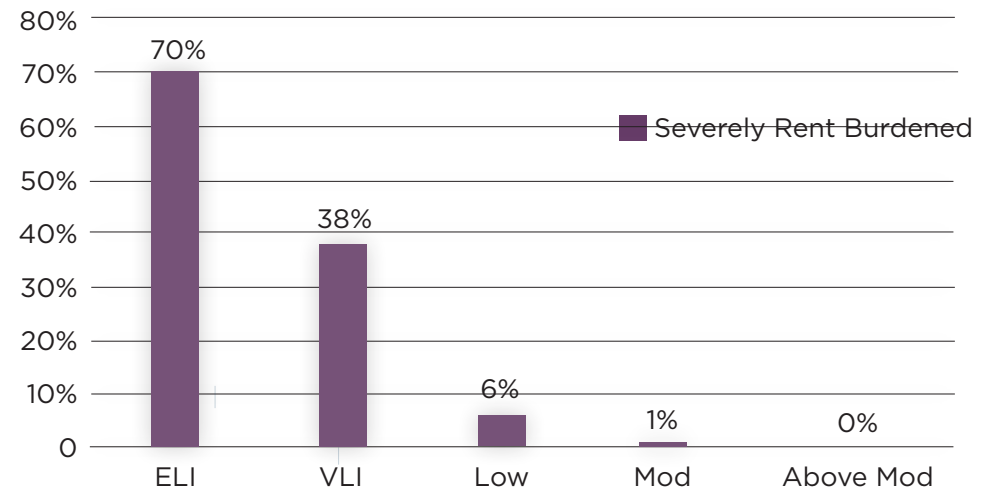
RENTS ARE UP. INCOMES ARE DOWN. AS A RESULT, LOW-INCOME FAMILIES ARE FORCED TO SPEND A GROWING PROPORTION OF THEIR INCOME ON RENT, LEAVING LITTLE FOR OTHER BASIC NECESSITIES. CONTRA COSTA COUNTY NEEDS AN ADDITIONAL 36,759 AFFORDABLE HOMES TO MEET THE NEEDS OF THESE FAMILIES.

CONTRA COSTA COUNTY NEEDS 39,759 MORE AFFORDABLE RENTAL HOMES



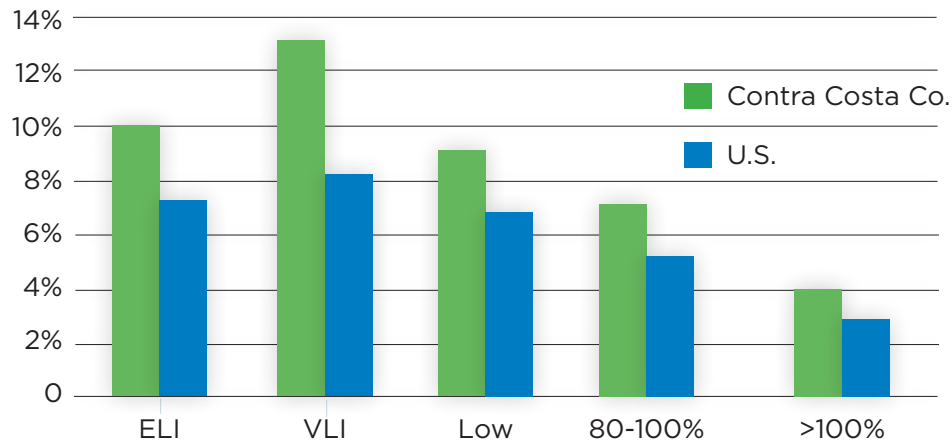
SOURCE: NLIHC Analysis of 2013 ACS PUMS.

70% of ELI AND 38% of VLI HOUSEHOLDS PAY MORE THAN HALF THEIR INCOME ON RENT



SOURCE: NLIHC Analysis of 2013 ACS PUMS.

OVERCROWDING FOR CONTRA COSTA'S LOWER-INCOME RENTERS IS 43% HIGHER THAN THE NATIONAL AVERAGE



SOURCE: CHPC analysis of 2007-2011 CHAS data.

WHO IS BEING LEFT OUT OF THE CONTRA COSTA COUNTY RENTAL MARKET?

Average Asking Rent: \$1,768		Hours/week of work needed to afford average asking rent
Job Category	Mean Hourly Wage	
Medical Assistants	\$19.38	70
EMTs & Paramedics	\$17.77	77
Preschool Teachers	\$17.35	78
Janitors & Cleaners	\$14.87	91
Retail Salespersons	\$13.89	98
Waiters & Waitresses	\$11.50	118

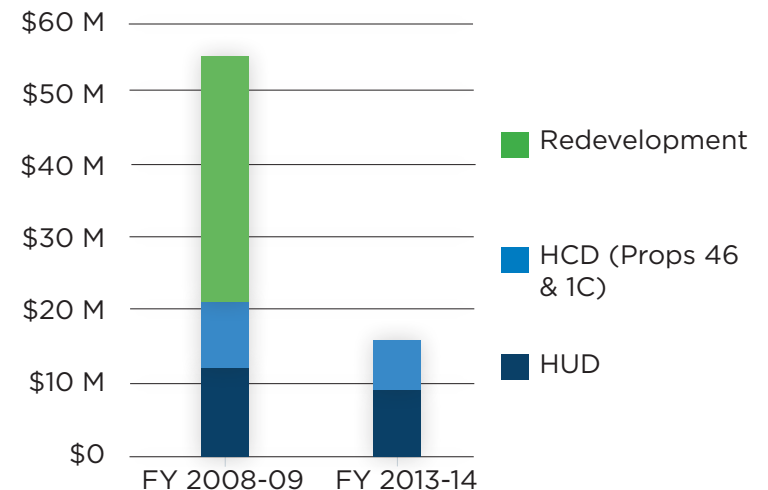
SOURCE: CHPC Analysis of 2014 Bureau of Labor statistics and 2015 Real Answers average rent data.

FROM FY 2008-09 TO FY 2013-14 CONTRA COSTA COUNTY LOST 71% OF STATE AND FEDERAL FUNDING

FUNDING SOURCE	FY 2008/2009	FY 2013/2014	% CHANGE
HUD	\$11,748,233	\$9,149,237	-22%
HCD (Prop. 46 & Prop 1C)	\$9,474,560	\$7,312,544	-23%
MHSA	\$0	\$0	0%
Redevelopment	\$34,784,527	\$0	-100%
TOTAL	\$56,007,320	\$16,461,781	-71%

SOURCE: CHPC tabulations of Redevelopment Housing Activities Report and HUD's CPD program formula allocations. State housing bond funding from Propositions 46 and 1C provided by HCD. MHSA program funding provided by CalHFA.

A LOSS OF \$39.5 MILLION FOR AFFORDABLE HOUSING IN CONTRA COSTA COUNTY



SOURCE: CHPC tabulations of Redevelopment Housing Activities Report and HUD's CPD program formula allocations. State housing bond funding from Propositions 46 and 1C provided by HCD.

STATEWIDE POLICY RECOMMENDATIONS

Alleviate poverty, activate California's economy, and increase the supply of affordable homes in California by enacting:

- **AB 35 (Chiu and Atkins)**, which would increase the California Low Income Housing Tax Credit by \$100 million and leverage \$200 million a year in new federal resources leading to the creation of thousands of new jobs and affordable homes while generating hundreds of millions in new state and local revenues.
- **SB 377 (Beall)**, which would increase the value of the California Low Income Housing Tax Credit by 40% by allowing credits to be sold separately from an interest in the underlying property at no additional cost to the State Treasury.

Give local governments the tools they need to meet their SB 375 obligations to create and preserve affordable homes by:

- **Lowering the required voter threshold for local funding measures** from two-thirds to 55 percent (the same as it is for local school bonds) to help communities raise revenues to fund the development of basic infrastructure including transportation, housing, and parks.
- **Requiring the inclusion of a percentage of homes affordable to low and moderate-income** households in new housing developments by passing into law a successor to AB 1229.

LOCAL RECOMMENDATIONS FOR CONTRA COSTA COUNTY

- Adopt affordable housing requirements for publicly owned surplus land.
- Ensure that sites identified in Housing Elements for affordable housing are assessed for competitiveness for funding such as Low Income Housing Tax Credits and the Affordable Housing and Sustainable Communities Program.
- Implement new or update existing Housing Impact and Commercial Linkage fees, especially in Priority Development Areas.
- Use "public benefits zoning" to incentivize and/or require affordable housing in areas where public action, such as increasing building height and density or infrastructure investments, increase the value of land.
- Allow affordable housing development by right through mechanisms such as an Affordable Housing Overlay Zone.
- Consider protections for low-income renters, including barring discrimination against Section 8 voucher holders, and measures such as rent stabilization and just cause for eviction.
- Make housing and displacement a priority for public agencies and elected bodies, including within health, social services and transportation agencies that help determine government spending and infrastructure development in the County.



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This report was produced by the California Housing Partnership.

For more information about the California Housing Partnership's policy initiatives, please contact our Policy Director, Megan Kirkeby, at mkirkeby@chpc.net, (916) 287-9855.

Local policy recommendations provided by **East Bay Housing Organizations.**

