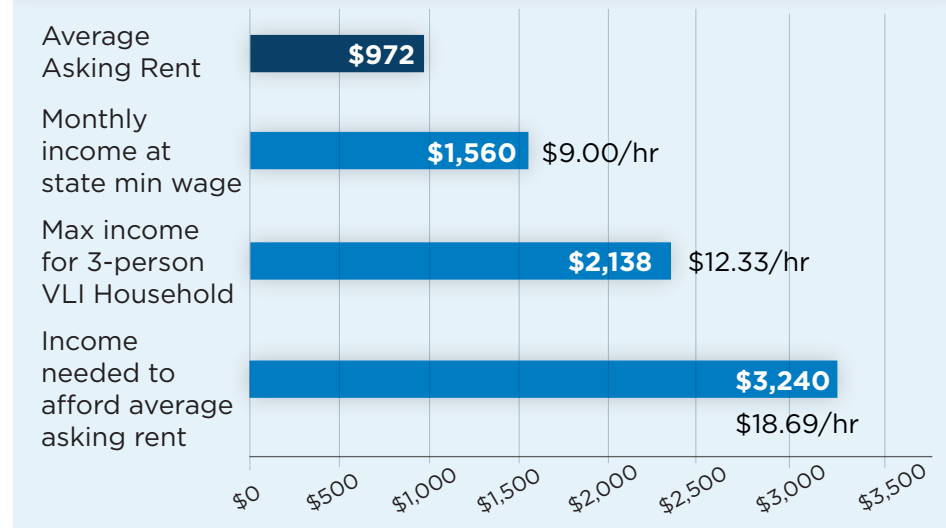


# SHORTFALL OF AFFORDABLE HOMES INCREASES BURDEN ON LOW-INCOME FAMILIES IN KERN COUNTY

## KEY FINDINGS

- A renter household needs to earn more than two times the state minimum wage in order to afford average asking rents in Kern County.
- Inflation-adjusted median rents in Kern County increased 23% from 2000 to 2013, while inflation-adjusted median renter household income increased by only 2%.
- Kern County needs 29,915 additional affordable rental homes to meet the needs of its extremely low-income (ELI) and very low-income (VLI) renters.
- The majority of Kern 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.
- Overcrowding for low-income renters in Kern County is 134% higher than 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 Kern County's affordable housing funding by over \$33.5 million since 2008, a 69% reduction.

### RENTERS NEED TO EARN MORE THAN 2X MINIMUM WAGE TO AFFORD AVERAGE ASKING RENTS

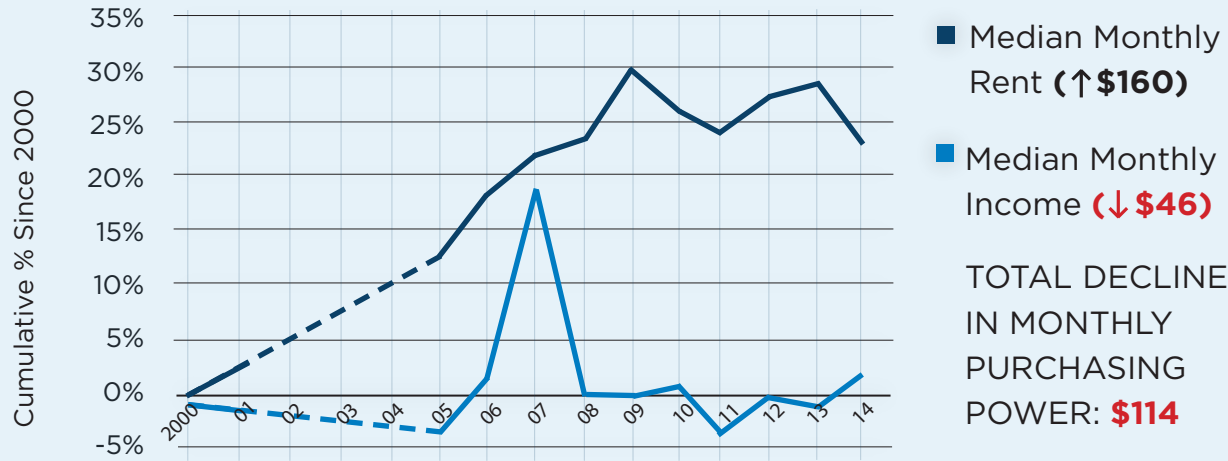


Source: 2015 Real Answers average apartment rent data, HUD 2015 County Section 8 Program Income Limits.

### ABOUT THE CALIFORNIA HOUSING PARTNERSHIP

The state created the California Housing Partnership 25 years ago as a private nonprofit organization with a public mission: to monitor, protect, and augment the supply of homes affordable to lower-income Californians and to provide leadership on affordable housing finance and policy. Since 1988, the California Housing Partnership has assisted more than 200 nonprofit and government housing organizations to leverage more than \$6 billion in private and public financing to create and preserve 25,000 affordable homes. [www.chpc.net](http://www.chpc.net)

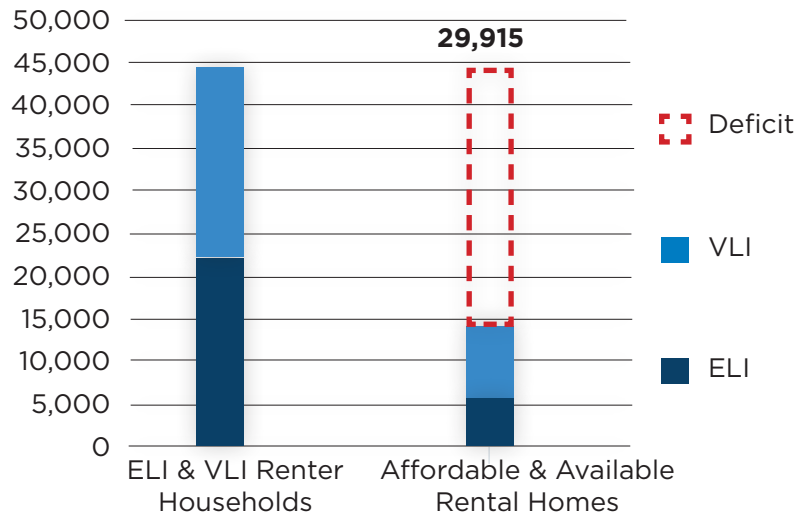
**INFLATION ADJUSTED MEDIAN RENT HAS INCREASED 23% SINCE 2000 WHILE MEDIAN RENTER INCOME HAS INCREASED BY ONLY 2%**



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

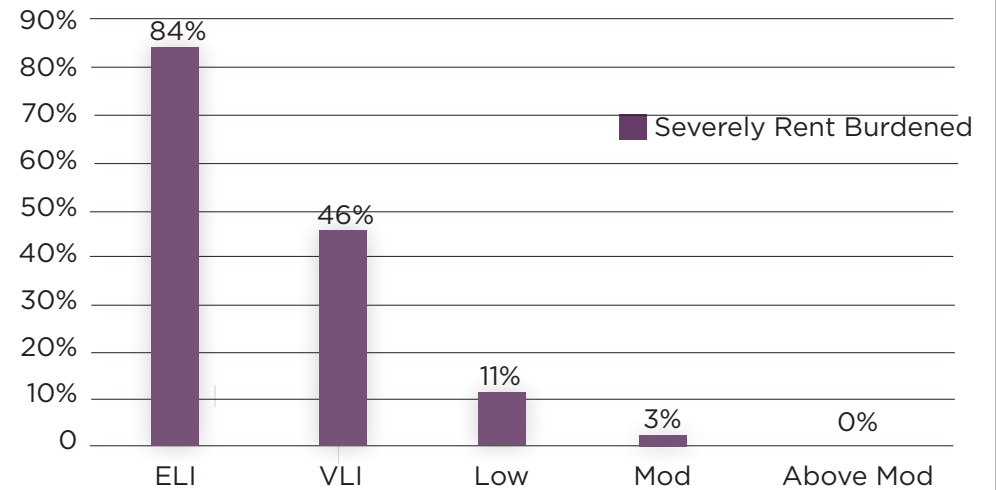
RENTS ARE UP. INCOMES ARE DOWN. AS A RESULT, LOW-INCOME FAMILIES ARE FORCED TO SPEND A GROWING PROPORTION OF THEIR INCOME ON RENT, LEAVING LITTLE FOR OTHER BASIC NECESSITIES. KERN COUNTY NEEDS AN ADDITIONAL 29,915 AFFORDABLE HOMES TO MEET THE NEEDS OF THESE FAMILIES.

**KERN COUNTY NEEDS 29,915 ADDITIONAL AFFORDABLE RENTAL HOMES**



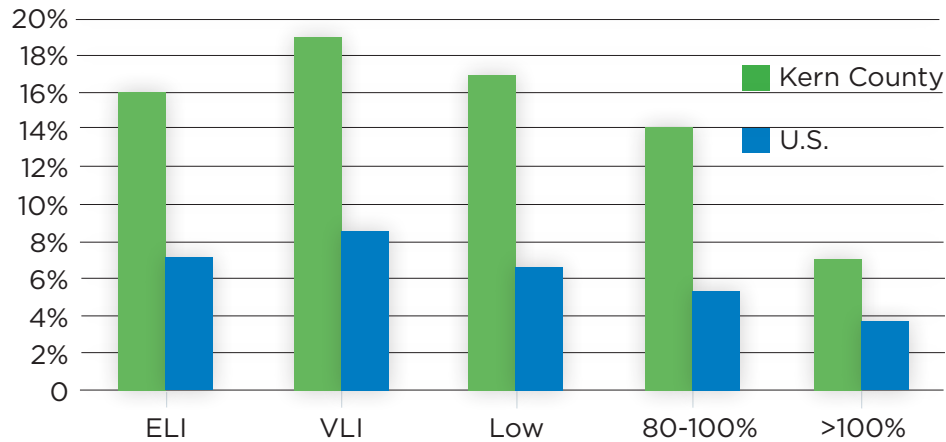
SOURCE: NLIHC Analysis of 2013 ACS PUMS.

**84% of ELI AND 46% of VLI HOUSEHOLDS PAY MORE THAN HALF THEIR INCOME ON RENT**



SOURCE: NLIHC Analysis of 2013 ACS PUMS.

## OVERCROWDING FOR KERN COUNTY'S LOWER-INCOME RENTERS IS 134% ABOVE THE NATIONAL AVERAGE



SOURCE: CHPC analysis of 2007-2011 CHAS data.

## WHO IS BEING LEFT OUT OF THE KERN COUNTY RENTAL MARKET?

Average Asking Rent: \$972

Hours/week of work needed to afford average asking rent

Job Category	Mean Hourly Wage	Hours/week of work needed to afford average asking rent
Retail Salespersons	\$13.24	56
Janitors & Cleaners	\$12.68	59
Nursing Assistants	\$12.01	62
Waiters & Waitresses	\$10.97	68
Childcare Workers	\$10.94	68
Farmworkers	\$9.30	80

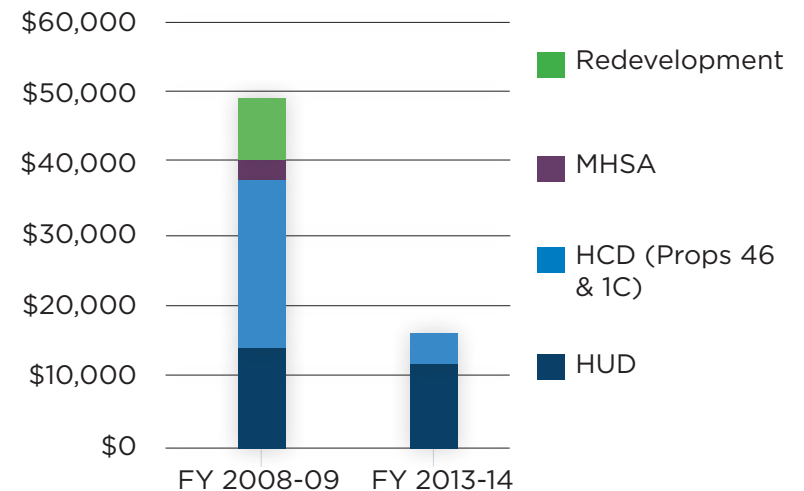
SOURCE: CHPC Analysis of 2014 Bureau of Labor statistics and 2015 Real Answers average rent data.

## FROM FY 2008-09 TO FY 2013-14 KERN COUNTY LOST 69% OF STATE AND FEDERAL FUNDING

FUNDING SOURCE	FY 2008/2009	FY 2013/2014	% CHANGE
HUD	\$14,050,695	\$12,058,961	-14%
HCD (Prop. 46 & Prop 1C)	\$22,975,200	\$3,240,595	-86%
MHSA	\$2,940,700	\$0	-100%
Redevelopment	\$8,998,960	\$0	-100%
<b>TOTAL</b>	<b>\$48,965,555</b>	<b>\$15,299,556</b>	<b>-69%</b>

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 \$33.5 MILLION FOR AFFORDABLE HOUSING IN KERN 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. MHSA program funding provided by CalHFA.

## 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 KERN COUNTY

- Dedicate at least 20 percent of tax increment revenue recaptured from former redevelopment areas to an affordable housing trust fund.
- Pass a housing impact fee, with an option for on-site mixed-income housing, to fund affordable homes as part of larger market-rate developments and consider a commercial linkage fee in areas of high job growth.
- Ensure that sites identified in Housing Elements for affordable housing development have been assessed for competitiveness for Low Income Housing Tax Credits and the Affordable Housing and Sustainable Communities program.
- Designate and retain land zoned for dense, multifamily housing development in all areas slated for future growth, especially in higher opportunity areas that are jobs-rich, transit accessible, and/or have high performing schools.
- Provide infrastructure improvements to facilitate infill residential development and to improve quality of life in existing low-income communities.
- Increase housing staff at the city and county levels and/or increase collaboration with staff of nonprofit affordable housing developers to maximize resources and expand housing development in the county.



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www.chpc.net

**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](mailto:mkirkeby@chpc.net), (916) 287-9855.

Local policy recommendations provided by the **California Coalition for Rural Housing.**

For questions about local policy recommendations, contact:

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