

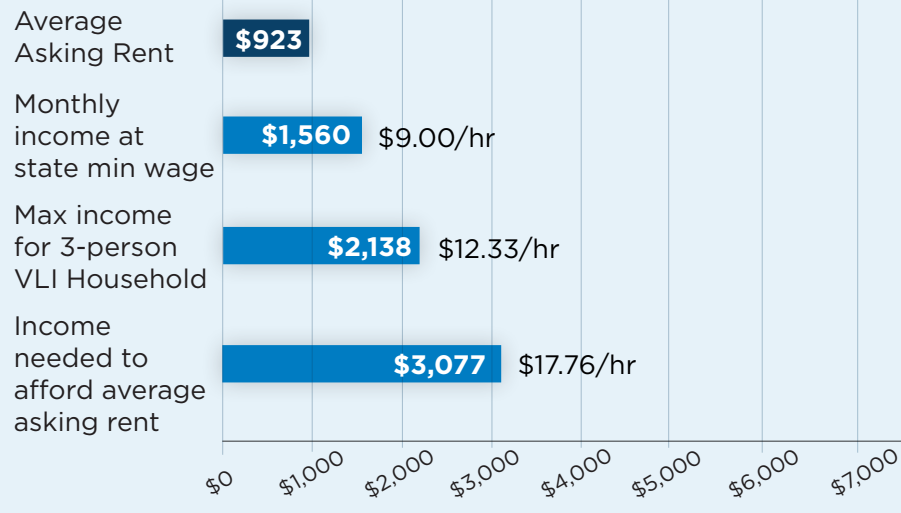
SPECIAL REPORT: LACK OF AFFORDABLE HOUSING DRIVING MORE STANISLAUS COUNTY FAMILIES INTO POVERTY

23.5% OF STANISLAUS COUNTY RESIDENTS LIVE IN POVERTY DUE LARGELY TO HIGH HOUSING COSTS

| | |
|---------------------------|--|
| Official Poverty Measure: | Adjusting for Housing Costs and Social Programs: |
| 21.9% | 23.5% |

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

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



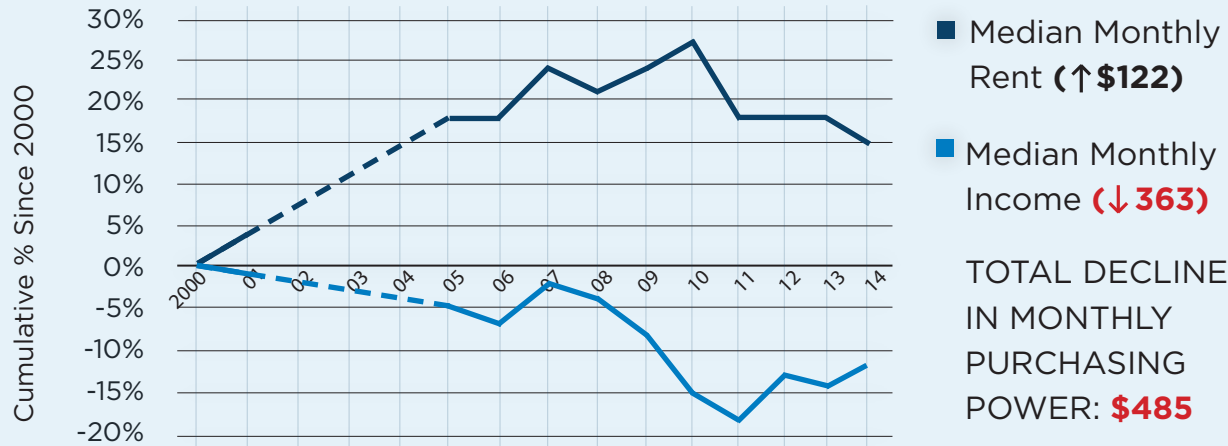
Source: 2015 Real Answers average apartment rent data, HUD 2015 County Section 8 Program Income Limits.



KEY FINDINGS

- A renter household needs to earn nearly twice the state minimum wage in order to afford average asking rents in Stanislaus County.
- Inflation-adjusted median rents in Stanislaus County increased 15% from 2000 to 2014, while inflation-adjusted median renter household income declined 12%.
- Stanislaus County needs 21,402 additional affordable rental homes to meet the needs of its extremely low-income (ELI) and very low-income (VLI) renters.
- The vast majority of Stanislaus 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, Stanislaus County's poverty rate rises from 21.9% to 23.5%, or nearly one in four people.
- Overcrowding for low-income renters in Stanislaus County is 78% 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 Stanislaus County's affordable housing funding by over \$18.7 million since 2008, a 74% reduction.

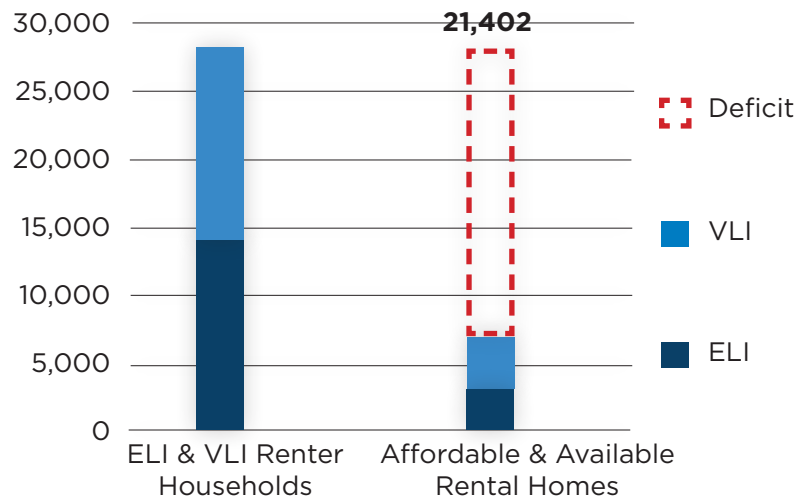
**INFLATION ADJUSTED MEDIAN RENT HAS INCREASED 15% SINCE 2000
WHILE MEDIAN RENTER INCOME HAS DECLINED 12%**



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

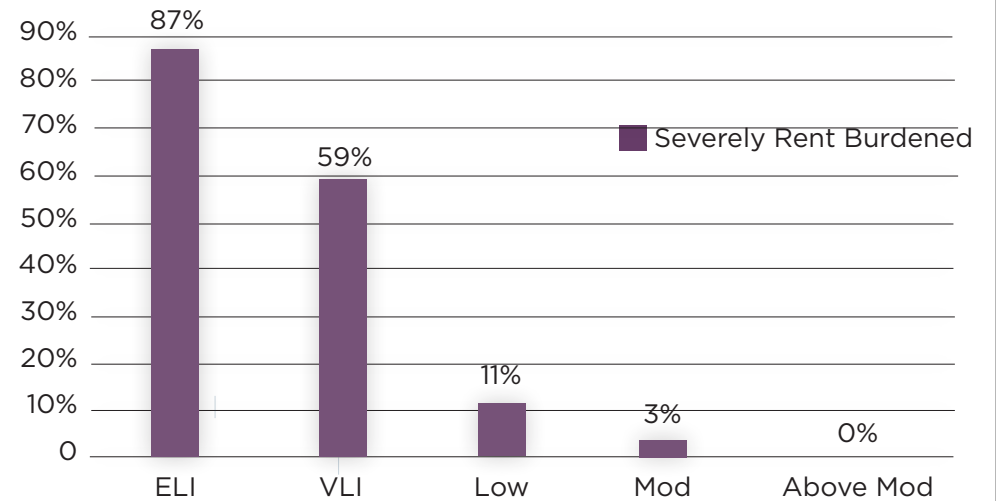
RENTS ARE UP. INCOMES ARE DOWN. AS A RESULT, LOW-INCOME FAMILIES ARE FORCED TO SPEND A GROWING PROPORTION OF THEIR INCOME ON RENT, LEAVING LITTLE FOR OTHER BASIC NECESSITIES. STANISLAUS COUNTY NEEDS AN ADDITIONAL 21,402 AFFORDABLE HOMES TO MEET THE NEEDS OF THESE FAMILIES.

STANISLAUS COUNTY NEEDS 21,402 MORE AFFORDABLE RENTAL HOMES



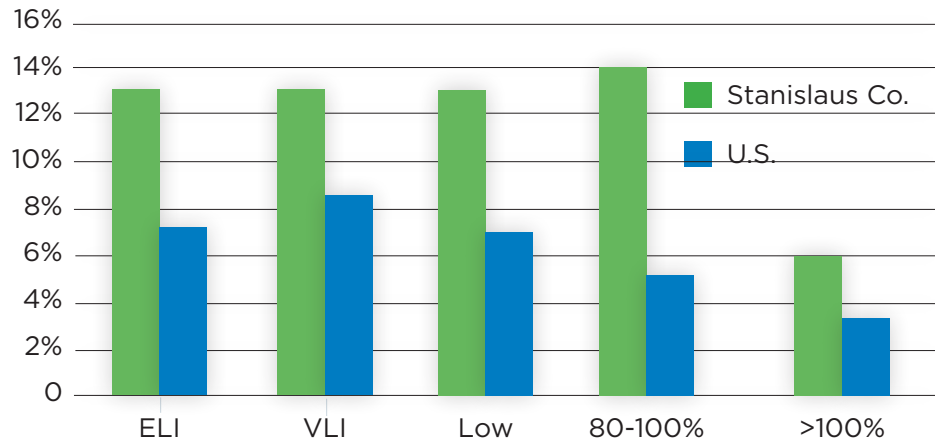
SOURCE: NLIHC Analysis of 2013 ACS PUMS.

87% of ELI AND 59% of VLI HOUSEHOLDS PAY MORE THAN HALF THEIR INCOME ON RENT



SOURCE: NLIHC Analysis of 2013 ACS PUMS.

OVERCROWDING FOR LOWER-INCOME RENTERS IN STANISLAUS IS 78% ABOVE THE NATIONAL AVERAGE



SOURCE: CHPC analysis of 2007-2011 CHAS data.

WHO IS BEING LEFT OUT OF THE STANISLAUS COUNTY RENTAL MARKET?

Average Asking Rent: \$923

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 |
|----------------------|------------------|---|
| Janitors & Cleaners | \$12.50 | 57 |
| Waiters & Waitresses | \$11.93 | 60 |
| Retail Salespersons | \$11.79 | 60 |
| Childcare Workers | \$11.26 | 63 |
| Cashiers | \$10.77 | 66 |
| Farmworkers | \$9.61 | 74 |

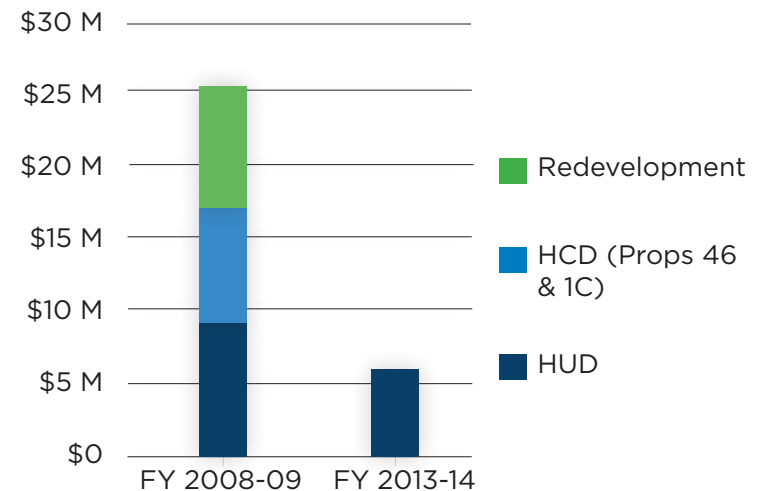
SOURCE: CHPC Analysis of 2014 Bureau of Labor statistics and 2015 Real Answers average rent data.

FROM FY 2008-09 TO FY 2013-14 STANISLAUS COUNTY LOST 74% OF STATE AND FEDERAL FUNDING

| FUNDING SOURCE | FY 2008/2009 | FY 2013/2014 | % CHANGE |
|--------------------------|---------------------|--------------------|-------------|
| HUD | \$8,657,913 | \$6,569,721 | -24% |
| HCD (Prop. 46 & Prop 1C) | \$8,817,185 | \$0 | -100% |
| MHSA | \$0 | \$0 | 0% |
| Redevelopment | \$7,886,661 | \$0 | -100% |
| TOTAL | \$25,361,759 | \$6,569,721 | -74% |

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 \$18.7 MILLION FOR AFFORDABLE HOUSING IN STANISLAUS 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 STANISLAUS 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 land zoned for dense, multifamily housing development in areas slated for 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.
- Revive fee waiver ordinance for affordable housing to reduce development costs for affordable homes.
- Review effectiveness of the CDBG and HOME consortia to ensure access to affordable housing funding for all participating cities.



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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 the **California Coalition for Rural Housing.**

For questions about local policy recommendations, contact:

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