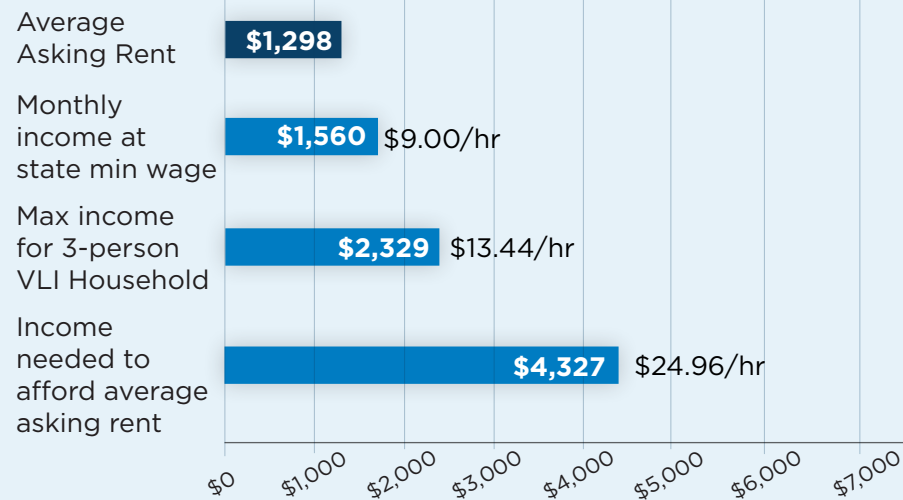


SHORTFALL OF AFFORDABLE HOMES INCREASES BURDEN ON LOW-INCOME FAMILIES IN SAN BERNARDINO COUNTY

KEY FINDINGS

- A renter household needs to earn 2.5 times the state minimum wage in order to afford average asking rents in San Bernardino County.
- Inflation-adjusted median rents in San Bernardino County increased 25% from 2000 to 2013, while inflation-adjusted median renter household income declined 3%.
- San Bernardino County needs 63,720 additional affordable rental homes to meet the needs of its extremely low-income (ELI) and very low-income (VLI) renters.
- The vast majority of San Bernardino County's 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 San Bernardino County is twice 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 Riverside County's affordable housing funding by over \$121 million since 2008, a 78% reduction.

RENTERS NEED TO EARN **2.5X** MINIMUM WAGE TO AFFORD AVERAGE ASKING RENTS

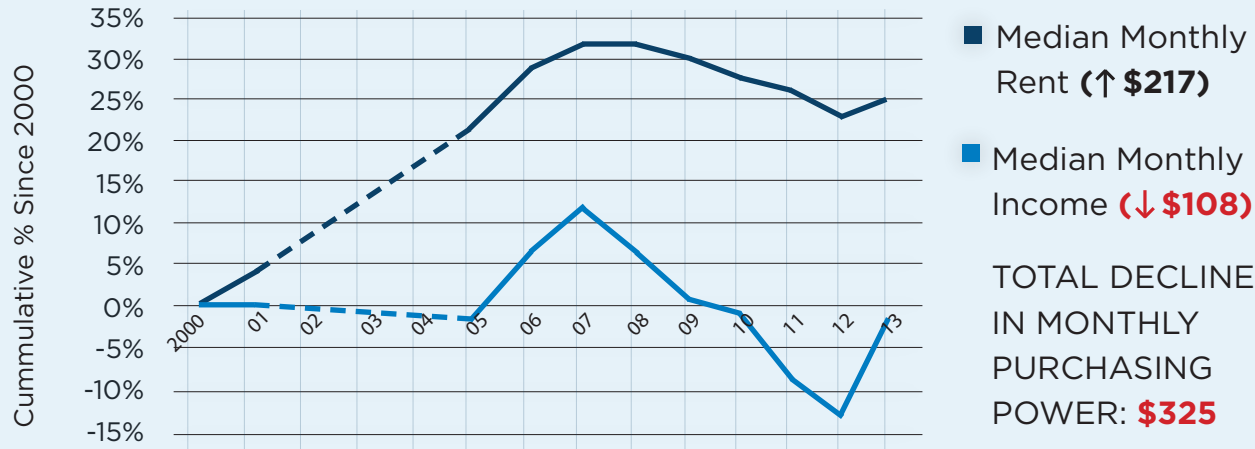


Source: 2015 Real Answers average apartment rent data, HUD 2015 County Section 8 Program Income Limits.

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

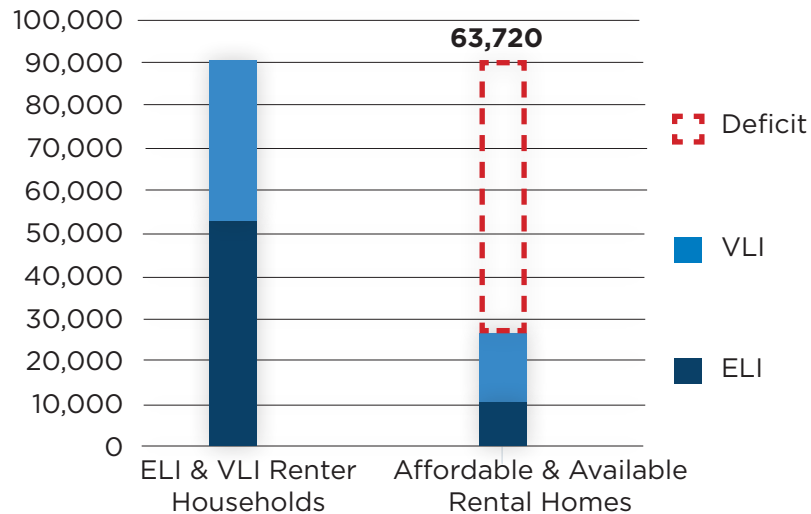
**INFLATION ADJUSTED MEDIAN RENT HAS INCREASED 25% SINCE 2000
WHILE MEDIAN RENTER INCOME HAS DECLINED 3%**



Source: US Census 2000 and Annual ACS Data 2005-2013. Median rents and incomes from 2001-2004 and 2014-2015 are estimated trends.

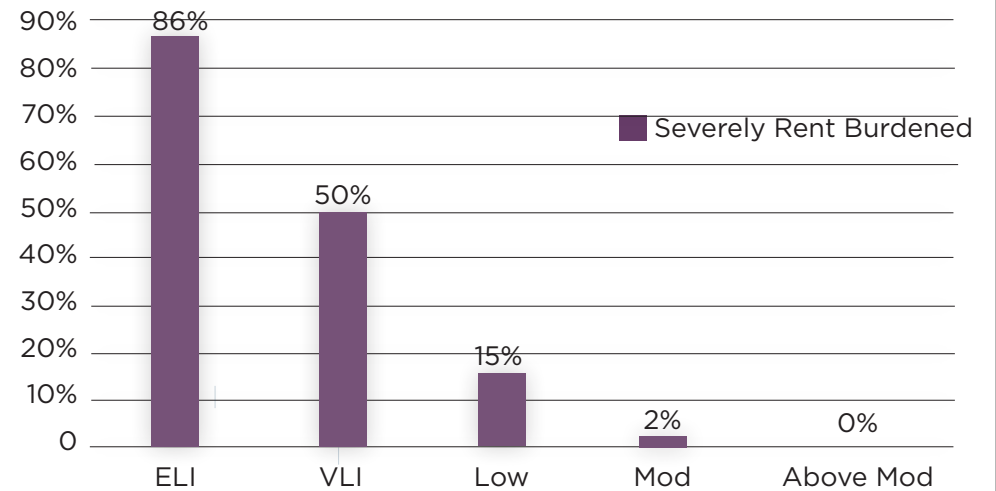
RENTS ARE UP. INCOMES ARE DOWN. AS A RESULT, LOW-INCOME FAMILIES ARE FORCED TO SPEND A GROWING PROPORTION OF THEIR INCOME ON RENT, LEAVING LITTLE FOR OTHER BASIC NECESSITIES. SAN BERNARDINO COUNTY NEEDS AN ADDITIONAL 63,720 AFFORDABLE HOMES TO MEET THE NEEDS OF THESE FAMILIES.

**SAN BERNARDINO COUNTY NEEDS 63,720
ADDITIONAL AFFORDABLE RENTAL HOMES**



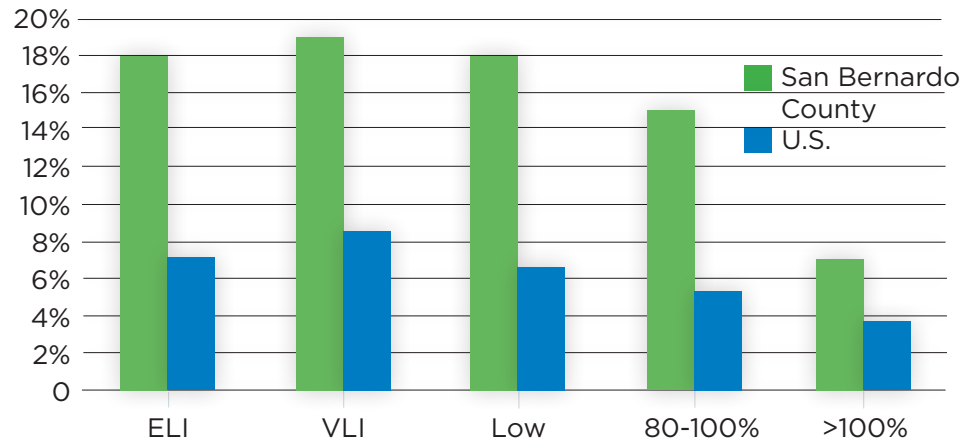
SOURCE: NLIHC Analysis of 2013 ACS PUMS.

**86% of ELI AND 50% of VLI HOUSEHOLDS PAY
MORE THAN HALF THEIR INCOME ON RENT**



SOURCE: NLIHC Analysis of 2013 ACS PUMS.

OVERCROWDING FOR SAN BERNARDINO'S LOWER-INCOME RENTERS IS **TWICE THE NATIONAL AVERAGE**



SOURCE: CHPC analysis of 2007-2011 CHAS data.

WHO IS BEING LEFT OUT OF THE SAN BERNARDINO COUNTY RENTAL MARKET?

Average Asking Rent: \$1,298

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
Medical Assistants	\$13.80	72
Freight Laborers	\$13.23	75
Janitors & Cleaners	\$13.10	76
Childcare Workers	\$12.26	81
Retail Salespersons	\$11.98	83
Waiters & Waitresses	\$10.56	95

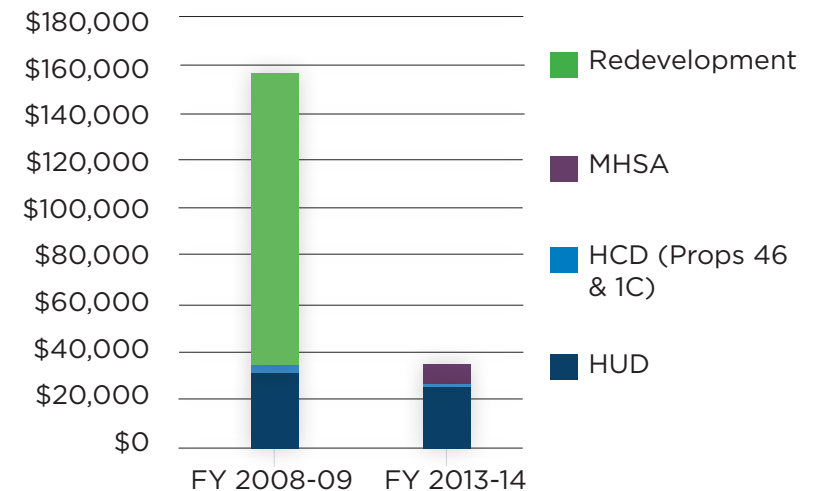
SOURCE: CHPC Analysis of 2014 Bureau of Labor statistics and 2015 Real Answers average rent data.

FROM FY 2008-09 TO FY 2013-14 SAN BERNARDINO COUNTY **LOST 78% OF STATE AND FEDERAL FUNDING**

FUNDING SOURCE	FY 2008/2009	FY 2013/2014	% CHANGE
HUD	\$31,168,201	\$24,795,707	-20%
HCD (Prop. 46 & Prop 1C)	\$3,226,600	\$1,421,650	-56%
MHSA	\$0	\$8,900,086	NA
Redevelopment	\$121,988,454	\$0	-100%
TOTAL	\$156,383,255	\$35,117,443	-78%

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 \$121 MILLION FOR AFFORDABLE HOUSING IN SAN BERNARDINO 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 passing:

- **AB 1335 (Atkins)**, the Building Homes and Jobs Act, which would generate up to \$500 million annually for affordable homes and create up to 29,000 well paying jobs.
- **AB 35 (Chiu)**, which would increase the California Low Income Housing Tax Credit by \$300 million per year to replace diminished state housing funds and leverage \$600 million in new federal resources.
- **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 SAN BERNARDINO

- Dedicate both one-time and recurring Tax Increment funds left over from the dissolution of the former redevelopment agencies to creating affordable homes.
- Provide infrastructure improvements to facilitate infill residential development and to improve the quality of life in low-income communities.
- Capture the value of upzoning locally by awarding extra density to developers that include significant percentages of affordable homes for low-income households.
- Allow affordable housing development by right through mechanisms such as Affordable Housing Overlay Zones.
- Prioritize the preservation of existing affordable homes with expiring use restrictions.
- Ensure that sites identified in Housing Element updates as suitable for affordable housing are assessed for competitiveness for funding such as Low Income Housing Tax Credits.



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.

AUGUST 2015 | www.chpc.net

Local policy recommendations provided by:

