

CONFRONTING ALAMEDA COUNTY'S RENT AND POVERTY CRISIS: A CALL FOR REINVESTMENT IN AFFORDABLE HOMES

KEY FINDINGS

- » Cuts in annual federal and state funding, including elimination of Redevelopment, have reduced Alameda County's investment in affordable housing production and preservation by more than \$105 million annually since 2008, a 68% reduction.
- » Median rent in Alameda County has increased 19% since 2000 while median renter household income has declined 4%, when adjusted for inflation.
- » Renters need to earn 3.5 times local minimum wage to afford the average monthly asking rent of \$2,264.
- » Alameda County's lowest income renters spend 58% of income on rent, leaving little left for food, transportation, health expenses, and other needs.
- » When housing costs are considered, Alameda County's poverty rate rises to 17.6%.
- » Alameda County needs 60,911 more affordable rental homes to meet the needs of its lowest income renters.

ALAMEDA COUNTY'S POVERTY RATE RISES TO 17.6% WHEN HIGH HOUSING COSTS ARE INCLUDED

Official Poverty Measure (OPM)
12.4%

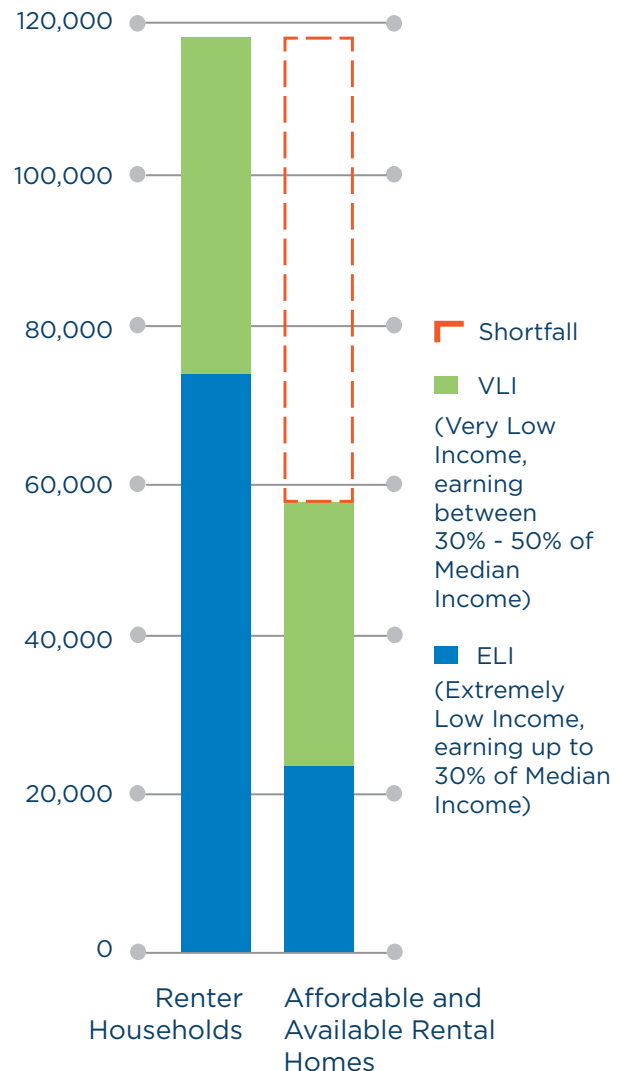
Unadjusted for Housing Costs

California Poverty Measure (CPM)
17.6%

Adjusted for Housing Costs and Social Benefits

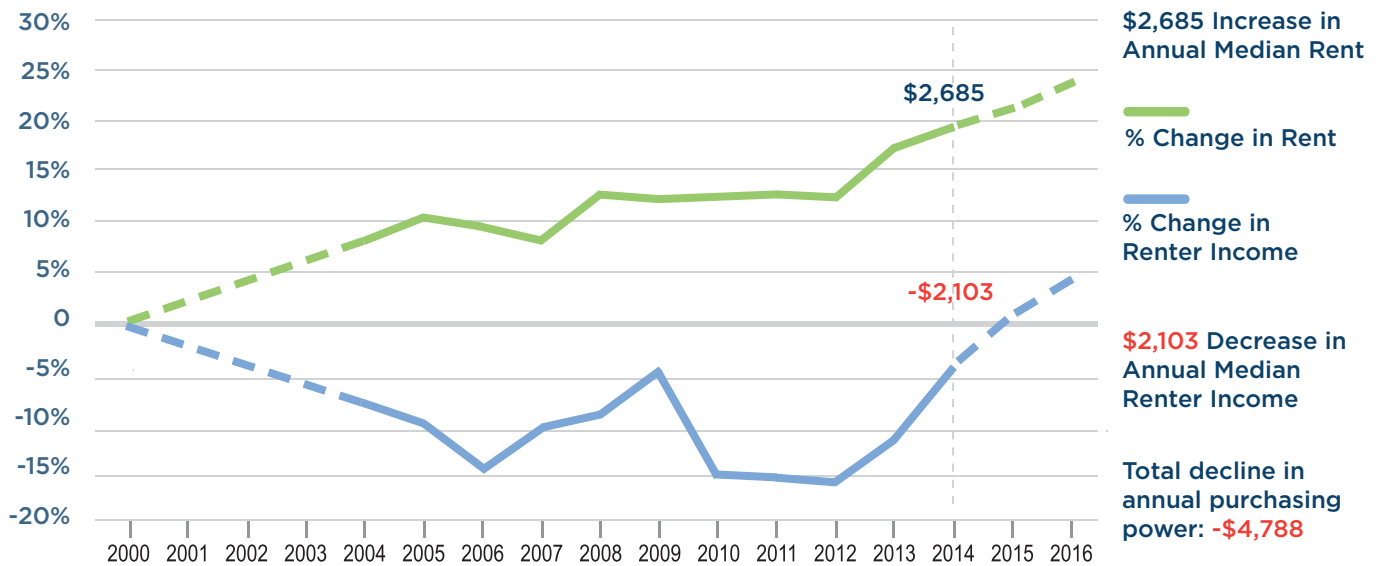
Source: Public Policy Institute of California. California Poverty by County, 2011-2013.

ALAMEDA COUNTY NEEDS 60,911 MORE AFFORDABLE RENTAL HOMES



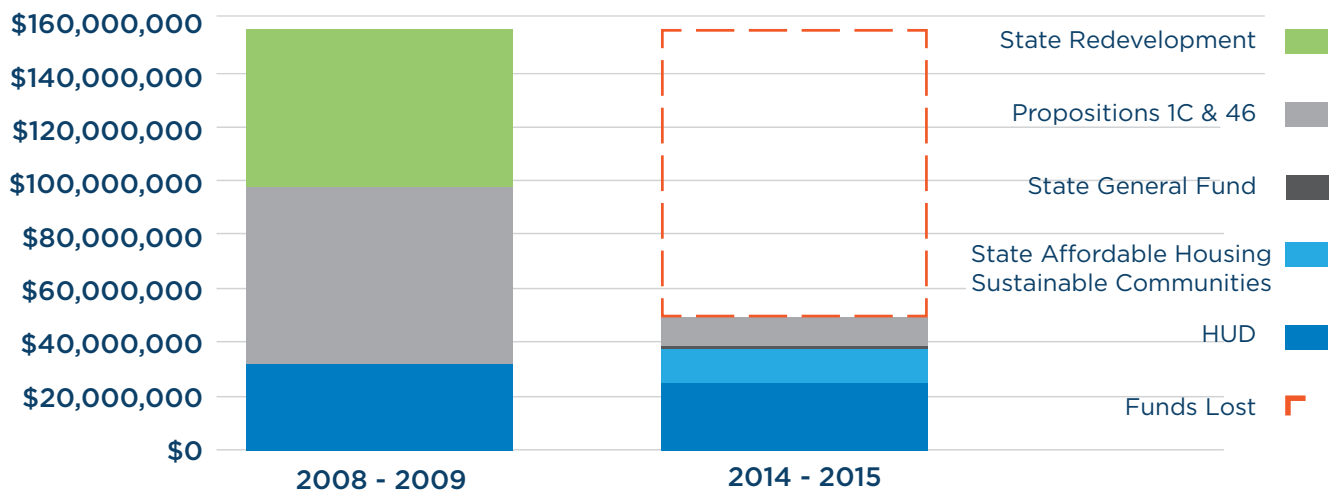
Source: NLIHC analysis of 2014 PUMS data.

ALAMEDA COUNTY'S INFLATION-ADJUSTED MEDIAN RENT INCREASED 19% WHILE MEDIAN RENTER INCOME DECLINED 4% FROM 2000 TO 2014



Source: CHPC analysis of 2000-2014 Census and ACS data. Median renter income and rent from 2001-2004 and 2015-2016 are estimated trends. Median rent and median renter income are inflation adjusted to 2014 dollars.

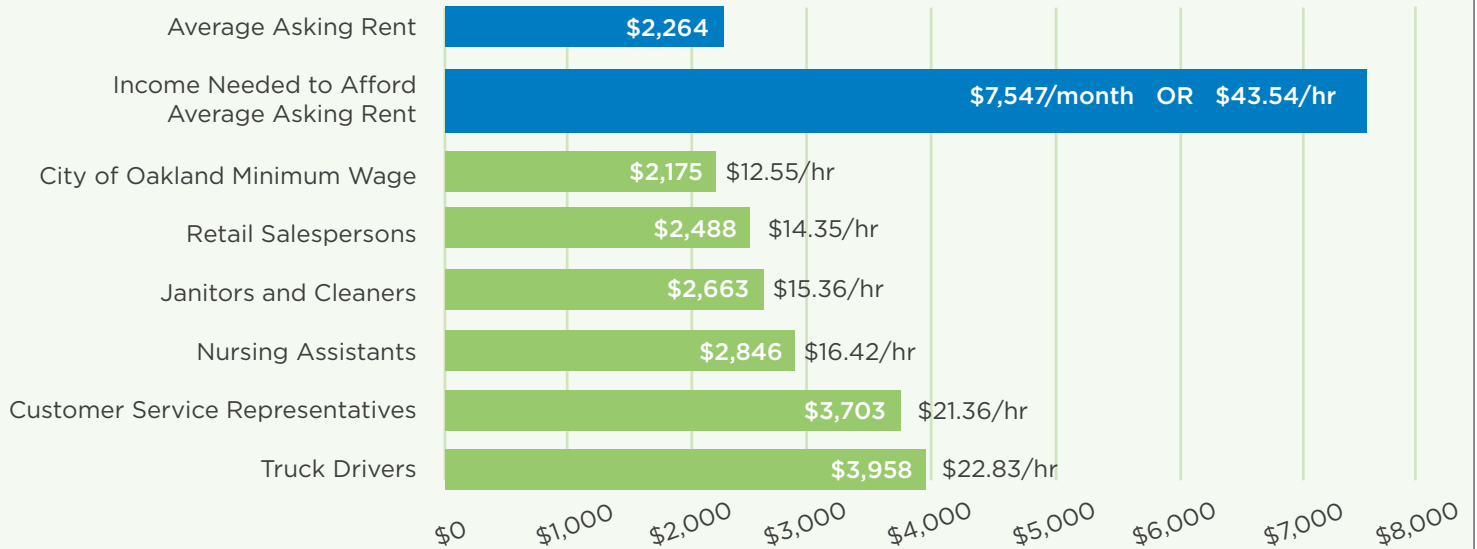
ALAMEDA COUNTY LOST 68% OF STATE AND FEDERAL FUNDING FOR HOUSING PRODUCTION AND PRESERVATION FROM FY 2008-09 TO FY 2014-15



FUNDING SOURCE	FY 2008-2009	FY 2014-2015	% CHANGE
State Redevelopment	\$57,185,456	\$0	-100%
State Housing Bonds and Housing Programs	\$64,135,069	\$25,320,182	-61%
U.S. Dept. of Housing & Urban Development	\$33,642,372	\$24,234,755	-28%
Total	\$154,962,897	\$49,554,937	-68%

Source: CHPC analysis of 2008-2009 annual HCD Redevelopment Housing Activities report; 2008-2009 and 2014-2015 annual HCD Financial Assistance Programs Reports; HUD CPD Appropriations Budget data for fiscal years 2009 and 2015.

ALAMEDA COUNTY RENTERS NEED TO EARN \$7,547 A MONTH TO AFFORD AVERAGE ASKING RENTS

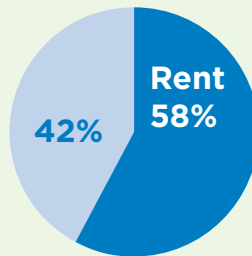


Source: CHPC Analysis of Real Answers Alameda County average rent data for the 1st Quarter 2016 and Bureau of Labor Statistics Average Annual Wage Data for CA Occupations 2015.

WHAT DO RENTERS IN ALAMEDA COUNTY HAVE LEFT AFTER PAYING RENT?

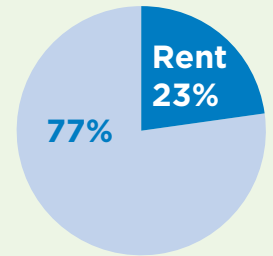
HOUSEHOLDS EARNING HALF OF MEDIAN INCOME OR LESS

Food, Transportation, Health Care, & Other Needs



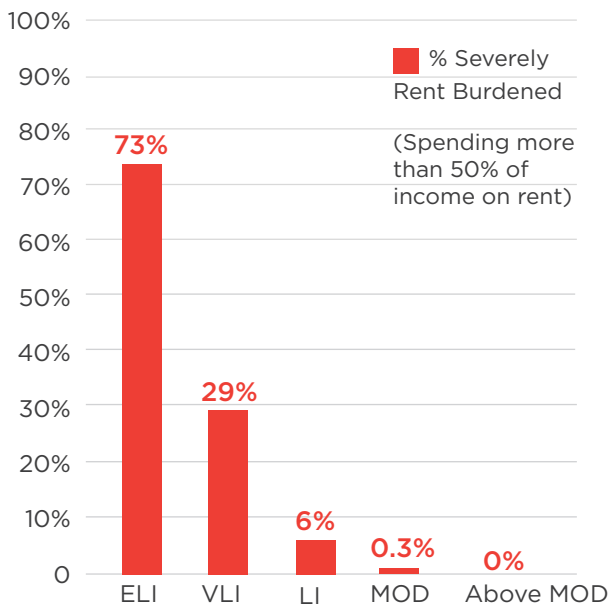
MEDIAN INCOME HOUSEHOLDS

Food, Transportation, Health Care, & Other Needs



Source: NLIHC analysis of 2014 PUMS data.

PERCENTAGE OF SEVERELY BURDENED HOUSEHOLDS BY INCOME GROUP



Source: NLIHC analysis of 2014 PUMS data.

ABOUT CHPC

THE STATE CREATED THE CALIFORNIA HOUSING PARTNERSHIP MORE THAN 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 100 NONPROFIT AND LOCAL GOVERNMENT HOUSING ORGANIZATIONS LEVERAGE MORE THAN \$8 BILLION IN PRIVATE AND PUBLIC FINANCING TO CREATE AND PRESERVE 30,000 AFFORDABLE HOMES.

STATEWIDE POLICY RECOMMENDATIONS

The California Housing Partnership calls on state leaders to take the following actions to provide relief to low-income families struggling with the high cost of housing:

- » Invest at least \$1 billion from the state's General Fund surplus into established state programs prioritizing the lowest-income households.
- » Expand the California Low Income Housing Tax Credit. **(AB 2817)**
- » Improve the value of the California LIHTC by up to 40% at no cost to the state. **(SB 873)**
- » Give state voters the opportunity to approve a new housing bond similar to **SB 879**.
- » Authorize local governments to use tax increment financing for locally approved affordable housing benefit districts and to issue bonds. **(AB 2031)**
- » Reaffirm cities' authority to require the inclusion of a percentage of homes affordable to low- and moderate-income households in new rental housing development. **(AB 2502)**
- » Streamline local approvals including environmental review for 100% affordable housing developments consistent with local plans and zoning.
- » Create an ongoing, predictable revenue source of at least \$500 million annually for the production and preservation of homes affordable to lower-income households.

LOCAL RECOMMENDATIONS FOR ALAMEDA COUNTY

- » Pass a Countywide Housing Bond to fund the production and preservation of rental homes affordable to lower-income families, seniors, and the homeless, as well as to fund homeownership and innovative approaches to addressing the region's housing needs.
- » Link transportation investments to effective local affordable housing anti-displacement policies.
- » Advocate for increases to Section 8 voucher rents and invest in local rent studies and outreach to landlords so that more local renters can afford to stay in Alameda County.
- » Link local investments in health care to affordable housing and services that improve health outcomes for lower-income households.
- » Create financial incentives to encourage all cities to provide their fair share of housing.
- » Adopt or strengthen regulations to limit rent increases to reasonable cost of living adjustments.
- » Adopt or strengthen laws to prevent evictions without justification.
- » Adopt or strengthen regulations limiting conversion of rental housing to condominiums to reduce displacement.
- » Adopt or increase impact fees, inclusionary zoning requirements, and commercial linkage fees.

This report was produced by the California Housing Partnership.

Local policy recommendations provided by:

Non-Profit Housing Association of Northern California (NPH)

East Bay Housing Organizations (EBHO)

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