

Sweeney-Lain, in Daily City.  
Photo by Douglas Sterling. Courtesy of MidPen Housing.

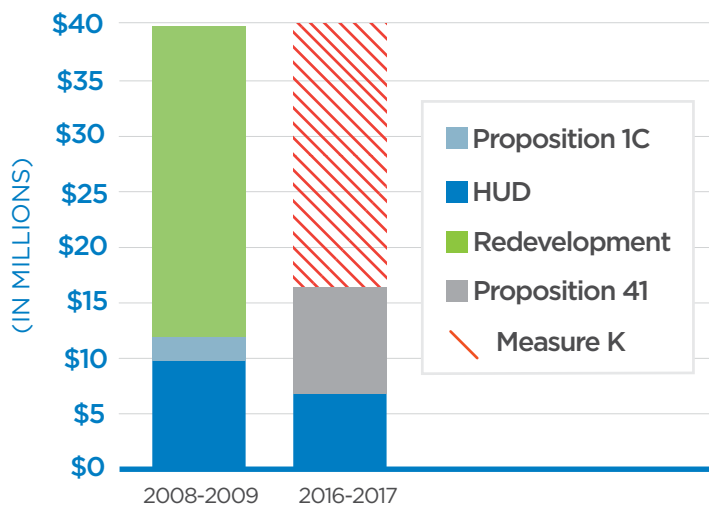
APRIL 2018

# San Mateo County's Housing Emergency and Proposed Solutions

## KEY FINDINGS

- Low Income Housing Tax Credit housing production in San Mateo County declined 69% in 2017 in anticipation of federal tax reform.
- Cuts in federal and state funding have reduced investment in affordable housing production and preservation in San Mateo County by nearly \$23 million annually since 2008, a 58% reduction.
- San Mateo County's lowest-income renters spend 69% of income on rent, leaving little left for food, transportation, health care, and other essentials.
- Renters in San Mateo County need to earn \$65.29/hr - nearly 6 times state minimum wage - to afford the median monthly asking rent of \$3,395.
- San Mateo County needs 24,628 more affordable rental homes to meet current demand.
- When housing costs are considered, San Mateo County's poverty rate rises from 7% to 16.6%.

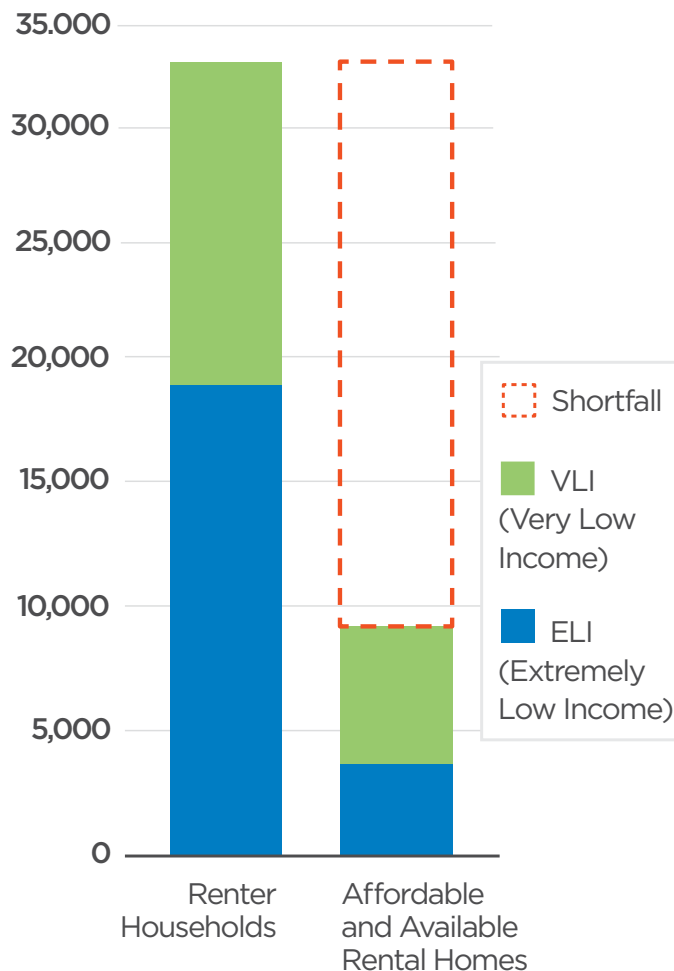
## SAN MATEO COUNTY LOST 58% OF STATE AND FEDERAL FUNDING FOR HOUSING PRODUCTION AND PRESERVATION FROM FY 2008-09 TO FY 2016-17



FUNDING SOURCE	FY 2008-09 (In thousands)	FY 2016-17 (In thousands)	% CHANGE
Redevelopment	\$27,148	\$0	-100%
State Housing Bonds and Housing Programs	\$2,910	\$10,000	244%
HUD	\$9,800	\$6,801	-31%
<b>TOTAL</b>	<b>\$39,858</b>	<b>\$16,801</b>	<b>-58%</b>

Source: CHPC analysis of 2008-2009 annual HCD Redevelopment Housing Activities reports; 2008-009 and 2016-2017 annual HCD Financial Assistance Programs reports; HUD CPD Appropriations Budget data for fiscal years 2009 and 2016.

## SAN MATEO COUNTY NEEDS 24,628 MORE AFFORDABLE RENTAL HOMES



Source: NLIHC analysis of 2016 PUMS data.

## SAN MATEO COUNTY'S POVERTY RATE RISES TO 16.6% WHEN HIGH HOUSING COSTS ARE INCLUDED

Official Poverty Measure (OPM)

**7.0%**

Unadjusted for Housing Costs

California Poverty Measure (CPM)

**16.6%**

Adjusted for Housing Costs and Social Benefits

Source: Public Policy Institute of California (PPIC), California Poverty by County and Legislative District, 2013-2015.

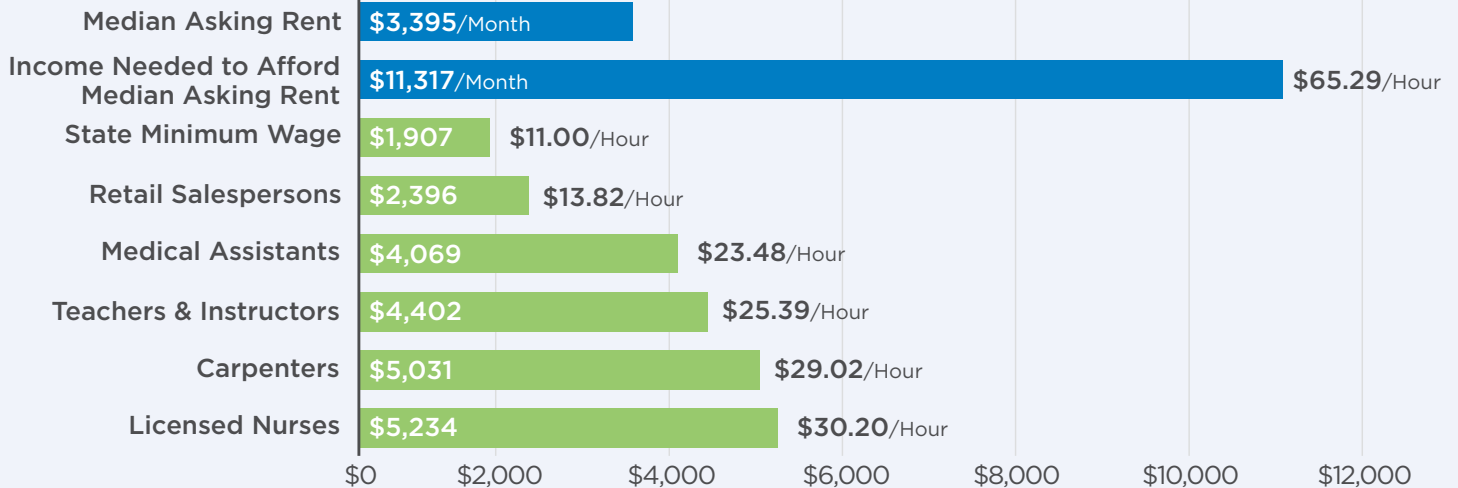
## LOW INCOME HOUSING TAX CREDIT (LIHTC) PRODUCTION DECLINED 69% IN SAN MATEO COUNTY IN ANTICIPATION OF TAX REFORM

State				
Type	2016	2017	Change %	
New Construction	9,285	7,407	-20%	
Acquisition & Rehab	15,032	5,928	-61%	
<b>All</b>	<b>24,317</b>	<b>13,335</b>	<b>-45%</b>	
San Mateo County				
Type	2016	2017	Change %	
New Construction	299	65	-78%	
Acquisition & Rehab	80	54	-33%	
<b>All</b>	<b>379</b>	<b>119</b>	<b>-69%</b>	

Source: CHPC analysis of 2016 and 2017 CA Tax Credit Allocation Committee (TCAC) data.

Note the data does not include manager or market rate homes created through the LIHTC program.

## RENTERS NEED TO EARN 5.9 TIMES MINIMUM WAGE TO AFFORD MEDIAN ASKING RENTS



Source: Paul Waddell, Urban Analytics Lab, University of California, Berkeley, retrieved from analysis of online Craigslist listings in April 2018. CHPC analysis of Bureau of Labor Statistics Median Annual Wage Data for CA Occupations for 2017.

### WHAT DO SAN MATEO COUNTY'S RENTERS HAVE LEFT OVER AFTER PAYING RENT?

#### HOUSEHOLDS EARNING HALF OF MEDIAN INCOME OR LESS

Food, Transportation, Health Care, & Other Essentials

31%

Rent 69%

#### MEDIAN INCOME HOUSEHOLDS

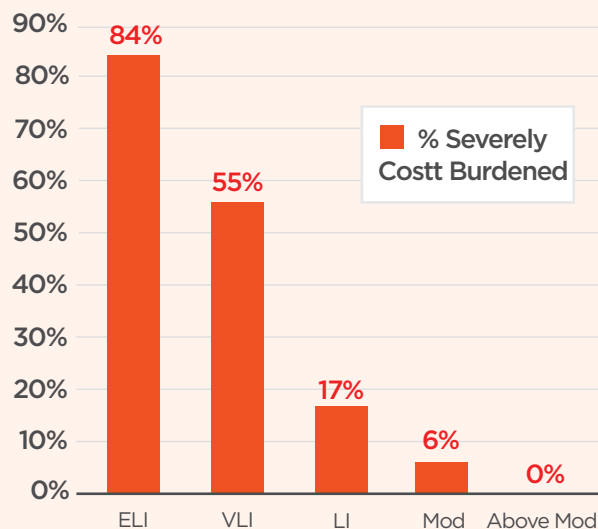
Food, Transportation, Health Care, & Other Essentials

71%

Rent 29%

Source: NLIHC analysis of 2016 PUMS data.

### PERCENTAGE OF SEVERELY COST BURDENED\* HOUSEHOLDS BY INCOME GROUP



Source: NLIHC analysis of 2016 PUMS data.

\*Severely cost-burdened households spend more than 50% of their income towards housing costs.

### ABOUT CHPC

THE STATE CREATED THE CALIFORNIA HOUSING PARTNERSHIP NEARLY 30 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 NONPROFIT AND LOCAL GOVERNMENT HOUSING AGENCIES ACROSS THE STATE TO LEVERAGE MORE THAN \$14 BILLION IN PRIVATE AND PUBLIC FINANCING TO CREATE AND PRESERVE 70,000 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:**

- » Immediately invest \$1 billion of the state's budget surplus to finance the development of permanently affordable rental housing and another \$1 billion for supportive housing for the homeless.
- » Bring back redevelopment funding for affordable housing and related infrastructure at an initial amount of \$1 billion annually.
- » Aggressively campaign for the passage of the \$4 billion Veterans and Affordable Housing Bond of 2018.
- » Reduce the threshold for voter approval of local funding of affordable housing and infrastructure from 67% to 55%.

# LOCAL RECOMMENDATIONS FOR SAN MATEO COUNTY

- » Adopt a system-wide, three-county Caltrain policy that prioritizes housing production and requires a minimum 20% affordable housing on Caltrain's publicly-owned land.
- » Invest at least 25% of Measure K funds annually to create permanent affordable homes.
- » Adopt affordable housing impact fees on commercial developments and pass or update inclusionary housing policies.
- » Prioritize affordable housing on publicly-owned land and require a minimum of 25% of all homes be affordable to very low income and low-income households.
- » Allow accessory dwelling units to be approved through ministerial review.
- » Adopt policies and programs that protect renters from unreasonable rent increases and evictions.
- » Use a portion of local transportation funding to defray infrastructure costs related to building transit oriented affordable homes.

**This report was produced by the California Housing Partnership.**

*Local policy recommendations provided by:*  
Housing Leadership Council of San Mateo County

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