

Fancho Lindo Apartments, Lamont, CA.  
Photo courtesy of Self-Help Enterprises.

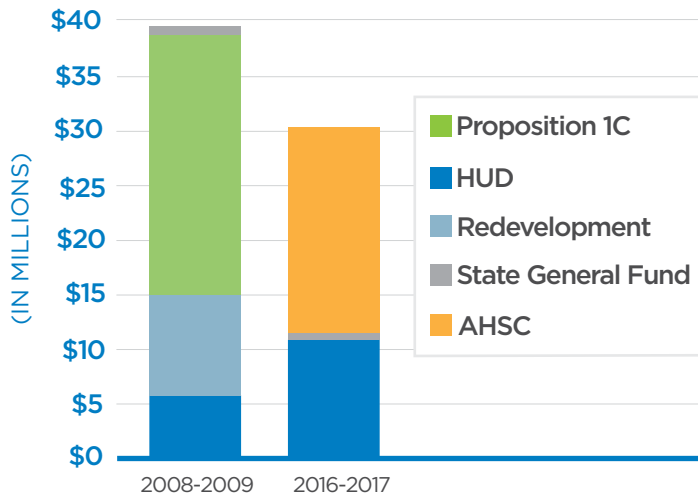
MAY 2018

# Kern County's Housing Emergency and Proposed Solutions

## KEY FINDINGS

- Low Income Housing Tax Credit housing production in Kern County declined 85% in 2017 in anticipation of federal tax reform.
- Cuts in federal and state funding have reduced investment in affordable housing production and preservation in Kern County by more than \$16 million annually since 2008, a 35% reduction.
- Kern County needs 30,068 more affordable rental homes to meet current demand.
- Renters in Kern County need to earn \$17.40/hr - nearly twice the state minimum wage - to afford the median monthly asking rent of \$905.
- Kern County's lowest-income renters spend 65% of income on rent, leaving little left for food, transportation, health care, and other essentials.

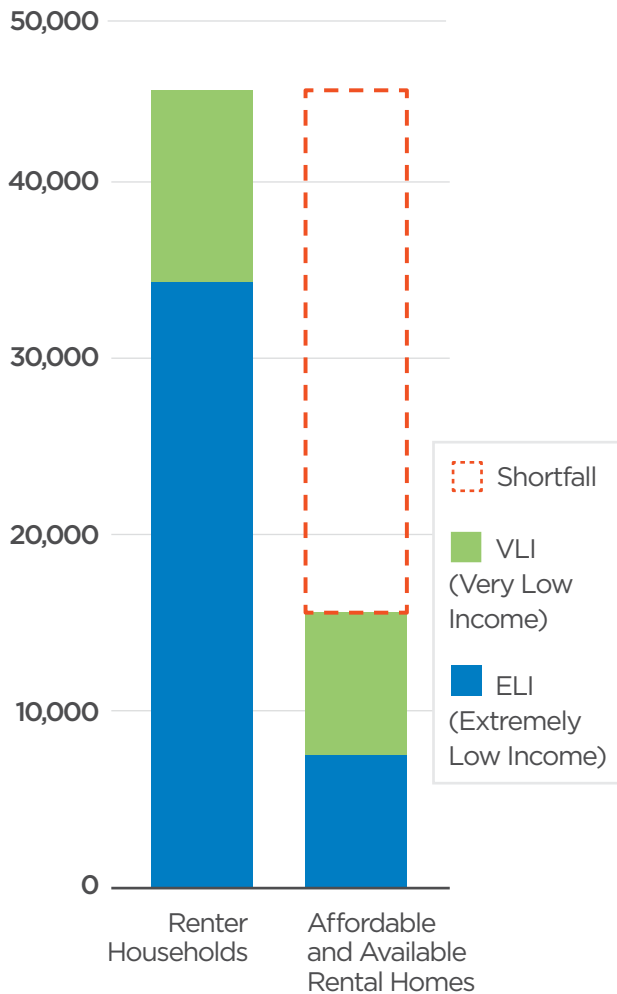
## KERN COUNTY LOST 35% OF STATE AND FEDERAL FUNDING FOR HOUSING PRODUCTION AND PRESERVATION FROM FY 2008-09 TO FY 2016-17



FUNDING SOURCE	FY 2008-09 (In thousands)	FY 2016-17 (In thousands)	% CHANGE
Redevelopment	\$8,999	\$0	-100%
State Housing Bonds, Housing Programs, and General Fund	\$23,895	19,572	-18%
HUD	\$14,678	\$11,225	-24%
<b>TOTAL</b>	<b>\$47,572</b>	<b>\$30,798</b>	<b>-35%</b>

Source: CHPC analysis of 2008-2009 annual Redevelopment Housing Activities report; 2008-2009 and 2016-2017 annual HCD Financial Assistance Programs Reports and HUD CDP Appropriations Budget data.

### KERN COUNTY NEEDS 30,068 MORE AFFORDABLE RENTAL HOMES



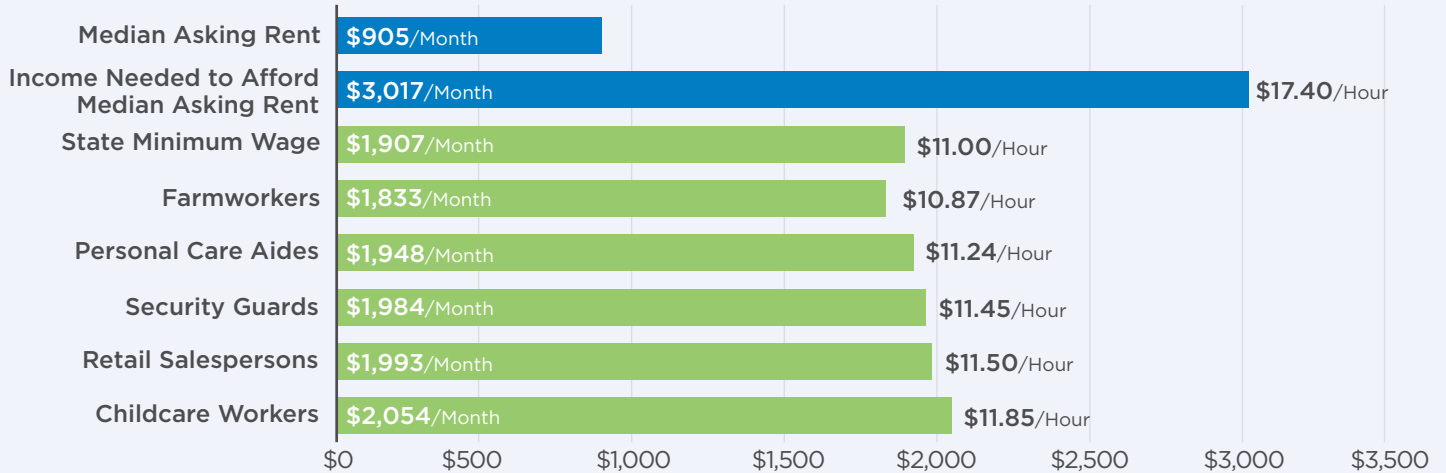
Source: NLIHC analysis of 2016 PUMS data.

### LOW INCOME HOUSING TAX CREDIT (LIHTC) PRODUCTION IN KERN COUNTY DECLINED 85% IN ANTICIPATION OF FEDERAL TAX REFORM

State			
Type	2016	2017	Change %
<b>New Construction</b>	9,285	7,407	-20%
<b>Acquisition &amp; Rehab</b>	15,032	5,928	-61%
<b>All</b>	24,317	13,335	-45%
San Joaquin Valley*			
Type	2016	2017	Change %
<b>New Construction</b>	487	582	17%
<b>Acquisition &amp; Rehab</b>	1,834	484	-74%
<b>All</b>	2,321	1,056	-55%
Kern County			
Type	2016	2017	Change %
<b>New Construction</b>	199	15	-92%
<b>Acquisition &amp; Rehab</b>	407	75	-82%
<b>All</b>	606	90	-85%

\* San Joaquin Valley includes Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare counties.  
 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 1.6 TIMES MINIMUM WAGE TO AFFORD MEDIAN ASKING RENTS

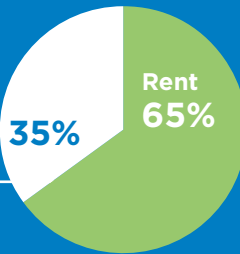


Source: Paul Waddell, Urban Analytics Lab, University of California, Berkeley, retrieved from analysis of online Craigslist listings in April 2018. CHPC analysis of Bureau of Labor Statistics Median Annual Wage Data for CA Occupations for 2017.

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

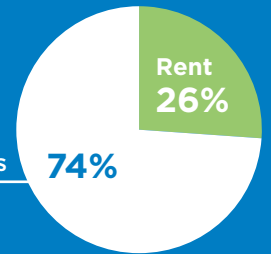
#### HOUSEHOLDS EARNING HALF OF MEDIAN INCOME OR LESS

Food, Transportation, Health Care, & Other Essentials



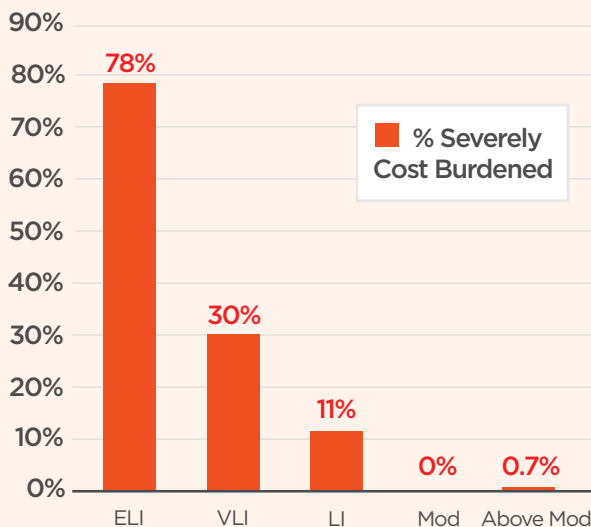
#### MEDIAN INCOME HOUSEHOLDS

Food, Transportation, Health Care, & Other Essentials



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 KERN COUNTY

- » Target sites identified in Housing Element for local investment and support, including connecting those sites with affordable housing developers.
- » Propose projects that can successfully compete for Cap and Trade funding programs, No Place Like Home and single family developments that serve low income.
- » Give priority for building infrastructure capacity to affordable housing developments in rural areas.
- » Remove ordinances that create barriers to the development of affordable homes, particularly those which require going above state minimum standards.
- » Encourage the use of density bonus, accessory dwelling units, and other state housing laws by updating local ordinances and marketing these opportunities to developers.

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

*Local policy recommendations provided by:*  
California Coalition for Rural Housing (CCRH)  
Self-Help Enterprises (SHE)

For questions about Kern County's housing need, contact:  
Alicia Sebastian, [alicia@calruralhousing.org](mailto:alicia@calruralhousing.org); (916) 443-4448

