MAY 2018

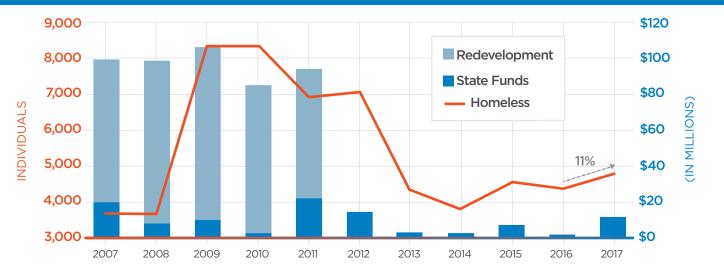
Orange County's Housing Emergency and Proposed Solutions

KEY FINDINGS

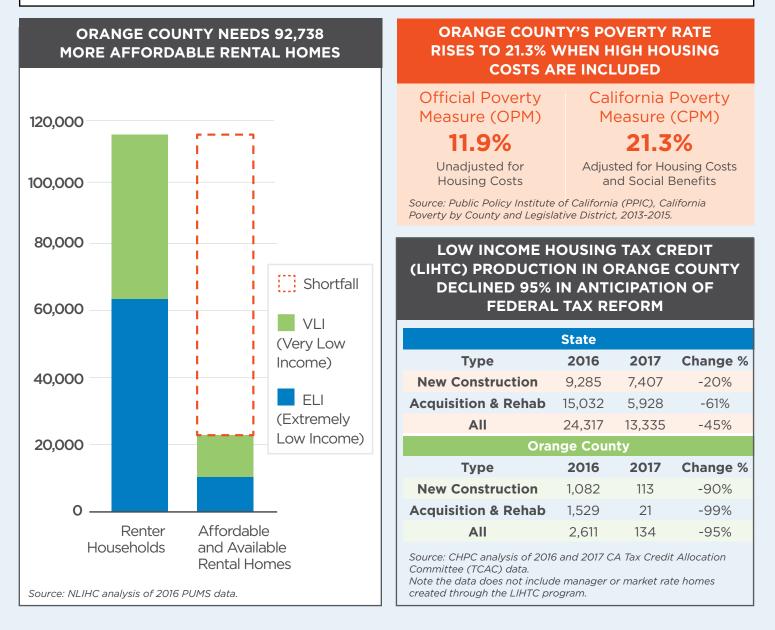
- The elimination of redevelopment in 2012 and exhaustion of state bond funding foreshadowed a 11% rise in homelessness from 2016 to 2017.
- Low Income Housing Tax Credit housing production in Orange County declined 95% in 2017 in anticipation of federal tax reform.
- Renters in Orange County need to earn \$42.12/hr - nearly 4 times local minimum wage to afford the median monthly asking rent of \$2,190.
- Orange County needs 92,738 more affordable rental homes to meet current demand.
- Orange County's lowest-income renters spend 78% of income on rent, leaving little left for food, transportation, health care, and other essentials.
- When housing costs are considered, Orange County's poverty rate rises from 11.9% to 21.3%.



ELIMINATION OF REDEVELOPMENT & LOSS OF STATE BOND FUNDING FOR HOUSING FORESHADOWED A 11% RISE IN HOMELESSNESS IN ORANGE COUNTY IN 2016-17



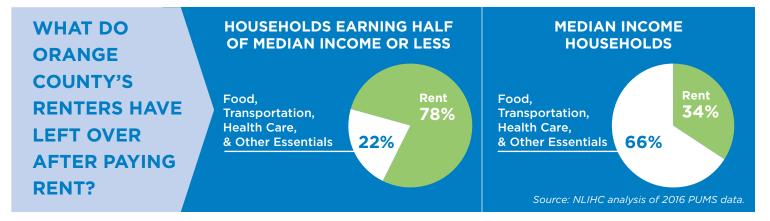
Source: CHPC analysis of 2008-2009 annual HCD Redevelopment Housing Activities Reports; 2008-2009 and 2016-2017 annual HCD Financial Assistance Programs Reports. Housing and Urban Development (HUD) PIT and HIC Data Since 2007. Note fiscal years are indicated by second half of fiscal year (e.g. FY 2006-2007 is presented as 2007).



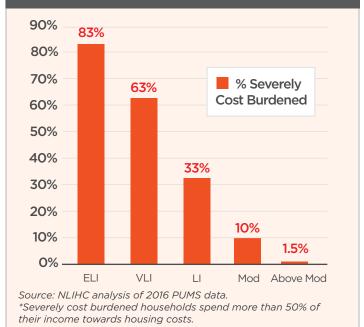
RENTERS NEED TO EARN 3.8 TIMES MINIMUM WAGE TO AFFORD MEDIAN ASKING RENTS



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 in 2017.



PERCENTAGE OF SEVERELY COST-BURDENED* HOUSHOLDS BY INCOME GROUP



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 ORANGE COUNTY

- » Pass a Housing Bond in Orange County and create a dedicated source to develop Affordable Housing and Permanent Supportive Housing.
- » Create a County Affordable Housing Strategic Plan that establishes the specific number and type of affordable homes to be developed in each city and the county with timelines.
- » Set aside 15% of homes in new residential developments to be affordable to very low and lowincome families in exchange for entitlement concessions and incentives.
- » Local jurisdictions should create "Housing Opportunities Zoning" that allows proposed multifamily home developments that are 100% affordable to be built by-right.
- » Create an Affordable Housing Land Trust and donate city-owned and surplus sites to the Land Trust for the development of affordable housing.



This report was produced by the California Housing Partnership.

Local policy recommendations provided by: The Kennedy Commission

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