

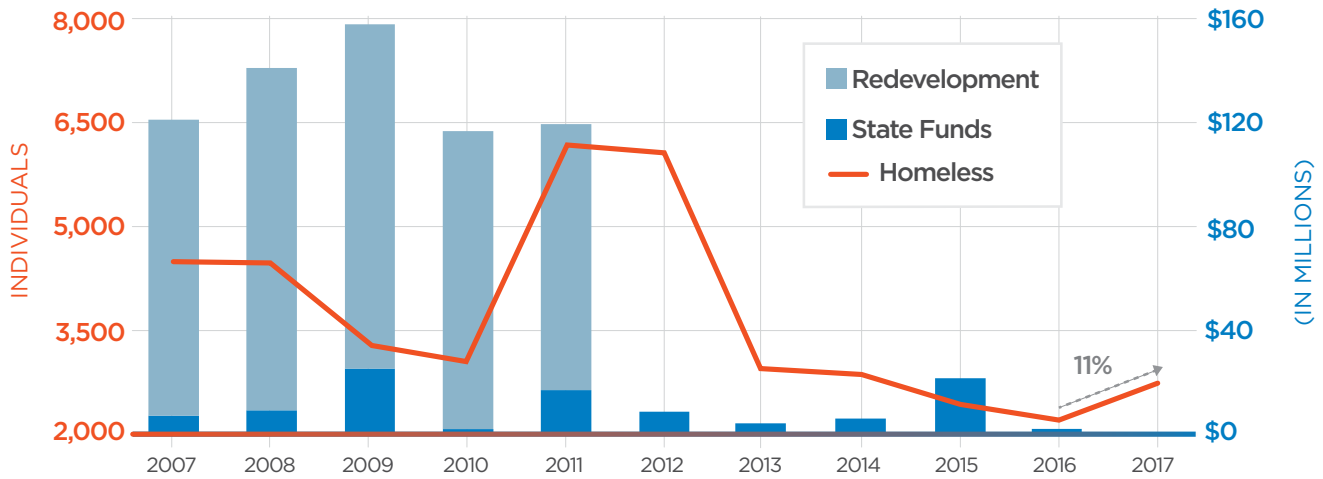
MAY 2018

# Riverside County's Housing Emergency and Proposed Solutions

## KEY FINDINGS

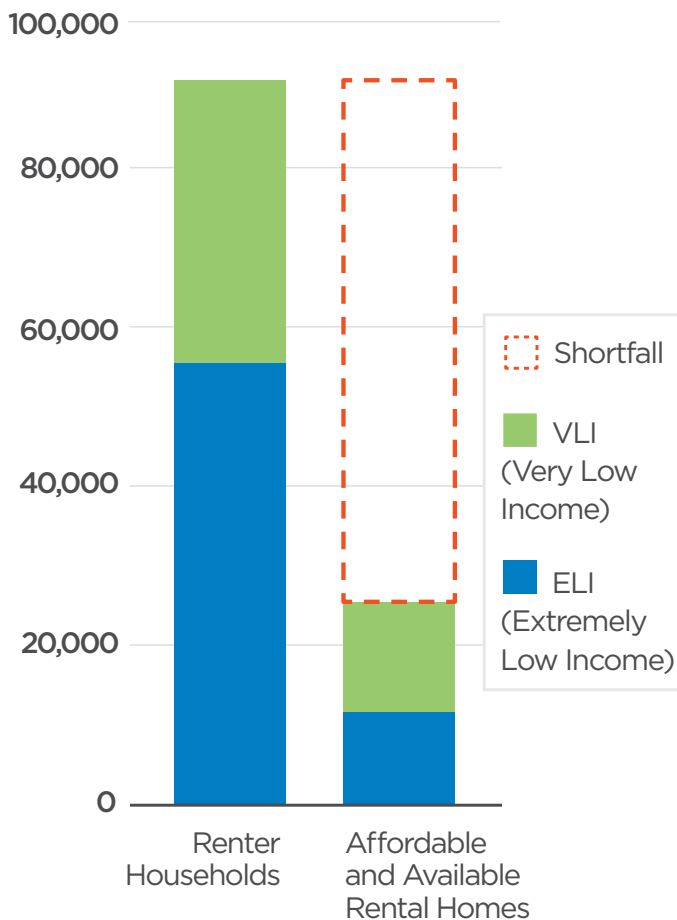
- The elimination of redevelopment in 2012 and exhaustion of state bond funding foreshadowed a 11% rise in homelessness from 2016 to 2017.
- Renters in Riverside County need to earn \$29.13/hr - 2.6 times state minimum wage - to afford the median monthly asking rent of \$1,515.
- Riverside County's lowest-income renters spend 66% of income on rent, leaving little left for food, transportation, health care, and other essentials.
- Riverside County needs 64,526 more affordable rental homes to meet current demand.
- When housing costs are considered, Riverside County's poverty rate rises from 16.3% to 19%.
- LIHTC production in Riverside County increased 44% from 2016-17, bucking a statewide trend of significant decreases in production.

## ELIMINATION OF REDEVELOPMENT & LOSS OF STATE BOND FUNDING FOR HOUSING FORESHADOWED A 11% RISE IN HOMELESSNESS IN RIVERSIDE 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).

### RIVERSIDE COUNTY NEEDS 64,526 MORE AFFORDABLE RENTAL HOMES



Source: NLIHC analysis of 2016 PUMS data.

### RIVERSIDE COUNTY'S POVERTY RATE RISES TO 19% WHEN HIGH HOUSING COSTS ARE INCLUDED

Official Poverty Measure (OPM)

**16.3%**

Unadjusted for Housing Costs

California Poverty Measure (CPM)

**19.0%**

Adjusted for Housing Costs and Social Benefits

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

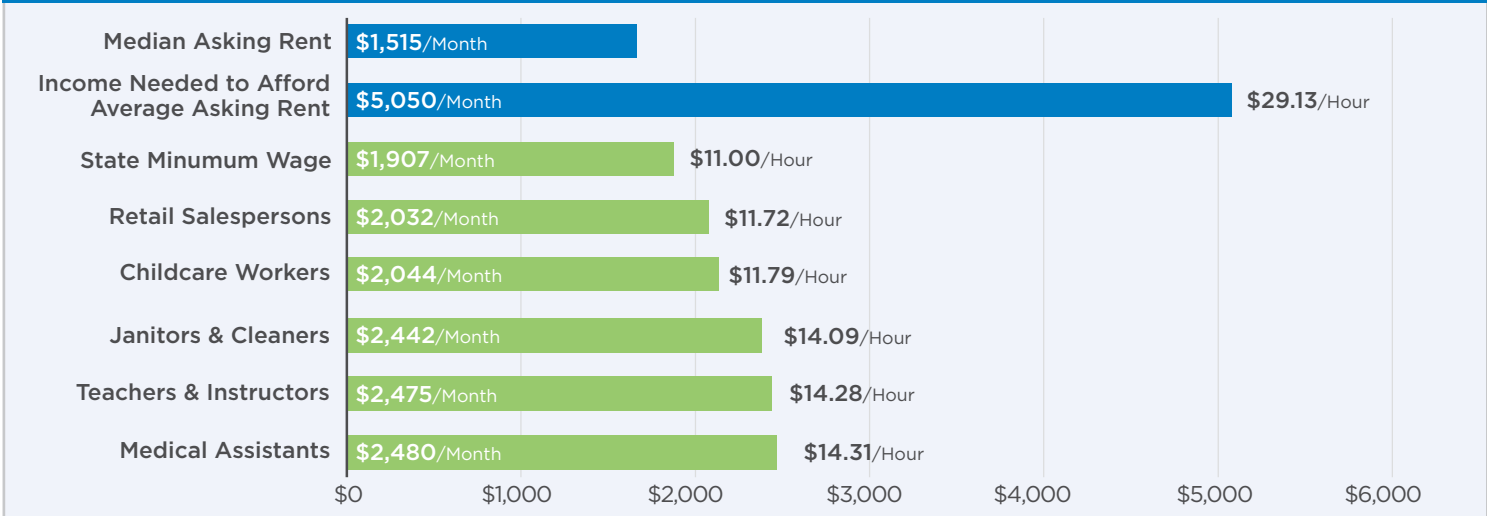
### RIVERSIDE COUNTY'S LOW INCOME HOUSING TAX CREDIT PRODUCTION INCREASED 44% WHILE STATE PRODUCTION DECREASED 45% 2016-17

		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%	
		Riverside County		
Type	2016	2017	Change %	
<b>New Construction</b>	145	591	308%	
<b>Acquisition &amp; Rehab</b>	639	541	-15%	
<b>All</b>	784	1,132	44%	

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

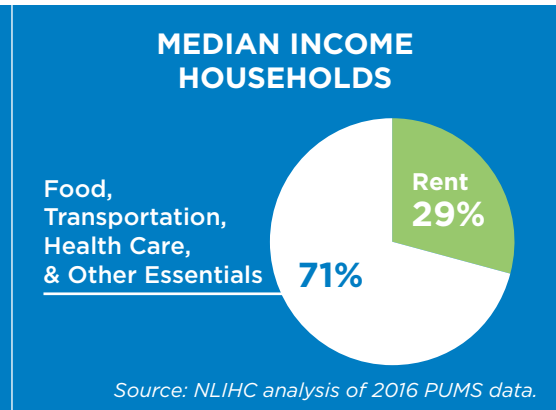
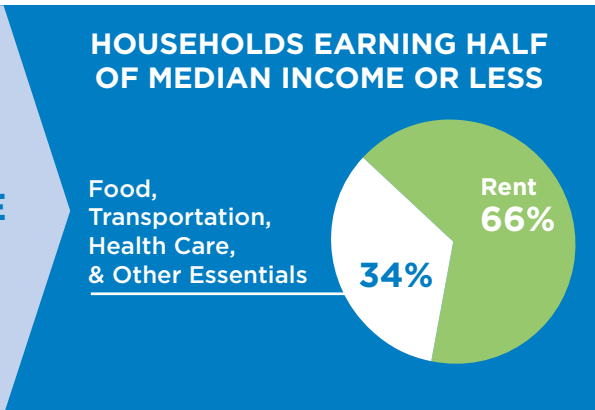
Note the data does not include manager or market rate homes created through the LIHTC program.

# RENTERS NEED TO EARN 2.6 TIMES MINIMUM WAGE TO AFFORD MEDIAN ASKING RENTS



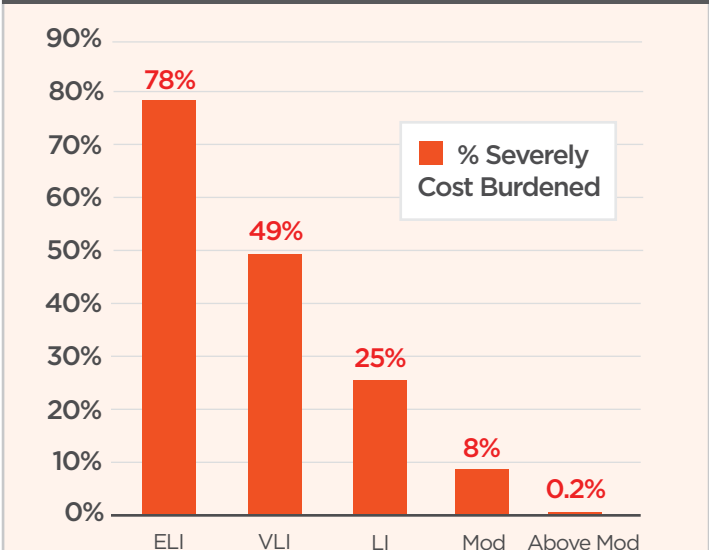
Source: Paul Waddell, Urban Analytics Lab, University of California, Berkeley, retrieved from analysis of online Craigslist listings in April 2018. CHPC analysis of Bureau of Labor Statistics Median Annual Wage Data for CA Occupations in 2017.

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



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 RIVERSIDE COUNTY

- » Identify and take advantage of all opportunities to create affordable housing as a priority use on vacant and underutilized publicly-owned sites suitable for residential and mixed-use development.
- » Provide infrastructure improvements to facilitate new and infill-residential development and to improve the quality of life in low-income communities with priority given to sites providing the most affordable housing where developers are also leveraging federal and state funding.
- » Dedicate all or a significant portion of former redevelopment "boomerang" funds for affordable housing purposes.
- » Explore implementing a countywide fee on short term rentals that are taking critical affordable housing out of circulation.
- » Help local elected officials learn more about what affordable housing is as well as the economic and other benefits its construction and preservation bring to local communities.

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

*Local policy recommendations provided by:*  
Southern California Association of Nonprofit Housing

For questions about Riverside County's housing need, contact:  
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