



Pepperwood Apartments in Rancho Cucamonga. Photo by Gary Krueger. Courtesy of LINC Housing.

SAN BERNARDINO COUNTY'S HOUSING EMERGENCY UPDATE

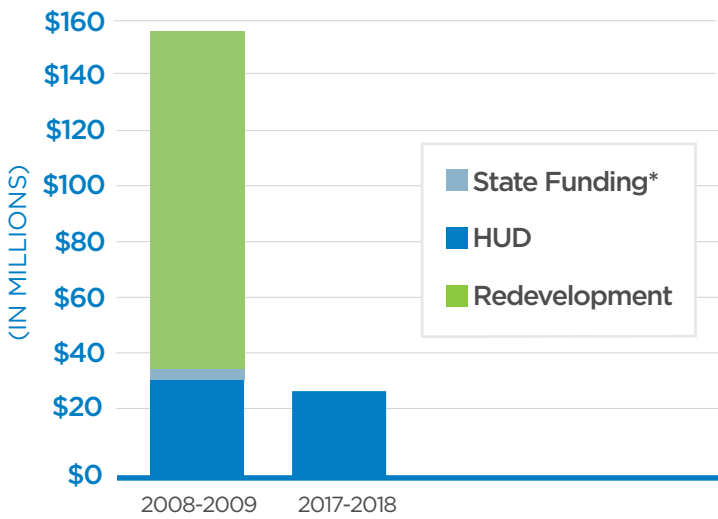


California Housing Partnership
California's Experts on Affordable Housing Finance, Advocacy & Policy

KEY FINDINGS

- Cuts in Federal and State funding have reduced investment in affordable housing in San Bernardino County by more than \$130 million annually since 2008, an 84% reduction.
- 76% of ELI households are paying more than half of their income on housing costs compared to just 3% of moderate income households.
- San Bernardino County needs 65,382 more affordable rental homes to meet current demand.
- Low Income Housing Tax Credit production and preservation in San Bernardino County increased 114% while production and preservation statewide decreased 23% from 2016-2018.
- Renters in San Bernardino County need to earn \$32.69 per hour - nearly 3 times the State minimum wage - to afford the median monthly asking rent of \$1,700.

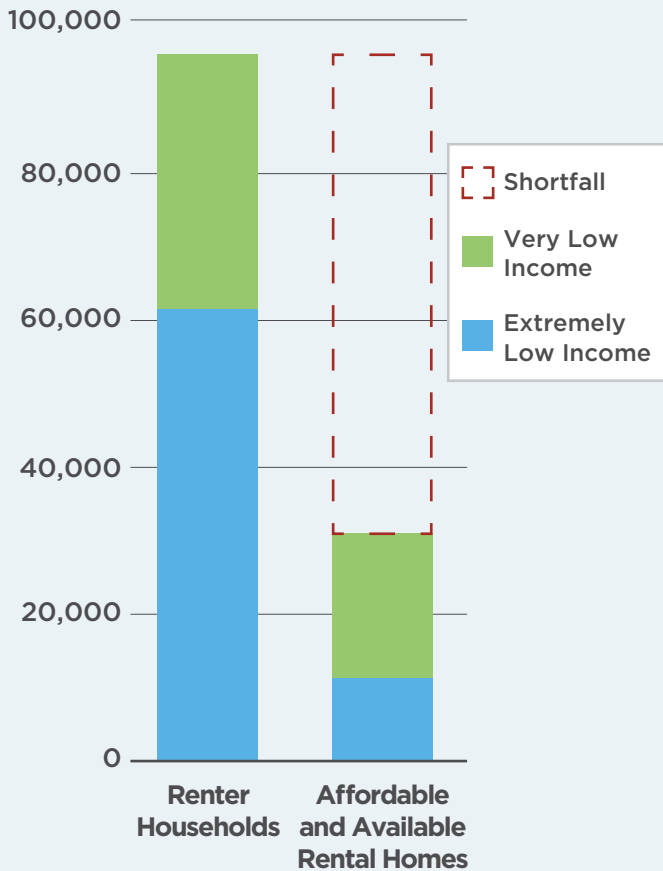
SAN BERNARDINO COUNTY LOST 84% OF STATE AND FEDERAL FUNDING FOR HOUSING PRODUCTION AND PRESERVATION FROM FY 2008-09 TO FY 2017-18



FUNDING SOURCE	FY 2008-09 (In thousands)	FY 2017-18 (In thousands)	% CHANGE
Redevelopment	\$121,988	\$0	-100%
State Housing Bonds and Housing Programs	\$3,227	\$0	-100%
HUD	\$30,636	\$25,694	-16%
TOTAL	\$155,851	\$25,694	-84%

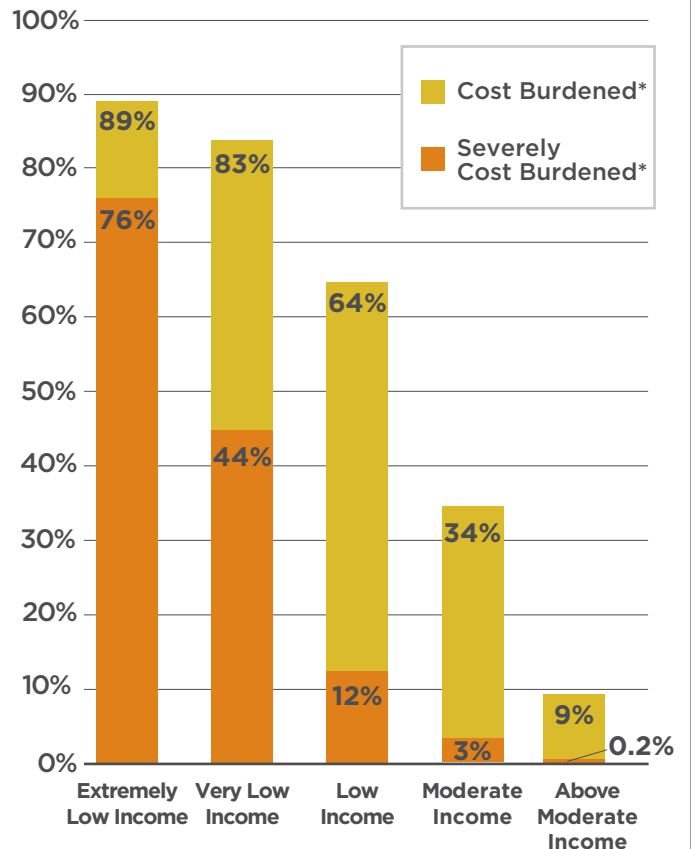
Source: California Housing Partnership analysis of 2008-2009 annual Redevelopment Housing Activities Report; 2008-2009 and 2017-2018 Annual HCD Financial Assistance Programs Reports; 2008-2009 and 2017-2018 HUD CPD Appropriations Budget Reports.
 *FY 2017-2018 does not include No Place Like Home Funding (NPLH) and no funds for the Affordable Housing Sustainable Communities (AHSC) program were awarded.

SAN BERNARDINO COUNTY NEEDS 65,382 MORE AFFORDABLE RENTAL HOMES



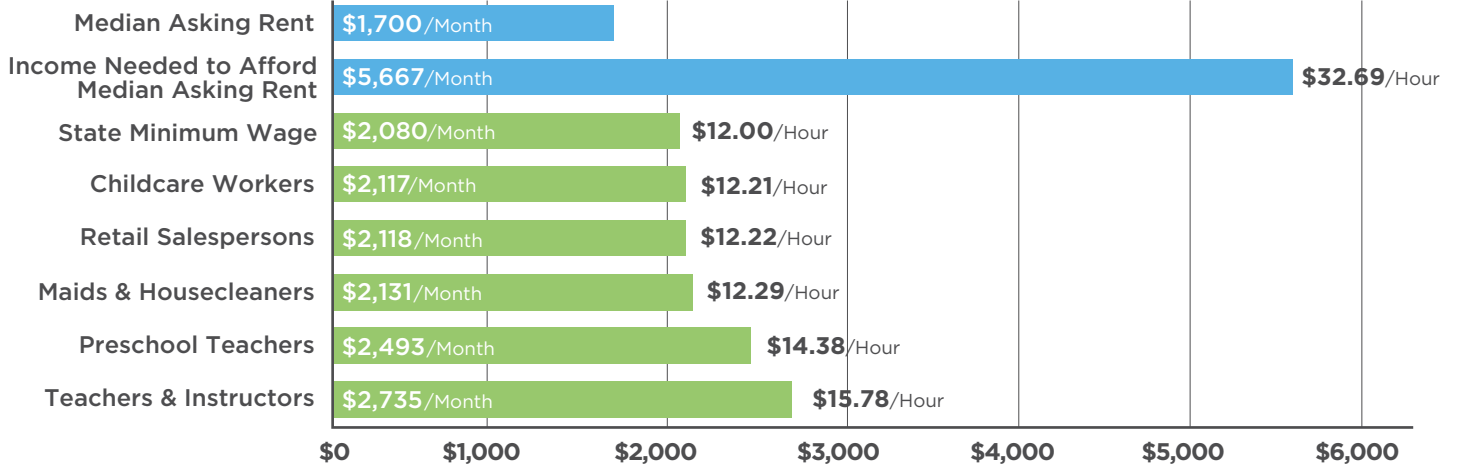
Source: NLIHC analysis of 2017 PUMS data.

LOWEST INCOME HOUSEHOLDS ARE DISPROPORTIONATELY AND SEVERELY COST BURDENED



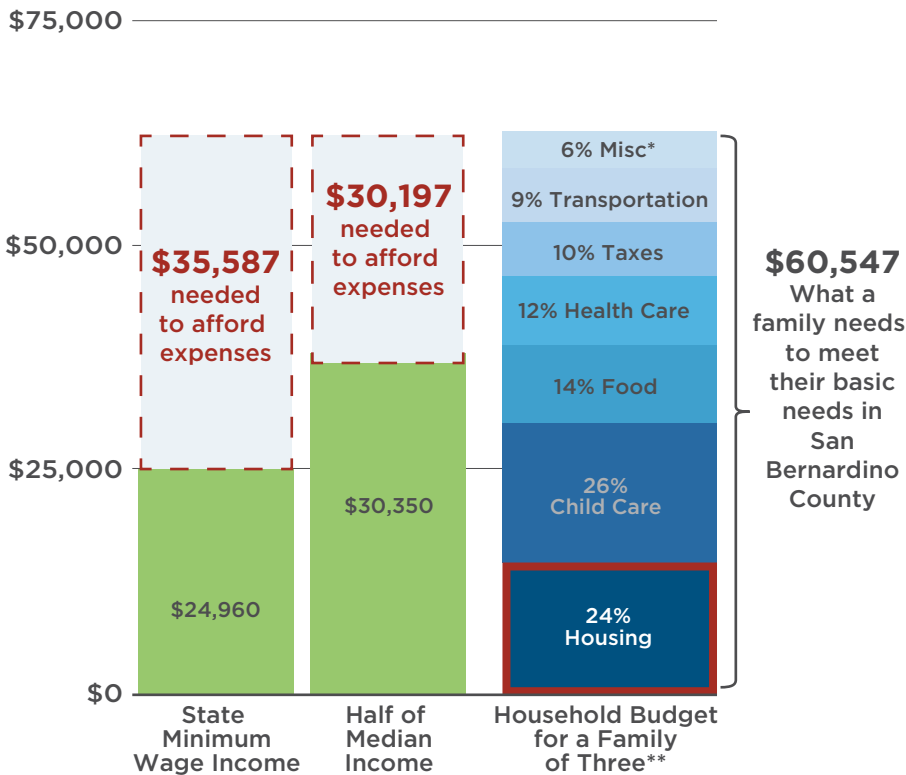
Source: NLIHC analysis of 2017 PUMS data.
 *Cost burdened households spend 30% or more of their income towards housing costs. Severely cost burdened households spend more than 50%.

RENTERS NEED TO EARN 2.7 TIMES MINIMUM WAGE TO AFFORD THE MEDIAN ASKING RENT IN SAN BERNARDINO COUNTY



Source: Paul Waddell, Urban Analytics Lab, University of California, Berkeley, retrieved from analysis of online Craigslist listings in February 2019. Bureau of Labor Statistics Median Annual Wage Data for CA Occupations, 2018.

HOUSING & CHILD CARE PRICES ARE DRIVING COSTS OF LIVING OUT OF REACH FOR LOW INCOME FAMILIES IN SAN BERNARDINO COUNTY



Source: The above budget is a preview of United Way's forthcoming data release on the Real Cost Measure. Please visit <https://www.unitedwaysca.org/realcost> for more information about what it takes to meet basic needs in San Bernardino County.

*The "miscellaneous" budget category includes all other categories not defined.

**The household budget for a family of three uses a population weighted average to estimate the costs associated with one working adult and two children (one school-aged child and one toddler). Each percentage represents how much a family's annual budget is captured in each cost category (housing, child care, etc.).

SAN BERNARDINO COUNTY'S LIHTC PRODUCTION & PRESERVATION INCREASED 114% WHILE STATEWIDE PRODUCTION & PRESERVATION DECREASED 23% FROM 2016-2018

STATEWIDE			
TYPE	2016	2018	% CHANGE
New Construction	9,285	9,373	1%
Acquisition & Rehab	15,032	9,430	-37%
All	24,317	18,803	-23%

SAN BERNARDINO COUNTY			
TYPE	2016	2018	% CHANGE
New Construction	213	445	109%
Acquisition & Rehab	238	522	119%
All	451	967	114%

Source: California Housing Partnership analysis of 2016-2018 California Tax Credit Allocation Committee data.

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:

- » Replace Redevelopment funding for affordable housing with at least \$1 billion annually to help local governments meet their State-mandated production goals.
- » Expand the State's Low Income Housing Tax Credit Program by \$500 million per year to jump-start affordable housing production and preservation.
- » Create a new California capital gains tax credit to preserve existing affordable housing at risk of conversion and to fight displacement pressures in Opportunity Zones.
- » Reduce the threshold for voter approval of local funding of affordable housing and infrastructure from 67% to 55% as was done for educational facilities in 2000.

LOCAL RECOMMENDATIONS FOR SAN BERNARDINO COUNTY

- » Adopt policies like entitlement efficiency measures and local funding that encourage the development of rental and affordable ownership housing affordable to a broad spectrum of low to moderate income households and those experiencing homelessness.
- » Strengthen code enforcement by providing sufficient resources to enable adequate monitoring of building compliance especially for vacant and non-owner occupied buildings. Couple code enforcement measures with strong protections for existing residents.
- » Seek funds to expand affordable housing homeownership development for low and moderate income families through subsidized second mortgages, down payment assistance and loans and grants for home repairs and financial education.
- » Ensure that sites identified in Housing Element updates are suitable for affordable housing development and are assessed for competitiveness for key State funding such as 9% Low Income Housing Tax Credits and the Multifamily Housing Program funding.
- » Provide infrastructure improvements to facilitate infill residential developments serving low income households and to improve the quality of life in low income communities.
- » Allow affordable housing development by right through mechanisms such as Affordable Housing Overlay Zones. Allow accessory dwelling units (ADUs) to be approved through ministerial review.
- » Review opportunities to create affordable housing on vacant and underutilized publically-owned land sites suitable for residential development.

This report was produced by the California Housing Partnership.

Local policy recommendations provided by:

Southern California Association of NonProfit Housing (SCANPH)

Inland Southern California Housing Collective

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