



Lohse Apartments in Roseville. Photo by Amy Sullivan.
Photo courtesy of Mercy Housing California.

PLACER COUNTY'S HOUSING EMERGENCY UPDATE



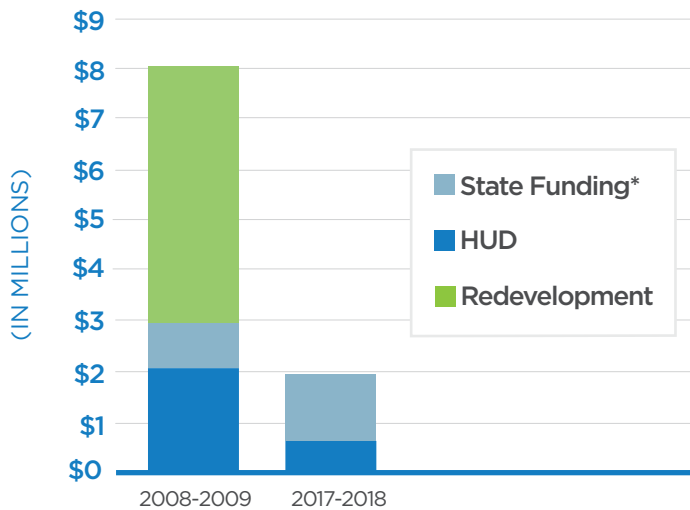
**California
Housing
Partnership**

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

KEY FINDINGS

- Cuts in Federal and State funding have reduced investment in affordable housing in Placer County by more than \$6 million annually since 2008, a 76% reduction.
- 79% of ELI households are paying more than half of their income on housing costs compared to just 5% of moderate income households.
- Placer County needs 7,319 more affordable rental homes to meet current demand.
- Low Income Housing Tax Credit production and preservation in Placer County and the larger Sacramento region recovered significantly from 2016 to 2018.
- Renters in Placer County need to earn \$32.40 per hour - 2.7 times the State minimum wage - to afford the median monthly asking rent of \$1,685.

PLACER COUNTY LOST 76% OF STATE AND FEDERAL FUNDING FOR HOUSING PRODUCTION AND PRESERVATION FROM FY 2008-2009 TO FY 2017-2018



FUNDING SOURCE	FY 2008-09 (In thousands)	FY 2017-18 (In thousands)	% CHANGE
Redevelopment	\$5,152	\$0	-100%
State Housing Bonds and Housing Programs	\$814	\$1,260	55%
HUD	\$2,106	\$674	-68%
TOTAL	\$8,072	\$1,933	-76%

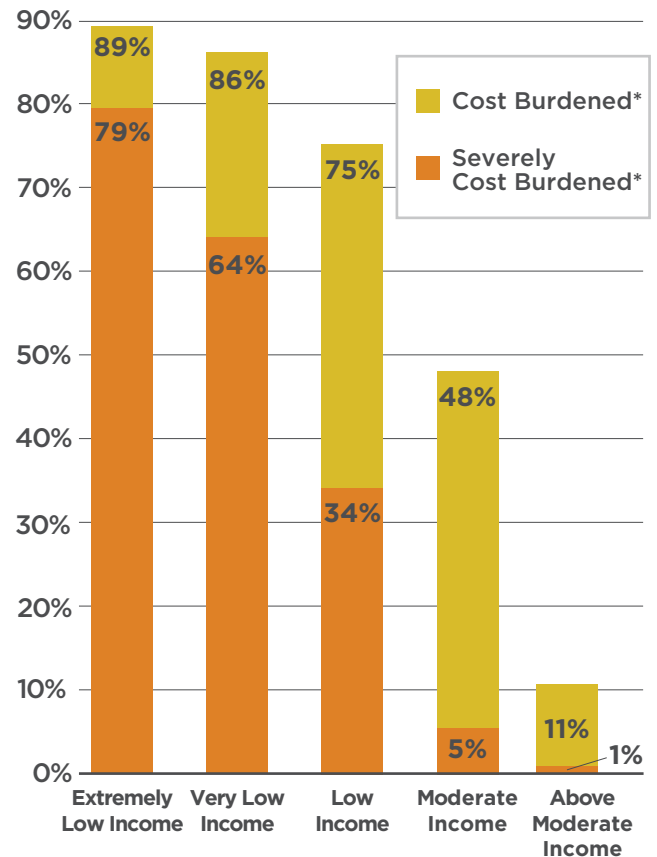
Source: California Housing Partnership analysis of 2008-2009 annual Redevelopment Housing Activities Report; 2008-2009 and 2017-2018 Annual HCD Financial Assistance Programs Reports; 2008-2009 and 2017-2018 HUD CPD Appropriations Budget Reports.

*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.

PLACER COUNTY NEEDS 7,319 MORE AFFORDABLE RENTAL HOMES



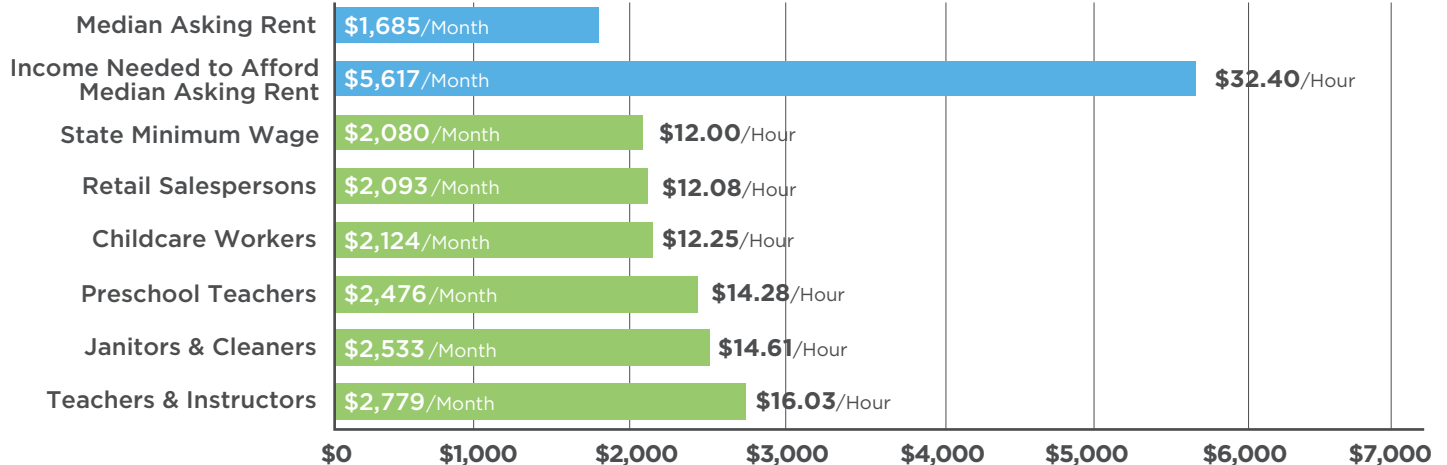
LOWEST INCOME HOUSEHOLDS ARE DISPROPORTIONATELY AND SEVERELY COST BURDENED



Source: California Housing Partnership's analysis of 2016-2017 PUMS data.

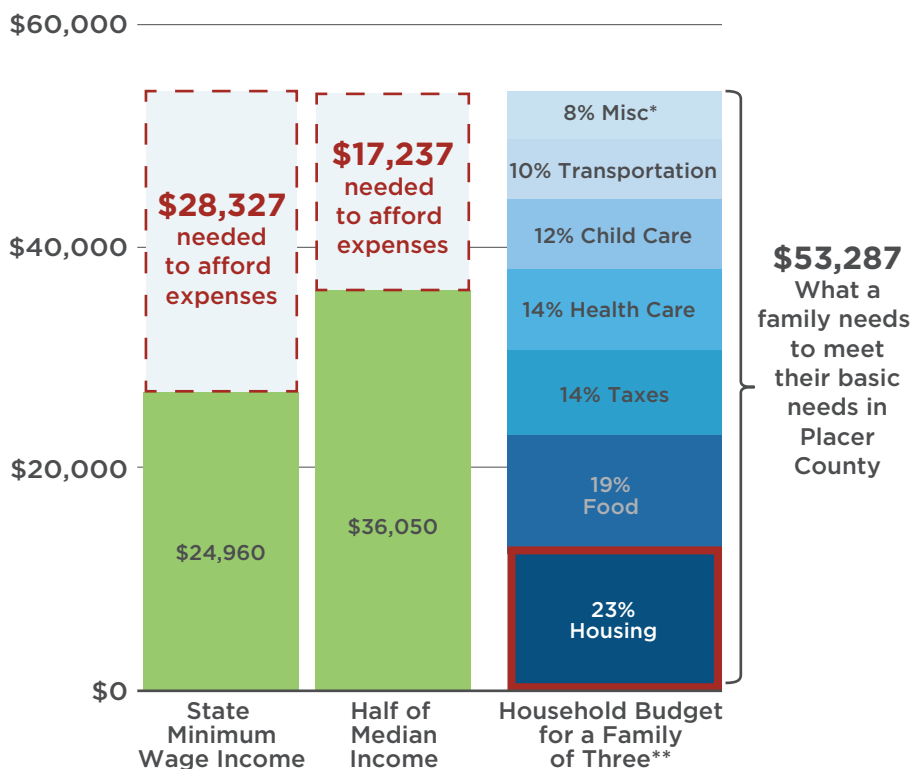
*Cost burdened households spend 30% or more of their income towards housing costs. Severely cost burdened households spend more than 50%.

RENTERS NEED TO EARN 2.7 TIMES MINIMUM WAGE TO AFFORD THE MEDIAN ASKING RENT IN PLACER 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 PRICES ARE DRIVING COSTS OF LIVING OUT OF REACH FOR LOW INCOME FAMILIES IN PLACER 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 Placer 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 teenager). Each percentage represents how much a family's annual budget is captured in each cost category (housing, child care, etc.).

REGIONAL AND COUNTY LOW INCOME HOUSING TAX CREDIT ACTIVITY RECOVERED SIGNIFICANTLY IN 2018

SACOG REGION*

TYPE	2016	2017	2018
New Construction	215	316	435
Acquisition & Rehab	662	247	1,098
All	877	563	1,533

PLACER COUNTY

TYPE	2016	2017	2018
New Construction	97	0	104
Acquisition & Rehab	416	0	230
All	513	0	334

*SACOG region includes El Dorado, Placer, Sacramento, Sutter, Yolo, and Yuba counties.

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

Note: The data does not include manager or market rate units created through the LIHTC program.

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 PLACER COUNTY

- » Expeditiously create or strengthen local housing trust funds with local revenue sources for affordable home development.
- » Update zoning ordinances to increase densities for affordable rental homes prioritizing sites near public transit, schools and medical services.
- » Reduce impact fees and allow their deferral until occupancy for affordable housing.
- » Require developers to set aside a specified percentage of units in all new developments for lower income households or dedicate land and pay fees sufficient to build the same number of units.
- » Adopt tenant protections to prevent unjust evictions and provide stability for renters.
- » Create opportunities for the development of permanent supportive housing for people experiencing homelessness by identifying appropriate sites and properties and prioritizing local funding for that use.

This report was produced by the California Housing Partnership.

Local policy recommendations provided by:
Sacramento Housing Alliance

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