

LOS ANGELES COUNTY 2022 AFFORDABLE HOUSING DASHBOARD: A Countywide Snapshot

Affordable Housing Shortfall

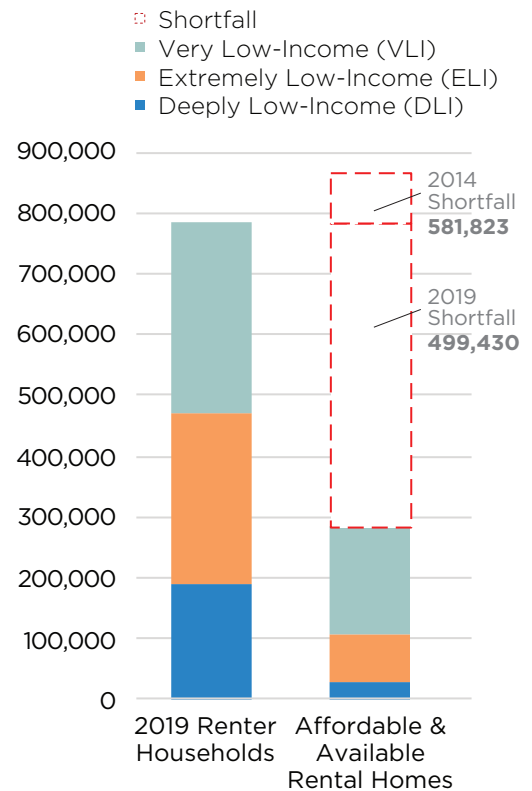
Los Angeles County has a shortfall of 499,430 homes affordable to the lowest-income renters. The shortfall for a given income group is based on whether households at this income or below are living in a home that is affordable to their income group. The shortfall of affordable homes in Los Angeles County decreased by 82,393 homes between 2014 and 2019.

Housing Affordability Gap Analysis for Lowest Income Households

Renter Group	Cumulative Surplus or Deficit of Affordable Rental Homes*	% Change from 2014 to 2019
DLI 0-15% AMI	-160,849	↗ 7%
ELI 15-30% AMI	-364,316	↘ -13%
VLI 30-50% AMI	-499,430	↘ -14%

Source: California Housing Partnership analysis of 2014 and 2019 1-year ACS PUMS data with HUD income levels and added DLI income group subset. Methodology is adapted from NLIHC gap methodology. Note: This chart was not updated in 2022 due to known issues with the US Census Bureau's ACS 2020 1-year data.

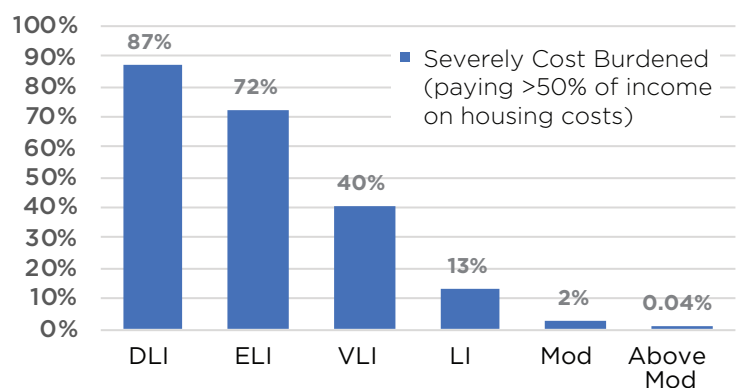
*The surplus or deficit includes homes occupied by households at or below the income threshold of the income group.



Severe Cost Burden in Los Angeles County

Households Paying More than Half of Their Income on Housing Costs

In Los Angeles County, lower-income renters are more likely than higher income renters to spend more than half of their income on housing. In 2019, 87% of deeply low-income households (earning less than or equal to 15% of AMI) and 72% of very low-income households (earning less than or equal to 30% of AMI) are severely cost burdened, while 2% of moderate-income households experience this level of cost burden. Severe cost burden is defined as spending more than 50% of household income on housing costs.



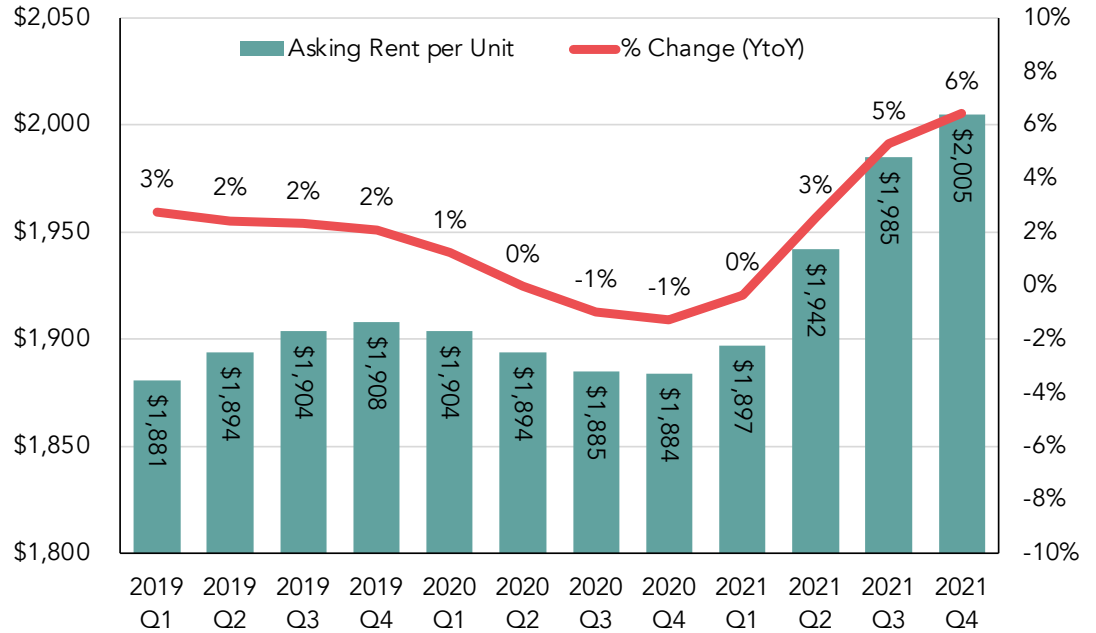
Source: California Housing Partnership analysis of 2014 and 2019 1-year ACS PUMS data with HUD income levels and added DLI income group subset. Methodology is adapted from NLIHC gap methodology. Note: This chart was not updated in 2022 due to known issues with the US Census Bureau's ACS 2020 1-year data.

*Reflective of changes within the income group.

Trends in Multifamily Rents and Rent Arrears

Average Multifamily Rent Changes in Los Angeles County During the Pandemic (2019 – 2021, Year-to-Year)

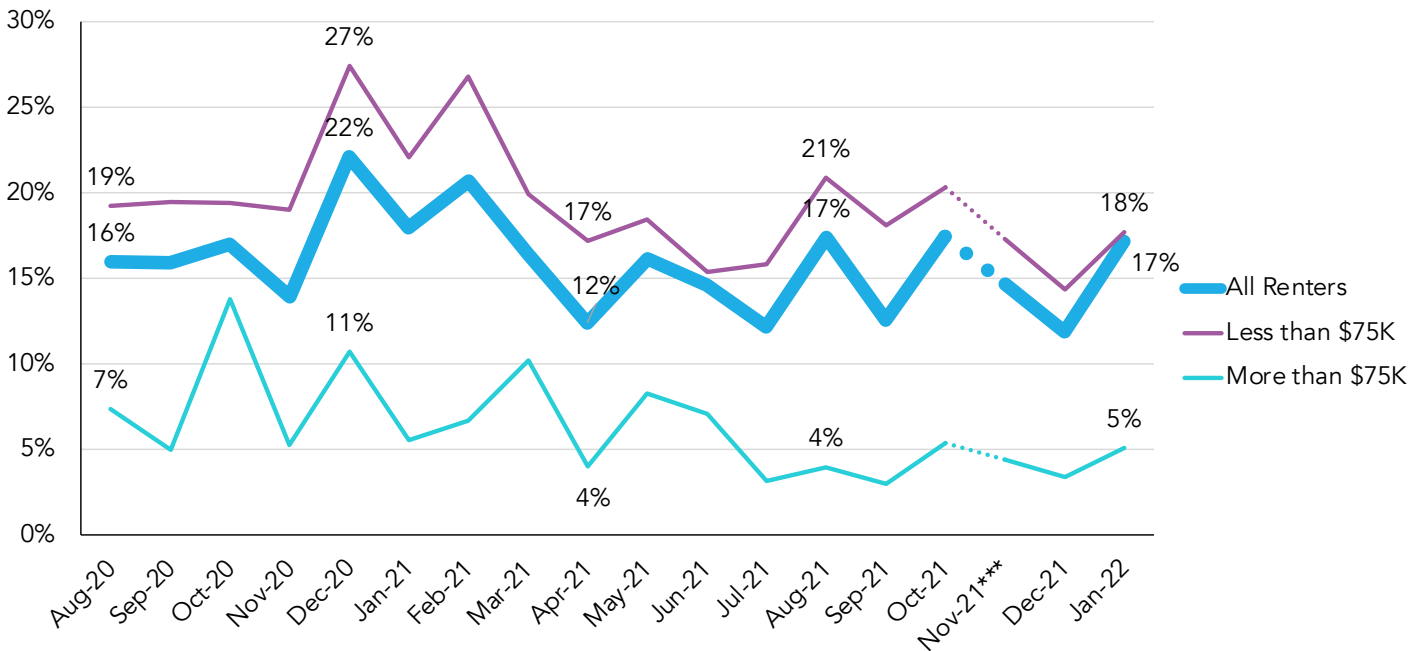
In the last three quarters of 2021, average asking rents across the entire multifamily rental market in Los Angeles County began to rise at increasing rates: 3% in Q2 2021, 5% in Q3 2021 and 6% in Q4 2021. This followed moderate rent decreases early on in the pandemic (Q1 2020 to Q4 2020).



Source: California Housing Partnership analysis of average rent data from CoStar Group, accessed January 2022.

Percentage of Renters* Who Are Not Caught Up on Rent Payments (Aug 2020–Jan 2022)**

Los Angeles County renters in households earning less than \$75,000/year have been less able to catch up on rent arrears during the pandemic than those in households earning over \$75,000.



Source: California Housing Partnership analysis of Household Pulse Survey, U.S. Census Bureau, 2020-2022.

*The Pulse Survey provides estimates for all adults in households; therefore, percentages should be interpreted as the share of adults in households who are not caught up on rent. Note: Figures are averages of data collected in the corresponding month. For example, the October 2020 datapoint is an average of survey data collected Sept 30–Oct 12 and Oct 14–Oct 26.

**The Census rewrote the rent payment question in August 2020 (Phase 2), making direct comparison with Phase 1 estimates not possible. Therefore, results are only shown for August 2020 onward.

***No survey results were collected between October 12 and November 30, 2021 between the transition from Phase 3.2 to 3.3.

Inventory of Affordable Rental Housing

Below is a summary of the federal, state, and county-administered affordable housing in Los Angeles County. Also included are the number of affordable homes at risk of being converted to market rate due to expiring covenants or other changes to existing rent restrictions.

Summary of Federal, State, and County-Administered Affordable Housing and At-Risk Housing in Los Angeles County

Supervisory District (SD)	Affordable Homes	At-Risk Affordable Homes*	County-Administered Affordable Homes**
SD 1	41,733	1,441	9,877
SD 2	31,666	1,835	7,217
SD 3	23,605	2,392	3,102
SD 4	17,920	1,031	4,825
SD 5	18,985	1,238	3,736
TOTAL (County)	133,909	7,937	28,757

Source: California Housing Partnership Preservation Database. LACDA, HACLA, DRP, and DMH.

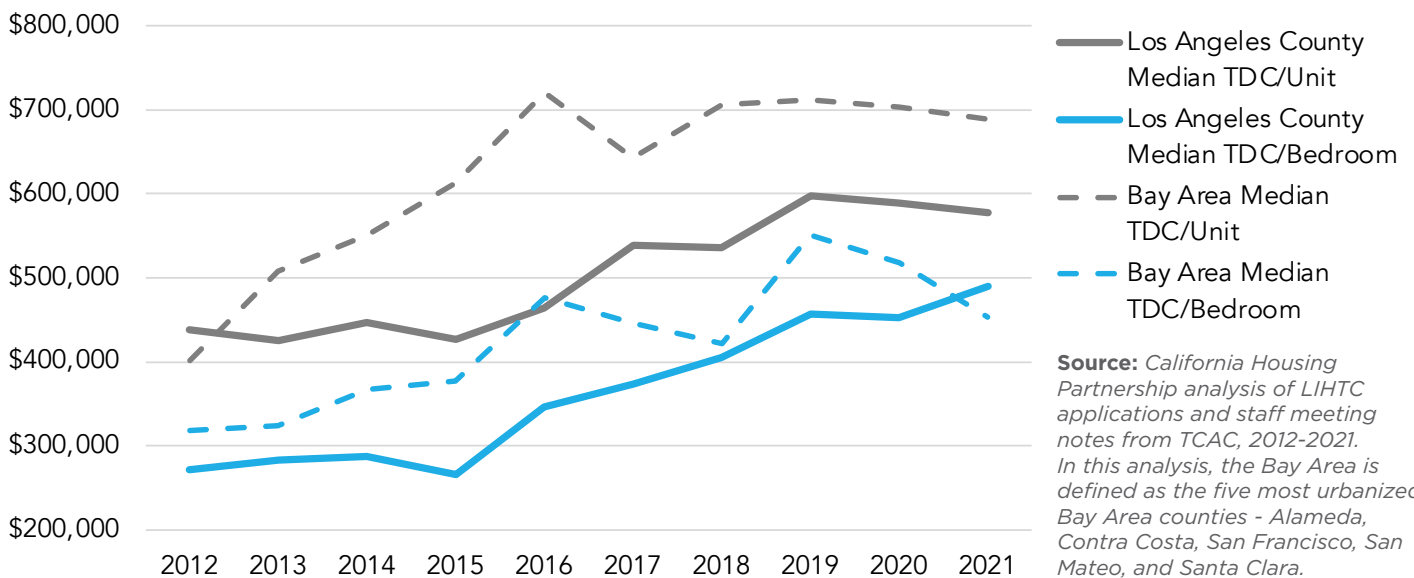
*This is a subset of the total number of affordable homes.

**This is a subset of the total number of affordable homes and includes homes affordable up to moderate-income households (<120% AMI).

Cost of Developing New Affordable Housing

Los Angeles County Median Total Development Costs for New LIHTC Developments, 2012-2021 (2021\$)

Median total development costs for new Low-Income Housing Tax Credit (LIHTC) affordable developments in Los Angeles County remained relatively flat between 2012 and 2015, increased steadily between 2016 and 2019, and then decreased slightly from 2019 to 2020. In 2021, per-unit costs were \$11,000 lower and per-bedroom costs were \$38,000 higher, a 2% decrease per unit and 8% increase per bedroom from 2020.

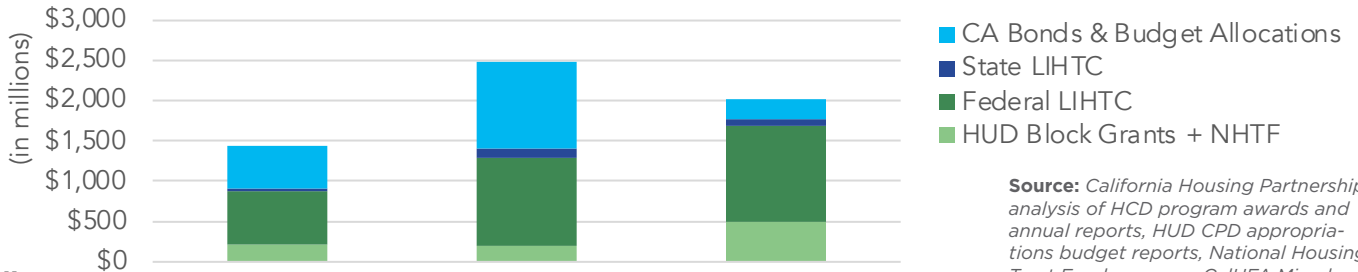


Source: California Housing Partnership analysis of LIHTC applications and staff meeting notes from TCAC, 2012-2021. In this analysis, the Bay Area is defined as the five most urbanized Bay Area counties - Alameda, Contra Costa, San Francisco, San Mateo, and Santa Clara.

Investments in Affordable Housing

Change in Federal and State Capital Investments in Affordable Housing in Los Angeles County

Federal funding increased 30% for housing production and preservation in Los Angeles County from FY 2019-20 to FY 2020-21. State funding decreased 72%, primarily due to the timing of program awards.*



Funding Sources	FY2018-19	FY2019-20	FY2020-21	Δ** from FY19-20
CA Hsg Bonds & Budget Allo.	\$527,622,541	\$1,083,712,461	\$257,131,953	-76%
State LIHTC	\$36,696,028	\$108,488,300	\$71,521,541	-34%
STATE TOTAL	\$564,318,569	\$1,192,200,761	\$328,653,494	-72%
Federal LIHTC	\$667,922,072	\$1,093,754,270	\$1,196,134,119	9%
HUD Block Grants + NHTF	\$207,608,396	\$203,836,953	\$495,640,973	143%
FEDERAL TOTAL	\$875,530,468	\$1,297,591,223	\$1,691,775,092	30%

Source: California Housing Partnership analysis of HCD program awards and annual reports, HUD CPD appropriations budget reports, National Housing Trust Fund program, CalHFA Mixed Income Program, BCHS Program Reports, California SGC Affordable Housing Sustainable Communities Program, and federal and state Low-Income Housing Tax Credits.

*Note: Los Angeles County received its second installment of locally-administered NPLH funds in FY2019-20. The award included both the scheduled 2nd round tranche and an advance of the projected 3rd funding round total. Because funds were advanced, the County did not receive any NPLH funding in FY2020-21. Further, while the State released NOFAs for the AHSC program and the VHHP program in FY2020-21, the State did not make funding awards until early FY2021-22.

** Δ = Percent change.

County Capital Investments in Affordable Housing in 2021

The LACDA NOFA funded 1,523 affordable homes in 2021. LACDA allocated more than \$7 million of the Capital Fund Program across its portfolio of 68 affordable housing developments. DMH made \$157 million available for LACDA's 2021 NOFA.

Department	Total Affordable Homes Funded in 2021	2021 Expenditures	Δ from 2020
LACDA NOFA	1,523	\$122,070,000	82%
LACDA Public Housing Capital Fund	N/A*	\$7,218,842**	1%***
DMH	456	\$156,562,166	213%
TOTAL	1,979	\$285,917,056	130%

Note: Table only includes affordable homes that received capital funding. Homes may have received funding from multiple departments and may not yet be placed in service.

*Funding used to rehabilitate public housing developments.

**Represents fiscal year 2021 capital fund program budget.

***Change from fiscal year 2020 capital fund program budget.

