METHODOLOGY DOCUMENTATION

Quantifying Housing Needs in California

May 2024

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

chpc.net/housingneeds

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INTRODUCTION

Purpose of the Housing Needs Dashboard

Policymakers, program administrators, housing advocates, practitioners, and California residents often lack easy access to data and visual tools that provide comprehensive pictures of housing markets throughout the state. The California Housing Partnership created the Housing Needs Dashboard in 2020 to address this challenge.

The Housing Needs Dashboard ("dashboard") is an interactive, online tool that showcases data on the state of housing in communities across California. The dashboard uses the latest available administrative data, U.S. Census data, and real estate data to measure and track housing need, housing market conditions, federal and state funding, and production and preservation trends.

We plan to improve the tool over time as new data and research becomes available and based on feedback from key stakeholders.

About the California Housing Partnership

The California Housing Partnership creates and preserves affordable and sustainable homes for Californians with low incomes by providing expert financial and policy solutions to nonprofit and public partners. Since 1988, the Partnership's on-the-ground technical assistance, applied research, and legislative leadership has leveraged approximately $35 billion in private and public financing to preserve and create more than 93,000 affordable homes.

Please visit our website at www.chpc.net.

METHODOLOGY

The following pages document the methodology and data sources used in the dashboard. A glossary of terms can be found at the end of the document.

Housing Need

The Housing Need section of the dashboard shows affordable housing need for each county and region in California by measuring the availability of affordable homes, housing cost burden for different demographic groups, housing tenure, and historical trends in the number of individuals experiencing homelessness and the interim and permanent housing supply available to serve them.

To quantify affordable housing need by income group, the Affordable Homes Shortfall, Cost Burdened Households, and Overcrowding graphics use HUD Income Limits from the U.S. Department of Housing and Urban Development (HUD), which determine eligibility for federal and state housing programs based on the median income and housing costs in a metropolitan area.[1] Each renter household is placed in one of five non-overlapping income groups—extremely low-income (ELI), very low-income (VLI), low-income (LI), moderate-income and above moderate-income—based on their household income relative to the metropolitan area's median income (AMI), adjusted for household size.

For high-cost housing markets throughout the state, HUD upwardly adjusts income limits to try to account for these higher costs. For example, HUD calculates the VLI income limit in Los Angeles County—which would normally be based on a household earning 50 percent AMI—on a four-person household paying no more than 35 percent of their income for an apartment priced at 85 percent of the HUD Section 8 Fair Market Rent (FMR) for Los Angeles County. This results in an upward adjustment that in turn affects all other income limits because they are all calculated relative to the VLI base limit.[2]

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[1] U.S. Department of Housing and Urban Development (HUD). Methodology for Determining Section 8 Income Limits. Website: https://www.huduser.gov/portal/datasets/il/il22/IncomeLimitsMethodology-FY22.pdf.
[2] Because HUD Income Limits are adjusted upward from actual income levels in Los Angeles County and other high-cost areas, a higher proportion of the county's households fall into the ELI, VLI and LI groups than otherwise would be the case. The adjusted income levels also mean that households at the lower end of each income range may find rents that are set at the maximum allowable price for the adjusted income levels to be high in relation to their income.

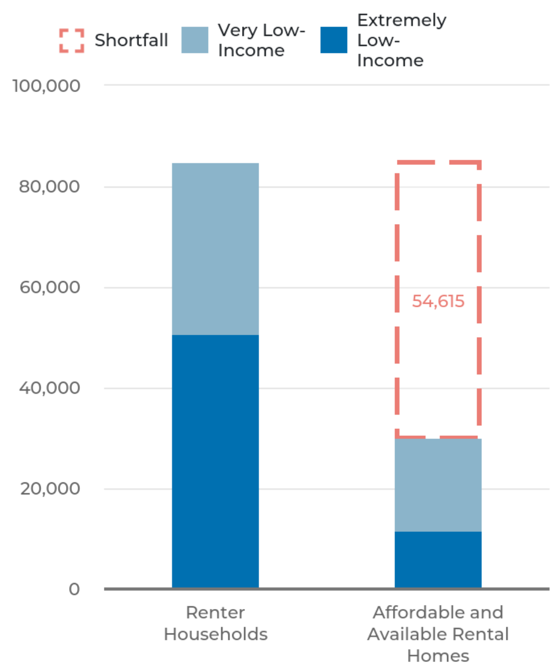
Rent affordability is determined by the income needed to afford rent and utilities without spending more than 30 percent of household income.

Affordable Homes Shortfall

The Affordable Homes Shortfall analysis identifies the number of lower income renter households who cannot find an affordable home in the current market by comparing the number of renter households with the number of rental homes affordable and available to them. In this analysis, a rental home is considered "affordable and available" if a household spends (or would need to spend) no more than 30 percent of its income on rent and utilities and is either vacant or occupied by a household at or below the income group threshold.[3] Both occupied and vacant homes are included because, together, they represent the total stock of rental homes affordable to households of each income group.

AFFORDABLE HOMES SHORTFALL

54,615 low-income renter households in Sacramento County do not have access to an affordable home (2022).



This analysis is represented in the dashboard as a stacked bar chart. The left-hand stacked bar represents the number of extremely low-income and very low-income renter households. The stacked bar on the right-hand side represents the number of rental homes that are affordable and available to these lower income households. For example, there are 85,496 extremely and very low-income renter households living in Sacramento County. However, only 30,251 rental homes are affordable and available to these households, resulting in a shortfall of 54,615 affordable rental homes (see figure to the right). In other words, almost 55,000—or about two thirds—of the county's lowest income households do not have access to affordable housing.[4]

The shortfall analysis uses data from the American Community Survey (ACS) Public Use Microdata Sample (PUMS). The ACS is an ongoing, annual survey conducted by the U.S. Census Bureau that collects detailed population and housing data on households throughout the United States.

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[3] National Low Income Housing Coalition. "The Gap: A Shortage of Affordable Rental Homes." Website: https://nlihc.org/gap.

[4] The shortage of affordable homes described above does not account for individuals and families experiencing homelessness due to limitations of ACS PUMS housing data.

Whereas the ACS aggregates data to a specific geography (state, county, zip code, census tracts, etc.), PUMS data is a sample of households living within a Public Use Microdata Area (PUMA)—each with populations of between 100,000 to 200,000 people. Instead of relying on aggregate ACS data, PUMS offers the ability to work directly with the underlying ACS data. Accordingly, PUMS data is flexible and allows complex analysis.

This graphic uses the one-year housing unit sample for all counties and regions with more than 50,000 renter households and combines two, one-year samples for all remaining geographies with less than 50,000 renter households.[5] The analysis for geographies with fewer than 50,000 renter households is completed in odd numbered years only to avoid overlap when combining years. Therefore, the "current" data may be older for some counties. For example, in 2024 Butte County's most current data is from 2021, whereas Los Angeles County has data for 2022. When multiple counties are located in a single PUMA, the data associated with each PUMA must be proportionally distributed to each county based on tract-level data from HUD's Comprehensive Housing Affordability Strategy (CHAS) data. CHAS data is prepared for HUD by the Census Bureau and includes various indicators on housing affordability for different income groups, as defined by HUD. The CHAS is derived from five-year data and is available at a tract level.

Even with quality controls in place, these values leverage sample survey data and should, therefore, be regarded as estimates. Small differences in cost burden across demographic groups or geographies, for example, should not be assumed to be statistically significant.

Cost Burdened Renter Households by Income: All Households

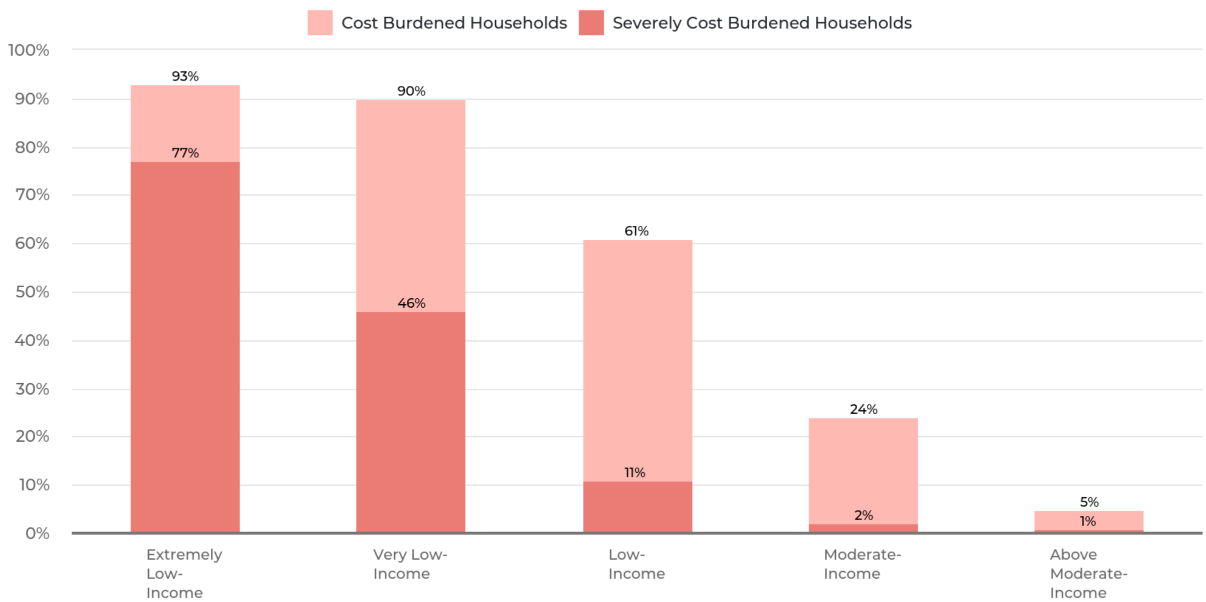
The Cost Burdened Renter Households by Income analysis measures rent affordability at different household incomes by calculating the percentage of income that households pay for housing. A household is considered cost burdened if they pay 30 percent or more of household income on housing costs and severely cost burdened if they pay more than 50 percent of household income on housing costs. Housing costs include both rent and utilities (e.g. electricity, fuel, gas and water).

This analysis is represented in the dashboard as a stacked bar chart. Each stacked bar shows the share of households in each income group that are cost burdened and severely cost burdened. For example, 93 percent of extremely low-income renter households in Kern County are cost burdened, meaning they are paying more than 30 percent of household income on housing costs. Seventy-seven percent of extremely low-income renter households experience severe cost burden.

[5] In our 2023 update, we relied on only one year of data for all geographies given concerns with 2020 1-year ACS data.

COST BURDENED RENTER HOUSEHOLDS BY INCOME: ALL HOUSEHOLDS

77% of ELI households in Kern County are paying more than half of their income on housing costs compared to 2% of moderate-income households (2022)



Like the shortfall analysis described above, the cost burden analysis uses one-year PUMS data for all counties with more than 50,000 renter households and combines two, one-year samples for all remaining counties with less than 50,000 renter households.[6] Similarly, the analysis for geographies with fewer than 50,000 renter households is completed in odd numbered years only to avoid overlap when combining years. Therefore, the "current" data may be older for some counties. For example, in 2024 Butte County's most current data is from 2021, whereas Los Angeles County has data for 2022. The cost burden analysis also leverages CHAS data to proportionally distribute data across multiple counties located in a single PUMA. Even with quality controls in place, these values leverage sample survey data and should, therefore, be regarded as estimates. Small differences in cost burden across demographic groups or geographies, for example, should not be assumed to be statistically significant.

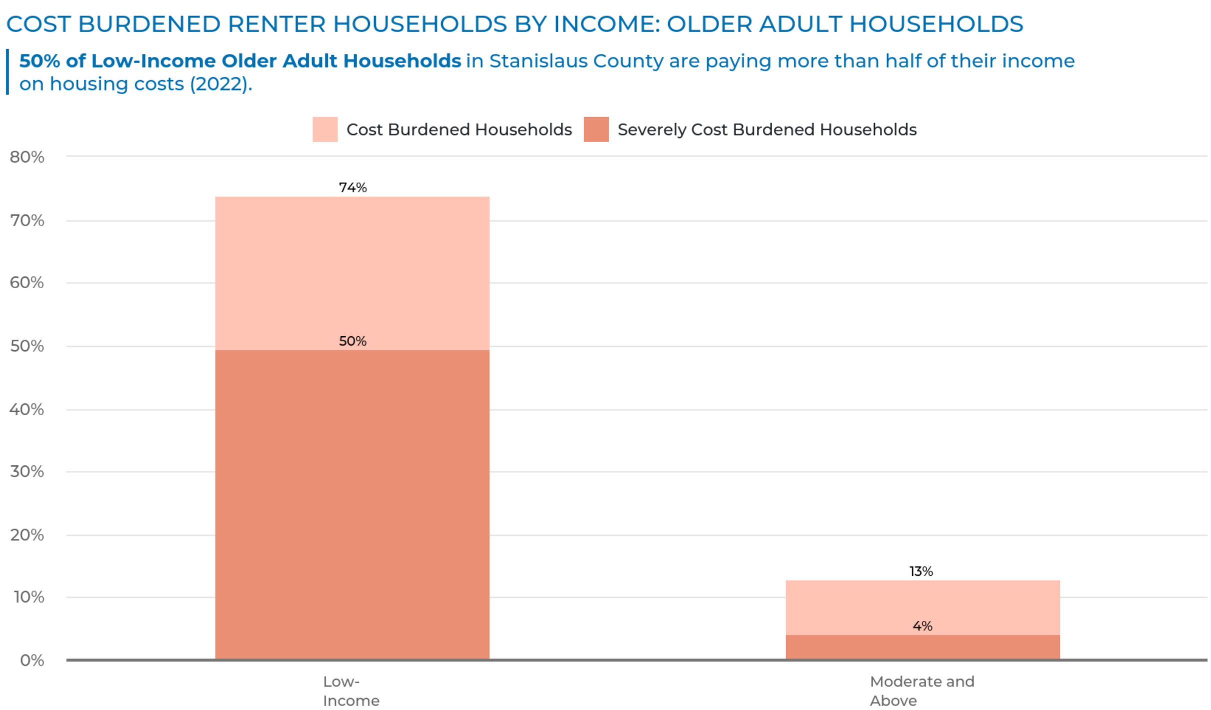
Cost Burdened Renter Households by Income: Older Adult Households

The Cost Burdened Renter Households by Income: Older Adult Households analysis measures cost burden and severe cost burden for older adult households, defined by HUD as households that are

[6] In our 2023 update, we relied on only one year of data for all geographies given concerns with 2020 1-year ACS data.

headed by an adult or their spouse who is 62 years or older[7]. As described above, a household is considered cost burdened if they pay 30 percent or more of household income on housing costs and severely cost burdened if they pay more than 50 percent of household income on housing costs. Housing costs include both rent and utilities (e.g. electricity, fuel, gas and water). Because of the relatively small number of households headed by an older adult particularly in counties with small populations, income groups experienced high variation in rates of cost burden year-to-year. For this reason, ELI, VLI, and LI income groups were aggregated into a group called Low-Income while moderate- and above moderate-income households were aggregated into a group called Moderate and Above.

This analysis is represented in the dashboard as a stacked bar chart. Each stacked bar shows the share of households in each income group that are cost burdened and severely cost burdened. For example, 74 percent of low-income older adult renter households in Stanislaus County are cost burdened. Fifty percent of low-income older adult renter households experience severe cost burden.



Like the shortfall and cost burden analyses described above, the cost burden older adult analysis uses one-year PUMS data for all counties and regions. To further ensure data reliability, we do not

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[7] U.S. Department of Housing and Urban Development (HUD). Chapter 9. Housing for the Elderly, Handicapped, and Displaced. Website: https://www.hud.gov/sites/documents/45101C9HSGH.PDF.

report on data that is based on fewer than 100 observations. The cost burden older adult analysis also leverages CHAS data to proportionally distribute data across multiple counties located in a single PUMA. Even with quality controls in place, these values leverage sample survey data and should, therefore, be regarded as estimates. Small differences in cost burden across demographic groups or geographies, for example, should not be assumed to be statistically significant.

In future updates, historical data for this analysis will be made available.

Cost Burdened Renter Households by Income: Households with Young Children

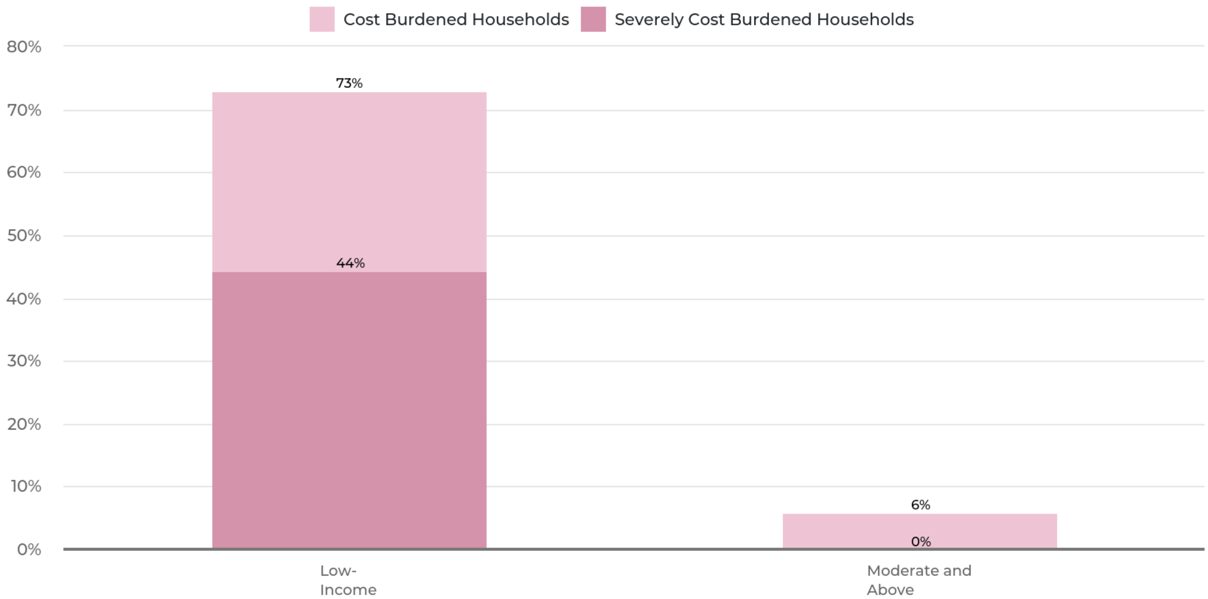
The Cost Burdened Renter Households by Income: Households with Young Children analysis measures cost burden and severe cost burden for households with children under 6 years old.[8] As described above, a household is considered cost burdened if they pay 30 percent or more of household income on housing costs and severely cost burdened if they pay more than 50 percent of household income on housing costs. Housing costs include both rent and utilities (e.g. electricity, fuel, gas and water). Like the Cost Burdened Older Adult Households analysis, the income group categories were aggregated into Low-Income (ELI, VLI, and LI income groups) and Moderate and Above (moderate and above moderate-income groups) for the same reasons.

This analysis is represented in the dashboard as a stacked bar chart. Each stacked bar shows the share of households in each income group that are cost burdened and severely cost burdened. For example, 73 percent of low-income renter households with young children in Tulare County are cost burdened. Forty-four percent of low-income renter households with young children experience severe cost burden.

[8] The first year this analysis was included, it focused exclusively on households that only had children under the age of 6. However, the analysis has been adjusted retroactively and going forward to include any households with children under the age of 6 even when there are also children over the age of 6 in the household.

COST BURDENED RENTER HOUSEHOLDS BY INCOME: HOUSEHOLDS WITH YOUNG CHILDREN

44% of Low-Income Households with young children in Tulare County are paying more than half of their income on housing costs (2022).



Like the shortfall and cost burden analyses described above, the cost burden young children analysis uses one-year PUMS data for all counties and regions. To further ensure data reliability, we do not report on data that is based on fewer than 100 observations. The cost burden young children analysis also leverages CHAS data to proportionally distribute data across multiple counties located in a single PUMA. Even with quality controls in place, these values leverage sample survey data and should, therefore, be regarded as estimates. Small differences in cost burden across demographic groups or geographies, for example, should not be assumed to be statistically significant.

In future updates, historical data for this analysis will be made available.

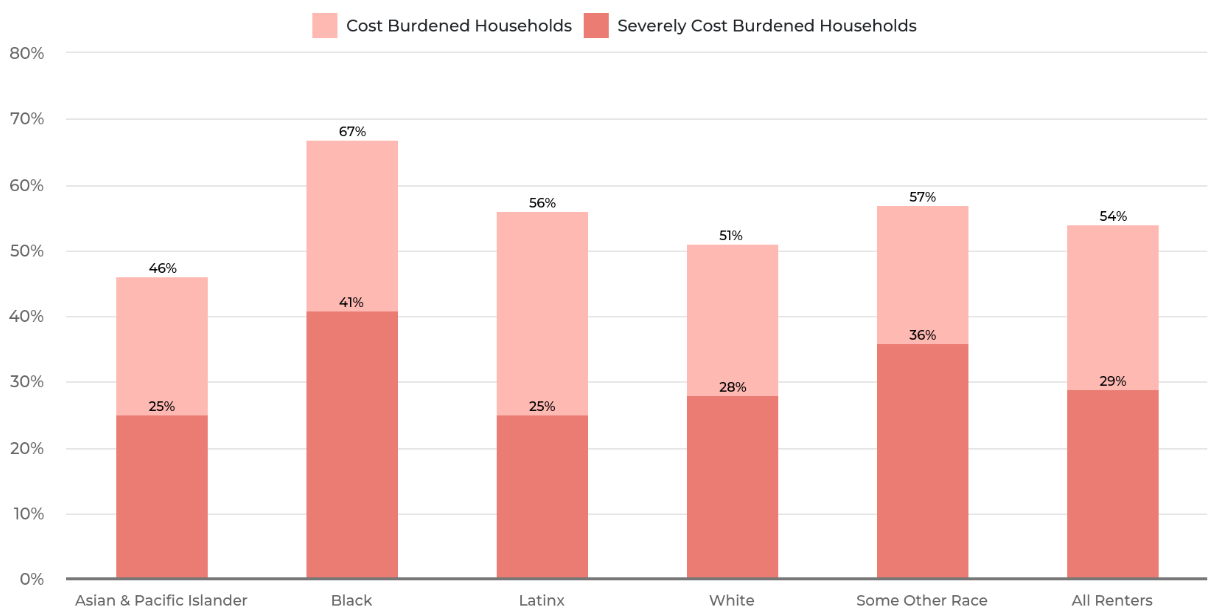
Cost Burdened Renter Households by Race and Ethnicity

The Cost Burdened Renter Households by Race and Ethnicity analysis measures cost burden and severe cost burden for different race and ethnic groups. As described above, a household is considered cost burdened if they pay 30 percent or more of household income on housing costs and severely cost burdened if they pay more than 50 percent of household income on housing costs. Housing costs include both rent and utilities (e.g. electricity, fuel, gas, and water).

This analysis is represented in the dashboard as a stacked bar chart. Each stacked bar shows the share of renter households in each race and ethnic group that are cost burdened and severely cost burdened. For example, in Sacramento County, 46 percent of Asian & Pacific Islander renter households, 67 percent of Black renter households, 56 percent of Latinx renter households, and 51 percent of White renter households are experiencing cost burden. In addition, 25 percent of Asian Pacific Islander renter households, 41 percent of Black renter households, 25 percent of Latinx renter households, and 28 percent of White renter households are experiencing severe cost burden.

COST BURDENED RENTER HOUSEHOLDS BY RACE & ETHNICITY

Renters of color face the highest rates of cost burden in Sacramento County (2022).



Like the shortfall and cost burden analyses described above, the cost burden analysis uses one-year PUMS data for all counties with more than 50,000 renter households and combines two, one-year samples for all remaining counties with less than 50,000 renter households.[9] Similarly, the analysis for geographies with fewer than 50,000 renter households is completed in odd numbered years only to avoid overlap when combining years. Therefore, the "current" data may be older for some counties. For example, in 2024 Butte County's most current data is from 2021, whereas Los Angeles County has data for 2022.

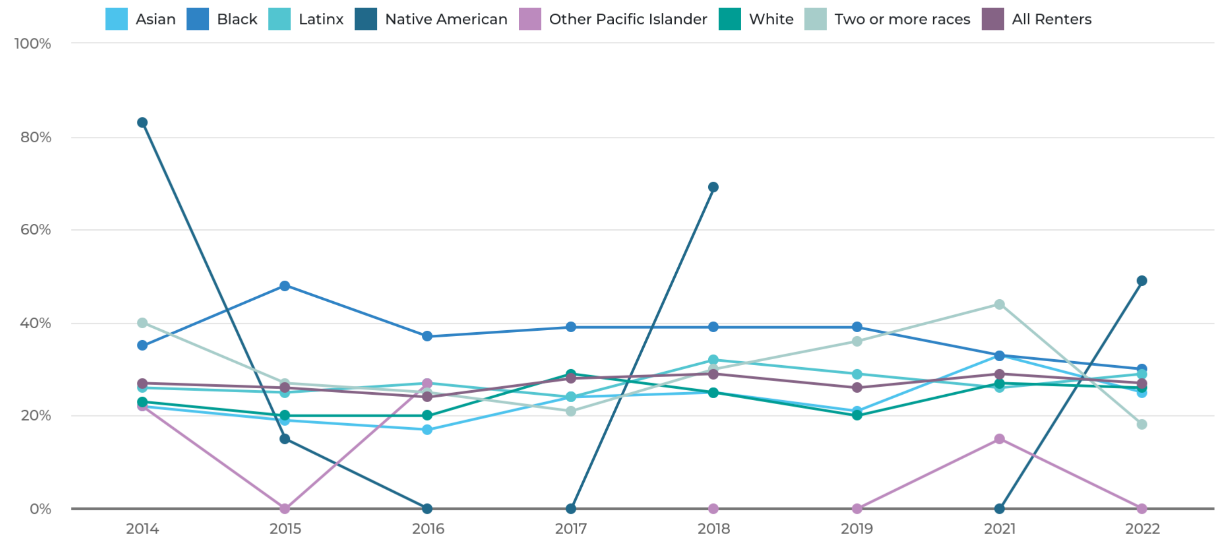
To further ensure data reliability and anonymity, we do not report race and ethnicity data that is based on fewer than 100 observations. Additionally, we combined several of the Census PUMS race

[9] In our 2023 update, we relied on only one year of data for all geographies given concerns with 2020 1-year ACS data.

and ethnicity groupings in order create a large enough sample size to include in our analysis, to avoid leaving any race or ethnicity category out of our analysis, and to moderate the wide variations we were seeing in percent of cost burden and severe cost burden year over year in some of the categories. For example, the Native American severe cost burden data fluctuated between 0% and 83% in the years where a sufficient sample size was present for these data to be included, see the dark blue line in the figure below. We combined Asian, Native Hawaiian, and Other Pacific Islander into the category Asian & Pacific Islander, and combined American Indian, Alaska Native, Some Other Race, and Two or More Races into the category Some Other Race.

COST BURDENED RENTER HOUSEHOLDS BY RACE & ETHNICITY

Share of renter households experiencing severe cost burden in Contra Costa County (2014-2022).



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Even with quality controls in place, these values leverage sample survey data and should, therefore, be regarded as estimates. Small differences in cost burden across demographic groups or geographies, for example, should not be assumed to be statistically significant.

For the purposes of this analysis, the categorization of households by race and ethnicity is based on individual responses to the U.S. Census Bureau's American Community Survey (ACS) as follows:

- "Asian & Pacific Islander" is used to refer to all people who identify as Asian American, Asian Indian, Japanese, Chinese, Cambodian, Malaysian, Pakistani, Korean, Filipino, Vietnamese, Thai, other Asian alone, Native Hawaiian or Pacific Islander alone including Guamanian, Chamorro, Samoan, Fijian, and Tongan, and do not identify as being of Latino or Hispanic origin.
- "Black" is used to refer to all people who identify as Black or African American alone and do not identify as being of Latino or Hispanic origin.

- "Latinx" is used to refer to all people who identify as being of Hispanic or Latino origin, regardless of racial identification.
- "Some other race" is used to refer to all people who identify as Native American or Alaskan Native alone, people who identify with multiple racial categories, and people who identify with a single racial category not included in this list and that do not identify as being of Latino or Hispanic origin.
- "White" is used to refer to all people who identify as white alone and do not identify as being of Latino or Hispanic origin.

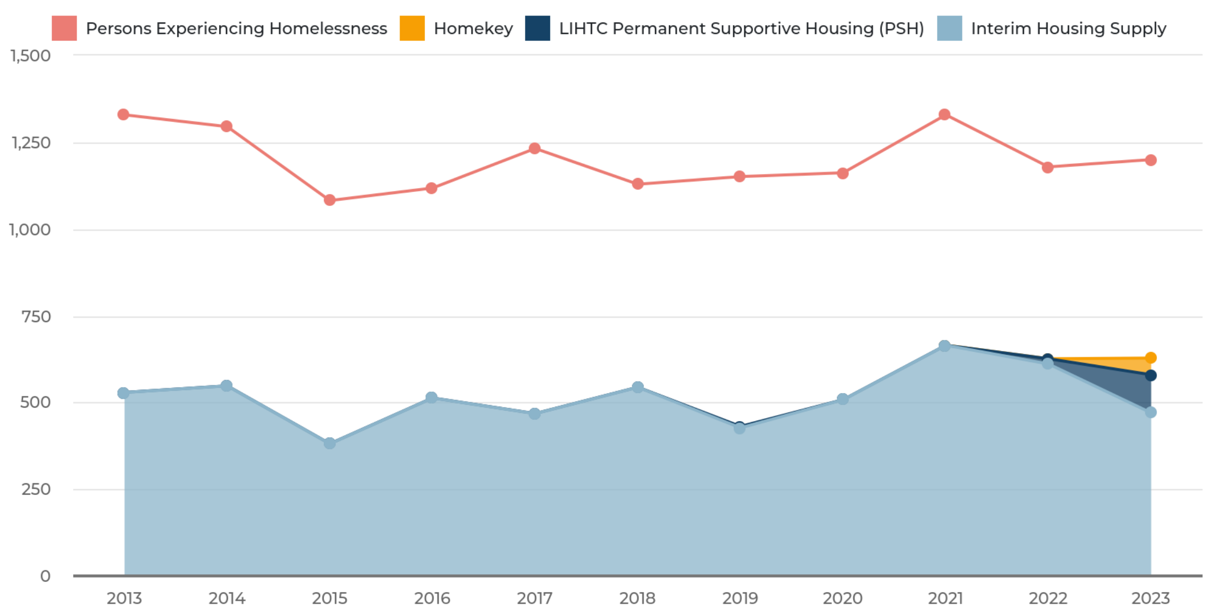
Housing For Persons Experiencing Homelessness

The Housing for Persons Experiencing Homelessness graphic provides historical data on the number of people experiencing homelessness (all persons, sheltered and unsheltered, experiencing homelessness) and the interim and permanent housing supply annually. Data is available for most geographies from 2013 to 2023.

The analysis is represented as a line graph and shaded line graph, with one line representing the number of individuals experiencing homelessness, one light blue shaded line representing the interim housing supply, another dark blue shaded line representing the estimated number of Low-Income Housing Tax Credit permanent supportive housing (PSH) units newly available each year, and a yellow point or yellow shaded line representing the estimated number PSH units funded by Homekey newly available each year.

HOUSING FOR PERSONS EXPERIENCING HOMELESSNESS

In 2023 in Solano County, there were only **628 beds** available in the interim and permanent housing supply for persons experiencing homelessness.



The interim housing supply available annually is taken from Housing Inventory Count (HIC) reports which include information on the number of beds available for occupancy in emergency shelters, safe havens, transitional housing, and rapid re-housing (RRH) on the same night the PIT count is conducted.

The permanent housing supply, shown as "LIHTC Permanent Supportive Housing (PSH),"and "Homekey", is an estimate of the number of PSH units funded through the Low-Income Housing Tax Credit (LIHTC) and Homekey programs that are placed in service (PIS) each year. The estimate is derived from annual LIHTC and Homekey awards with the assumption that acquisition/rehab units are typically placed in service one year after the development is awarded and new construction units are typically placed in service two years after the development is awarded.

Estimates of individuals experiencing homelessness are from the annual Point-in-Time (PIT) reports and are translated to the corresponding counties represented by the respective Continuums of Care (CoC) and their program areas. CoC areas may cover multiple counties, and in these instances, the total counts have been assigned to each county in the program area.[10] Due to the pandemic, many CoCs did not conduct counts of unsheltered individuals in 2021. The CoCs in the following counties did conduct counts of unsheltered individuals in 2021: Kern, Lake, Merced, Nevada, Placer, Stanislaus, Sutter, Tehama, and Yuba counties. For CoCs who did not conduct counts of unsheltered individuals, we supplemented their unsheltered counts with those from 2020. This is not uncommon as CoCs are only required to conduct unsheltered counts every other year.[11] For the Dashboard's regional aggregations, CoC areas that cover multiple counties are counted only once.

Overcrowding

The Overcrowding analysis documents rates of overcrowding by household income group. In this analysis, overcrowding is defined in terms of the ratio of occupants in a home to the number of rooms, counting two children as equivalent to one adult. A room is defined as a bedroom or common living space (such as a living room), but excludes bathrooms, kitchens, or areas of the home that are unfinished or not suited for year-round use.[12]

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[10] Homeless and Housing Strategies for California. 2020. "Map of California Continuums of Care by Region." Website: https://homelessstrategy.com/map-of-california-continuums-of-care-by-region/.

[11] HUD. "Guide to Counting Unsheltered Homeless People." Website: https://www.hudexchange.info/sites/onecpd/assets/File/Guide-for-Counting-Unsheltered-Homeless-Persons.pdf.

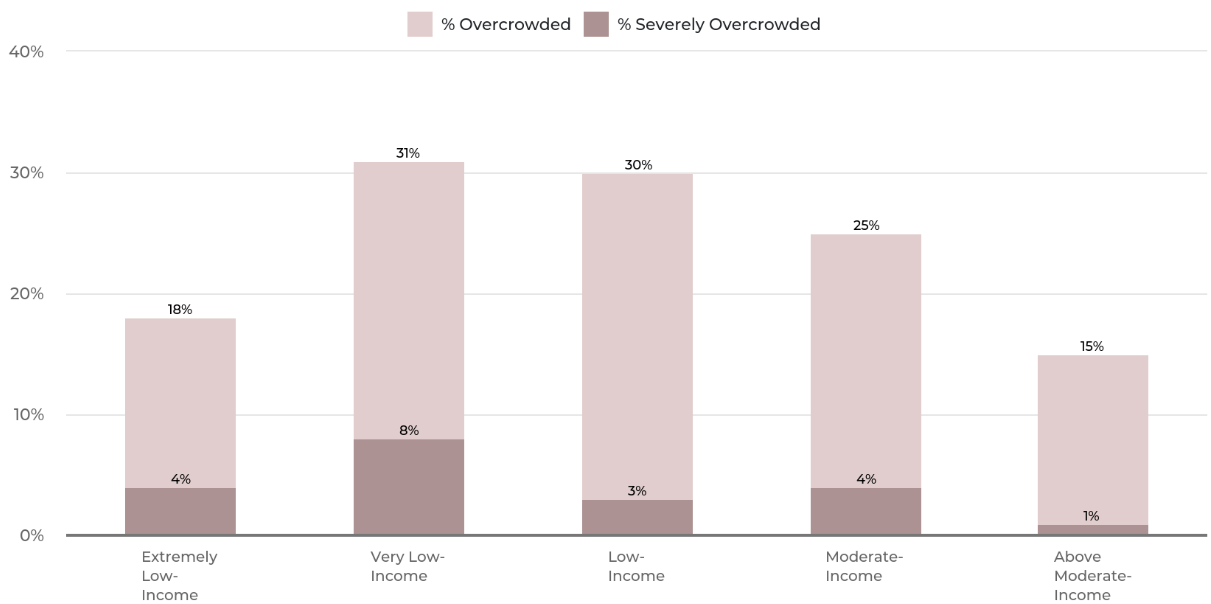
[12] Please note that the Census' definition of overcrowding varies slightly from this report's methodology. Most notably, the Census considers a kitchen a room and does not distinguish between children and adults in their measure. For the full definition, visit https://www.census.gov/housing/hvs/definitions.pdf.

Households that have more than one adult per room are considered overcrowded, and households with more than two adults per room are considered severely overcrowded. For example, a two-room home (one bedroom and a living room) with three adults is considered overcrowded, while a two-room home with three adults and three children is severely overcrowded.

This analysis is represented in the dashboard as a stacked bar chart. Each stacked bar shows the share of renter households in each income group that are overcrowded and severely overcrowded. For example, 18 percent of extremely low-income renter households in Orange County are overcrowded. Four percent of extremely low-income renter households experience severe overcrowding.

OVERCROWDING

Very Low-Income households face the highest rate of overcrowding in Orange County (2022).



Like the shortfall and cost burden analyses described above, the overcrowding analysis uses one-year PUMS data for all counties and regions. To further ensure data reliability, we do not report on data that is based on fewer than 100 observations. For example, in Alpine County, there were fewer than 100 observations in 2021 for the overcrowded renter households population; therefore, we do not report the percentage of overcrowded or severely overcrowded renter households for this county. The overcrowding analysis also leverages CHAS data to proportionally distribute data across multiple counties located in a single PUMA. Even with quality controls in place, these values leverage sample survey data and should, therefore, be regarded as estimates. Small differences in cost burden across demographic groups or geographies, for example, should not be assumed to be statistically significant.

In future updates, historical data for this analysis will be made available.

Tenure by Race and Ethnicity

The Tenure by Race and Ethnicity analysis describes homeowner and renter rates for different race and ethnic groups. This analysis is represented in the dashboard as a stacked bar chart. Each stacked bar shows the share of households in each race and ethnic group that own and rent their homes. For example, in San Diego County, 60 percent of Asian & Pacific Islander households, 32 percent of Black households, 43 percent of Latinx households, and 63 percent of White households own their homes. By comparison, 40 percent of Asian Pacific Islander households, 68 percent of Black households, 57 percent of Latinx households, and 37 percent of White households rent their homes.

Like the shortfall, cost burden, and overcrowding analyses described above, this analysis uses one-year PUMS data for all counties and regions. To further ensure data reliability, we do not report race and ethnicity data that is based on fewer than 100 observations. Similar to the Cost Burden by Race and Ethnicity analysis the Census racial categories were aggregated for Native American, Multiracial, and Some other race into the category Some other race, and aggregated Asian and Other Pacific Islander categories into Asian Pacific Islander. Even with quality controls in place, these values leverage sample survey data and should, therefore, be regarded as estimates. Small differences in cost burden across demographic groups or geographies, for example, should not be assumed to be statistically significant.

For the purposes of this analysis, the categorization of households by race and ethnicity is based on individual responses to the U.S. Census Bureau's American Community Survey (ACS) as follows:

- "Asian & Pacific Islander" is used to refer to all people who identify as Asian American, Asian Indian, Japanese, Chinese, Cambodian, Malaysian, Pakistani, Korean, Filipino, Vietnamese, Thai, other Asian alone, Native Hawaiian or Pacific Islander alone including Guamanian, Chamorro, Samoan, Fijian, and Tongan, and do not identify as being of Latino or Hispanic origin.
- "Black" is used to refer to all people who identify as Black or African American alone and do not identify as being of Latino or Hispanic origin.
- "Latinx" is used to refer to all people who identify as being of Hispanic or Latino origin, regardless of racial identification.
- "Some other race" is used to refer to all people who identify as Native American or Alaskan Native alone, people who identify with multiple racial categories, and people who identify with a single racial category not included in this list and that do not identify as being of Latino or Hispanic origin.
- "White" is used to refer to all people who identify as white alone and do not identify as being of Latino or Hispanic origin.

In future updates, historical data for this analysis will be made available.

Market Trends

The four graphics in this category—Who Can Afford to Rent, Asking Rent Trends, Cost of Living, and Vacancy Rate Trends—are all indicators of current housing market conditions in communities across California. In a healthy market, the rental vacancy rate is between seven and eight percent.[13] In an ideal market, all renters, regardless of occupation, would be able to afford asking rents and earn sufficient income to meet basic needs. Each graphic below details different aspects of housing affordability and availability throughout California and barriers for families and individuals trying to rent.

Who Can Afford to Rent

The Who Can Afford to Rent graphic details the average asking rents for two-bedroom rental homes in multifamily buildings, the income needed to afford this average asking rent, and the incomes of households earning minimum wage and five other occupations in every county and for the state. Asking rent and occupational wage data is available from 2017 to 2023, with minimum wage data being available from 2017 to 2024.

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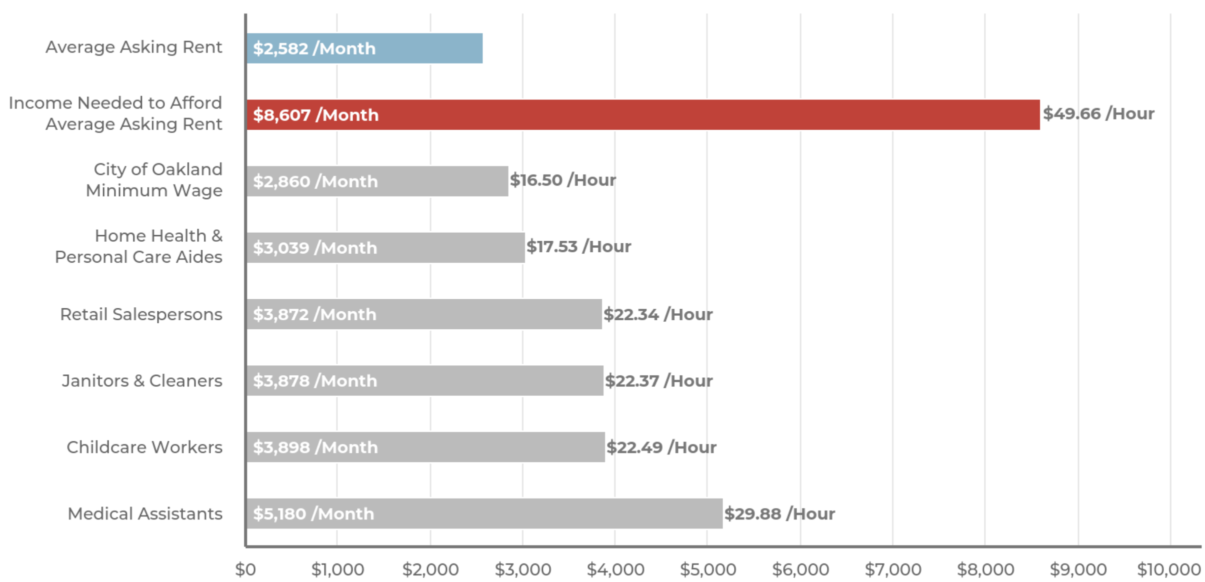
[13] Lincoln Institute. 2018. "The Empty House Next Door: Understanding and Reducing Vacancy and Hypervacancy in the United States." Website: https://www.lincolninst.edu/sites/default/files/pubfiles/empty-house-next-door-full.pdf.

This graphic is represented in the Dashboard as a horizontal bar chart. The top bar represents the monthly average asking rents for two-bedroom rental homes in multifamily buildings in each county. The second bar from the top of the graphic represents the monthly and hourly income a household would need to earn to afford the average asking rent when spending 30% or less of income on rent. The remaining bars represent the monthly and hourly incomes for occupations that earn minimum wage and five other select occupations in each county and the state.

The average asking rents data is from CoStar's multifamily rent dataset, which uses data that is aggregated by an automated data collection algorithm to extract or "scrape" data from listing websites; supplied by clients of CoStar's ILS platforms, including Apartments.com, ApartmentFinder.com, and ForRent.com; obtained by CoStar's research callers, who contact individual properties for detailed rent and concession data; acquired from the RealFacts dataset, which details building-level rent and vacancy data dating back to the mid-1990s for more than 12,000 properties; or modeled by CoStar based on rent trends in different submarkets and building types for those properties for which rent data is unavailable. Rent data is typically accessed on CoStar in the first quarter of each calendar year.

WHO CAN AFFORD TO RENT (2024)

Renters need to earn **3 times** the minimum wage to afford the average asking rent in Alameda County.



California minimum wage data is sourced from the California Department of Industrial Relations and represents the state minimum wage for individuals who worked for employers with 26 employees or more from 2017 to 2024.

Monthly and hourly local minimum wages are from jurisdictions that have passed ordinances that set minimum wages above the state minimum wage and are sourced from each jurisdiction.

The monthly and hourly incomes for the five occupations are sourced from the U.S Bureau of Labor Statistics Occupational Employment Statistics dataset from 2016 to 2023.

Asking Rents Trends

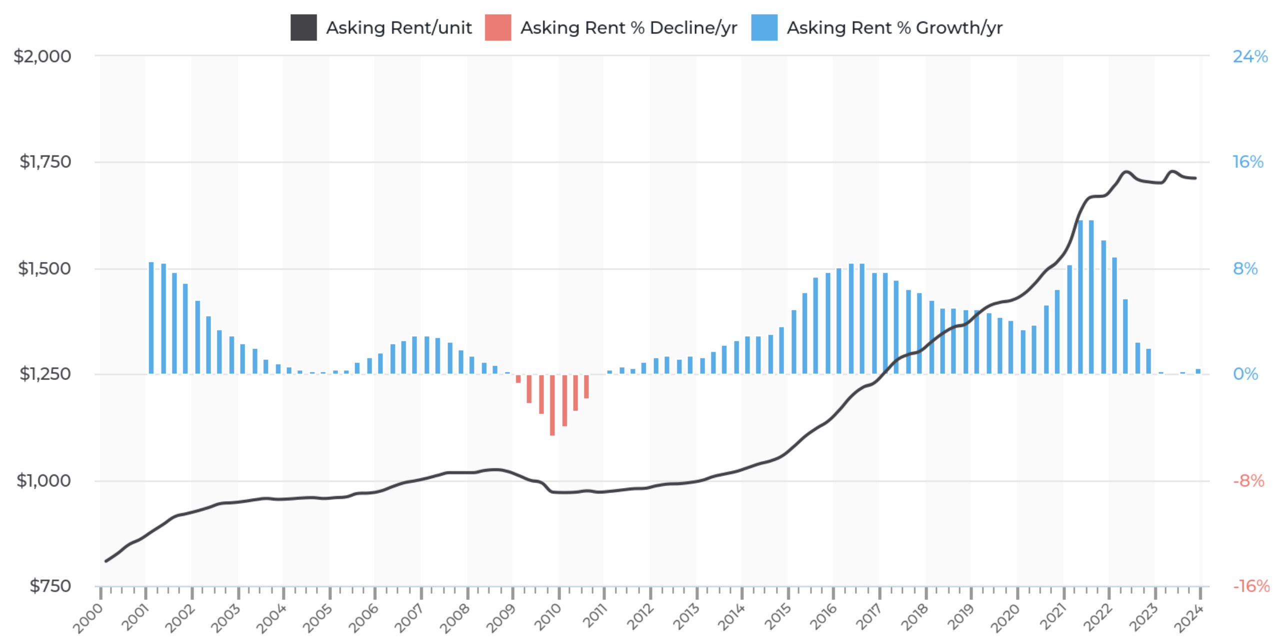
The Asking Rents Trends graphic provides quarterly average asking rent data for two-bedroom rental homes in multifamily buildings in counties and regions across California since 2000. Average asking rent is the average dollar amount apartment landlords in each geography are requesting for a household to lease a unit on a monthly basis.

This analysis is represented in the dashboard as a combined line and bar graph. The line represents the average asking rent for two-bedroom rental homes in multifamily buildings in the county per quarter. Each bar represents the annual percentage change in average asking rent by quarter. For example, in Q4 2023 the average asking rent in Sacramento County was $1,712, which represents a 0.5% increase from Q4 2022.

The data powering this graphic is from CoStar's multifamily rent dataset, which is described in detail in the Who Can Afford to Rent section above. Rent data is accessed on CoStar in the first quarter of every year.

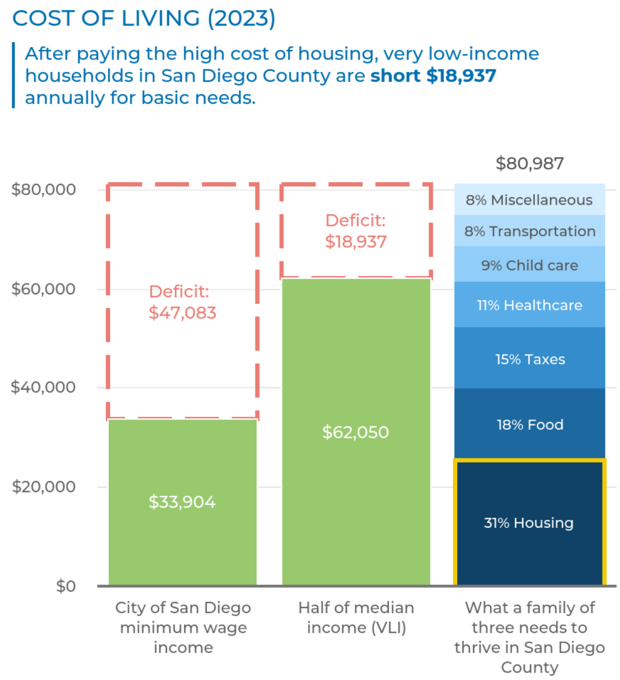
ASKING RENT TRENDS

Asking rents in Sacramento County **increased by 0.5%** between Q4 2022 and Q4 2023.



Cost of Living

The Cost of Living graphic details the income that a three-person household needs to meet its basic needs in a given geography. Unlike the official poverty measure—which primarily accounts for the cost of food—the households budgets represented here incorporate the costs of housing, food, healthcare, childcare, transportation and other basic needs for a family of three throughout California. The annual incomes for a three-person household with a single minimum wage earner and a three-person very low-income household are presented alongside this basic household budget to show the amount of income still needed for low-wage households to meet basic needs.



The graphic is presented in the dashboard as a vertical stacked bar chart. The far-left bar is the annual income of a single income household earning state or local minimum wage and the deficit or difference from the three-person budget needed to afford basic needs. The middle bar is the annual income of a three-person, very low-income (VLI) household.[14] The far-right bar shows the annual budget/income that a three-person household needs to meet its basic needs in their community in California.

The data powering this graphic is from United Way's Real Cost Measure and Households Budget data for a family of three 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, childcare, etc.).[15]

Minimum wage data is sourced from the California Department of Industrial Relations and represents the state minimum wage for individuals who worked for employers with 26 employees or more from 2017 to 2024. Monthly and hourly local minimum wages are from jurisdictions that have passed ordinances that set minimum wages above the state minimum wage and are sourced from

[14] Very low-income households earn 50% of area median income, as defined by HUD. See the "Housing Need" section above for a thorough description of the different income groups used in the Dashboard.
[15] United Ways of California, Real Cost Measure Household Budgets 2023. Please visit https://www.unitedwaysca.org/realcost for more information on what it takes to meet basic needs in communities across California.

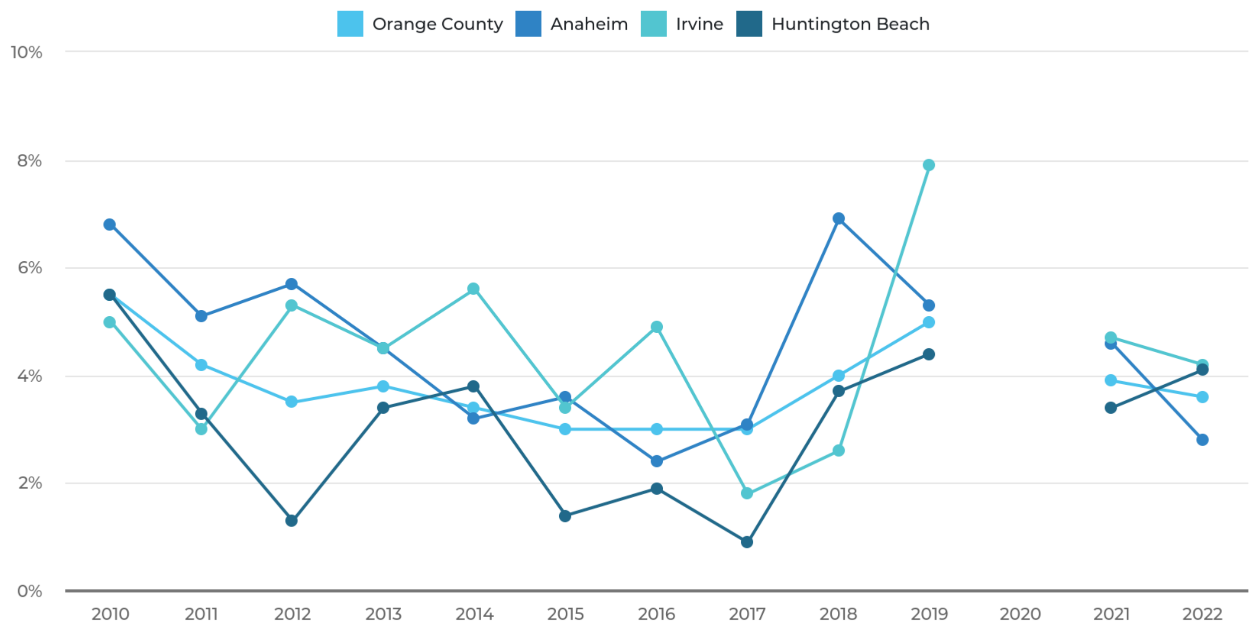
each jurisdiction. The income data for very low-income households comes from HUD's county-level income limits data, which are used to determine eligibility for federal and state housing programs based on the median income and housing costs in a metropolitan area.[16]

Vacancy Rate Trends

The Vacancy Rate Trends graphic provides historical data on rental vacancy rates—or the proportion of the total rental inventory that is unoccupied, including all multifamily, apartment, and single-family residential units for rent—for one to three of the largest jurisdictions in each county (by renter population) and the county itself. Vacancy rates have long been used to gauge the current economic climate, provide information on the stability and quantity of housing available in a local housing market, and measure the demand for housing at a given time.
This analysis is represented in the dashboard as a line graph with each jurisdiction represented as an individual line.

VACANCY RATE TRENDS

| Low rental vacancy rates in Orange County reflect the region's tight rental housing market.



The data powering this graphic is from one-year ACS estimates of Table DP04, available at https://data.census.gov. The rental vacancy rate is calculated by dividing the number of vacant units available for rent by the sum of the renter-occupied units, vacant units available for rent, and vacant units that have been rented but not yet occupied. One-year ACS estimates are only available for

[16] Housing and Urban Development (HUD). Methodology for Determining Section 8 Income Limits. Website: https://www.huduser.gov/portal/datasets/il//il19/IncomeLimitsMethodology-FY19.pdf.

jurisdictions—counties and cities—with populations of 65,000 or more. Therefore, smaller counties—like Alpine County and Lassen County—do not have this graphic in the dashboard. Rental vacancy rate data is available for 2010-2022, excluding 2020 due to a lack of reliable 1-year ACS data for that year.

State & Federal Funding

The State and Federal Funding and State Funding graphics show historical trends in federal and state funding administered by governments to produce and preserve housing (ownership and rental) for low- and moderate-income households, support activities to address homelessness, and provide financial assistance to support the creation of high-quality living environments.

State and Federal Funding

The State and Federal Funding graphic shows the level of federal and state funding for low- and moderate-income homeowners, extremely low- and very low-income renters, and supportive services for individuals experiencing homelessness from the past two fiscal years for the selected geography. Funding comes in the form of grants and loans from the U.S. Housing and Urban Development (HUD) Department, the California Department of Housing and Community Development (HCD), the California Strategic Growth Council (SGC), the former Redevelopment Agency, the California Tax Credit Allocation Committee (CTCAC or TCAC), the California Housing Finance Agency (CalHFA), and the California Business, Consumer Services and Housing (BCSH) Agency.

The graphic is shown in the dashboard as a stacked bar chart. Each bar shows the amount of

STATE & FEDERAL FUNDING

State and federal funding for housing production and preservation in Fresno County is $270 million, a **21% decrease** from the year prior.

FUNDING SOURCE	FY 2021-22 (IN THOUSANDS)	FY 2022-23 (IN THOUSANDS)	% CHANGE
State Housing Bonds and Budget Allocations	$105,503	$67,173	-36%
State LIHTC	$19,494	$21,405	+10%
STATE TOTAL	**$124,998**	**$88,579**	**-29%**
Federal LIHTC	$158,162	$111,013	-30%
HUD Block Grants + NHTF	$60,215	$70,137	+16%
FEDERAL TOTAL	**$218,377**	**$181,150**	**-17%**

funding allocated in each selected geography for each fiscal year shown, with the fiscal year running from July to June (the 3rd and 4th quarters of the first year and the 1st and 2nd quarters of the second year).

In addition to the funding programs included in the State Funding graphic, grants from HUD and federal Low-Income Housing Tax Credits are included in this graphic, as well. HUD funds are allocated through the following programs: Community Development Block Grant (CDBG), HOME, Emergency Services Grant (ESG), Housing Opportunities for People With Aids (HOPWA), and the Housing Trust Fund (HTF). Federal Low-Income Housing Tax Credits are awarded by CTCAC.

The data powering this graphic is from annual reports published by the administrating agencies and their program-specific awards data: annual Redevelopment Housing Activities Report, annual HCD Financing Assistance Programs Reports and Program Awards[17], HUD CPD Appropriations Budget Reports, CalHFA Mixed-Income Program Reports, BCSH Program Reports, and TCAC reporting on federal and state Low-Income Housing Tax Credits. Funding amounts may change from previous annual updates as revised or additional information is made available.

State Funding

The State Funding graphic shows the level of state funding for low- and moderate-income homeowners, extremely low- and very low-income renters, and supportive services for individuals experiencing homelessness from fiscal year 2008-09 to fiscal year 2022-23 for each county, region, and the state. Funding comes in the form of grants and loans from the California Department of Housing and Community Development (HCD), the California Strategic Growth Council (SGC), the former Redevelopment Agency, the California Tax Credit Allocation Committee (CTCAC or TCAC) and the California Business, Consumer Services and Housing (BCSH) Agency.

The graphic is shown in the dashboard as a stacked bar chart. Each bar shows the amount of funding allocated in the selected geography for each fiscal year (July of the 1st year to June of the 2nd year).

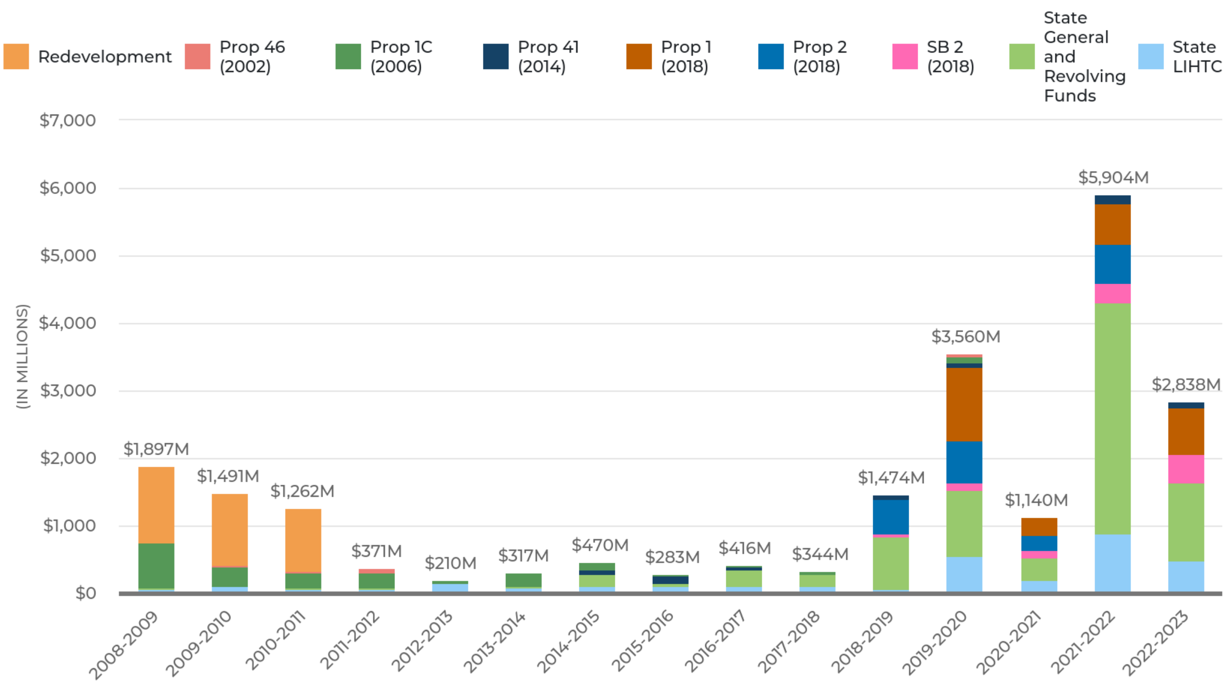
The funding levels shown are from several programs administered by four different state departments, multiple funding sources and former redevelopment agencies. From HCD, state general and revolving funds are allocated to the following programs: Mobilehome Park Rehabilitation and Resident Ownership Program (MPRROP), Multifamily Housing Program (MHP), Office of Migrant Services (OMS), as well through Project Homekey. From SGC, state general funds are awarded through the Affordable Housing Sustainable Housing Communities (AHSC) Program.

[17] At the time of 2023 update, HCD had not yet published its FY 2021-2022 annual report so certain funding allocations such as HOME non-entitlement allocations were not captured.

State funding was distributed through local redevelopment agencies until fiscal year 2010. From CTCAC, state funds are awarded through state Low-Income Housing Tax Credits. From BCSH, state general funds are disbursed through the Homeless Emergency Aid Program (HEAP) and Homeless Housing, Assistance, and Prevention Program (HHAP).

STATE FUNDING

| State housing investments from FY 2008-09 to FY 2022-23.



Proposition 1C (Housing Emergency Shelter Trust Fund Act of 2006) funds are administered by HCD and are allocated through the following programs: CalHome, California Self-Help Housing Program (CSHHP), Emergency Housing Assistance Program (EHAP), Emergency Housing Assistance Program – Capital Development (EHAP-CD), Infill Infrastructure Grant (IIG) Program, Joe-Serna Jr. Farmworker Housing Grant (Serna) Program, MHP, MHP - Supportive Housing (MHP-SH), MHP-Homeless Youth (MHP-HY), MHP-Transition Age Youth (MHP-TAY), OMS, and Transit Oriented Development (TOD) Program.

Proposition 46 (Housing and Emergency Shelter Trust Fund Act of 2002) funds are administered by HCD and are allocated through the following programs: CalHome, EHAP, EHAP-CD, MHP, MHP-SH, and MHP - Governor Homeless Initiative (MHP-GHI).

Proposition 41 (2014) funds are administered by HCD and are allocated through the Veterans Housing and Homelessness Prevention (VHHP) Program.

Proposition 1 (Veterans and Affordable Housing Bond Act of 2018) funds are allocated through the following programs: CalHome, CalHome Disaster, IIG, Local Housing Trust Fund, MHP, MHP-SH, and Serna.

Proposition 2 (2018) funds are administered by HCD and are allocated through the No Place Like Home (NPLH) program.

Senate Bill 2 (Building Homes and Jobs Act Trust Fund of 2018) funds are administered by BCSH and are allocated through the California Emergency Solutions and Housing (CESH). From CalHFA, SB 2 funds are allocated through the Mixed-Income Program. From HCD, SB 2 funds are allocated through the Permanent Local Housing Allocation (PLHA).

The data powering this graphic is from annual reports published by the administrating agencies and program-specific award data.[18] Funding amounts may change from previous annual updates as revised or additional information is made available.

Production and Preservation Trends

The three graphics in this category—LIHTC Production and Preservation ("LIHTC"), Progress Towards RHNA, and Multifamily Housing Production ("Production")—all capture trends in multifamily production and preservation throughout California. The LIHTC graphic tracks the number of affordable homes produced and preserved across California using federal and state LIHTCs. The Progress Toward RHNA graphic measures the extent to which different jurisdictions, including counties, throughout California are meeting the housing needs of people at all income levels (as determined by the 5th and 6th cycle Regional Housing Needs Allocations (RHNA)). The Production graphic shows trends in the number of newly constructed multifamily rental homes opened each year in jurisdictions across California.

LIHTC Production and Preservation

The Low-Income Housing Tax Credit (LIHTC) program—created in 1986 and made permanent in 1993—is the largest source of federal funding for the construction and rehabilitation of low-income affordable rental housing. These credits are designed to encourage private investment in affordable housing by providing tax incentives for a ten-year period. Since its creation as part of the Tax

[18] In some instances, funding awards detailed in administering agency summaries do not match the program specific award summaries. We defer to award amounts represented in the program-specific award summaries, as available. At the time of 2023 & 2024 update, HCD had not yet published its FY 2021-2022 and FY 2022-2023 annual reports so certain funding allocations such as HOME non-entitlement allocations were not captured.

Reform Act of 1986, the program has helped create and rehabilitate over three million affordable rental homes across the country.[19]

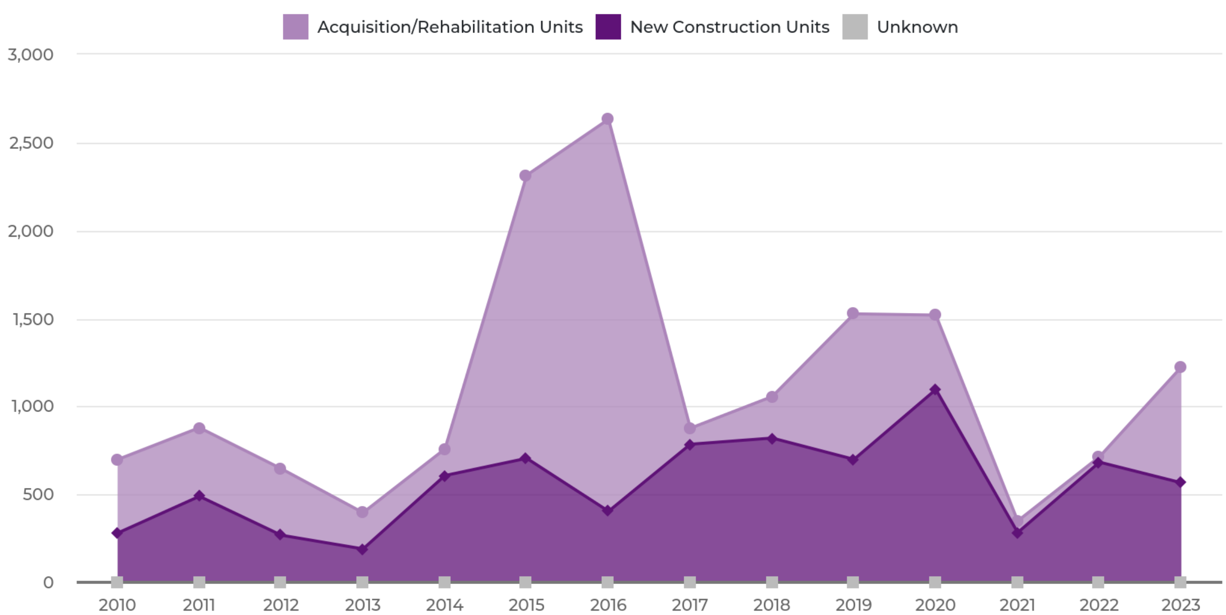
There are two types of federal tax credits: competitive 9% credits—which are allocated annually by the IRS on a per capita basis to each state—and non-competitive 4% credits. While the 4% credit offers a subsidy of less than half the value of the 9% credits, it is a virtually uncapped and non-competitive resource because developers obtain it through an allocation of private activity tax-exempt mortgage revenue bonds, which have historically not been competitive, until recent years.[20]

In addition to federal tax credits, California also has a state tax credit, which was authorized in 1987 to complement the federal tax credit program.

The LIHTC Production and Preservation graphic tracks the number of affordable homes produced and preserved in California financed with federal and state low-income housing tax credits, using the year tax credits were awarded. In order to distinguish the number of new affordable homes from the number of preserved affordable homes, this graphic shows data on both new construction and acquisition/rehabilitation.

LIHTC PRODUCTION & PRESERVATION

Low-Income Housing Tax Credit production and preservation in San Francisco County **increased by 71%** between 2022 and 2023.



[19] Office of Policy Development and Research at U.S. Department of Housing and Urban Development. 2018. "Low Income Housing Tax Credits." Website: https://www.huduser.gov/portal/datasets/lihtc.html.
[20] California Housing Partnership. 2017. "The Tax Credit Turns 30." Website: https://1p08d91kd0c03rlxhmhtydpr-wpengine.netdna-ssl.com/wp-content/uploads/2017/12/TCT30-Final1.pdf.

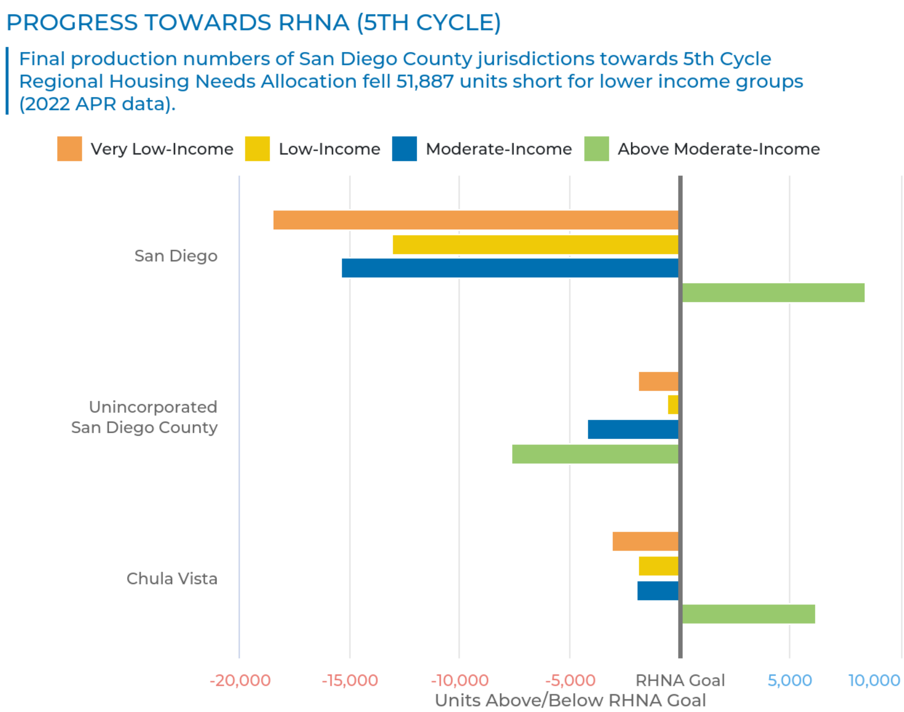
This analysis is represented in the dashboard as a stacked line chart showing LIHTC production ("New Construction") and preservation ("Acquisition & Rehab") throughout the life of the program, from 1987 to 2023. For some developments funded earlier in the program (1987-1996), construction types were not recorded; in these instances, the construction type is listed as "Unknown."

The underlying data leveraged by this graphic comes from the California Housing Partnership's Preservation Database, an inventory of federally subsidized affordable rental properties, many of which also receive state and local subsidies. The Partnership retrieves annual data updates from CTCAC on LIHTC awards and project-level data. Supplemental data on construction types was gathered from archived annual reports published by CTCAC.

Progress Towards RHNA

The Progress Towards RHNA graphic measures the extent to which different jurisdictions, including counties, throughout California are meeting the housing needs of people at all income levels in their respective communities. In 1969, the State of California mandated that all jurisdictions must plan for the housing needs of their residents, regardless of income. This mandate is called the Housing Element, a part of each jurisdiction's General Plan, and Regional Housing Needs Allocation (RHNA). As part of RHNA, the California Department of Housing and Community Development (HCD) determines the total number of new homes each region needs to build and how affordable those homes need to be in order to meet the housing needs of the local community. For more information on the RHNA process, please see HCD's website at www.hcd.ca.gov/community-development/housing-element/.

This analysis is represented in the dashboard as a horizontal bar graph and shows the extent to which each jurisdiction or region has met its 5th and/or 6th cycle RHNA production goals for each income level. For each county, the graph shows up to three jurisdictions (those with the largest 5th and 6th cycle RHNA allocation).

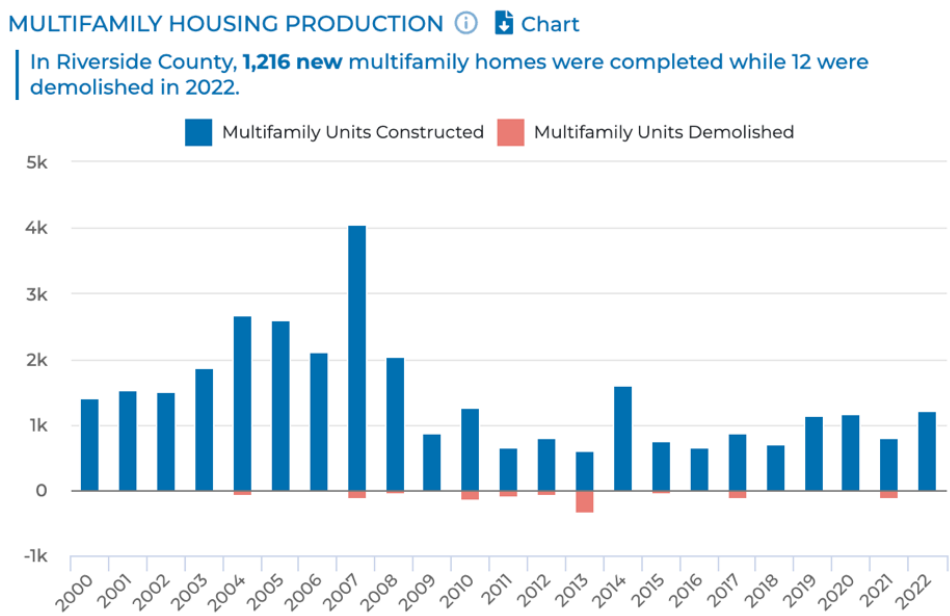


For each region, the graph shows aggregate, region-wide progress towards RHNA for the region's planning body – known as a "council of government" or "COG." When there is no regional COG, the graph shows total progress towards RHNA for all jurisdictions within the region. Bars to the left of the y-axis (or negative values) represent the total number of new homes each jurisdiction still needs to permit to meet the housing needs of a specific income group. Bars to the right of the y-axis (or positive values) indicate when a jurisdiction has exceeded its RHNA production goal for a specific income group. For example, the City of San Diego exceeded its 5th cycle RHNA production goal for above moderate-income households but was behind in meeting its goals for very low-, low-, and moderate-income households.

The data powering this graphic is from Annual Progress Reports (APRs) submitted by each jurisdiction to report on progress towards implementing its Housing Element and RHNA goals. APRs are submitted to HCD each April. Summary data is available on HCD's website via the [Housing Element Open Data Project](#).

Multifamily Housing Production

The Multifamily Housing Production graphic shows trends in the number of newly constructed and demolished multifamily rental homes in the county each year. This data can be used to gauge production trends in the local housing market and measure how construction activity has changed over time.



This analysis is represented in the dashboard as a stacked bar graph. The blue bars above the x-axis represent newly constructed multifamily rental units and the red bars below the x-axis represent demolished units. For example, in Riverside County, developers added 1,216 multifamily rental homes to the market in 2022 while 12 were demolished. The data powering this graphic is from CoStar's multifamily construction dataset, which tracks properties under construction ("known supply") and models additional supply ("modeled supply"). Because of sample size challenges, this graphic is not available for smaller counties in California with a small stock of multifamily rental properties.

GLOSSARY

Above Moderate-Income – Households with incomes greater than 120% of area median income (AMI).

American Community Survey (ACS) – An ongoing survey conducted by the United States Census Bureau that collects detailed population and housing data on households throughout the United States. Sent to approximately 3.5 million addresses per year, the ACS is the largest household survey that the Census Bureau administers.

Annual Progress Report (APR) – An annual report submitted by each jurisdiction of California to the California Department of Housing and Community Development (HCD) and the Governor's Office of Planning and Research on or before April 1 of each year that reports progress in the jurisdiction's implementation of its housing element.

Area Median Income (AMI) – The median family income in the metropolitan or nonmetropolitan area as designated by the US Department of Housing and Urban Development (HUD). Varies per household size.

Asking Rent – The dollar amount an apartment landlord requests in order for a household to lease a unit on a monthly basis.

California Business, Consumer Services, and Housing Agency (BCSH) – A state-level government agency that promotes and funds rental and homeownership opportunities and partners with local communities to prevent and end homelessness.

California Department of Housing and Community Development (HCD) – The state-level government agency that oversees a number of funding programs, allocates loans and grants to preserve and expand affordable housing opportunities, and promotes strong communities throughout California.

California Housing Finance Agency (CalHFA) – The state's affordable housing lender that finances affordable rental housing and provides mortgage loans and down payment assistance to first-time homebuyers.

California Strategic Growth Council (SGC) – A cabinet level committee that is tasked with coordinating the activities of state agencies related to healthy, sustainable, and resilient community building throughout California.

California Tax Credit Allocation Committee (TCAC) – The state-level committee under the California Treasurer's Office that administers the federal and state Low-Income Housing Tax Credit (LIHTC) Program.

Construction Type – A variable that identifies whether properties are financed prior to their construction ("New Construction") or in order to rehabilitate an existing property ("Acquisition/Rehabilitation").

Continuum of Care (CoC) Program– A federal program committed to the goal of ending homelessness by providing funding to nonprofit providers, state and local government, promoting access to programming, and optimizing self-sufficiency of individuals and families experiencing homelessness. CoC grantees organize and conduct the annual Point-in-Time (PIT) and Housing Inventory Count (HIC).

Cost Burden – An income-to-rent metric determined by the percentage of income paid towards housing by households at different income levels. A home is considered affordable if housing costs absorb no more than 30% of the household's income. A household is cost burdened if they pay more than 30% of their income towards housing costs and severely cost burdened if they pay more than 50% of their income towards housing costs.

Extremely Low-Income (ELI) – Households with incomes at or below 30% of AMI.

Low-Income (LI) – Households with incomes more than 50% of AMI and up to 80% of AMI.

Low-Income Housing Tax Credits (LIHTC) – Tax credits financed by the federal government and administered by state housing authorities like the California Tax Credit Allocation Committee (TCAC) to subsidize the acquisition, construction, and rehabilitation of rental properties to house low-income households.

Moderate-Income – Households with incomes more than 80% of AMI and up to 120% of AMI.

Redevelopment Agency (RDA) – A state agency that was a part of the Department of Finance and was charged with combating urban blight, including the financing of affordable housing, through tax increment financing. The agency operated from 1954 until its dissolution in 2011.

Regional Housing Needs Allocation (RHNA) – The process by which each jurisdiction in California is assigned its share of the region's housing needs. This allocation involves two steps: (1) HCD determines the total housing need for each region in the state and (2) the region's Council of Governments then distributes this need to local governments.

Severe Cost Burden – Severe cost burden is when housing costs consume more than 50% of a household's income.

US Department of Housing and Urban Development (HUD) – The federal agency that supports community development and homeownership, enforces the Fair Housing Act, and oversees several programs such as the Community Development Block Grant (CDBG) and the Housing Choice Voucher (HCV) Program to assist low-income and disadvantaged individuals with their housing needs.

Very Low-Income (VLI) – Households with incomes more than 30% of AMI and up to 50% of AMI.