

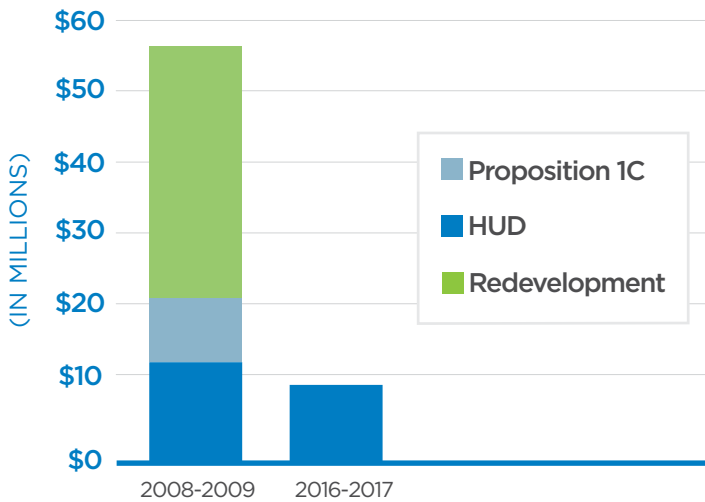
APRIL 2018

Contra Costa County's Housing Emergency and Proposed Solutions

KEY FINDINGS

- Low Income Housing Tax Credit housing production in Contra Costa County declined 45% in 2017 in anticipation of federal tax reform.
- Cuts in federal and state funding have reduced investment in affordable housing in Contra Costa County by nearly \$47 million annually since 2008, an 84% reduction.
- Renters in Contra Costa County need to earn \$43.27/hr - nearly 4 times the state minimum wage - to afford the median monthly asking rent of \$2,250.
- Contra Costa County needs 31,193 more affordable rental homes to meet current demand.
- Contra Costa County's lowest-income renters spend 58% of income on rent, leaving little left for food, transportation, health care, and other essentials.
- When housing costs are considered, Contra Costa County's poverty rate rises to 15.5%.

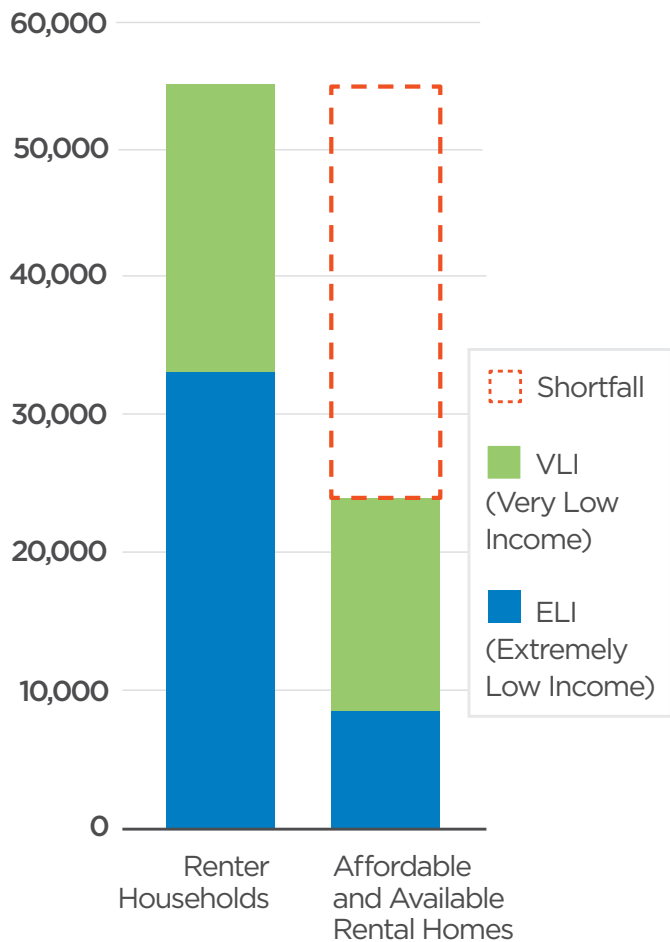
CONTRA COSTA COUNTY LOST 84% OF STATE AND FEDERAL FUNDING FOR HOUSING PRODUCTION AND PRESERVATION FROM FY 2008-09 TO FY 2016-17



FUNDING SOURCE	FY 2008-09 (In thousands)	FY 2016-17 (In thousands)	% CHANGE
Redevelopment	\$34,785	\$0	-100%
State Housing Bonds and Housing Programs	\$9,475	\$0	-100%
HUD	\$11,355	\$9,107	-20%
TOTAL	\$55,614	\$9,107	-84%

Source: CHPC analysis of 2008-2009 annual Redevelopment Housing Activities report; 2009-2009 and 2016-2017 annual HCD Financial Assistance Programs Reports; HUD CDP Appropriations Budget data for fiscal years 2009 and 2016.

CONTRA COSTA COUNTY NEEDS 31,139 MORE AFFORDABLE RENTAL HOMES



Source: NLIHC analysis of 2016 PUMS data.

CONTRA COSTA COUNTY'S POVERTY RATE RISES TO 15.5% WHEN HIGH HOUSING COSTS ARE INCLUDED

Official Poverty Measure (OPM)

10.0%

Unadjusted for Housing Costs

California Poverty Measure (CPM)

15.5%

Adjusted for Housing Costs and Social Benefits

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

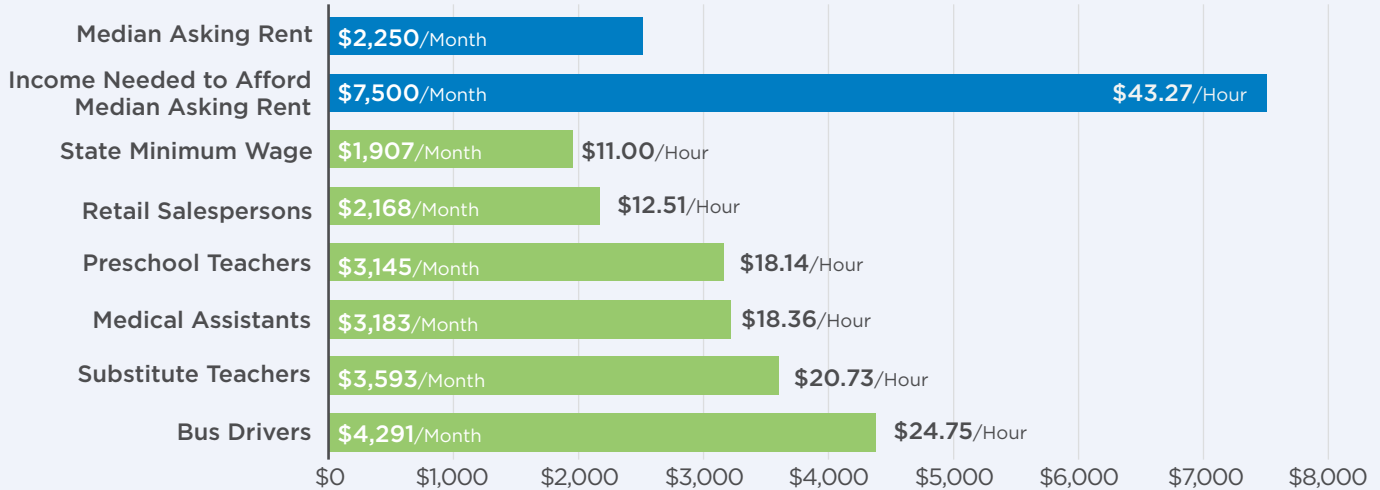
LOW INCOME HOUSING TAX CREDIT (LIHTC) PRODUCTION IN CONTRA COSTA COUNTY DECLINED 45% IN ANTICIPATION OF FEDERAL TAX REFORM

State				
Type	2016	2017	Change	%
New Construction	9,285	7,407	-20%	
Acquisition & Rehab	15,032	5,928	-61%	
All	24,317	13,335	-45%	
Contra Costa County				
Type	2016	2017	Change	%
New Construction	778	427	-45%	
Acquisition & Rehab	925	507	-45%	
All	1,703	934	-45%	

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

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

RENTERS NEED TO EARN 3.9 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 for 2017.

WHAT DO CONTRA COSTA COUNTY'S RENTERS HAVE LEFT OVER AFTER PAYING RENT?

HOUSEHOLDS EARNING HALF OF MEDIAN INCOME OR LESS

Food, Transportation, Health Care, & Other Essentials

42%

Rent 58%

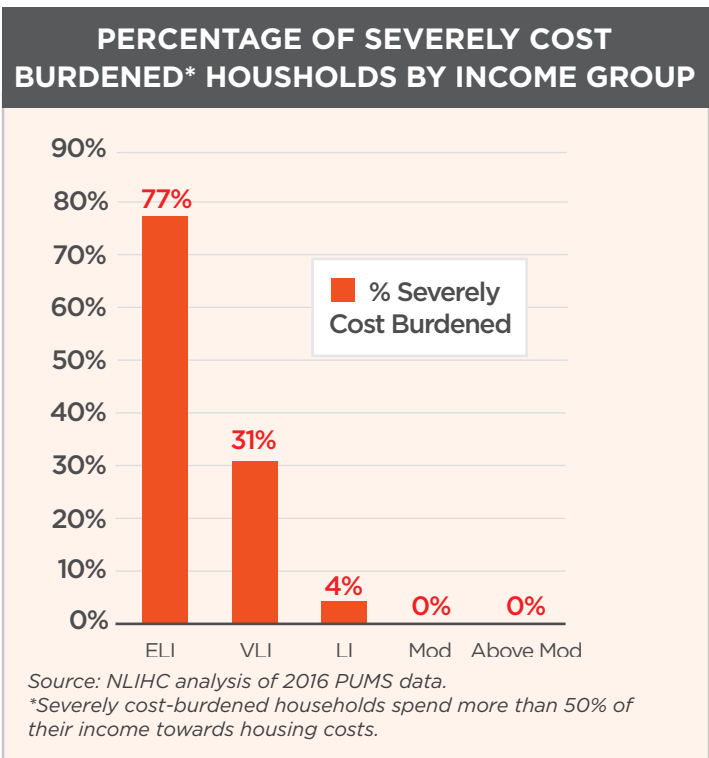
MEDIAN INCOME HOUSEHOLDS

Food, Transportation, Health Care, & Other Essentials

73%

Rent 27%

Source: NLIHC analysis of 2016 PUMS data.



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 CONTRA COSTA COUNTY

- » Pass a countywide measure to fund affordable housing production and preservation.
- » Encourage cities to use business taxes on rental property to fund the creation and preservation of affordable rental housing.
- » Protect existing affordable rental housing by limiting condo conversions and unhosted short-term rentals, and preventing loss of single-room occupancy hotels.
- » Protect tenants from displacement by limiting annual rent increases and prohibiting eviction of renters without good cause.
- » Adopt or increase inclusionary housing requirements, housing impact fees, and commercial jobs/housing linkage fees.
- » Require inclusion of affordable homes as a condition of rezoning, relaxing development standards, or reducing parking requirements.
- » Require that public land not needed for governmental use be made available for development of affordable housing.
- » Prioritize transportation funds to reward cities that are doing their fair share to provide affordable housing and prevent displacement.

This report was produced by the California Housing Partnership.

Local policy recommendations provided by:

East Bay Housing Organizations (EBHO)

Non-Profit Housing Association of Northern California (NPH)

For questions about Contra Costa County's housing need, contact:
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