The elimination of redevelopment in 2012 and exhaustion of state bond funding foreshadowed a 11% rise in homelessness from 2016 to 2017.

Low Income Housing Tax Credit housing production in Orange County declined 95% in 2017 in anticipation of federal tax reform.

Renters in Orange County need to earn $42.12/hr - nearly 4 times local minimum wage - to afford the median monthly asking rent of $2,190.

Orange County needs 92,738 more affordable rental homes to meet current demand.

Orange County’s lowest-income renters spend 78% of income on rent, leaving little left for food, transportation, health care, and other essentials.

When housing costs are considered, Orange County’s poverty rate rises from 11.9% to 21.3%.
ELIMINATION OF REDEVELOPMENT & LOSS OF STATE BOND FUNDING FOR HOUSING FOreshadowed A 11% RISE IN HOMELESSNESS IN ORANGE COUNTY IN 2016-17

ORANGE COUNTY NEEDS 92,738 MORE AFFORDABLE RENTAL HOMES

ORANGE COUNTY'S POVERTY RATE RISES TO 21.3% WHEN HIGH HOUSING COSTS ARE INCLUDED

Official Poverty Measure (OPM) 11.9%
Unadjusted for Housing Costs

California Poverty Measure (CPM) 21.3%
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 ORANGE COUNTY DECLINED 95% IN ANTICIPATION OF FEDERAL TAX REFORM

<table>
<thead>
<tr>
<th>State</th>
<th>Type</th>
<th>2016</th>
<th>2017</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>New Construction</td>
<td>9,285</td>
<td>7,407</td>
<td>-20%</td>
</tr>
<tr>
<td></td>
<td>Acquisition &amp; Rehab</td>
<td>15,032</td>
<td>5,928</td>
<td>-61%</td>
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<tr>
<td></td>
<td>All</td>
<td>24,317</td>
<td>13,335</td>
<td>-45%</td>
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<tr>
<td>Orange County</td>
<td>New Construction</td>
<td>1,082</td>
<td>113</td>
<td>-90%</td>
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<tr>
<td></td>
<td>Acquisition &amp; Rehab</td>
<td>1,529</td>
<td>21</td>
<td>-99%</td>
</tr>
<tr>
<td></td>
<td>All</td>
<td>2,611</td>
<td>134</td>
<td>-95%</td>
</tr>
</tbody>
</table>

Source: CHPC analysis of 2016 and 2017 CA Tax Credit Allocation Committee (TCAC) data.
Note the data does not include manager or market rate homes created through the LIHTC program.

Source: CHPC analysis of 2008-2009 annual HCD Redevelopment Housing Activities Reports; 2008-2009 and 2016-2017 annual HCD Financial Assistance Programs Reports. Housing and Urban Development (HUD) PIT and HIC Data Since 2007. Note fiscal years are indicated by second half of fiscal year (e.g. FY 2006-2007 is presented as 2007).

Source: NLIHC analysis of 2016 PUMS data.
Rental Needs:

Medan Asking Rent: $2,190/Month
Income Needed to Afford Average Asking Rent: $7,300/Month
State Minimum Wage: $1,907/Month, $11.00/ Hour
Janitors & Cleaners: $2,183/Month, $12.60/ Hour
Childcare Workers: $2,268/Month, $13.08/ Hour
Teachers & Instructors: $2,374/Month, $13.70/ Hour
Nursing Assistants: $2,471/Month, $14.25/ Hour
Construction Workers: $3,195/Month, $18.43/ Hour


Households Earning Half of Median Income or Less:

- Food, Transportation, Health Care, & Other Essentials: 22%
- Rent: 78%

Median Income Households:

- Food, Transportation, Health Care, & Other Essentials: 66%
- Rent: 34%

Source: NLIHC analysis of 2016 PUMS data.

Percentage of Severely Cost-Burdened Households by Income Group:

- ELI: 83%
- VLI: 63%
- LI: 33%
- Mod: 10%
- Above Mod: 1.5%

Source: NLIHC analysis of 2016 PUMS data.

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

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 ORANGE COUNTY**

» Pass a Housing Bond in Orange County and create a dedicated source to develop Affordable Housing and Permanent Supportive Housing.

» Create a County Affordable Housing Strategic Plan that establishes the specific number and type of affordable homes to be developed in each city and the county with timelines.

» Set aside 15% of homes in new residential developments to be affordable to very low and low-income families in exchange for entitlement concessions and incentives.

» Local jurisdictions should create “Housing Opportunities Zoning” that allows proposed multi-family home developments that are 100% affordable to be built by-right.

» Create an Affordable Housing Land Trust and donate city-owned and surplus sites to the Land Trust for the development of affordable housing.

This report was produced by the California Housing Partnership.

Local policy recommendations provided by:
The Kennedy Commission

For questions about Orange County’s housing need, contact:
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