



Photo courtesy of Community HousingWorks

SAN DIEGO COUNTY'S HOUSING EMERGENCY UPDATE

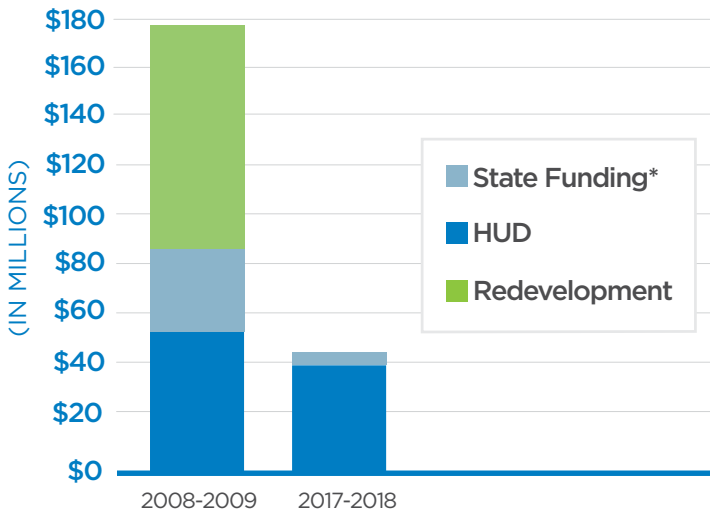


California Housing Partnership
California's Experts on Affordable Housing Finance, Advocacy & Policy

KEY FINDINGS

- Cuts in Federal and State funding have reduced investment in affordable housing in San Diego County by more than \$134 million annually since 2008, a 76% reduction.
- 77% of ELI households are paying more than half of their income on housing costs compared to just 4% of moderate income households.
- San Diego County needs 136,631 more affordable rental homes to meet current demand.
- Low Income Housing Tax Credit production in San Diego County decreased by 61% while preservation increased by 151% from 2016-2018.
- Renters in San Diego County need to earn \$38.56 per hour - more than 3 times the local minimum wage - to afford the median monthly asking rent of \$2,005.

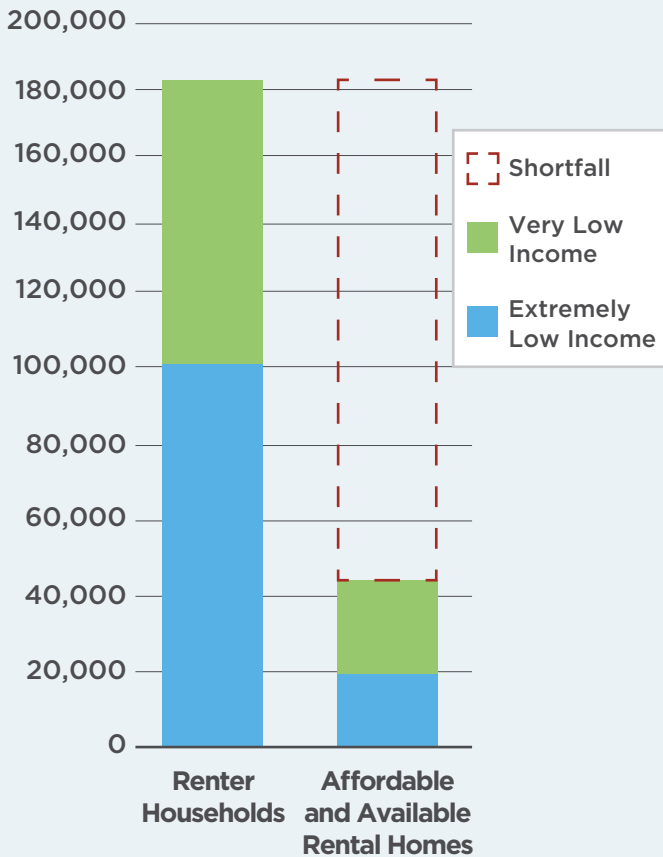
SAN DIEGO COUNTY LOST 76% OF STATE AND FEDERAL FUNDING FOR HOUSING PRODUCTION AND PRESERVATION FROM FY 2008-09 TO FY 2017-18



FUNDING SOURCE	FY 2008-09 (In thousands)	FY 2017-18 (In thousands)	% CHANGE
Redevelopment	\$90,582	\$0	-100%
State Housing Bonds and Housing Programs	\$35,838	\$4,190	-88%
HUD	\$51,065	\$38,904	-24%
TOTAL	\$177,484	\$43,094	-76%

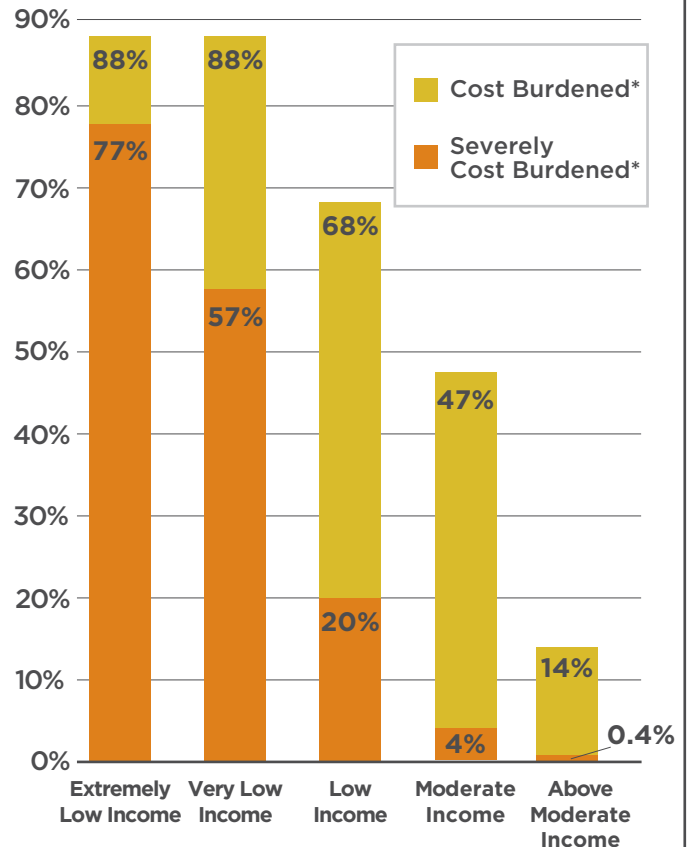
Source: California Housing Partnership analysis of 2008-2009 annual Redevelopment Housing Activities Report; 2008-2009 and 2017-2018 Annual HCD Financial Assistance Programs Reports; 2008-2009 and 2017-2018 HUD CPD Appropriations Budget Reports.
 *FY 2017-2018 does not include No Place Like Home Funding (NPLH) and no funds for the Affordable Housing Sustainable Communities (AHSC) program were awarded.

SAN DIEGO COUNTY NEEDS 136,631 MORE AFFORDABLE RENTAL HOMES



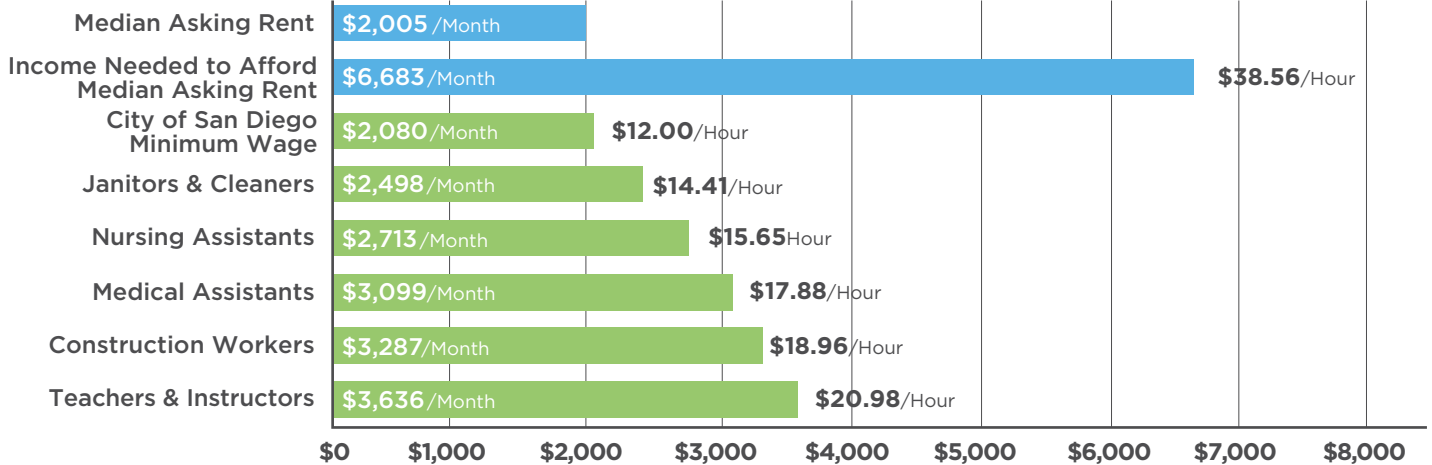
Source: NLIHC analysis of 2017 PUMS data.

LOWEST INCOME HOUSEHOLDS ARE DISPROPORTIONATELY AND SEVERELY COST BURDENED



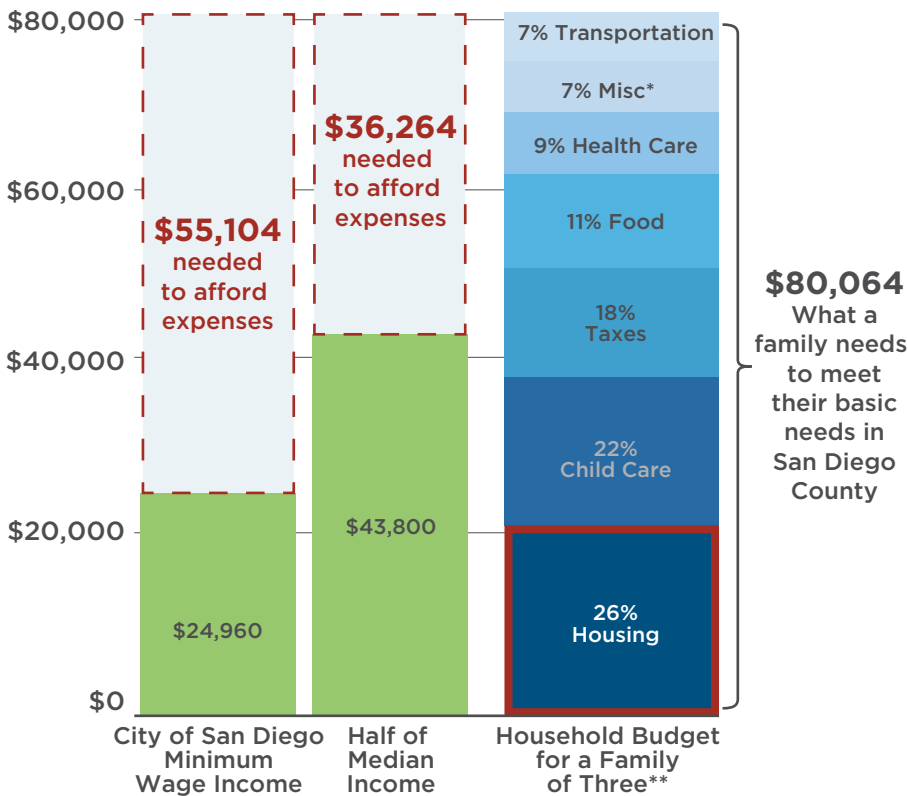
Source: NLIHC analysis of 2017 PUMS data.
 *Cost burdened households spend 30% or more of their income towards housing costs. Severely cost burdened households spend more than 50%.

RENTERS NEED TO EARN 3.2 TIMES THE LOCAL MINIMUM WAGE TO AFFORD THE MEDIAN ASKING RENT IN SAN DIEGO 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 SAN DIEGO 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 San Diego 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 toddler). Each percentage represents how much a family's annual budget is captured in each cost category (housing, child care, etc.).

SAN DIEGO COUNTY'S LOW INCOME HOUSING TAX CREDIT PRODUCTION DECREASED BY 61% WHILE PRESERVATION INCREASED BY 151% FROM 2016-2018

STATEWIDE

TYPE	2016	2018	% CHANGE
New Construction	9,285	9,373	1%
Acquisition & Rehab	15,032	9,430	-37%
All	24,317	18,803	-23%

SAN DIEGO COUNTY

TYPE	2016	2018	% CHANGE
New Construction	823	320	-61%
Acquisition & Rehab	792	1,984	151%
All	1,615	2,304	43%

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 SAN DIEGO COUNTY

- » Place a [measure](#) on the November 2020 City of San Diego ballot for a \$900 million bond for the construction of affordable and permanent supportive housing.
- » Transit and other land-holding public agencies should adopt policies similar to the [MTS Board Policy 18](#) to require an inventory of developable land and require that any residential developments built on those sites include a minimum of 20 percent of the units for very low and low income households.
- » Reinstate existing inclusionary rental housing ordinances permissible after the passage of [AB 1505](#) (the Palmer Fix) and improve them by including incentives such as density bonuses, reduced parking requirements and fee waivers for affordable units and adopting in-lieu fees at appropriate levels to provide the funding needed to construct affordable homes.
- » Advance greenhouse gas (GHG) reduction goals and fair housing goals through [SANDAG's Regional Housing Needs Allocation](#) (RHNA) distribution process by prioritizing housing in transit-rich and high-opportunity communities.
- » Reduce the cost of building housing near transit by adopting policies similar to the City of San Diego's [Transit Priority Area \(TPA\) Multifamily Residential Parking Standards](#) to reduce parking minimums and unbundle the cost of parking from the cost of housing.
- » Expand County of San Diego services for individuals and families who have experienced homelessness to make it possible to access more State matching funding such as is available through the [No Place Like Home](#) and other similar State programs.

This report was produced by the California Housing Partnership.

Local policy recommendations provided by:
San Diego Housing Federation

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