



The Sycamore at Catalina in Burbank. Photo by Loren Hansen. Courtesy of Burbank Housing.

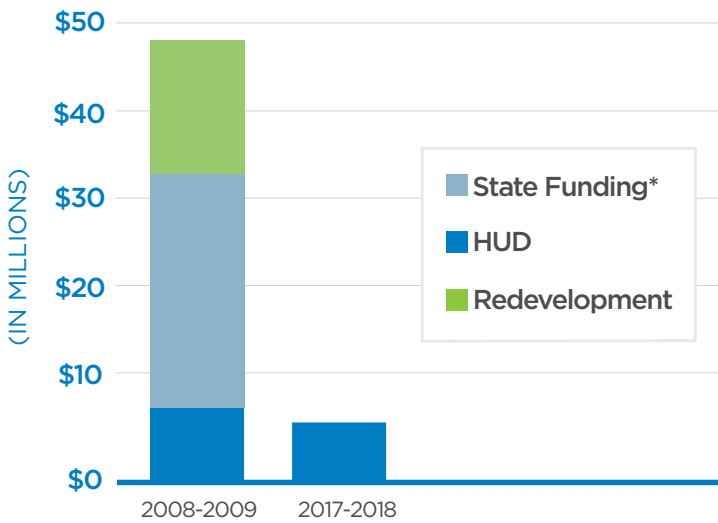
SONOMA COUNTY'S HOUSING EMERGENCY UPDATE



KEY FINDINGS

- Cuts in Federal and State funding have reduced investment in affordable housing in Sonoma County by more than \$42 million annually since 2008, an 88% reduction.
- Sonoma County needs 16,296 more affordable rental homes to meet current demand.
- Renters in Sonoma County need to earn \$44.13 per hour - nearly 4 times the State minimum wage - to afford the median asking rent of \$2,295.
- Sonoma County's Low Income Housing Tax Credit production and preservation has rebounded in the last year.
- 76% of ELI households are paying more than half of their income on housing costs compared to 0% of moderate income households.

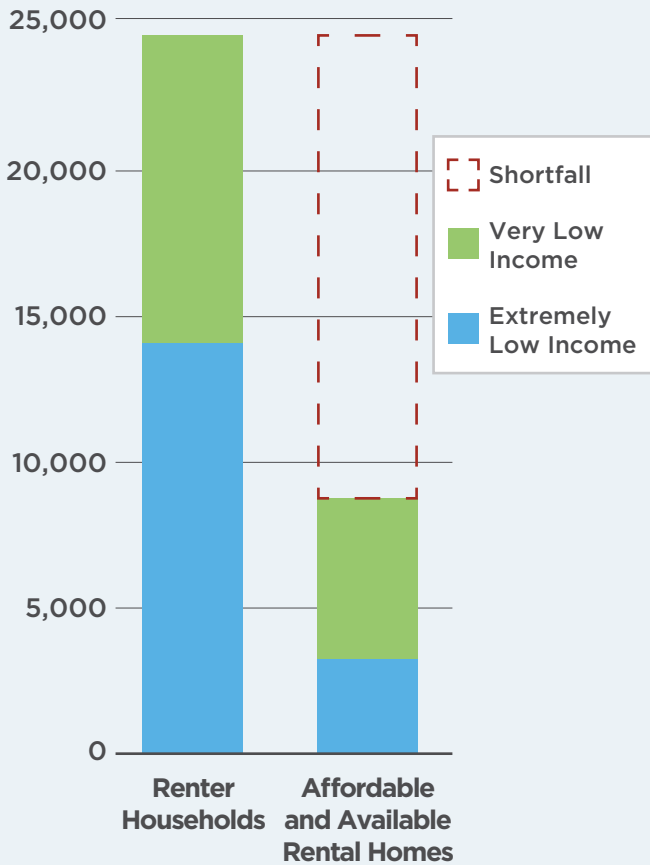
SONOMA COUNTY LOST 88% OF STATE AND FEDERAL FUNDING FOR HOUSING PRODUCTION AND PRESERVATION FROM FY 2008-09 TO FY 2017-18



FUNDING SOURCE	FY 2008-09 (In thousands)	FY 2017-18 (In thousands)	% CHANGE
Redevelopment	\$14,818	\$0	-100%
State Housing Bonds and Housing Programs	\$26,788	\$0	-100%
HUD	\$6,466	\$5,572	-14%
TOTAL	\$48,072	\$5,572	-88%

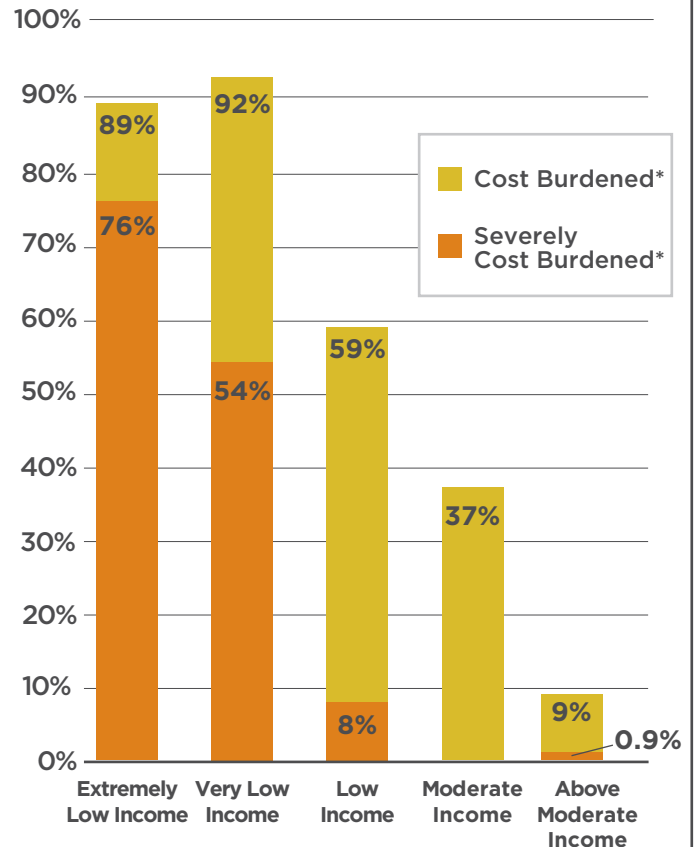
Source: California Housing Partnership analysis of 2008-2009 annual Redevelopment Housing Activities Report; 2008-2009 and 2017-2018 Annual HCD Financial Assistance Programs Reports; 2008-2009 and 2017-2018 HUD CPD Appropriations Budget Reports.
 *FY 2017-2018 does not include No Place Like Home Funding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

SONOMA COUNTY NEEDS 16,296 MORE AFFORDABLE RENTAL HOMES



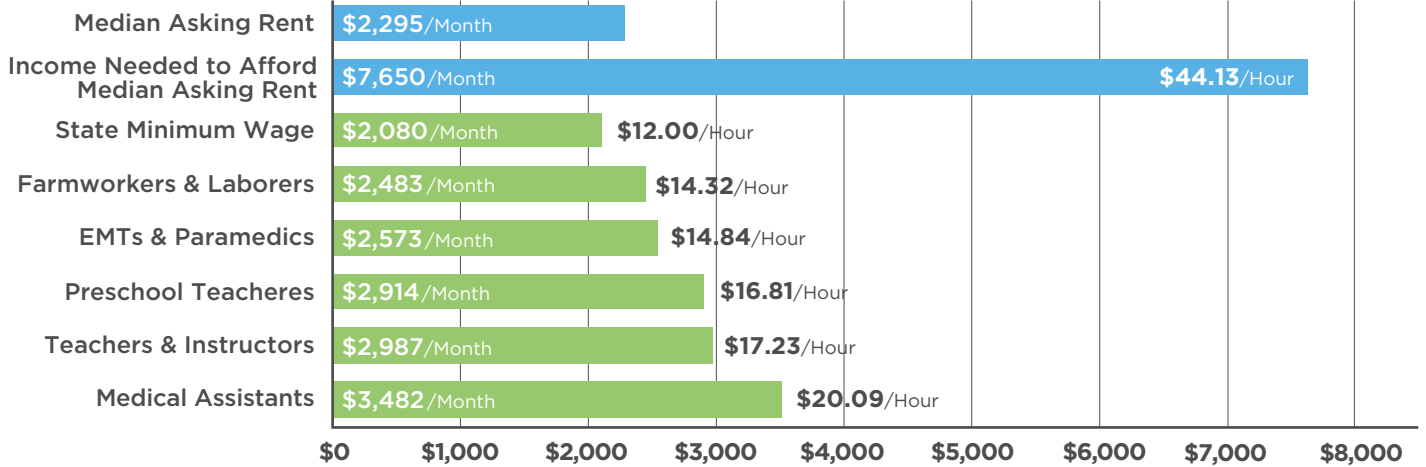
Source: NLIHC analysis of 2017 PUMS data.

LOWEST INCOME HOUSEHOLDS ARE DISPROPORTIONATELY AND SEVERELY COST BURDENED



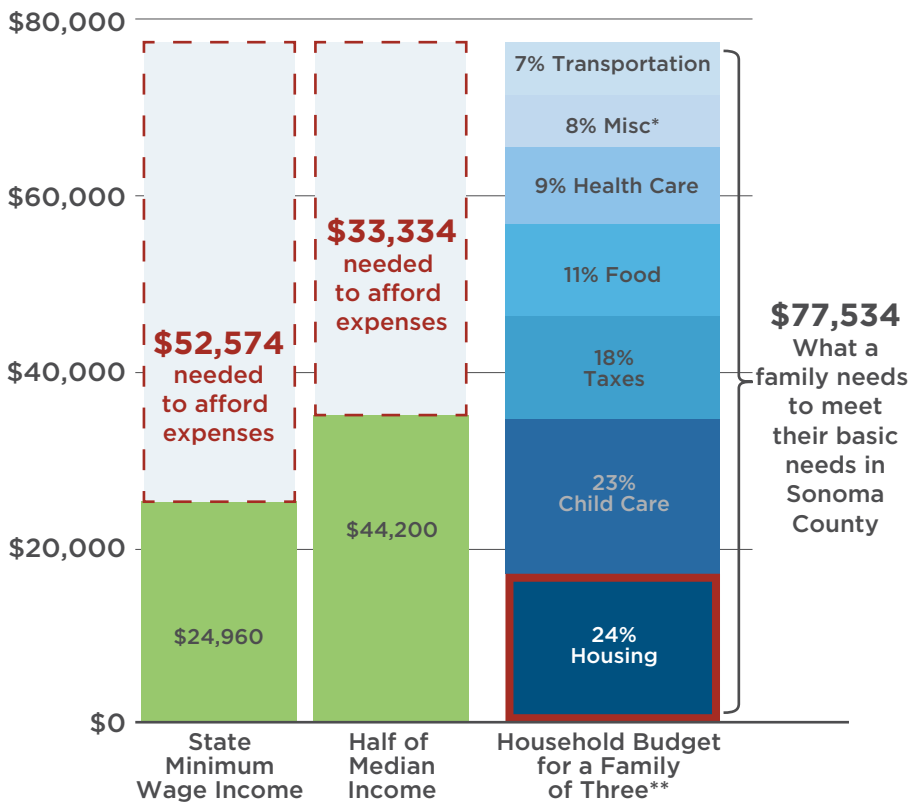
Source: NLIHC analysis of 2017 PUMS data.
 *Cost burdened households spend 30% or more of their income towards housing costs. Severely cost burdened households spend more than 50%.

RENTERS NEED TO EARN 3.7 TIMES MINIMUM WAGE TO AFFORD THE MEDIAN ASKING RENT IN SONOMA 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 SONOMA 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 Sonoma 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.).

SONOMA COUNTY'S LOW INCOME HOUSING TAX CREDIT PRODUCTION AND PRESERVATION HAS REBOUNDED IN THE LAST YEAR

STATEWIDE			
TYPE	2016	2017	2018
New Construction	9,285	7,407	9,373
Acquisition & Rehab	15,032	5,928	9,430
All	24,317	13,335	18,803
SONOMA COUNTY			
TYPE	2016	2017	2018
New Construction	102	26	314
Acquisition & Rehab	291	0	59
All	393	26	373

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.

REGIONAL AND LOCAL RECOMMENDATIONS FOR SONOMA COUNTY

Regional Recommendations

- » Condition discretionary transportation funds to cities on progress in providing affordable housing and preventing displacement.
- » Ensure that all cities and counties in the Bay Area are accountable to produce their fair share of affordable housing through the region's next Regional Housing Need Allocation.

Local/County Recommendations

- » Develop new affordable housing funding tools (such as linkage fees) to match Federal and State disaster funding and use them to fund (a) the acquisition and preservation of the remaining naturally occurring affordable housing (NOAH) and (2) the construction of new affordable multifamily rental housing to replace the housing lost in the 2017 wildfires and 2019 floods.
- » Initiate discussions across different segments of the community to establish support for a 2020 County housing bond measure.
- » Work with the agriculture industry to provide local resources to leverage new statewide funding for farmworker housing.
- » Sonoma County and the City of Santa Rosa's Renewal Enterprise District should identify public funding sources that can be used to finance the construction of new affordable housing.
- » Invest in an awareness-building campaign highlighting the relationship between Sonoma County's economic prosperity and supply of affordable housing.

This report was produced by the California Housing Partnership.

Local policy recommendations provided by:

EAH Housing

United Way of the Wine Country

Non-Profit Housing Association of Northern California (NPH)

For questions about Sonoma County's housing need, contact:
JR Starrett, JR@nonprohousing.org, 415.989.8160 x35

