Photo by Jonathan Youtt. Courtesy of East Bay Housing Organizations.

ALAMEDA 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 Alameda County by nearly $124 million annually since 2008, an 80% reduction.**

- **72% of ELI households are paying more than half of their income on housing costs compared to just 1% of moderate income households.**

- **Alameda County needs 52,591 more affordable rental homes to meet current demand.**

- **Low Income Housing Tax Credit production and preservation in Alameda County increased by 67% overall from 2016 while State production and preservation decreased 23%.**

- **Renters in Alameda County need to earn $49.90 per hour - more than 3 times the local minimum wage - to afford the median monthly asking rent of $2,595.**

MAY 2019

ALAMEDA COUNTY LOST 80% OF STATE AND FEDERAL FUNDING FOR HOUSING PRODUCTION AND PRESERVATION FROM FY 2008-09 TO FY 2017-18
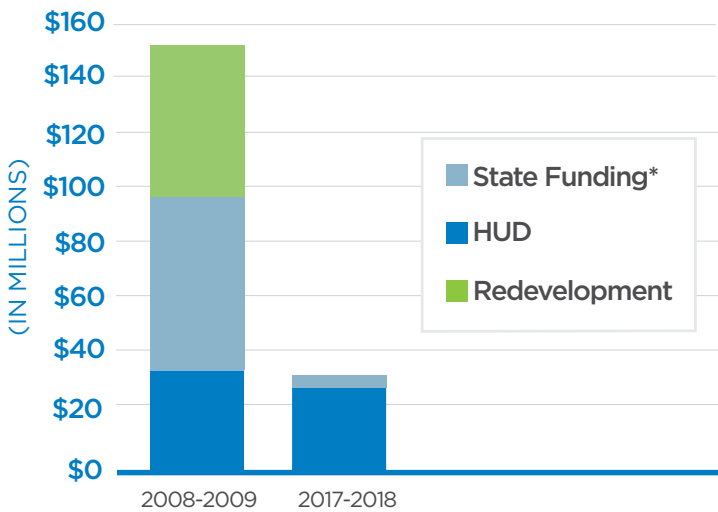
| FUNDING SOURCE	FY 2008-09 (In thousands)	FY 2017-18	% CHANGE
Redevelopment	$57,185	$0	-100%
State Housing Bonds and Housing Programs	$64,135	$4,840	-92%
HUD	$32,865	$25,633	-22%
TOTAL	**$154,185**	**$30,473**	**-80%**

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.

ALAMEDA COUNTY NEEDS 52,591 MORE AFFORDABLE RENTAL HOMES
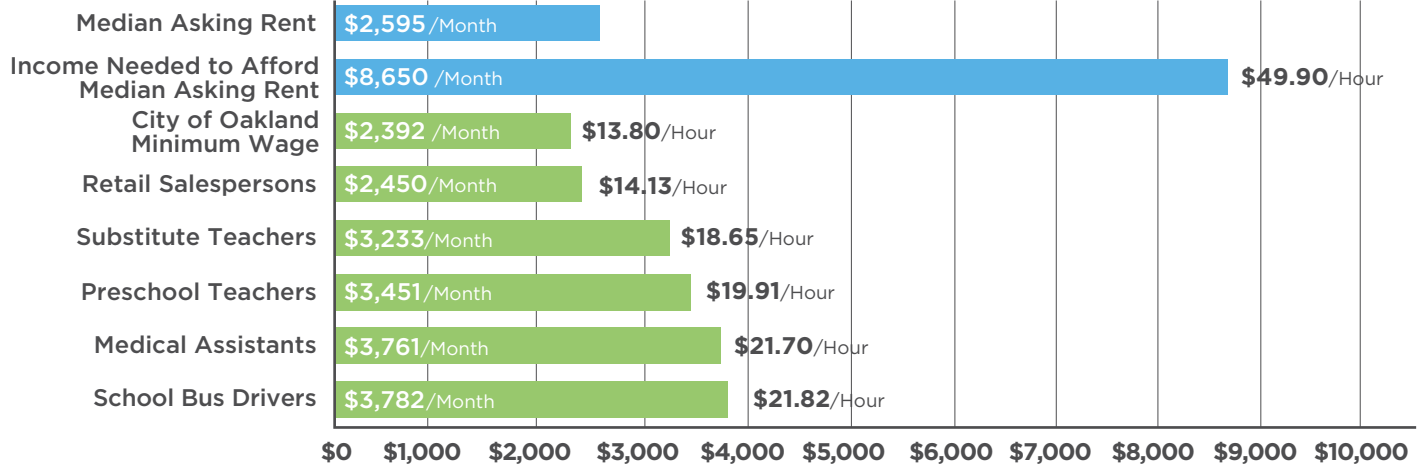

Source: *NLIHC analysis of 2017 PUMS data.*

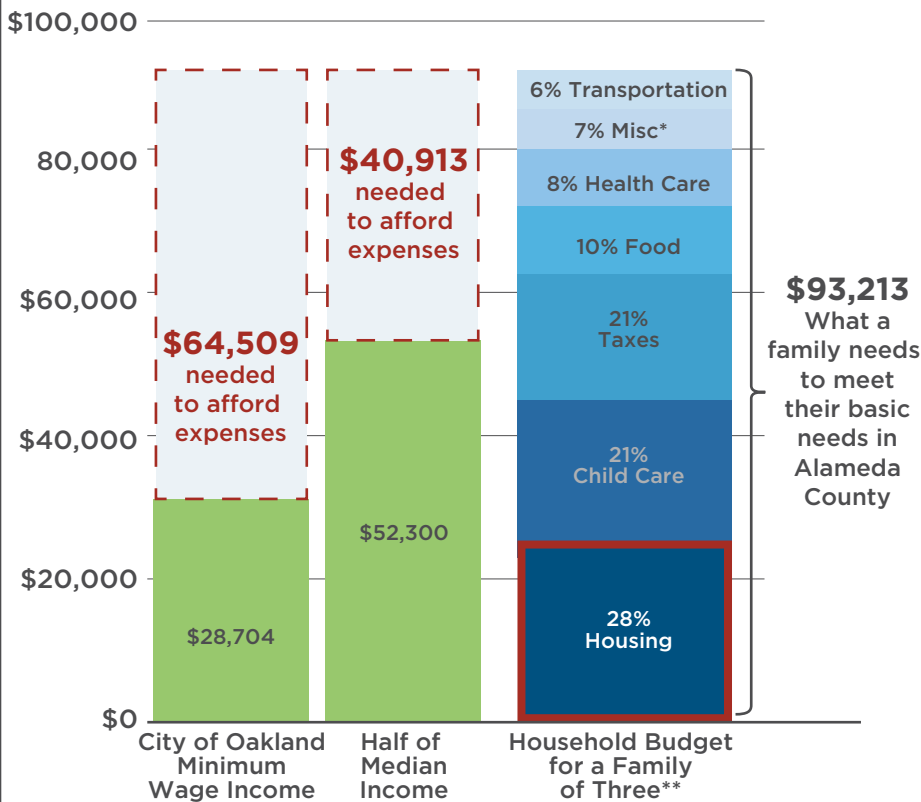## LOWEST INCOME HOUSEHOLDS ARE DISPROPORTIONATELY AND SEVERELY COST BURDENED
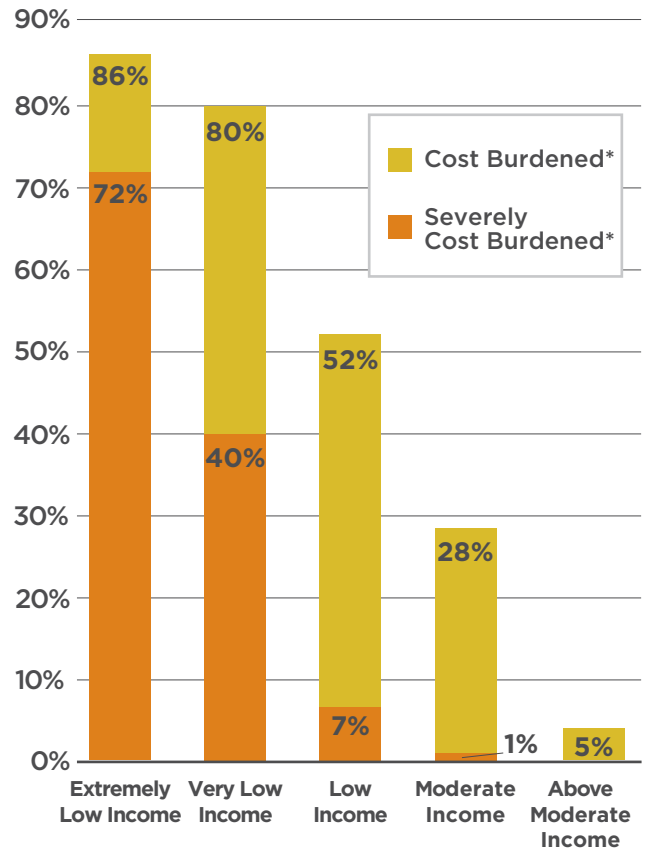
Source: *NLIHC analysis of 2017 PUMS data.*
*Cost burdened households spend 30% or more of their income towards housing costs. Severely cost burdened households spend more than 50%.

RENTERS NEED TO EARN 3.6 TIMES THE LOCAL MINIMUM WAGE TO AFFORD THE MEDIAN ASKING RENT IN ALAMEDA COUNTY

Category	Monthly	Hourly
Median Asking Rent	$2,595/Month	
Income Needed to Afford Median Asking Rent	$8,650/Month	$49.90/Hour
City of Oakland Minimum Wage	$2,392/Month	$13.80/Hour
Retail Salespersons	$2,450/Month	$14.13/Hour
Substitute Teachers	$3,233/Month	$18.65/Hour
Preschool Teachers	$3,451/Month	$19.91/Hour
Medical Assistants	$3,761/Month	$21.70/Hour
School Bus Drivers	$3,782/Month	$21.82/Hour

(Chart x-axis: $0, $1,000, $2,000, $3,000, $4,000, $5,000, $6,000, $7,000, $8,000, $9,000, $10,000)

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 ALAMEDA COUNTY

(Chart y-axis: $0 to $100,000)

- **City of Oakland Minimum Wage Income**: $28,704 — $64,509 needed to afford expenses
- **Half of Median Income**: $52,300 — $40,913 needed to afford expenses
- **Household Budget for a Family of Three****: $93,213 What a family needs to meet their basic needs in Alameda County
  - 6% Transportation
  - 7% Misc*
  - 8% Health Care
  - 10% Food
  - 21% Taxes
  - 21% Child Care
  - 28% Housing

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 Alameda 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.).

ALAMEDA COUNTY'S LOW INCOME HOUSING TAX CREDIT PRODUCTION AND PRESERVATION INCREASED 67% WHILE STATE PRODUCTION DECREASED 23% 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%

ALAMEDA COUNTY

TYPE	2016	2018	% CHANGE
New Construction	785	837	7%
Acquisition & Rehab	293	967	230%
All	1,078	1,804	67%

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 ALAMEDA 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.

Expand Funding for Affordable Housing

» Establish or increase city business taxes on rental property to fund the creation and preservation of affordable rental housing.

Protect Tenants from Displacement

» Limit annual rent increases and prohibit eviction of renters without good cause.
» Provide legal resources for tenants facing eviction.

Preserve Existing Affordable Housing Resources

» Limit the loss of rental housing by regulating condominium conversions, unhosted short-term rentals and conversion of single-room occupancy hotels.

Incentivize Production of Affordable Housing

» 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.
» Dedicate public land not needed for governmental use for development of affordable housing.

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