

CONFRONTING VENTURA COUNTY'S RENT AND POVERTY CRISIS: A CALL FOR REINVESTMENT IN AFFORDABLE HOMES

KEY FINDINGS

- » Cuts in annual federal and state funding, including elimination of Redevelopment, have reduced Ventura County's investment in affordable housing production and preservation by nearly \$38 million annually since 2008, a 79% reduction.
- » Median rent in Ventura County has increased 23% since 2000 while median renter household income has declined 8%, when adjusted for inflation.
- » Ventura renters need to earn 3.5 times the state minimum wage to afford the average monthly asking rent of \$1,817.
- » Ventura County's lowest-income renters spend 69% of income on rent, leaving little left for food, transportation, health expenses, and other needs.
- » When housing costs are considered, Ventura County's poverty rate rises to 19.6%.
- » Ventura County needs 26,492 more affordable rental homes to meet the needs of its lowest income renters.

VENTURA COUNTY'S POVERTY RATE RISES TO 19.6% WHEN HIGH HOUSING COSTS ARE INCLUDED

Official Poverty Measure (OPM)
11.3%

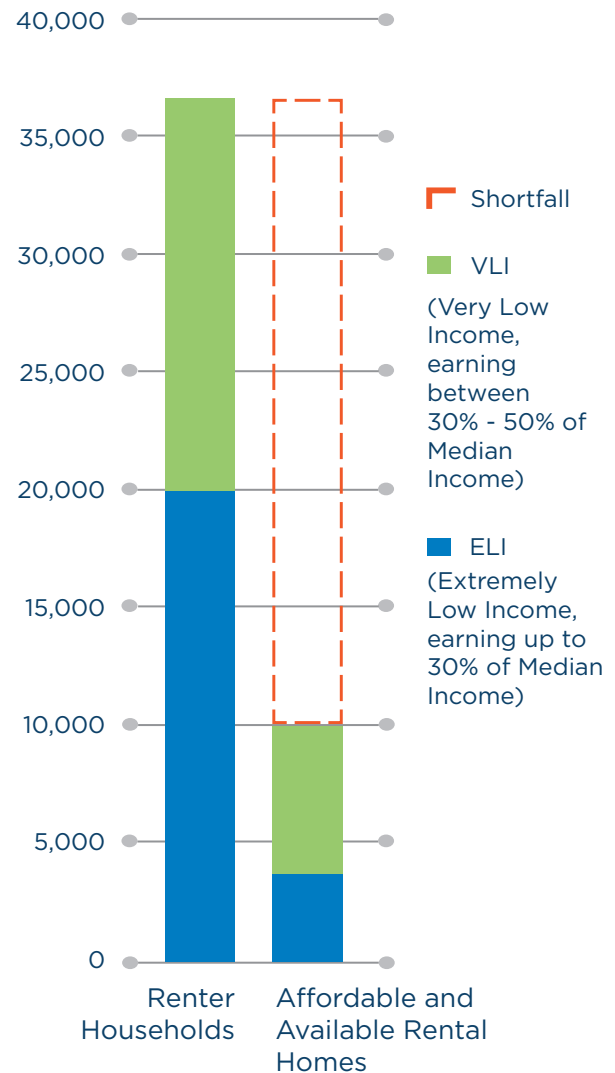
Unadjusted for Housing Costs

California Poverty Measure (CPM)
19.6%

Adjusted for Housing Costs and Social Benefits

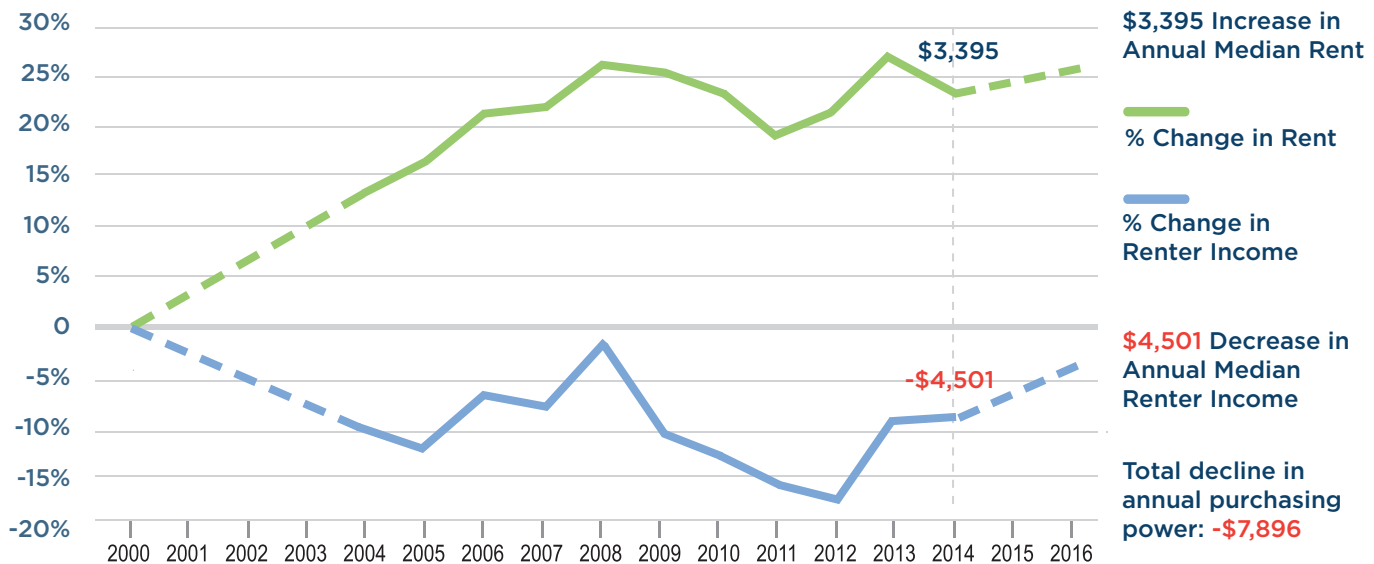
Source: Public Policy Institute of California. California Poverty by County, 2011-2013.

VENTURA COUNTY NEEDS 26,492 MORE AFFORDABLE RENTAL HOMES



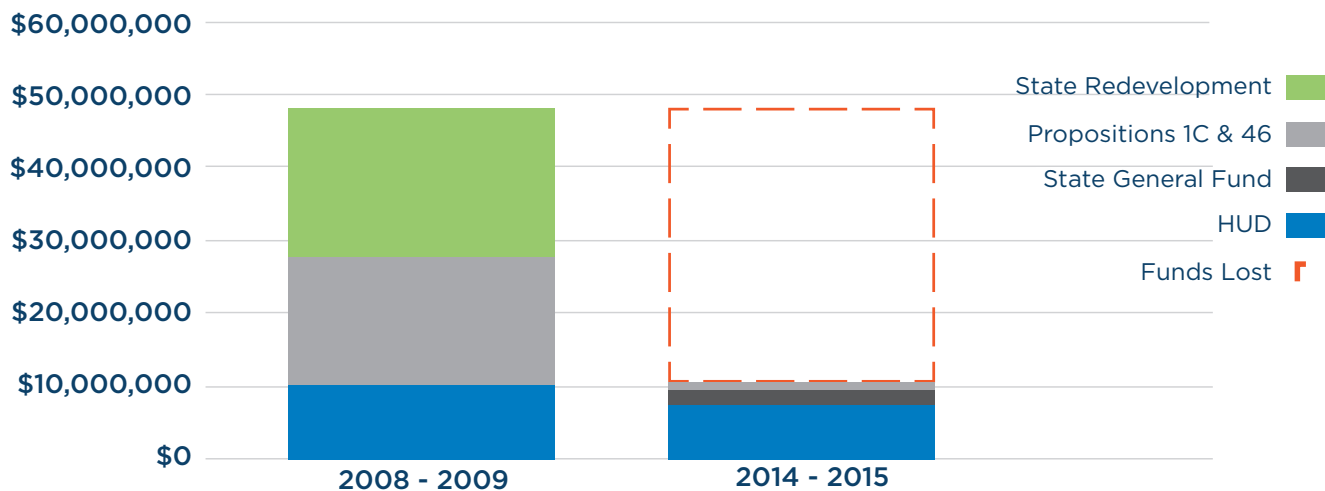
Source: NLIHC analysis of 2014 PUMS data.

VENTURA COUNTY'S INFLATION-ADJUSTED MEDIAN RENT INCREASED 23% WHILE MEDIAN RENTER INCOME DECLINED 8% FROM 2000 TO 2014



Source: CHPC analysis of 2000-2014 Census and ACS data. Median renter income and rent from 2001-2004 and 2015-2016 are estimated trends. Median rent and median renter income are inflation adjusted to 2014 dollars.

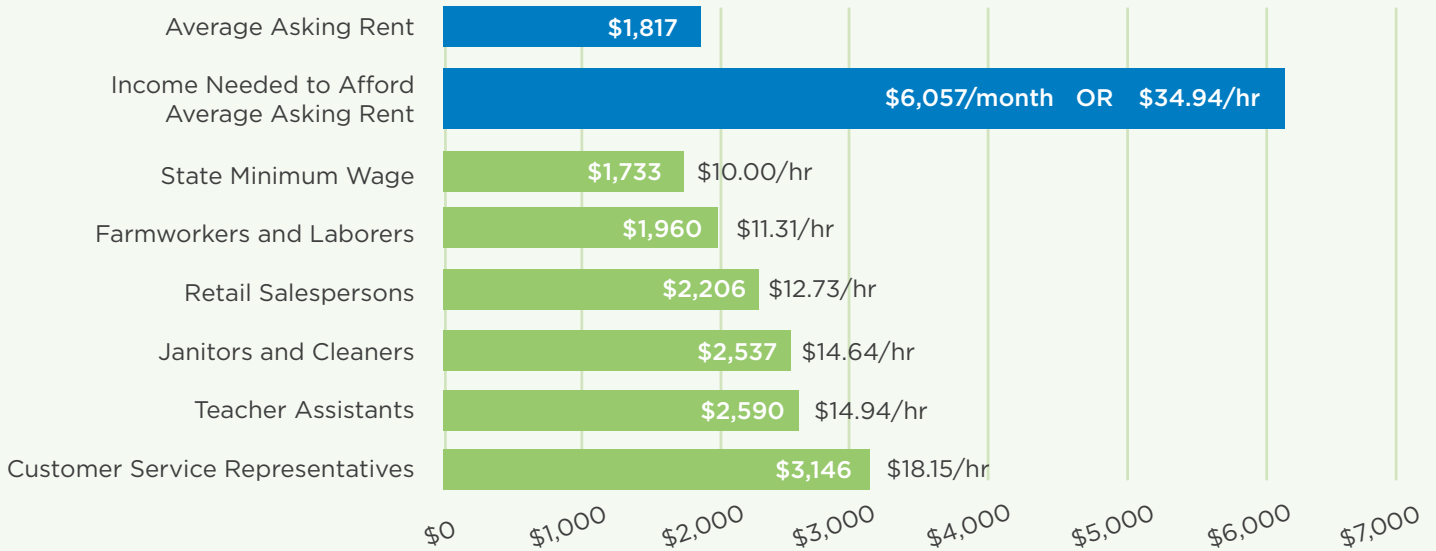
VENTURA COUNTY LOST 79% OF STATE AND FEDERAL FUNDING FOR HOUSING PRODUCTION AND PRESERVATION FROM FY 2008-09 TO FY 2014-15



| FUNDING SOURCE | FY 2008-2009 | FY 2014-2015 | % CHANGE |
|---|---------------------|---------------------|-------------|
| State Redevelopment | \$20,915,271 | \$0 | -100% |
| State Housing Bonds and Housing Programs | \$17,196,859 | \$3,008,640 | -83% |
| U.S. Dept. of Housing & Urban Development | \$10,207,682 | \$7,361,888 | -28% |
| Total | \$48,319,812 | \$10,370,528 | -79% |

Source: CHPC analysis of 2008-2009 annual HCD Redevelopment Housing Activities report; 2008-2009 and 2014-2015 annual HCD Financial Assistance Programs Reports; HUD CPD Appropriations Budget data for fiscal years 2009 and 2015.

VENTURA COUNTY RENTERS NEED TO EARN \$6,057 A MONTH TO AFFORD AVERAGE ASKING RENTS



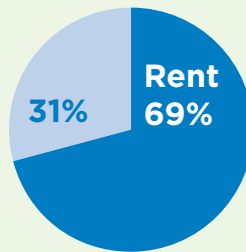
Source: CHPC Analysis of Real Answers Ventura County average rent data for the 1st Quarter 2016 and Bureau of Labor Statistics Average Annual Wage Data for CA Occupations 2015.

WHAT DO RENTERS IN VENTURA COUNTY HAVE LEFT AFTER PAYING RENT?

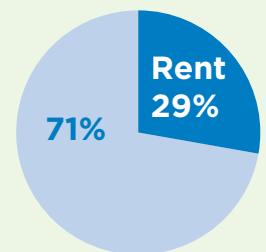
HOUSEHOLDS EARNING HALF OF MEDIAN INCOME OR LESS

MEDIAN INCOME HOUSEHOLDS

Food, Transportation, Health Care, & Other Needs

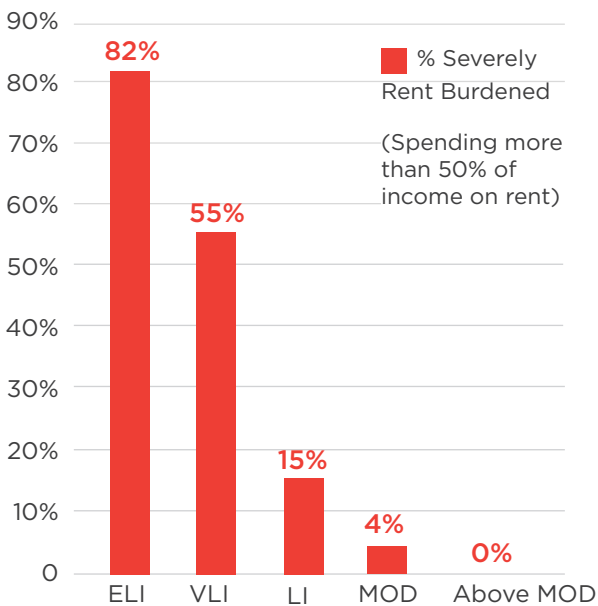


Food, Transportation, Health Care, & Other Needs



Source: NLIHC analysis of 2014 PUMS data.

PERCENTAGE OF SEVERELY BURDENED HOUSEHOLDS BY INCOME GROUP



Source: NLIHC analysis of 2014 PUMS data.

ABOUT CHPC

THE STATE CREATED THE CALIFORNIA HOUSING PARTNERSHIP MORE THAN 25 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 MORE THAN 100 NONPROFIT AND LOCAL GOVERNMENT HOUSING ORGANIZATIONS LEVERAGE MORE THAN \$8 BILLION IN PRIVATE AND PUBLIC FINANCING TO CREATE AND PRESERVE 30,000 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:

- » Invest at least \$1 billion from the state's General Fund surplus into established state programs prioritizing the lowest-income households.
- » Expand the California Low Income Housing Tax Credit. (AB 2817)
- » Improve the value of the California LIHTC by up to 40% at no cost to the state. (SB 873)
- » Give state voters the opportunity to approve a new housing bond similar to SB 879.
- » Authorize local governments to use tax increment financing for locally approved affordable housing benefit districts and to issue bonds. (AB 2031)
- » Reaffirm cities' authority to require the inclusion of a percentage of homes affordable to low- and moderate-income households in new rental housing development. (AB 2502)
- » Streamline local approvals including environmental review for 100% affordable housing developments consistent with local plans and zoning.

LOCAL RECOMMENDATIONS FOR VENTURA COUNTY

- » Reduce the cost of building affordable homes by:
 - Authorizing by-right approval for 100% affordable rental housing development through the inclusion of "Affordable Home Overlay Zones" in all local plans.
 - Increasing density bonuses for 100% affordable developments above what is currently allowed by law.
 - Updating commercial zoning codes to ensure that multifamily development is allowed by right when it includes a significant portion of affordable homes.
- » Require all new residential development seeking discretionary improvements to designate 15% of new homes as affordable to low income households or the payment of a housing impact fee and implement affordable housing impact fees for all other development.
- » Work with the Ventura County Housing Trust Fund to create a local source of permanent financing for affordable homes.
- » Support local efforts to end homelessness, including changing zoning ordinances to accommodate the provision of homeless services.
- » Continue to provide county funding for affordable homes for farm workers that will leverage public-private partnerships.
- » Waive a portion of the development impact fees for 100% affordable developments for seniors and people with special needs.

This report was produced by the California Housing Partnership.

Local policy recommendations provided by:

Southern California Association of NonProfit Housing (SCANPH)

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