



BIA Baldy View Chapter 4th Annual Housing Policy Conference

California Department of Housing & Community
Development

Ben Metcalf, Director







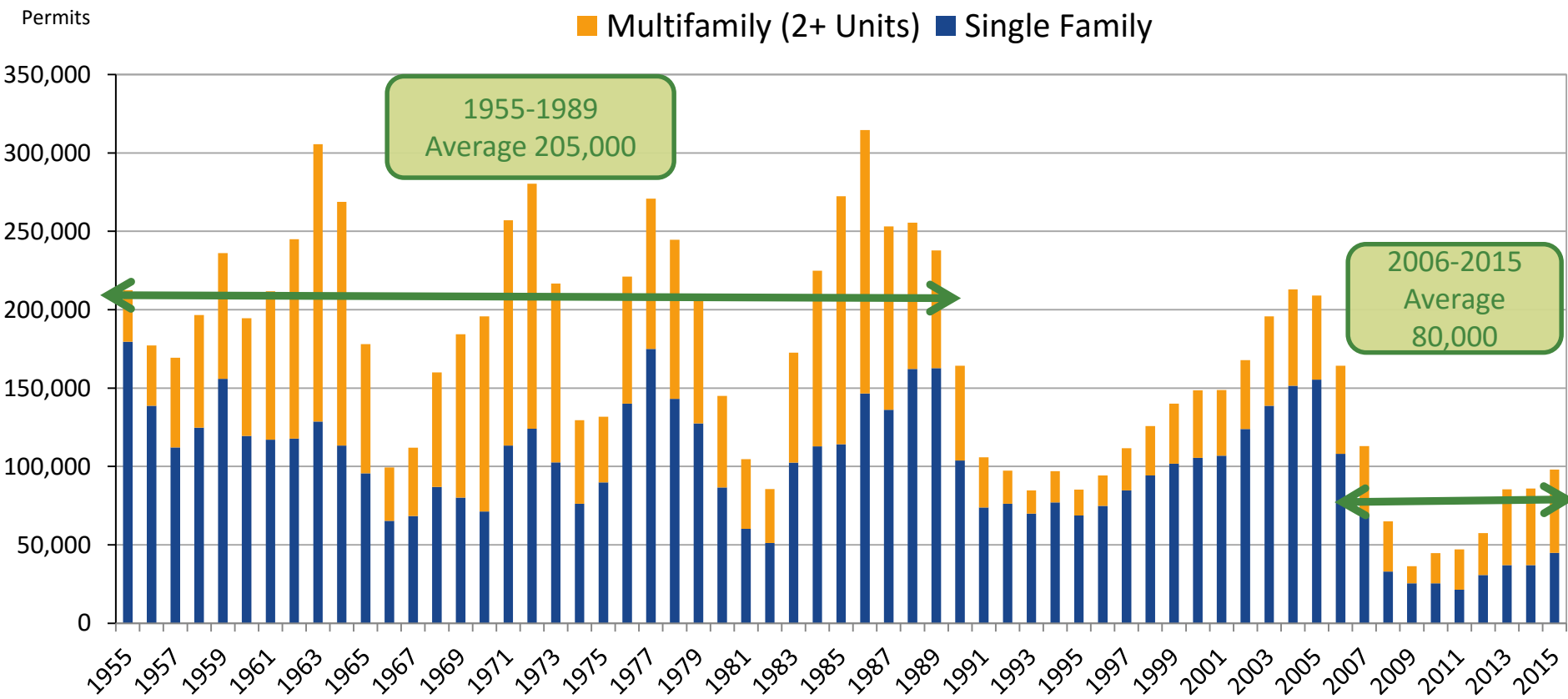






Production Not Keeping Pace With Projected Need 180,000 new homes needed annually

Annual New Housing Permits 1955-2015



Source: Construction Industry Research Board/California Homebuilding Foundation Reports 2005, 2013, 2015; Graphic by HCD



Nearly A Third of CA Renters are Paying More Than Half Their Income to Rent

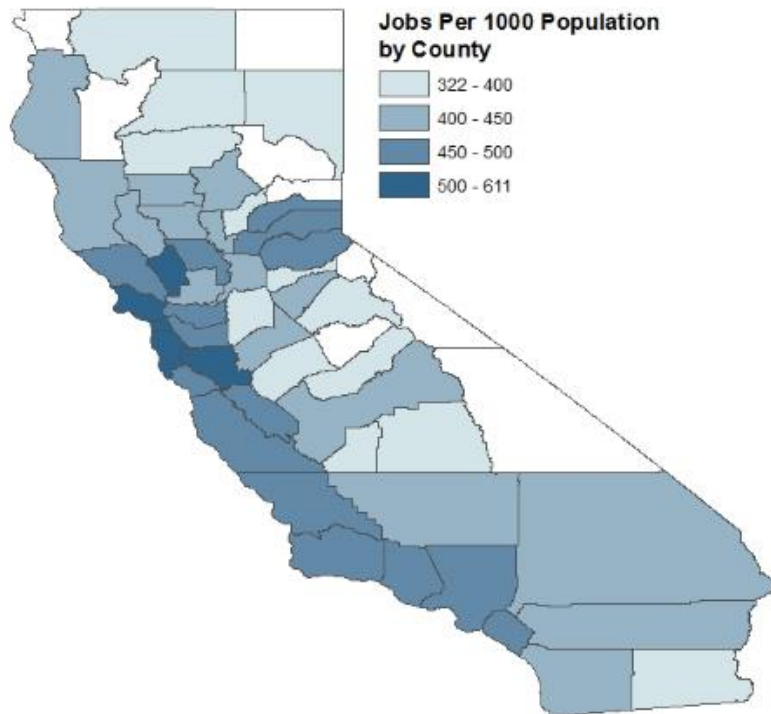
Income	Total Renter Households (million)	% Rent Burdened	% Severely Rent Burdened
Extremely Low-Income	1.27	90%	80%
Very Low-Income	.95	87%	51%
Low Income	1.11	65%	18%
All Lower-Income Renter Households (80% AMI and below) Subtotal of above	3.33	81%	51%
Moderate-Income	1.03	35%	4%
Above Moderate-Income	1.54	8%	0%
All Renter Households Total	5.9	54%	30%

Source: 2016 National Low Income Housing Coalition tabulations of 2014 American Community Survey Public Use Microdata Sample (PUMS) housing file.

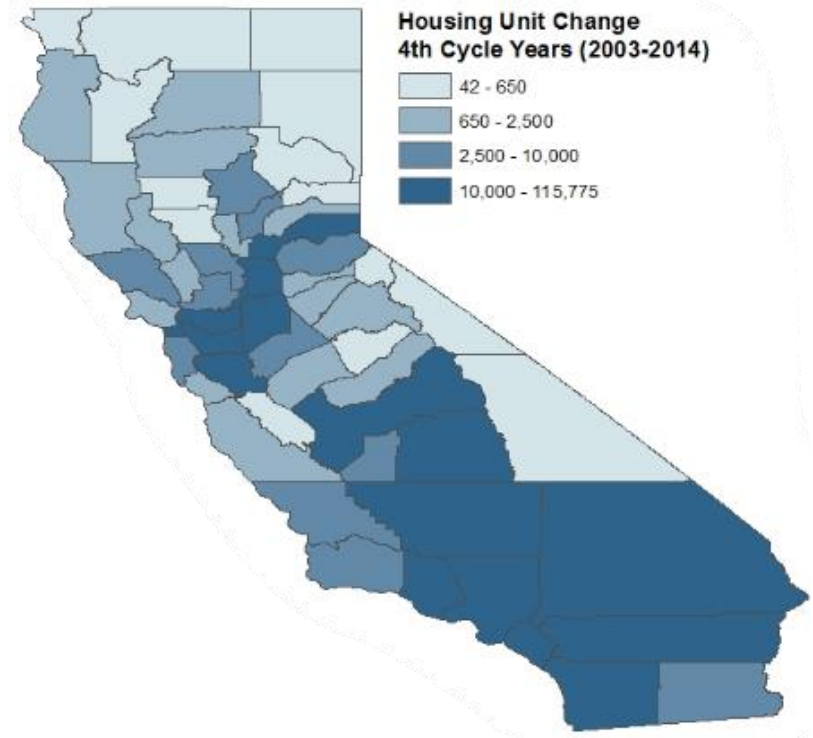


Counties with High Job Availability Experienced Lower Housing Production

Job Availability



4th Cycle Production



Sources: *Population:* U.S. Census Bureau, Population Division, 2015 Population Estimates. *Labor Force Estimates:* State of California Employment Development Department 2015 Labor Force by County, note counties with labor forces under 10,000 were excluded from the map. *Housing Unit Change:* DOF E5 Population and Housing Estimates for Cities, Counties, and the State; E8 Historical Population and Housing Estimates for Cities, Counties, and the State.

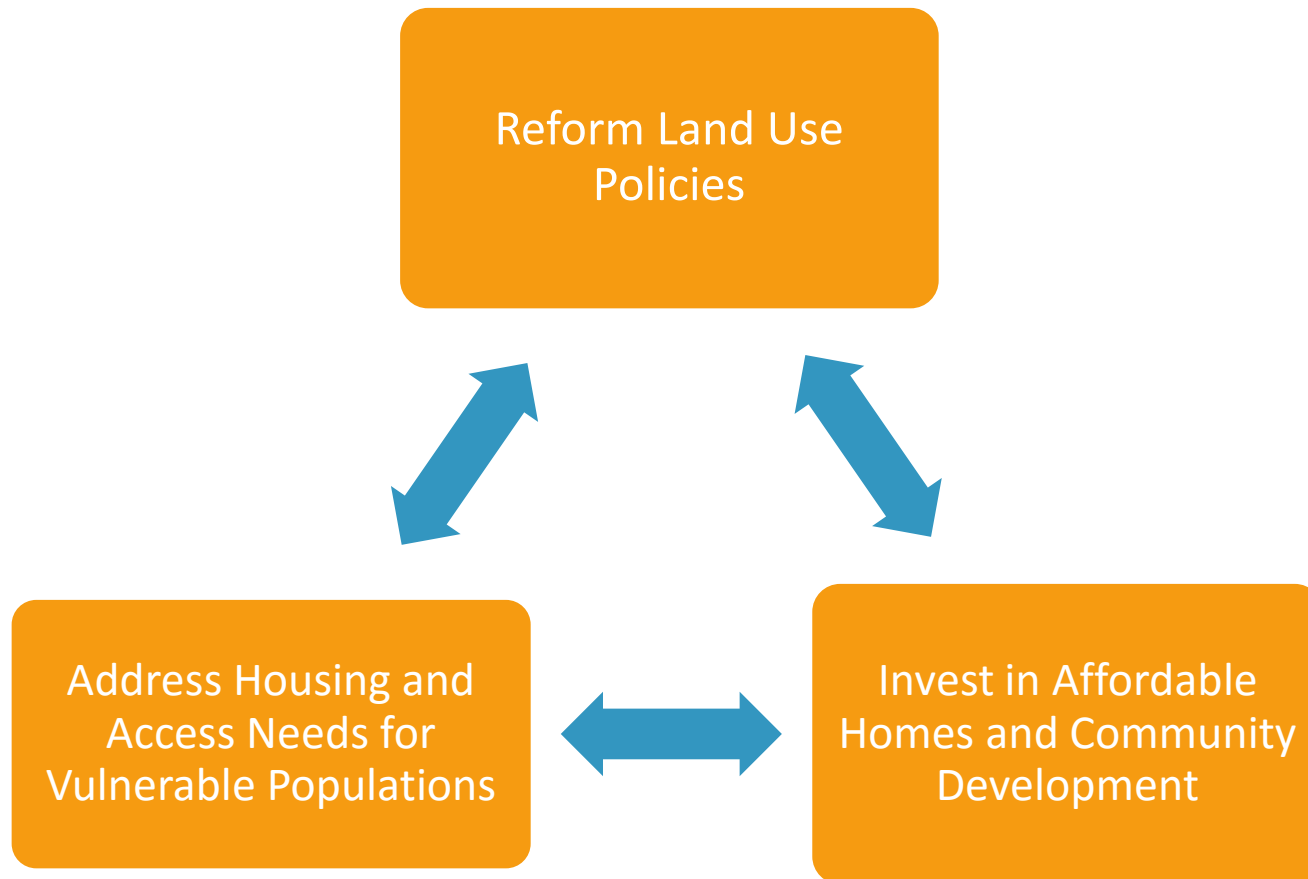


High Housing Costs and Needs Have Consequences

- **Environment/Transportation:** As households move further from jobs, longer commutes raise transportation costs and pollution
- **Economy:** Lack of housing supply costs the California economy \$140-\$233 billion dollars annually.
- **Poverty:** When housing is factored in, California's poverty rate is the highest in the nation.
- **Economic Mobility:** Children that grow up exposed to poverty have a greater chance of lower economic mobility later in life.
- **Health:** Housing instability negatively impacts mental and physical health, and providing housing can lower public health and social services costs.
- **Education:** Children experiencing housing instability experience reduced academic outcomes.



Potential Options to Address California's Housing Challenges





Some Recent Gains

STATE:

- ✓ \$600 million for the Veterans Housing and Homelessness Prevention in 2014.
- ✓ \$150 million in new funding for homeless programs in 2016 Budget.
- ✓ “No Place Like Home” program created, \$2 billion in bonds authorized for permanent supportive housing.
- ✓ Legislation to streamline the approval of Accessory Dwelling Units
- ✓ 20 percent of Greenhouse Gas Reduction Fund revenues to fund the Affordable Housing Sustainable Communities Program, with at least half of the funds for affordable housing.

LOCAL:

- ✓ \$2.7 billion in local bonds, along with two local sales tax increases for affordable housing.



Governor's Principles for Comprehensive Housing Package

Streamline Housing Development

- Reduce local barriers to limit delays and duplicative reviews, maximize the impact of all public investments, and temper rents through housing supply increases.

Lower Per-Unit Costs

- Reduce permit and construction policies that drive up unit costs.



Production Incentives

- Those jurisdictions that meet or exceed housing goals, including affordable housing, should be rewarded with funding and other regulatory benefits.

Accountability and Enforcement

- Compliance with existing laws—such as the housing element—should be strengthened.

Ongoing Permanent Source

- Ongoing State investment in affordable housing funded outside of General Fund.

Questions and Discussion

