KEY FINDINGS

» Cuts in federal and state funding, including elimination of State Redevelopment, have reduced investment in affordable housing production and preservation in Los Angeles County by nearly $457 million annually since 2008, a 64% reduction.

» Median rent in Los Angeles County has increased 32% since 2000 while median renter household income has decreased 3%, when adjusted for inflation.

» Renters need to earn 4 times local minimum wage to afford the median asking rent of $2,499 in Los Angeles County.

» Los Angeles County’s lowest-income renters spend 70% of income on rent, leaving little left for food, transportation, health expenses, and other needs.

» When housing costs are considered, Los Angeles County’s poverty rate rises from 18.3% to 25.6%.

» Los Angeles County needs 551,807 more affordable rental homes to meet the needs of its lowest-income renters.

LOS ANGELES COUNTY’S POVERTY RATE RISES TO 25.6% WHEN HIGH HOUSING COSTS ARE INCLUDED

<table>
<thead>
<tr>
<th>Official Poverty Measure (OPM)</th>
<th>California Poverty Measure (CPM)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>18.3%</strong></td>
<td><strong>25.6%</strong></td>
</tr>
<tr>
<td>Unadjusted for Housing Costs</td>
<td>Adjusted for Housing Costs and Social Benefits</td>
</tr>
</tbody>
</table>


LOS ANGELES COUNTY NEEDS 551,807 MORE AFFORDABLE RENTAL HOMES

Source: CHPC analysis of 2015 PUMS data using adapted NLIHC methodology.
LOS ANGELES COUNTY’S INFLATION-ADJUSTED MEDIAN RENT INCREASED 32% WHILE MEDIAN RENTER INCOME DECREASED 3% FROM 2000 TO 2015

LOS ANGELES COUNTY LOST 64% OF STATE AND FEDERAL FUNDING FOR HOUSING PRODUCTION AND PRESERVATION FROM FY 2008-09 TO FY 2015-16

<table>
<thead>
<tr>
<th>FUNDING SOURCE</th>
<th>FY 2008-2009</th>
<th>FY 2015-2016</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Redevelopment</td>
<td>$274,787,841</td>
<td>$0</td>
<td>-100%</td>
</tr>
<tr>
<td>State Housing Bonds and Housing Programs</td>
<td>$176,595,573</td>
<td>$85,478,030</td>
<td>-52%</td>
</tr>
<tr>
<td>U.S. Dept. of Housing &amp; Urban Development</td>
<td>$260,516,144</td>
<td>$169,556,041</td>
<td>-35%</td>
</tr>
<tr>
<td>Total</td>
<td>$711,899,558</td>
<td>$255,034,071</td>
<td>-64%</td>
</tr>
</tbody>
</table>

*In November 2016, voters in the City of Los Angeles passed a bond initiative (Proposition HHH) that will provide $1.2 billion for the development of 10,000 units of Permanent Supportive Housing over the next decade. In March, Los Angeles County passed a 1/4 cent sales tax (Measure H) to bring $355 million annually for services targeted at people experiencing homelessness. Some Measure H funds may be used to develop affordable housing with services.

WHAT DO RENTERS IN LOS ANGELES COUNTY HAVE LEFT AFTER PAYING RENT?


RENTERS IN LOS ANGELES COUNTY NEED TO EARN $8,330 A MONTH TO AFFORD MEDIAN ASKING RENTS

### Median Asking Rent

- **$2,499**

### Income Needed to Afford Median Asking Rent

- **$8,330/month OR $48.06/hr**

### City/County of LA Minimum Wage

- **$2,080**
  - **$12.00/hr (starting July 1, 2017)**

### Median Income Households

- **Rent 70%**
- **Food, Transportation, Health Care, & Other Needs 30%**

### Median Income

- **71%**
- **Rent 29%**

### Percentage of Severely Burdened Households by Income Group

- **80%**
  - % Severely Rent Burdened
  - (Spending more than 50% of income on rent)

### ABOUT CHPC

The state created the California Housing Partnership nearly 30 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 nearly 200 nonprofit and local government housing organizations leverage more than $13 billion in private and public financing to create and preserve 65,000 affordable homes.
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:

» Create new sources of long-term revenue dedicated to producing and preserving affordable homes by passing the Building Homes and Jobs Act (SB 2) and an expansion of the state Low Income Housing Tax Credit (AB 71).

» Give voters a chance to approve new state funding for affordable housing by passing the Affordable Housing Bond Act of 2018 (SB 3).

» Lower the voter approval threshold for local housing infrastructure bonds to 55% as it is for education facility bonds (ACA 4).

» Reduce the loss of existing affordable homes by strengthening the State Preservation Notice Law through improved monitoring and enforcement (AB 1521).

» Restore the ability of local governments to require apartment developers to include affordable rental homes within each development (AB 1505).

The City of Los Angeles should adopt the Affordable Housing Linkage Fee to create affordable homes. The County and other Cities in the county should adopt linkage fees also.

The County should fully fund its Affordable Housing Program as called for in the Board of Supervisors October 2015 motion.

Los Angeles County and Cities within it should offer shallow operating subsidies to help developers provide homes for families and seniors earning less than $20,000 annually who don’t qualify for supportive housing.

Los Angeles County and Cities throughout the county should award entitlement incentives to developers who include affordable homes.

The County and City of Los Angeles should explore and implement policies that encourage the successful siting of permanent supportive housing.

Cities in Los Angeles County should follow the lead of Los Angeles and place affordable housing funding initiatives on the ballot.

The City of Los Angeles should commit to updating the City’s Community Plans with strong equity standards to ensure affordable, sustainable and vibrant neighborhoods.