



FOR IMMEDIATE RELEASE

July 9, 2020

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New Data Shows Growing Shortfall of Affordable Housing in San Diego, Underscores Dire Need for Funding Construction

San Diego Housing Federation and Councilmember Chris Ward Call for Council to Put \$900 Million Affordable Housing Bond on November 2020 Ballot

SAN DIEGO, CA – The San Diego Housing Federation (SDHF), along with San Diego City Councilmember Chris Ward and the California Housing Partnership (the Partnership), released new data that show the gap in affordable housing is increasing, and called for the City Council to place a \$900 million housing bond measure to reduce homelessness on the November 2020 ballot.

“These most recent numbers show that despite all the efforts to provide housing for low-income San Diegans, the situation is actually getting worse,” said Stephen Russell, executive director of the San Diego Housing Federation. “With the economic disruption from Covid-19 we can expect this situation and related homelessness to worsen further, especially for communities of color. We need the resources to build homes for those in need.”

The bond measure proposed by the SDHF and sponsored by Councilmember Chris Ward was approved by the Council Rules Committee and could go before the full Council on July 14.

“San Diego has experienced a housing crisis for more than a decade, and despite numerous actions taken by the State and City, the study unveiled today shows we are falling further behind,” said Councilmember Ward. “The solution to this problem is building more housing and that is what this bond will enable us to do.”

The numbers released today as part of the Partnership’s California Housing Needs Dashboard show that the shortfall in affordable housing climbed to 142,590 in San Diego, up from the previous year’s 137,968. That represents a reversal in a downward trend and a gap that grew by 3.35 percent. Statewide the gap grew by just 0.38 percent. Other key indicators in the data show the strain that the cost of housing imposes on low-income households.

“Only 10% of very low-income households in San Diego County have an affordable home, and 83% of extremely low-income households use more than half of their income to pay for housing costs, drastically reducing their budget for other basic necessities like food and transportation,” said Danielle M. Mazzella, preservation and data manager for the Partnership.

Should it pass, the bond measure would fund the construction of 7,500 housing units and would make San Diego eligible for state and federal matching funds. A survey conducted last May showed that more than two-thirds of likely San Diego voters would support the SDHF bond measure. The survey also showed that homelessness continued to rank as a top concern for the region.

The Partnership's data can be viewed at <https://chpc.net/housingneeds>.

San Diego Housing Federation (SDHF)

The San Diego Housing Federation is the region's voice for affordable housing. SDHF is committed to increasing the supply of housing for San Diego's most vulnerable families, seniors, veterans, those living with disabilities, and the recently homeless. For more information visit, www.housingsandiego.org.

California Housing Partnership (The Partnership)

The California Housing Partnership creates and preserves affordable and sustainable homes for Californians with low incomes by providing expert financial and policy solutions to nonprofit and public partners. Since 1988, the Partnership's on-the-ground technical assistance, applied research, and legislative leadership has leveraged more than \$20 billion in private and public financing to preserve and create more than 75,000 affordable homes. For more information about the Partnership and the data dashboard, visit www.chpc.net.

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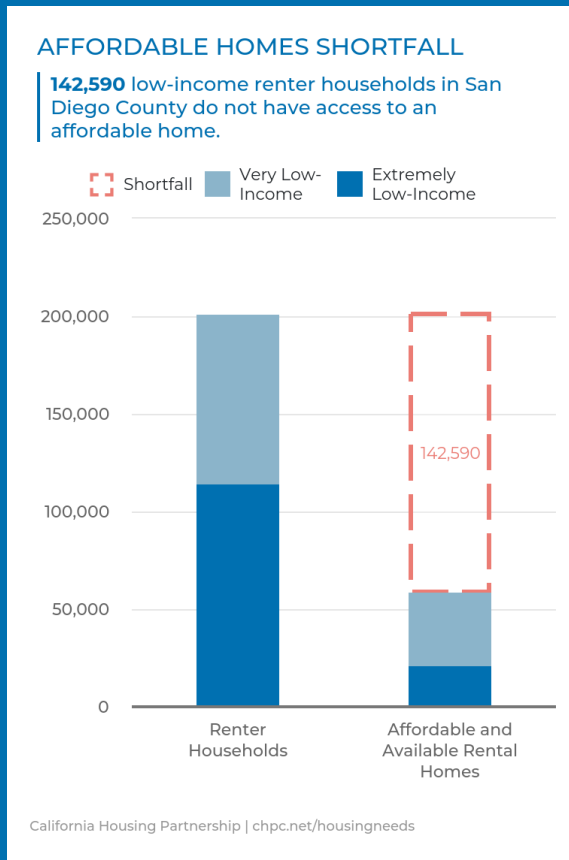
NEWLY PUBLISHED: 2020 Affordable Housing Needs Reports from the California Housing Partnership



California Housing Partnership released an automated report including all 58 counties. Currently housed in their Resources Library, these reports will also be available for download within the new dashboard.

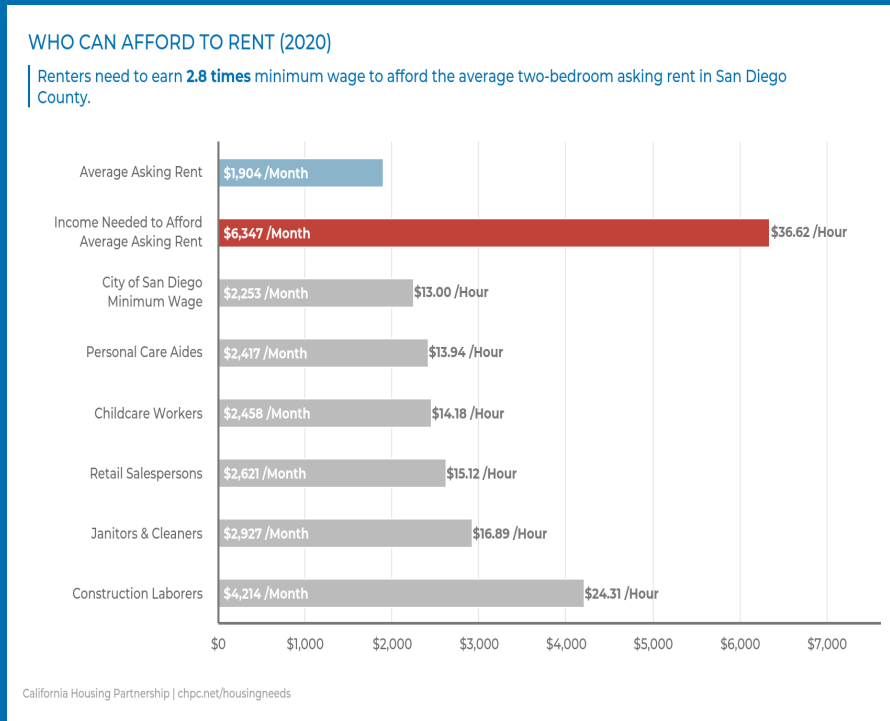
Data in the dashboard will be updated annually or semi-annually as available.

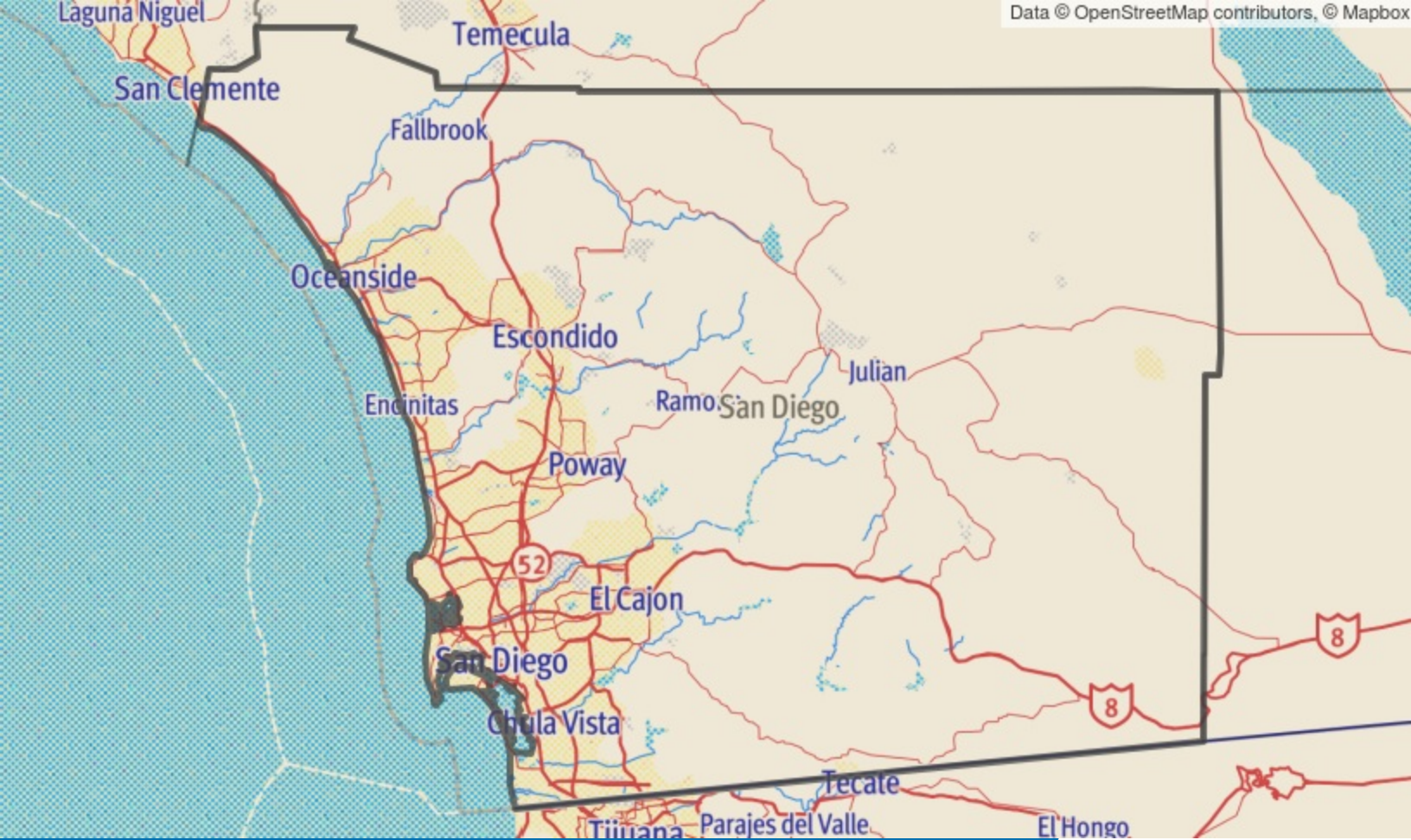
San Diego Housing Federation cites the data quantifies the deepening crisis and immense shortfall of affordable housing throughout California, presented region-by-region. The Housing Needs Dashboard shows San Diego is outpacing the state in the growing chasm between needed affordable housing and available units.



- The shortfall in affordable housing in San Diego climbed to 142,590, up 3.35 percent from 137,968 in last year’s report. That represents a reversal after the gap closed slightly in last year’s report. Statewide the gap grew by just 0.38 percent.
- SDHF advocates for policy change to address the crisis, renewing the call for a revenue measure on the San Diego November 2020 ballot to allow voters to approve affordable housing bonds similar to those recently passed in other California jurisdictions.

- “Only 10% of very low-income households in San Diego County have an affordable home, and 83% of extremely low-income households use more than half of their income to pay for housing costs, drastically reducing their budget for other basic necessities like food and transportation,” said Danielle M. Mazzella, preservation and data manager for the CHPC.





SAN DIEGO COUNTY 2020 Affordable Housing Needs Report



KEY FINDINGS

- **142,590** low-income renter households in the county do not have access to an affordable home.
- Low-Income Housing Tax Credit production and preservation in San Diego County **increased by 22%** since 2016 while state production and preservation **decreased 13%**.
- **83%** of extremely low-income households are paying more than half of their income on housing costs compared to just 2% of moderate-income households.
- Renters in San Diego County need to earn \$36.62 per hour — **2.8 times** the City of San Diego minimum wage — to afford the average monthly asking rent of \$1,904.
- In San Diego County, state funding **decreased 31%** while federal funding **increased 131%** for housing production and preservation from FY 2008-09 to FY 2018-19.

FUNDING FOR HOUSING

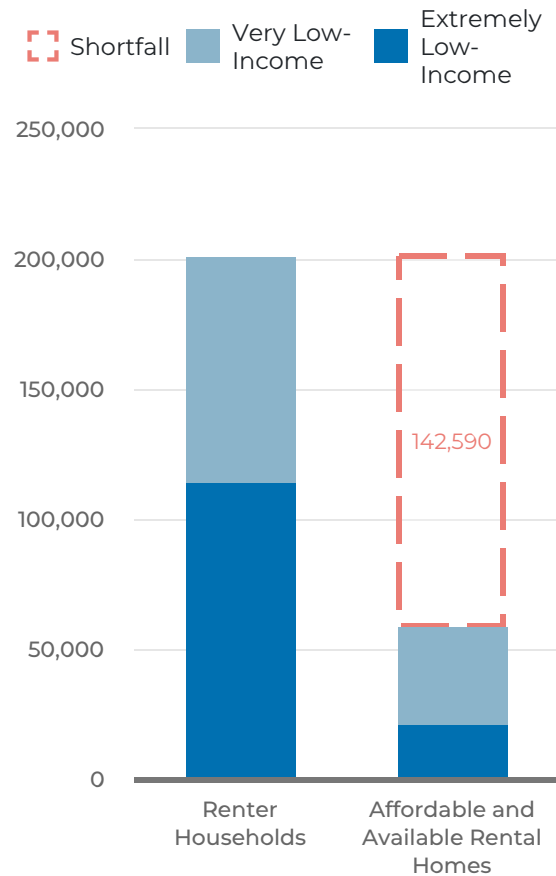
In San Diego County, state funding **decreased 31%** while federal funding **increased 131%** for housing production and preservation from FY 2008-09 to FY 2018-19.



| FUNDING SOURCE | FY 2008-09 | FY 2018-19 | % CHANGE |
|--|------------------|------------------|-------------|
| (in thousands) | | | |
| Redevelopment Housing | \$90,582 | \$0 | -100% |
| State Housing Bonds and Budget Allocations | \$35,838 | \$87,015 | 143% |
| State LIHTC | \$0 | \$489 | --% |
| STATE TOTAL | \$126,419 | \$87,504 | -31% |
| Federal LIHTC | \$72,457 | \$239,863 | 231% |
| HUD Block Grants | \$51,065 | \$45,180 | -12% |
| FEDERAL TOTAL | \$123,522 | \$285,043 | 131% |

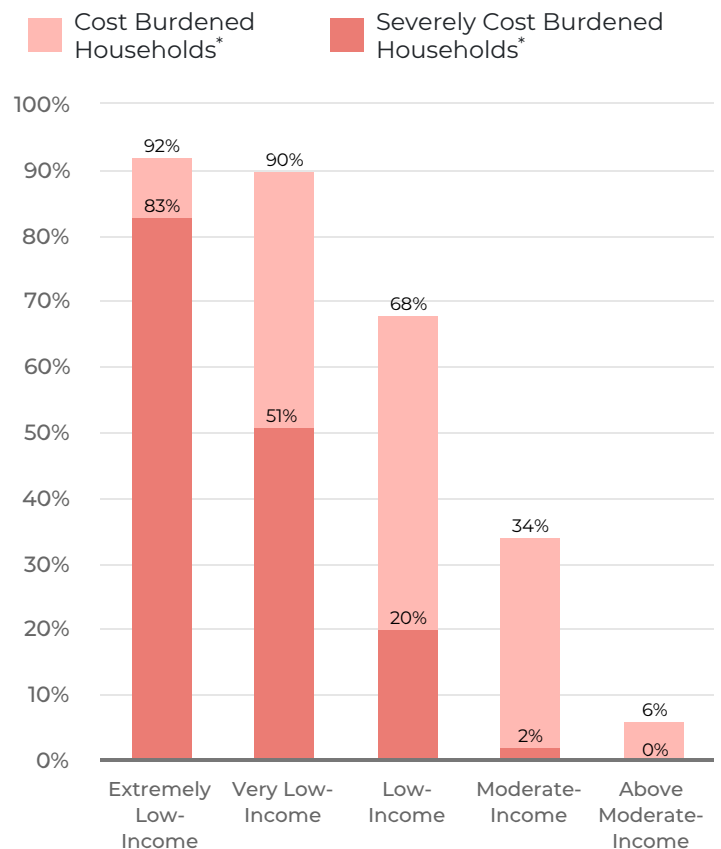
AFFORDABLE HOMES SHORTFALL

142,590 low-income renter households in San Diego County do not have access to an affordable home.



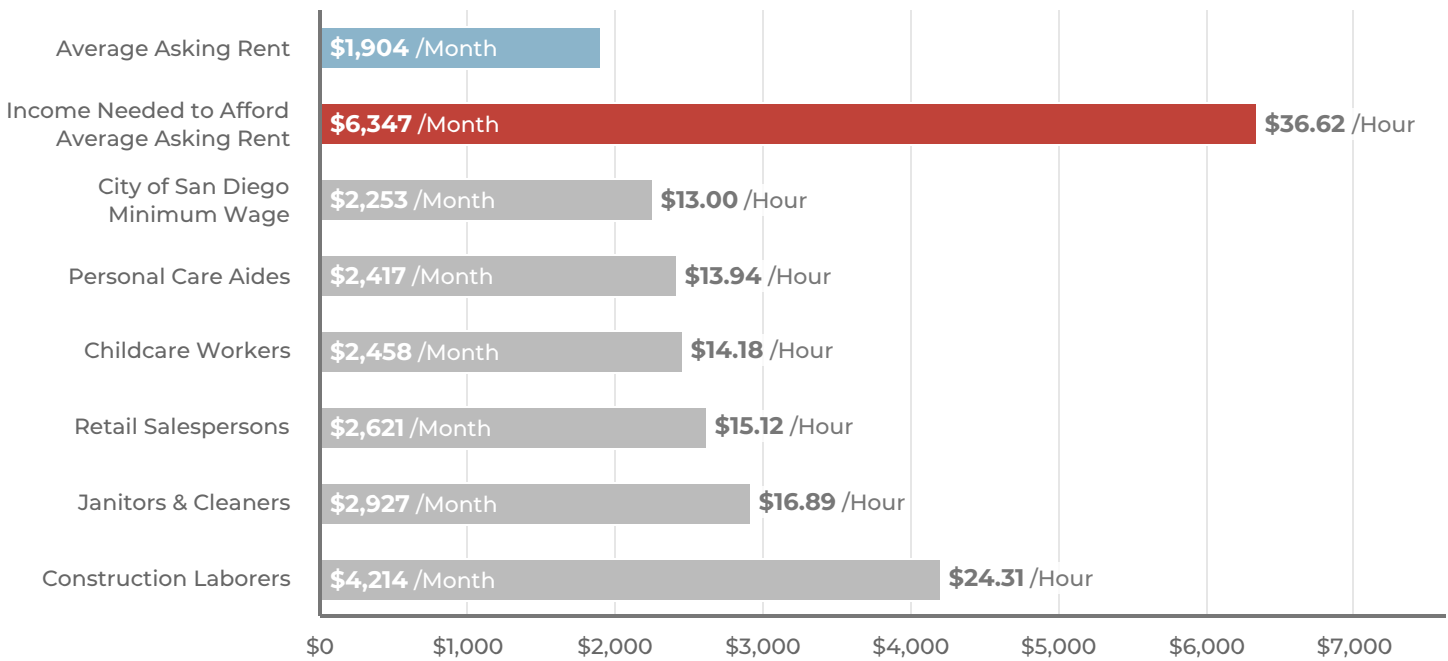
COST BURDENED HOUSEHOLDS

83% of ELI households in San Diego County are paying more than half of their income on housing costs compared to just 2% of moderate-income households.



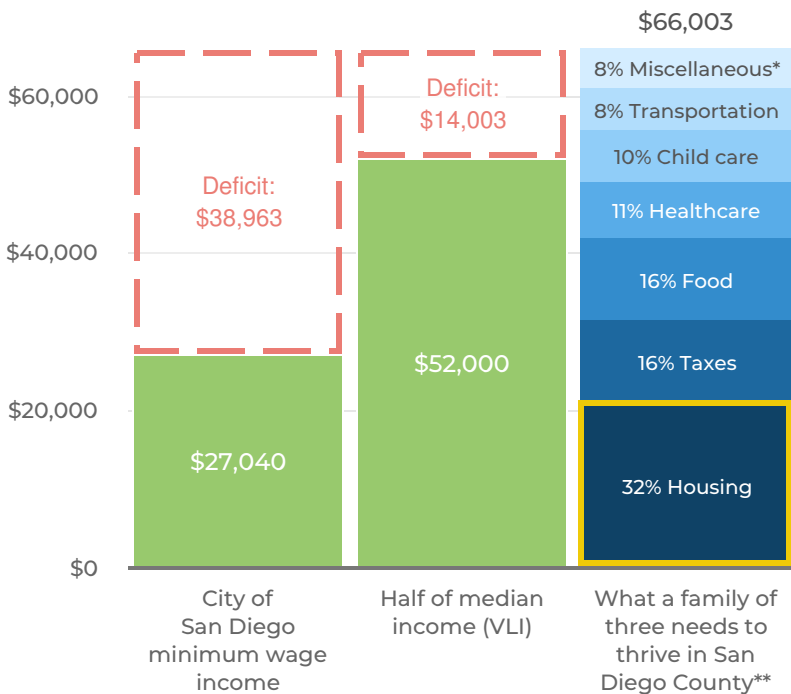
WHO CAN AFFORD TO RENT

Renters need to earn **2.8 times** minimum wage to afford the average two-bedroom asking rent in San Diego County.



COST OF LIVING

After paying the high cost of housing, very low-income households in San Diego County are **short \$14,003** annually for basic needs.



LIHTC PRODUCTION AND PRESERVATION

San Diego County's Low-Income Housing Tax Credit production and preservation **increased by 22%** from 2016-2019.

| STATEWIDE | | | |
|---------------------|---------------|---------------|-------------|
| TYPE | 2016 | 2019 | % CHANGE |
| New Construction | 8,539 | 7,813 | -9% |
| Acquisition & Rehab | 15,032 | 12,686 | -16% |
| All | 23,571 | 20,499 | -13% |

| SAN DIEGO | | | |
|---------------------|--------------|--------------|------------|
| TYPE | 2016 | 2019 | % CHANGE |
| New Construction | 823 | 1,019 | 24% |
| Acquisition & Rehab | 792 | 957 | 21% |
| All | 1,615 | 1,976 | 22% |

STATEWIDE POLICY RECOMMENDATIONS

In addition to critical COVID-19 efforts, the Partnership calls on State leaders to take the following actions to provide relief to low-income families struggling with unaffordable and unstable housing:

- Make permanent the \$500 million annual increase to the California Low-Income Housing Tax Credit Program to jump-start affordable housing production and provide an additional \$100 million annually to rehabilitate existing affordable rental properties.
- Create a new Affordable Housing Preservation Tax Credit to preserve existing affordable housing at risk of conversion and to fight displacement pressures.
- Streamline Department of Housing and Community Development rental housing funding programs through a single application and award process to reduce development costs.
- Reduce the threshold for voter approval of local funding of affordable housing and infrastructure from 67 percent to 55 percent as was done for educational facilities in 2000.
- Exempt supportive housing and affordable housing funded by MHP, HOME or CDBG from CEQA reviews.
- Allow affordable housing to be built by right on land currently zoned for commercial or public uses and on church-owned lands.

DATA SOURCES & NOTES

• FUNDING FOR HOUSING

California Housing Partnership analysis of 2008-2009 annual Redevelopment Housing Activities Report; 2008-2009 and 2018-2019 Annual HCD Reports; 2008-2009 and 2018-2019 HUD CPD Appropriations Budget Reports; 2018-2019 California Strategic Growth Council, Affordable Housing Sustainable Communities Program 2008-2009 and 2018-2019 federal and state Low-Income Housing Tax Credits.

• AFFORDABLE HOMES SHORTFALL

California Housing Partnership analysis of 1-year American Community Survey (ACS) Public Use Microdata Sample (PUMS) data with HUD income levels. Methodology was adapted from NLIHC gap methodology.

• COST BURDENED HOUSEHOLDS

California Housing Partnership analysis of 1-year ACS PUMS data with HUD income levels. Methodology was adapted from NLIHC gap methodology.

* Cost burdened households spend 30% or more of their income towards housing costs. Severely cost burdened households spend more than 50%.

• WHO CAN AFFORD TO RENT

CoStar Group average asking rent for two bedroom as of January 2020. Bureau of Labor Statistics Average Annual Wage Data for California Occupations, 2019.

• COST OF LIVING

United Ways of California, Real Cost Measure Household Budgets 2019. Please visit unitedwaysca.org/realcost for more information on what it takes to meet basic needs in communities across California.

* The "miscellaneous" budget for a family of three 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 teenager). Each percentage represents how much a family's annual budget is captured in each cost category (housing, child care, etc.).

• LIHTC PRODUCTION AND PRESERVATION

California Housing Partnership's Preservation Database, January 2020. Please note that this data does not include manager units or market rate units created through the LIHTC program.

This report was produced by the California Housing Partnership | chpc.net

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FOR IMMEDIATE RELEASE

June 3, 2020

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New Survey Shows Continued Strong Support for San Diego Housing Federation's \$900M Bond to Address Homelessness

Mid-May Survey Finds More Than Two-Thirds of Voters Still Support November 2020 Ballot Measure to Build Housing for Vulnerable Residents

SAN DIEGO, CA – The San Diego Housing Federation today announced the results of a new survey showing 69 percent of likely November voters in the city of San Diego would vote in favor of a bond measure to raise \$900 million to address the homelessness crisis. The money raised would be used to build up to 7,500 homes to transition homeless San Diegans to permanent supportive housing and enable San Diego to receive state and federal matching funds for housing and homeless programs.

“These results show that San Diegans want a comprehensive solution to homelessness. This level of support is striking given the number of issues currently competing for their attention,” said San Diego City Councilmember Chris Ward. “These results clearly show San Diegans deserve a chance to vote for a solution in November, and without the passage of Measure C on last March’s ballot, this remains the only solution on the table.”

The Housing Federation’s bond proposal, named “Homes for San Diegans,” closely follows the City’s Action Plan on Homelessness, unanimously enacted by the City Council last October. The Action Plan calls for more than 5,000 new homes for families and individuals who don’t have secure, safe, and affordable housing.

In order to meet the deadline for filing the measure with the County Registrar of Voters, the City Council must vote to place Homes for San Diegans on the ballot in July.

“Our polling has shown homelessness has been one of, if not the top concern to voters for years. The failure of Measure C in March, and its related funding for homeless programs, coupled with the current COVID-19 outbreak, underscore the urgency in getting Homes for San Diegans on the November ballot,” said Stephen Russell, executive director of the San Diego Housing Federation. “San Diego has no other concrete plan on the table to permanently address homelessness. We have seen the toll on the community from San Diegans being forced to live on the streets. Let’s give voters a chance to solve an issue they deeply care about.”

The recent survey was conducted by EMC Research from May 6 – 11 and included 854 likely voters. The margin of error was +/- 3.5 percentage points. At least 66.67% of voters must approve the measure to pass. This poll marks the third consecutive survey, dating back to June 2018, that shows more than two-thirds of voters would support the measure.

About the San Diego Housing Federation

The San Diego Housing Federation is the region's voice for affordable housing. The Federation is committed to increasing the supply of housing for San Diego's most vulnerable families, seniors, veterans, and those living with disabilities. For more information visit www.housingsandiego.org.

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