California Has a Severe *Affordable* Housing Crisis

California is facing a severe shortage of housing for low-income families – a shortfall of 1.54 million rental homes for extremely low-income (ELI) and very low-income (VLI) renter households, (California Housing Partnership Corporation, April 2016). Factoring in the needs of moderate-income households who are increasingly being left out of the real estate market dramatically increases this number.

In "hot market" urban communities housing prices have soared and gentrification has brought unprecedented displacement, hitting long-time African American and Latino/a residents particularly hard, and even encroaching on historic Chinatowns. The growth in market rate and luxury housing development in historically working-class neighborhoods, landlords evicting to rent or sell to people with higher incomes, speculation in the real estate market and the foreclosure crisis have combined to put long-time residents at tremendous risk of homelessness. **We need policies at the state and local level that combat displacement and ensure that residents in our California communities are safe and stable in their housing.**

We must be clear that this is a crisis of *affordable* housing. Some cities are performing very strongly on their Housing element targets for market rate housing, but falling far short when it comes to housing affordable to low and moderate income people. For example, in the Bay Area over the last Housing Element cycle through 2014, ABAG reported that 99% of the projected market rate/above-moderate-income housing "need" was accomplished, while only 28% of all other needs for very-low, low- and moderate-income housing were achieved (www.**abag**.ca.gov/files/**RHNAProgress2007_2014_**082815.pdf), while in the San Diego region for their last Housing Element cycle through 2010, SANDAG reported that 152% of the projected market rate/above-moderate-income housing "need" was accomplished, while only 21% of all other needs for very-low, low- and moderate-income housing were achieved (www.**sandag**.org/uploads/publicationid/**publicationid_1928_18891**.pdf).

There is a tremendous imbalance in the housing production system which needs to be addressed. At the same time, many other cities and towns in the state are failing to build their fair share of housing, period – at all levels of affordability – and are most often falling abysmally short when it comes to deeply affordable housing, which shuts out low-income people from many places with good schools, jobs, and other opportunities. **We need state policies to strengthen and enforce existing laws designed to make sure each community is contributing its fair share of affordable housing. In addition, we need to ensure that all California communities have the resources and policy tools to perform and to succeed as "good actors."**

The housing affordability problem is also not simply one of producing and protecting supply—household incomes have not kept up with the cost of living, and the benefits of the latest economic boom have been concentrated in a narrow segment of the workforce and in an investor class. A full third of California's workforce are "low-wage" workers. Ironically, the increasing strain to stretch incomes farther to afford housing includes the workers who build the housing that today's real estate market is pricing above their own means. Policies to solve the affordable housing crisis must be cognizant of a jobs-housing "fit" – that is, both **incentivizing housing in California communities that is affordable to the actual workforce of those communities *and* promoting jobs that pay a decent wage.**

Core Principles for "Solutions"

Proposed solutions should be evaluated based on their consistency with the following principles:

1. Does the proposed solution focus the state's limited resources on meeting the most-pressing housing needs, i.e. people who don't have a home or low and moderate income families paying an astronomical portion of their income for housing?

2. Does the proposed solution support creation of jobs paying family-supporting wages?

3. Does the proposed solution require all communities to take responsibility for making their housing accessible to people at various income levels, especially local workers?

4. Does the proposed solution protect the state's natural beauty and support its climate change goals?

5. Does the proposed solution allow existing residents to remain in their community?

Policy Framework

1. **Tools to combat displacement & preserve existing housing and residents**
   - ➢ tenant protections from unfair rent increases & evictions,
   - ➢ preservation of existing federal and state subsidized housing,
   - ➢ preventing landlord discrimination based upon source of income (for example, from Section 8 or other rent subsidies),
   - ➢ regulation of short-term rentals,
   - ➢ strong building code enforcement that combats deferred maintenance, and enforceable protections for the right to organize and against retaliation

2. **Strengthen & enforce existing "fair share" laws to increase production of affordable housing**
   - ➢ update Regional Housing Needs Assessment (RHNA) process to ensure accountability that sufficient sites that are actually feasible for affordable housing are zoned and reserved for affordable development,
   - ➢ reward actual RHNA "performance" of very-low-, low- and moderate-income housing production,
   - ➢ authorize regional funding sources and jobs-housing linkage programs
3. **Stable funding for expanded production of affordable housing**
   - ➢ a stable & ongoing source of funding for affordable housing ,
   - ➢ improve financing for community land trusts, expand community ownership models,
   - ➢ ensure that public land is used for the public good
4. **Tools for affordable housing production**
   - ➢ authorize local inclusionary zoning for rental housing
   - ➢ streamlining local processes for approving 100% affordable development

5. **"Rewards" and accountability mechanisms**
   - ➢ link state allocations for transportation to affordable housing "performance"

If there are questions regarding this statement, please contact: in Southern California, Amy Schur of ACCE at aschur@calorganize.org or 2138043161, and in Northern California, Sam Tepperman-Gelfant of Public Advocates at stepperman-gelfant@publicadvocates.org or 4156258464.

STATEWIDE ORGANIZATIONS

ALLIANCE OF CALIFORNIANS FOR COMMUNITY EMPOWERMENT (ACCE)

TENANTS TOGETHER

PUBLIC ADVOCATES INC.

COURAGE CAMPAIGN

PICO CALIFORNIA

RIGHT TO THE CITY ALLIANCE

STATE BUILDING AND CONSTRUCTION TRADES COUNCIL

CALIFORNIA LABOR FEDERATION

CALIFORNIA LEAGUE OF CONSERVATION VOTERS

WESTERN CENTER ON LAW AND POVERTY

CALIFORNIA RURAL LEGAL ASSISTANCE FOUNDATION

REGIONAL AND LOCAL ORGANIZATIONS

COMMUNITY LEGAL SERVICES IN EAST PALO ALTO
East Palo Alto

COUNCIL OF COMMUNITY HOUSING ORGANIZATIONS
San Francisco

URBAN HABITAT
Oakland

HOUSING RIGHTS COMMITTEE OF SAN FRANCISCO
San Francisco

FAITH IN ACTION BAY AREA
San Francisco and San Mateo Counties

CHINATOWN COMMUNITY DEVELOPMENT CENTER
San Francisco

SANTA MONICANS FOR RENTERS' RIGHTS
Santa Monica

LA VOICE
Los Angeles

LONG BEACH RESIDENTS EMPOWERED (LiBRE)
Long Beach

COALITION FOR ECONOMIC SURVIVAL
Los Angeles

LITTLE TOKYO SERVICES CENTER
Los Angeles

TENEMOS QUE RECLAMAR Y UNIDOS SALVAR LA TIERRA SOUTH LA (T.R.U.S.T. SOUTH LA)
Los Angeles

KOREATOWN IMMIGRANT WORKERS ALLIANCE
Los Angeles

ALLIANCE FOR COMMUNITY TRANSIT (ACTLA)
Los Angeles

STRATEGIC ACTIONS FOR A JUST ECONOMY (SAJE)
Los Angeles

LOS ANGELES TENANTS UNION
Los Angeles

FAITH IN THE VALLEY
Central Valley - Fresno, Kern, Merced, Stanislaus, San Joaquin Counties

SACRED HEART COMMUNITY SERVICE
San Jose

EAST LA COMMUNITY CORPORATION
Los Angeles

CAUSA JUSTA :: JUST CAUSE
Oakland, San Francisco

ANTI-EVICTION MAPPING PROJECT

San Francisco Bay Area

SWORDS TO PLOWSHARES
San Francisco

SAN FRANCISCO TENANTS UNION
San Francisco

PODER (People Organizing to Demand Environmental and Economic Rights),
San Francisco

(PARTIAL LIST AS OF 12/7/2016)