

Assembly Committee on Housing and Community Development

California's Housing Affordability Crisis: Challenges and Solutions in the Coachella and Imperial Valleys

Presented by Julie Bornstein
Executive Director
Coachella Valley Housing Coalition

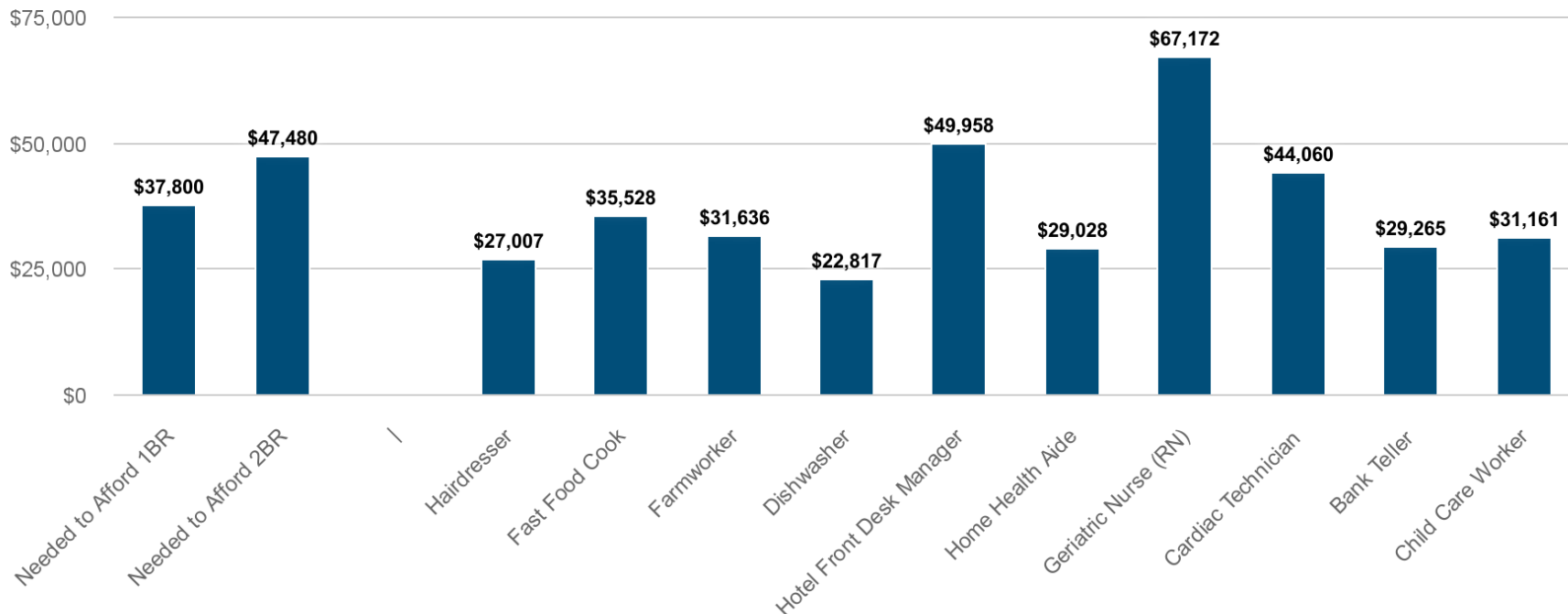


WHAT IS AFFORDABLE HOUSING?



The government says housing is “affordable” if a family spends **no more than 30%** of their income to live there.

Riverside, CA, Rental Market



NHC.org

California's minimum wage is: \$10.50 per hour

A full-time worker earning minimum wage in California makes \$21,840 in 52 weeks.

HOW DO WE MEET THE HOUSING NEEDS OF LOW-INCOME HOUSEHOLDS?

California

3rd

Highest Housing Wage
in the nation

\$28.59_{/hr}

Required to afford
a 2 BDR Unit

114_{/wk}

Hours of work needed at
the minimum wage
(to afford 2 BDR Unit)

What happens when you do not
build affordable housing?



Substandard housing conditions such as water leaks, poor ventilation, dirty carpets and pest infestation can lead to an increase in mold, mites and other allergens associated with poor health.

Unpermitted living quarters a hazard in Coachella, but are fueled by lack of affordable housing

Anna Rumer, The Desert Sun Published 12:07 p.m. PT Jan. 6, 2017 | Updated 3:02 p.m. PT Jan. 6, 2017



Concerns about uneven and expensive fines have Coachella taking another look at its municipal code. Anna Rumer/The Desert Sun



TOP VIDEOS

People will seek any shelter whether permitted or not

Imperial County

- Lowest Per Capita Income in the State - \$16,409
- Unemployment rate of 18.8%



Resources

Rosa Gardens Apartments

Source	Amount
HCD-HOME	3,902,720.00
CCRC	1,363,400.00
HCD – Multi Family Housing Program	4,036,441.00
City of Palm Springs RDA Funds	1,600,000.00
Land Donation	1,295,000.00
Tax Credit Community Assistance Program	776,128.00
LIHTC	5,589,552.00
GP Equity	572,128.00
Deferred Developer Fee	340,579.00
Total Sources	19,475,948.00

Completed – 2011

57 Total Units



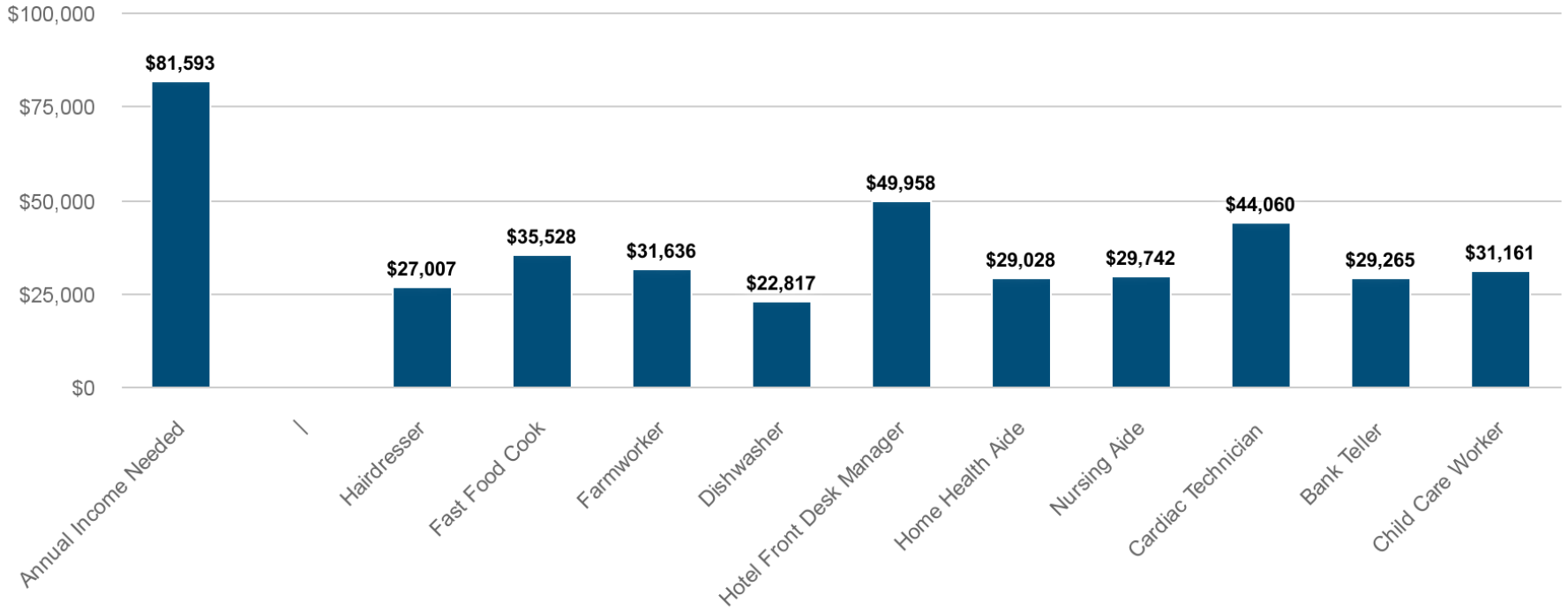
Rosa Gardens Apartments Today

Source	Amount
HCD-HOME	3,902,720.00
CCRC	1,363,400.00
HCD Multi Family Housing Program	4,036,441.00
City of Palm Springs RDA Funds	1,600,000.00
Land Donation	1,295,000.00
Tax Credit Community Assistance Program	776,128.00
LIHTC	5,589,552.00
GP Equity	572,128.00
Deferred Developer Fee	340,579.00
Gap Today	6,412,569.00

Prop 1C Exhausted
RDA Funds Eliminated
Federal Funds Cut



Riverside, CA, Homeownership Market

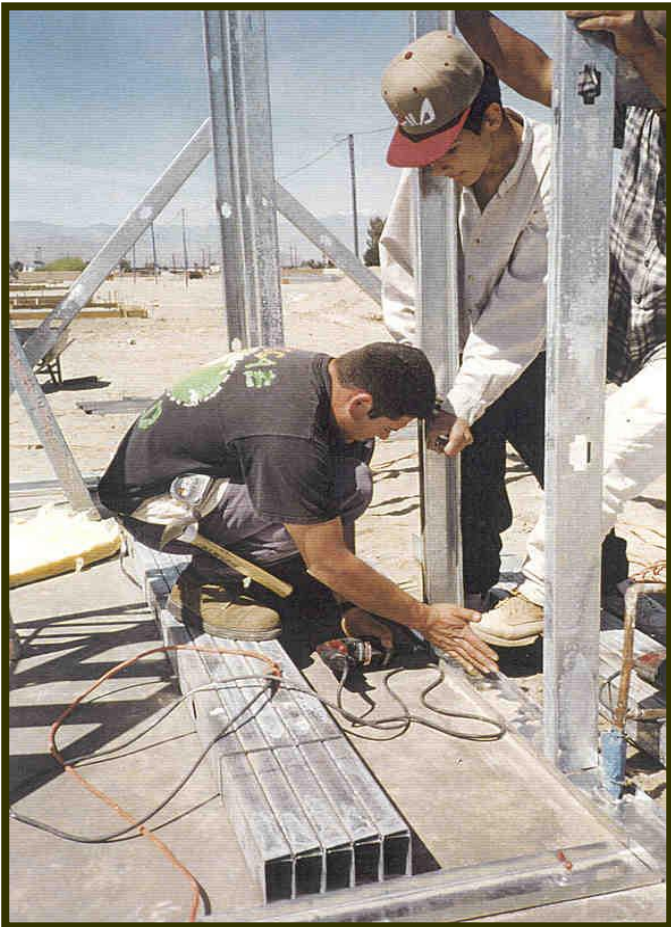


Single-Family Housing Communities



The Mutual Self-Help Housing Program builds communities based on a shared commitment of hard work, mutual support, and lifelong bonds of community.

Homeownership through the Mutual Self-Help Housing Program



**A group of 10 to 12 families
working together for 10-12 months,
for 40 hours per week or 1,600
hours**

**Sweat Equity
Equivalent to Down Payment**

**Benefits
Sense of community pride**



Families need subsidies from HCD, Federal Home Loan Bank, Local Governments and Federal Sources in order to close the gap between what they can afford and the cost of the home.

Housing and Infrastructure



SOLUTIONS

- 1. Permanent Source of Resources for development**
- 2. Incentives to Local Government**
- 3. Funding for Infrastructure: water, sewer, roads**



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