

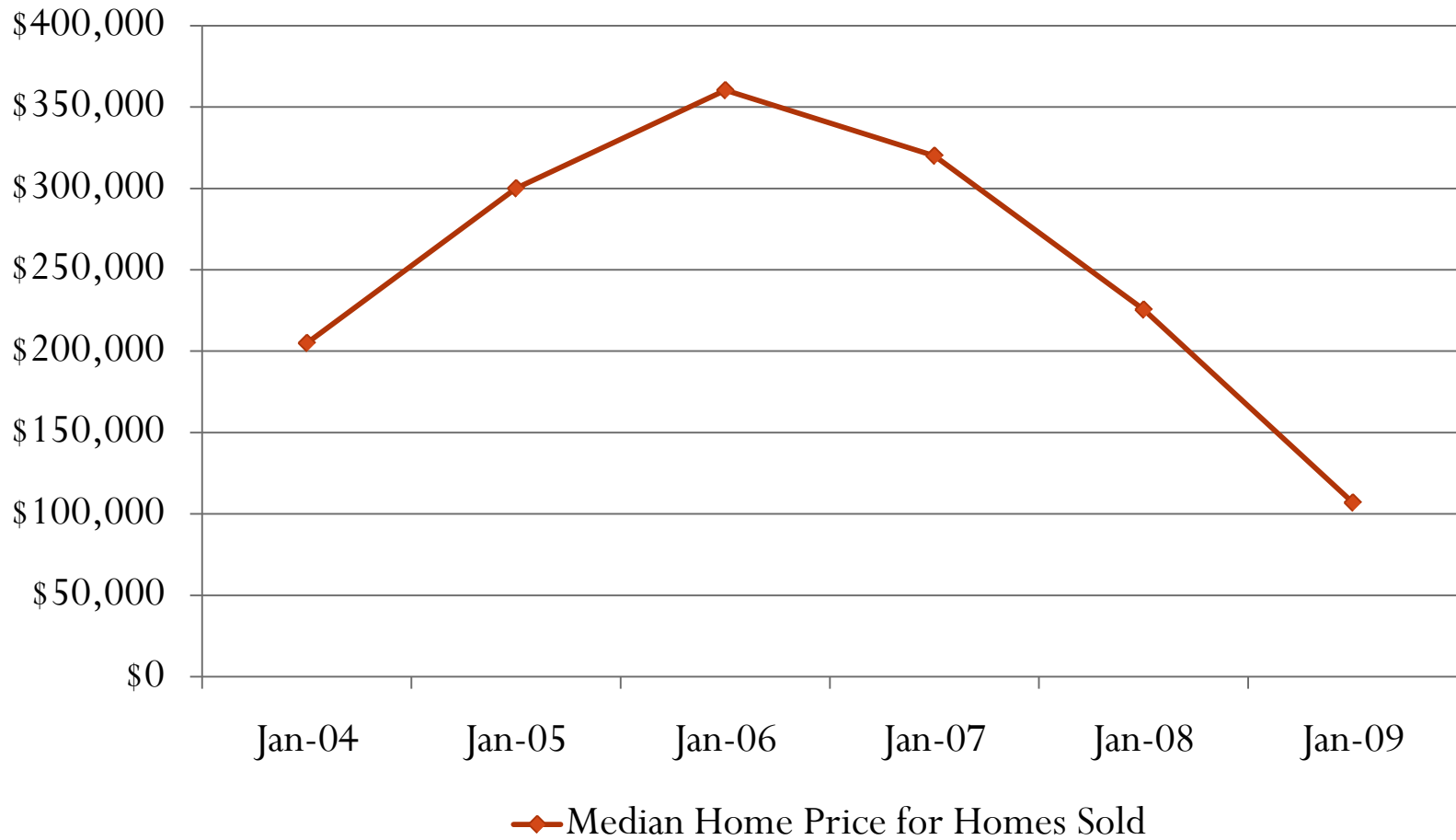
The Merced County Housing Trust

**Preparing for the Future of
Our County and Our Valley**

Chairman Deidre Kelsey

April 15, 2009

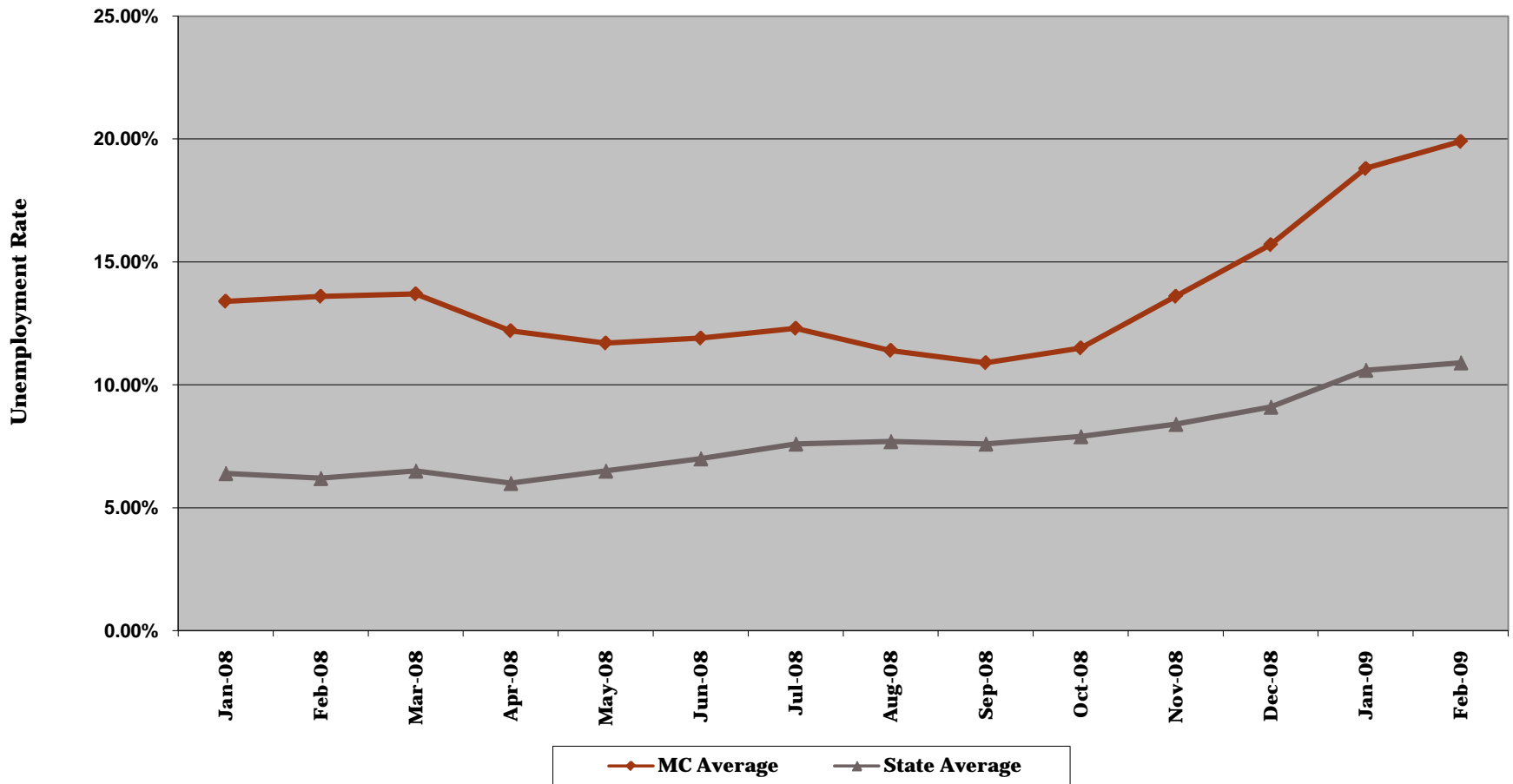
Need for a Trust?



Source: CA Association of Realtors

Need for a Trust

San Joaquin Valley vs. State Unemployment Rates



Source: State Employment Development Department

Need for a Trust

All ages in poverty

State and County	Number of Individuals	Percent
California	4,669,056	13.3
Fresno County	177,490	20.8
Kern County	149,772	20.8
Kings County	24,912	20.6
Madera County	24,389	18.3
Merced County	43,837	18.6
San Joaquin County	94,537	14.7
Stanislaus County	71,595	14.5
Tulare County	93,398	23.2

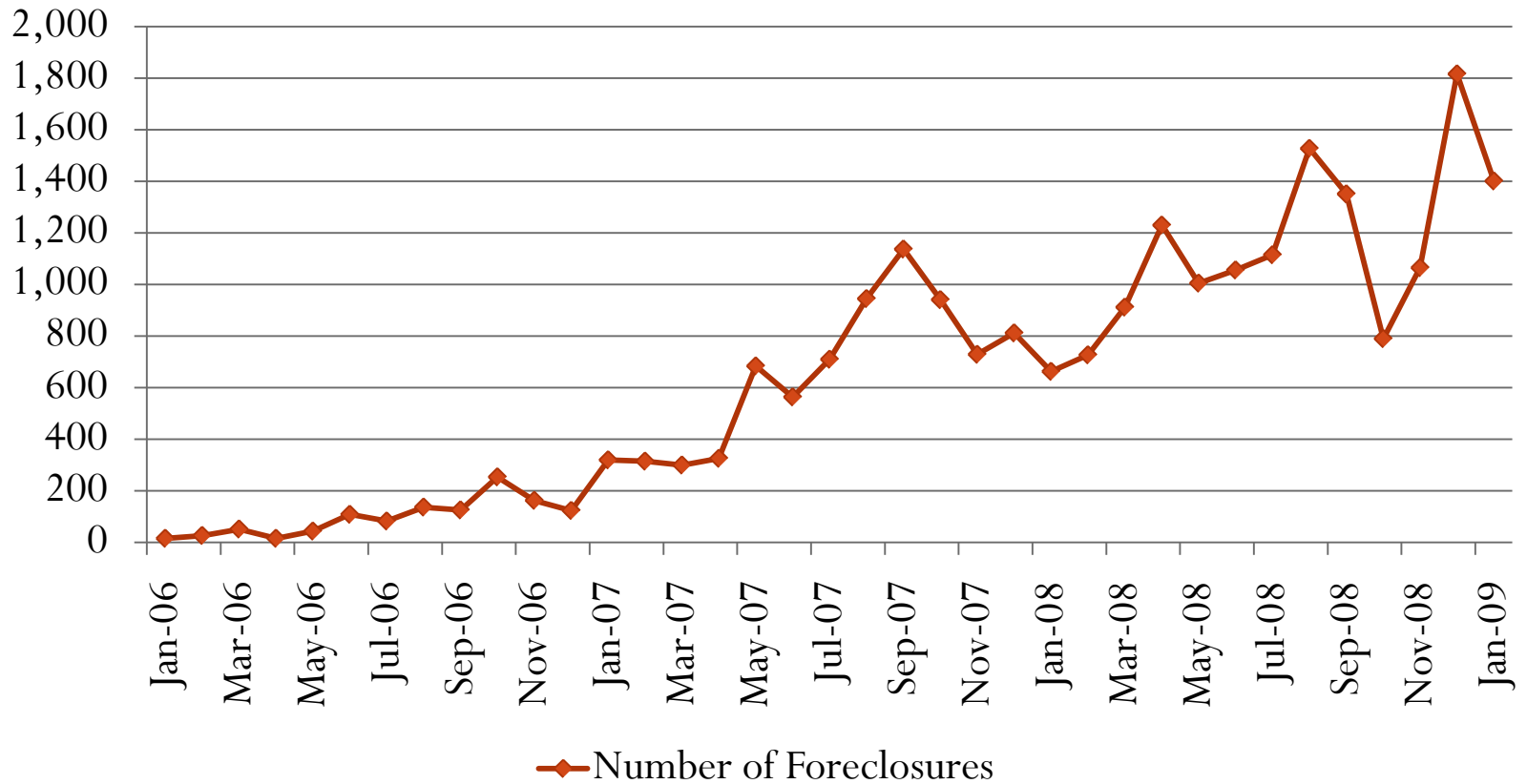
(Source: US Census Bureau Small Area Income & Poverty Estimates, 2005)

Need for a Trust

- At its peak in Merced County, the average median home price was more than \$360,000.
- At the same time, our median family income was approximately \$35,000-\$40,000 per year.

Results...

Number of Foreclosures



Planning for the Future

- Home prices have adjusted in the short term.
- Real estate values will recover.
- We want to ensure that we do not have the unbalanced situation that we faced in the past few years that led to the foreclosure crisis.

First-Time Buyer Housing Affordability Index

County	Q1 2008	Q1 2007	Q1 2006	Q1 2005	Q1 2004	Q1 2003
Fresno	56%	44%	41%	46%	56%	64%
Merced	61%	46%	37%	45%	52%	54%
San Joaquin	NA	38%	34%	41%	49%	54%
Stanislaus	NA	40%	37%	46%	55%	61%

Source: California Association of Realtors

The Merced County Housing Trust

- Infancy Stage
- The Board has given staff direction to investigate the formation of a Merced County Housing Trust.
 - Allow the County to maximize available state and federal dollars with a local match.
- Current Stage
 - What are the option for a Housing Trust Fund?
 - How does the Housing Trust Fund work with Neighborhood Stabilization Act (NSP) funding?
 - Exploring this as part of a comprehensive update to the County's General Plan

General Plan Update

- Currently in a comprehensive update of the County General Plan
- Current Affordable Housing Strategies
 - Provide programs that allow all economic segments of the unincorporated areas of the County the opportunity to purchase and rent safe and decent housing.
 - Support full utilization of federal and State housing assistance programs that provide participants with affordable housing.
 - Support the development of housing plans and programs, including government subsidized housing, which maximizes housing choice for minorities and lower income households.
 - The County shall promote public awareness of the various means available to qualify to become a homeowner.

General Plan Update

- General Plan update process allows a holistic approach to the concept and planning for affordable housing.
 - Economic Help
 - Economic Development
 - Affordable Housing
 - Fair and Equal Housing
 - Special Needs
 - Projected Housing Needs