

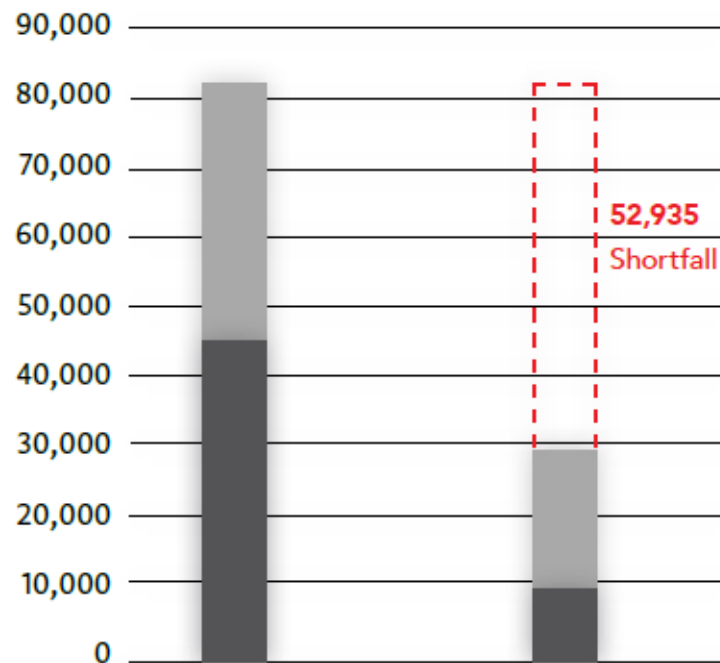
# AFFORDABLE HOUSING NEEDS IN SACRAMENTO

July 2014

Community Development Research  
Federal Reserve Bank of San Francisco

# Sacramento County faces a shortfall of affordable homes

FIGURE 1: SHORTFALL OF AFFORDABLE AND AVAILABLE HOMES IN SACRAMENTO COUNTY



Number of Very and Extremely Low-Income Households

Rental Housing with Rents Affordable to VLI and ELI renters\*

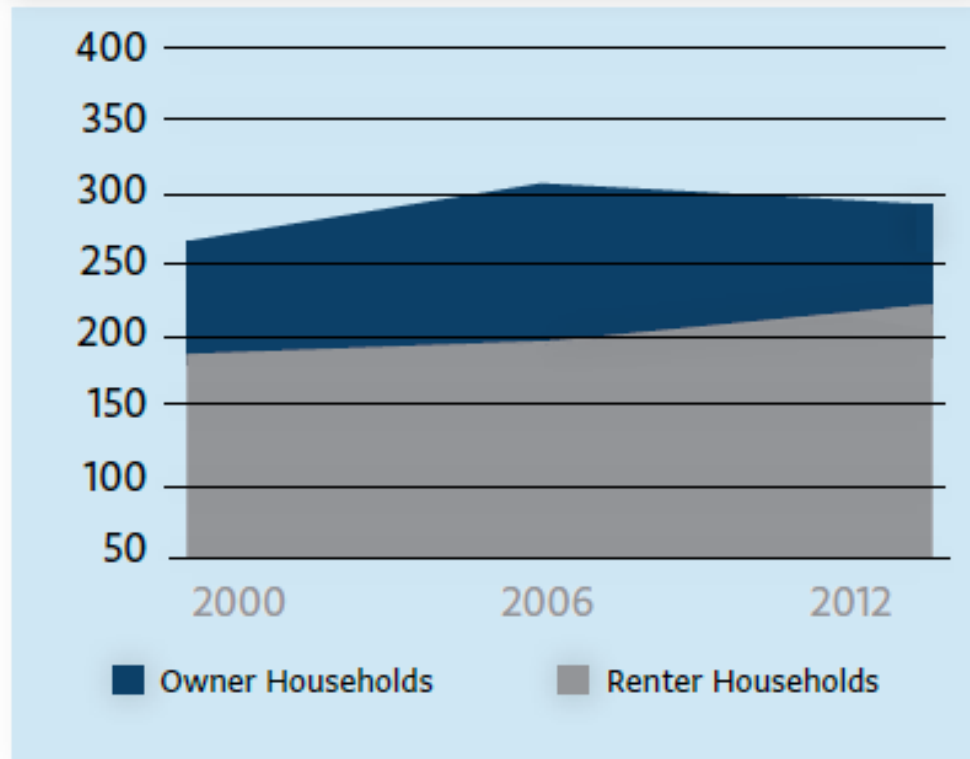
Very Low-Income

Extremely Low-Income

\*Not all units with rents affordable to low-income households are occupied by low income households.

# The number of renter households continued to grow during the Great Recession

FIGURE 2 : CHANGE IN OWNER AND RENTER HOUSEHOLDS (in thousands)



SOURCES: 2000 Census, 2006 1-year ACS, 2012 1-year ACS

# Who is being left out of Sacramento County's housing market?

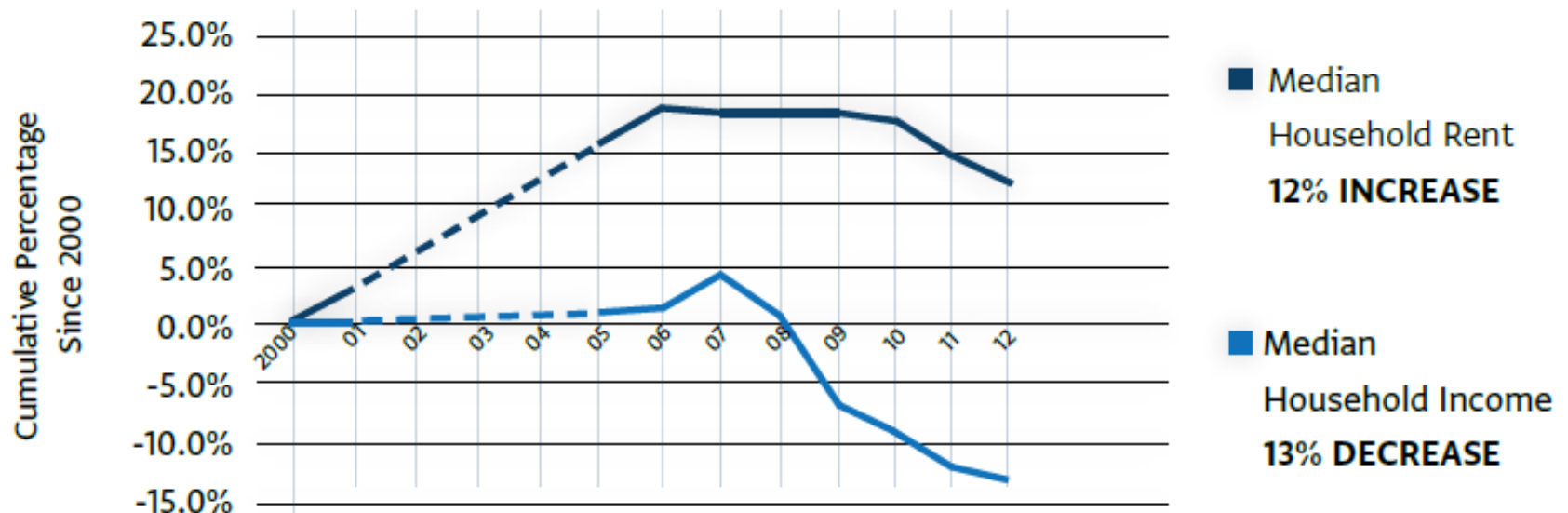
HUD 50% of Area Median Income (AMI) in Sacramento County for a 3 person household: \$34,250  
Total workers earning < 50% AMI: 156,455

JOB CATEGORY	MEDIAN INCOME IN SAC
Nursing Assistants	\$29,520
Preschool Teachers	\$26,970
Security Guards	\$23,300
Restaurant Cooks	\$22,410
Home Health Aids	\$21,750
Waiters/Waitresses	\$18,490

*SOURCES: U.S. Department of Housing and Urban Development Section 8 Income Limits for 2012; Bureau of Labor Statistics 2012 Occupational Employment Statistics for Sacramento--Arden-Arcade--Roseville MSA.*

# Household income is not keeping pace with rent

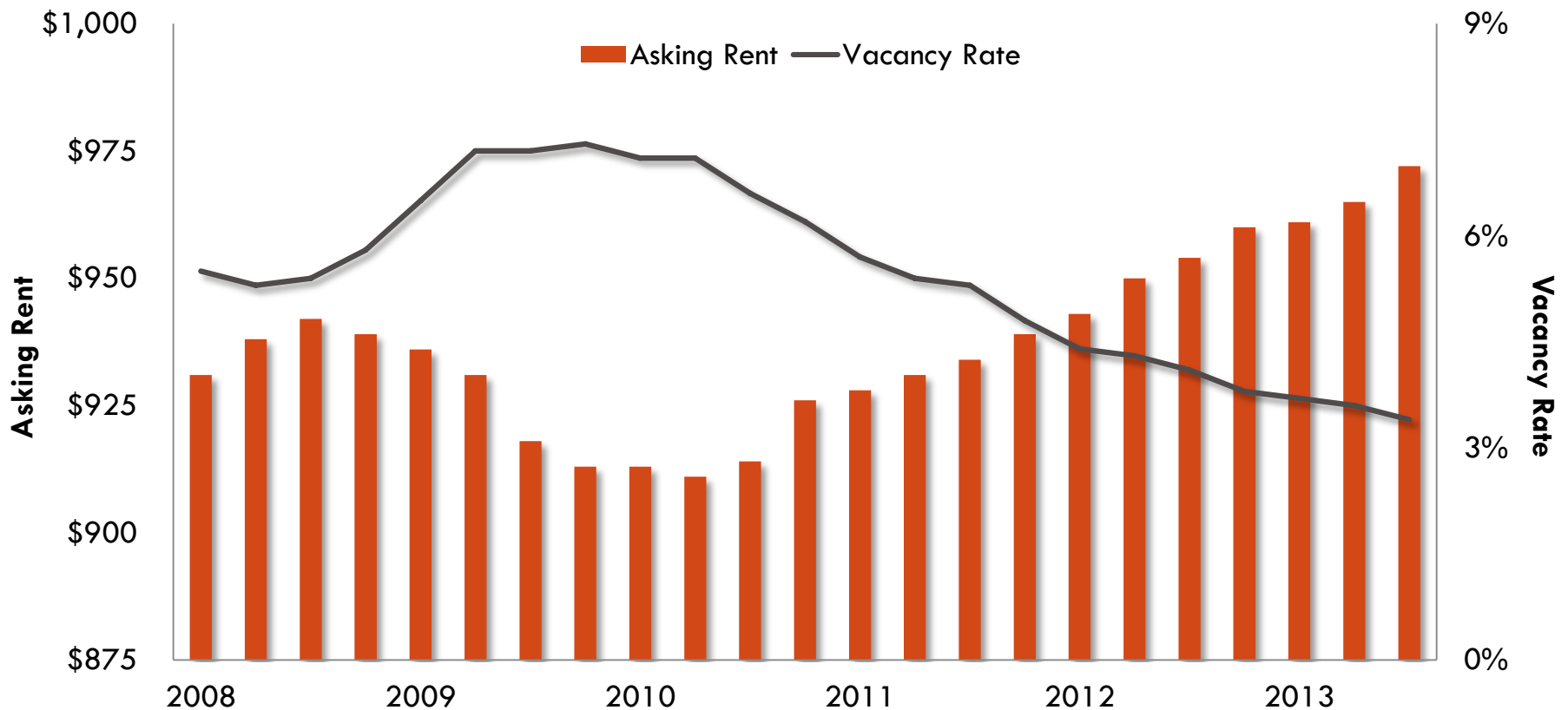
FIGURE 3 : CUMULATIVE PERCENTAGE CHANGE IN INFLATION-ADJUSTED MEDIAN INCOME AND MEDIAN RENT IN SACRAMENTO COUNTY 2000 TO 2012



SOURCES: US Census 2000 and American Community Survey 2005-2012. Median rents and incomes from 2001-2004 are estimated.

# Sacramento rents up: \$972 for Q3 2013, vacancy rate down to 3.4%

## Asking Rent and Vacancy Rate in Sacramento Quarterly



Source: Reis, Inc. Asking rent is calculated by first determining the average rent for each unit size, and then calculating a weighted average based on the number of units in each size category.

# Dramatic decline in funding sources for affordable housing in Sacramento

**TABLE 2 : CHANGE IN SACRAMENTO COUNTY'S MAJOR AFFORDABLE HOUSING FUNDING SOURCES  
FY 2007/08 TO 2012/13**

FUNDING SOURCES	FY 2007/2008	FY 2012/2013	% CHANGE
State Housing Bonds Prop. 46 and Prop. 1C*	\$83,859,264	\$0	-100%
Redevelopment Funds for Affordable Housing	\$20,497,218	\$0	-100%
Federal CDBG Funds	\$13,303,283	\$4,543,606	-66%
Federal HOME Funds	\$6,752,998	\$1,906,264	-72%
<b>Total</b>	<b>\$124,412,763</b>	<b>\$6,449,870</b>	<b>-95%</b>

*SOURCES: CHPC tabulations of HCD's Redevelopment Housing Activities Report and HUD's CPD program formula allocations by fiscal year.*

*\*State Housing Bond funding for FY 2007/2008 and 2012/2013 provided by HCD.*

# For More Information: FRBSF Community Development Website

[www.frbsf.org/community](http://www.frbsf.org/community)

- All publications and presentations available on our website
- Conference materials also posted shortly after events

