City Council Affordable Housing Workshop

William Huang

1.11.16
Housing Need

Housing & Career Services Department

• Lack of affordable housing across the board
  > From no income to moderate income
  > Individuals, families, seniors, special needs populations
  > Rental and First Time Homebuyer

• Half of all Pasadena households are low or moderate income

• Rents increasing 2-3 times faster than wages since 2010

• Growing senior population
  > 54% of LA County seniors cannot afford a basic rental lifestyle

• Increasing homeless population Countywide
  > 30% increase in the last the four years
City’s progress on the 2014-2021 RHNA

<table>
<thead>
<tr>
<th>Income Category</th>
<th>% of Area Median Income (AMI)*</th>
<th>2014-2021 RHNA</th>
<th>Previous Years** (2013 to 2014)</th>
<th>Year 2015** (Jan. 1 to Sept. 30)</th>
<th>Remaining RHNA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Low Income</td>
<td>&lt;50% of AMI</td>
<td>340</td>
<td>34</td>
<td>109</td>
<td>197</td>
</tr>
<tr>
<td>Low Income</td>
<td>51 - 80% of AMI</td>
<td>207</td>
<td>4</td>
<td>0</td>
<td>203</td>
</tr>
<tr>
<td>Moderate Income</td>
<td>81 – 120% of AMI</td>
<td>224</td>
<td>17</td>
<td>23</td>
<td>184</td>
</tr>
<tr>
<td>Above Moderate Income</td>
<td>&gt;120% of AMI</td>
<td>561</td>
<td>629</td>
<td>336</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,332</strong></td>
<td><strong>684</strong></td>
<td><strong>468</strong></td>
<td><strong>584</strong></td>
<td></td>
</tr>
</tbody>
</table>

* 2015 LA County AMI for a 4-person household: $64,800

**Based on building permits issued for new units for the reporting period
Challenges to Meet the Need

- Lost redevelopment funds
- HOME funds cut in half
- Lack of participating landlords for rental voucher programs
- No permanent supportive housing projects in the development pipeline to take advantage of new funding programs
442
UNSHELTERED ADULTS

40%
ARE CHRONICALLY HOMELESS

26%
HAVE SUBSTANCE ABUSE PROBLEMS

25%
HAVE MENTAL HEALTH CONDITIONS

15%
WERE RECENTLY RELEASED FROM JAIL
• **New State Housing Fund**
  > Affordable Housing Sustainable Communities Fund (Cap & Trade) – $400 million annually

• **Newly proposed State Housing Fund***
  > No Place Like Home - $2 billion one time bond

• **New LA County Housing Fund***
  > Boomerang funds – ramps up to $100 million annually over 5 years

*Targets or prioritizes permanent supportive housing for the homeless.
Existing Housing

- 1,507 City Funded Affordable Housing
- 799 non-City Funded Affordable Housing
- 517 Inclusionary or Density Bonus Units
- 1,188 Rental Vouchers (non-Project Based)
- 4,011 Total Units

- Geographically dispersed
- Rental and First Time Homebuyer units
- Extremely low to moderate income
- Families, seniors, individuals, special needs
Under Construction or Permitted – 254 Units

- **Heritage Square North**
  > 70 units for very low income seniors

- **Mar Vista Union**
  > 20 units of permanent supportive housing for homeless families

- **The Groves (aka, Northwest Manor II)**
  > 44 units of very low income family housing
  > Preservation of affordable housing
Current Housing Efforts

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• **Desiderio Homes**
  > 9 units for low income First Time Homebuyers

• **Inclusionary and Density Bonus Units**
  > 111 units
  > Rental and First Time Homebuyer
  > Very low to moderate income
Pipeline Projects – 470 Units

• Decker Court
  > 15 units including the Decker House
  > Low to moderate income First Time Homebuyers

• Manzanita Habitat
  > 2 units for low income First Time Homebuyers

• Heritage Square South
  > 70+/- units
• Concord Senior Apartments
  > 150 units for very low income seniors
  > Preservation of affordable housing

• Inclusionary Units
  > 233 units
  > Rental and First Time Homebuyer
  > Very low to moderate income
Current Housing Efforts

- Landlord outreach campaign with UCLA Anderson School of Management
- Increased payment standards
- Landlord signing bonus with Union Station
- 24 hour landlord hotline with Union Station
- City Acquisition Program
  > Exercise of our First Right of Refusal to create rental assistance units
- Strengthen Tenant Protection Ordinance
2014 ULI Housing Policy Award

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Possible Future Efforts

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- Increase Inclusionary In-Lieu Fee ($0)
- Increase Inclusionary affordability requirements in Transit Oriented Districts ($0)
- Commercial Linkage Fee ($0)
- Create a landlord reimbursement fund ($30,000)
Possible Future Efforts

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• A **progressive** Second Unit Ordinance ($0)
  > How many legal and nonconforming units exist, where, what has been their neighborhood impact?
  > Are non-estate property owners being deprived of an economic and housing opportunity?
  > Are illegal garage conversions evidence of the demand for second units in low income areas?
  > What is the Chapman Woods experience?
  > How are other highly desirable high cost communities implementing progressive Second Unit Ordinances?
  > Why have only 3 new second units been permitted in Pasadena?
Possible Future Efforts

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• Consider a policy to always investigate the possibility of incorporating affordable housing on future city land acquisitions
• Collaborate with PUSD on joint use affordable housing & school projects on PUSD sites
Possible Future Efforts

- Dedicate three City-owned sites for new permanent supportive housing
  - Tenant based vouchers are of limited usefulness
  - Not enough funding to acquire new sites
  - The three locations have persistent homeless populations
  - New State and County funding opportunities
  - At least 50% of the units must be permanent supportive housing to compete well for new County funds
  - Potential availability of County Project Based Vouchers
- 1.5 acres
- Already designated for affordable housing, but not specifically for permanent supportive housing
- Approximately 70 units
- Ready to begin work on an RFP
- Homeless in adjacent alley, Lincoln Post Office, Jackie Robinson Center
• 1+ acre
• Designated as Open Space
• Partially remediated subsurface contamination
• Separated from single family residential areas
• Homeless in Kinneloa underpass, Eaton Blanche Park, Edison right of way, Eaton Wash
Footprint to align with new YWCA hotel
• .6 acres
• Joint use development with PWP
• 50,000 sf PWP office on lower floors
• 50 micro units on upper floors with a roof deck
• Separate entrances & vertical circulation
• Subterranean parking levels
• Housing funds pay for half of the building
• Homeless at YWCA, City Hall, All Saints, Memorial Park, Colorado Blvd
“It will ruin the neighborhood”
“It will kill future development”

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“This is going to happen”