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Updated February 12, 2016

How Housing Vouchers Can Help Address California's Rental Crisis¹

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California's severe shortage of affordable housing has hit low-income renters particularly hard. Nearly 1.6 million low-income California renter households paid more than half of their income for housing in 2013, and this number has risen 28 percent since 2007. While the shortage is most severe on California's coast, many families throughout California struggle to pay the rent (see Figure 1). A multifaceted approach with roles for local, state, and federal governments is needed to address the severe affordable housing shortage, but the federal Housing Choice Voucher program can play an outsized role.

California's high housing costs stretch struggling families' budgets, deepening poverty and hardship and exacerbating a host of other problems. For example, 23 percent of Californians are poor, according to Census measures that take housing costs into account, well above the poverty rate of 16 percent under the official poverty measure. California has 14 percent of the nation's renter households but nearly 30 percent of the overcrowded renters. And California has one-fifth of the nation's homeless people, more than any other state. A large body of research shows that poverty, overcrowding, housing instability, and homelessness can impair children's health and development and undermine their chances of success in school and later in the workforce.

Housing vouchers help some 300,000 low-income California families afford the rent, more than all other state and federal rental assistance programs combined. Vouchers reduce poverty, homelessness, and housing instability. They can also help low-income families — particularly African American and Hispanic families — raise their children in safer, lower-poverty communities and avoid neighborhoods of concentrated poverty. Moreover, so-called "project-based" vouchers can help finance the construction of affordable rental housing in areas with severe shortages.

Yet the number of vouchers in use has fallen in recent years, even as California's housing affordability problems have worsened. Due to across-the-board federal budget cuts enacted in 2013 (called sequestration), 14,620 fewer California families used vouchers in December 2014 than in December 2012. By restoring funding for these vouchers, Congress can enable thousands more California families to afford safe, stable housing.

¹ We are grateful to the Conrad N. Hilton Foundation for the generous support that made this report possible.

Shortage of Affordable Rental Housing Is Severe and Growing

California's shortage of affordable housing affects families across the income spectrum. Middleand high-income families, for example, face longer commuting times and are less likely than

Americans elsewhere to own homes.² Renters, particularly those with low incomes, feel the consequences of the shortage most acutely, however.

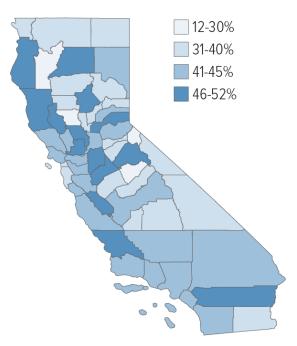
Nearly 1.6 million of California's 4.1 million low-income renter households paid more than half their income for housing in 2013. (HUD, the U.S. Department of Housing and Urban Development, considers housing unaffordable if it exceeds 30 percent of household income.) The number of these severely cost-burdened households has grown by 350,000, or 28 percent, since 2007, the year before the Great Depression set in.³ (See Figure 7 below.)

The low-income California renters who struggle to pay for housing include people living on fixed incomes or supporting their families by working low-wage jobs. Some 57 percent are working households, 43 percent include children, and more than one-third are elderly or disabled. Close to two-thirds have *extremely* low incomes, which HUD defines as incomes at or below the poverty line or 30 percent of the area median income, whichever is higher. (See Figure 2.)

The shortage of affordable rental housing is most acute along the coastal areas; half of the state's low-income households with severe rent burdens live in Los Angeles, Orange, or San Diego counties. Yet a large share of low-income FIGURE 1

Large Share of Low-Income Californians in Nearly Every County Struggle to Pay Rent

Share of low-income renters paying more than half their income for housing



Note: "Low-income" households are families whose incomes do not exceed 80 percent of the median family income for the area. This map excludes households with missing housing cost data.

Source: CBPP tabulations of the Department of Housing and Urban Development's 2008-2012 Comprehensive Housing Affordability Strategy data.

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² Mac Taylor, "California's High Housing Costs: Causes and Consequences," Legislative Analyst's Office of the California Legislature, March 2015, http://www.lao.ca.gov/Publications/Detail/3214.

³ CBPP analysis of U.S. Census Bureau 2013 American Community Survey data. "Low-income" households are defined as those with incomes no greater than 80 percent of area median family income.

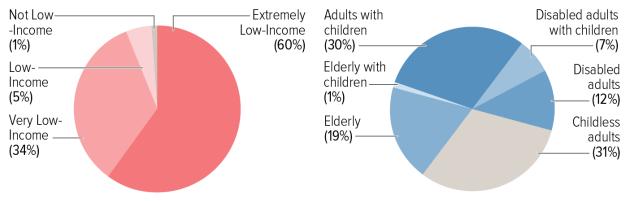
⁴ Ibid.

renters in nearly every California county faces unaffordable housing costs.⁵ (See Figure 1 and Table A-1 in the appendix for county-specific data.)

FIGURE 2

Examining Low-Income California Renters With Severe Cost Burdens

Most have extremely low incomes... ...and over two-thirds are elderly, disabled, or families with children



Note: "Extremely low-income" households are families whose incomes do not exceed the higher of the federal poverty line or 30 percent of the median family income for the area. "Very low-income" households are families whose incomes are greater than 30 percent but less than 50 percent of the median family income for the area. "Low-income" households are families whose incomes are between 50 and 80 percent of the median family income for the area. A household is considered "severely cost burdened" if it pays 50 percent or more of its monthly income on rent and utilities. "Childless adults" are households headed by a person under age 62 without disabilities and without children under 18 in the home. "Disabled adults" are households headed by a person under age 62 with a disability. "Elderly" households are headed by a person age 62 or older.

Source: CBPP analysis of the Census Bureau's 2013 American Community Survey.

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High Housing Costs Exacerbate Poverty, Hardship, and Homelessness

California's high housing costs dramatically worsen poverty. Under the Census Bureau's official poverty measure, 16 percent of Californians lived in poverty in 2013, but this measure does not take into account differences in living costs across the country or count non-cash benefits such as rent subsidies as income. After adjusting for these factors, California's poverty rate jumps to 23 percent, primarily due to high housing costs. (See Table A-2 in the appendix for county-specific data.)

High housing costs force low-income families to regularly decide whether to forgo paying rent or utilities or get by with less food, transportation, medicine, or other essentials. California renter

⁵ CBPP tabulation of U.S. Department of Housing and Urban Development Comprehensive Housing Affordability Strategy (CHAS) data, 2008 – 2012. For additional county-level data on rent burdens, overcrowding, and other critical housing indicators, see the California Housing Partnership Corporation's county fact sheets at http://www.chpc.net/.

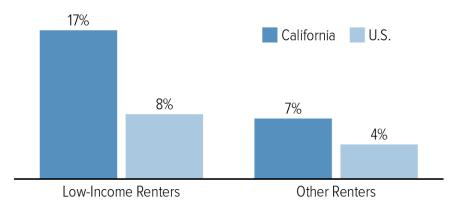
⁶ U.S. Census Bureau, *The Supplemental Poverty Measure: 2013.* In addition to adjusting for non-cash benefits and differences in living costs, the SPM adjusts for taxes paid, work expenses, and out-of-pocket medical expenditures. For further discussion of the SPM, see Arloc Sherman and Danilo Trisi, "Safety Net More Effective Against Poverty Than Previously Thought," Center on Budget and Policy Priorities, May 6, 2015, http://www.cbpp.org/research/poverty-and-inequality/safety-net-more-effective-against-poverty-than-previously-thought.

households with extremely low incomes spend 76 percent of their income on housing, on average, compared to 42 percent for the average California renter. Nationally, families in the bottom expenditure quartile that pay more than half their income for housing spend 40 percent less on food, 70 percent less on health care, and 66 percent less on transportation than low-income families with affordable housing, Harvard University's Joint Center for Housing Studies found. Evidence also suggests that parents with unaffordable rent burdens invest less in activities and materials that support their children's development.

FIGURE 3

Low-Income California Renters Are More Likely to Live in Overcrowded Conditions

Share of renters living with more than one person per room



Note: "Low-income" households are families whose incomes do not exceed 80 percent of the median family income for the area. The Department of Housing and Urban Development defines overcrowded living conditions as more than one person per room.

Source: CBPP tabulations of the Department of Housing and Urban Development's 2008-2012 Comprehensive Housing Affordability Strategy data.

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High housing costs also force large numbers of families to double up or squeeze into units that are too small. California is home to 14 percent of the nation's renters but nearly 30 percent of its overcrowded renter households. The problem is most severe among low-income renters: some 587,000 low-income renter households live in overcrowded housing. Low-income renters in

⁷ CBPP tabulation of U.S. Census Bureau 2013 American Community Survey data.

⁸ Joint Center for Housing Studies, *State of the Nation's Housing*, 2015, table A-3, using 2013 Consumer Expenditure Survey data for renters and homeowners, http://www.jchs.harvard.edu/research/publications/state-nations-housing-2015.

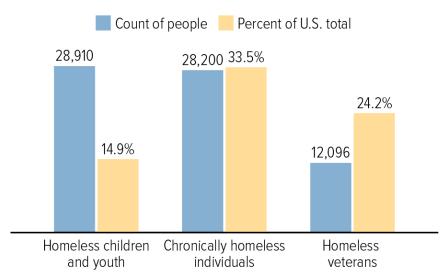
⁹ Sandra J. Newman and Scott Holupka, "Housing Affordability and Investments in Children," *Journal of Housing Economics*, December 2013.

California are more than twice as likely to live in overcrowded housing as low-income renters nationwide.¹⁰

High housing costs are also a major cause of homelessness, as families with unaffordable housing costs are more likely to fall behind on the rent and face eviction or may find it difficult to secure housing if forced to move for other reasons. California has the nation's largest homelessness problem: HUD's single-night census in 2014 identified 113,952 people in the state who were homeless or living in shelters, the most of any state and 20 percent of the nationwide total (California has 12 percent of the nation's population).¹¹

FIGURE 4

California Has Nation's Most Severe Homeless Problem



Note: Figures are from a single night census of people living on the street or in shelters; they do not include persons who may be living doubled-up or in hotels or motels. HUD identifies an individual as "chronically homeless if she or he has a disability and has been homeless for one year continuously or has experienced four episodes of homelessness over the previous three years. Children are defined as people under age 18 while youth are ages 18 to 24. "Homeless children and youth" includes children who are in families and those who are unaccompanied, and youth with and without children.

Source: Department of Housing and Urban Development 2014 Continuum of Care Homeless Populations and Subopulations reports.

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¹⁰ CBPP tabulation of U.S. Department of Housing and Urban Development Comprehensive Housing Affordability Strategy (CHAS) data, 2008 – 2012. "Overcrowding" is defined here as more than one person per room in the unit occupied by a family. Taylor (2015) also provides a more detailed data and analysis of overcrowding.

¹¹ Department of Housing and Urban Development, "The 2014 Annual Homeless Assessment Report (AHAR) to Congress," October 2014, https://www.hudexchange.info/resource/4074/2014-ahar-part-1-pit-estimates-of-homelessness/. Some of the HUD data are helpfully tabulated in National Alliance to End Homelessness, *The State of Homelessness in America*, 2015, http://www.endhomelessness.org/library/entry/the-state-of-homelessness-in-america-2015.

In addition, California has *one-third* of the nation's *chronically* homeless (28,200 people) — that is, people who have been homeless repeatedly or for extended periods of time due to serious mental illness, chronic substance abuse, or other health problems. It also has one of the nation's most acute concentrations of homeless veterans: the 2014 census found 12,096 homeless veterans in California, 24 percent of the nation's total.

The single-night census also identified 13,058 homeless children in families, as well as 13,709 unaccompanied homeless children and youth. Another 279,019 school-age children lived in unstable housing, such as doubled-up with other families, during the 2013 – 2014 school year, according to data collected by the U.S. Department of Education.¹²

High housing costs also exacerbate the concentration of poverty, or the clustering of poor people in distressed neighborhoods. In California's ten largest metro areas, for example, the number of people living in extreme-poverty neighborhoods (where 40 percent or more of residents are poor) has increased by 24 percent since 2000, to 523,000.¹³ Minorities — particularly African American and Hispanic families — and children are disproportionately likely to live in neighborhoods of concentrated poverty.

The problems exacerbated by high housing costs — poverty, overcrowding, housing instability, and homelessness — can impair children's health, development, and school achievement. Housing instability and overcrowding impose stress on students, for instance, that can cause them to have difficulty concentrating and contribute to stress-related behavior problems that interfere with academic performance. Housing instability and homelessness can also cause children to miss school days and change schools, which can create gaps in their learning and hinder the development of their relationships with teachers. Children in homeless families are more likely than other low-income children to have difficulty completing schoolwork, perform poorly on tests, repeat a grade, or drop out of school.¹⁴ A large body of evidence also shows that growing up in neighborhoods of concentrated poverty diminishes children's school performance and chances of long-term success.¹⁵

MacDonald, "Housing as a Platform for Improving Children's Educational Outcomes," Urban Institute, 2012, http://www.urban.org/research/publication/housing-platform-improving-education-outcomes-among-low-income-children; and Nabihah Maqbool, Janet Viveiros, and Mindy Ault, "The Impacts of Affordable Housing on Health: A Research Summary," Center for Housing Policy, 2015,

http://media.wix.com/ugd/19cfbe_d31c27e13a99486e984e2b6fa3002067.pdf.

¹² U.S. Department of Education, data accessed at http://eddataexpress.ed.gov/data-elements.cfm/cid/12/, September 2015

¹³ Elizabeth Kneebone, "The Growth and Spread of Concentrated Poverty, 2000 to 2008-2012," appendix tables, Brookings Institution, July 31, 2014, http://www.brookings.edu/research/interactives/2014/concentrated-poverty#/M10420. Most of this growth reflects an increase in the number of poor residents overall, but a growing share of poor residents also live in extreme-poverty areas.

¹⁴ Maya Brennan, Patrick Reed, and Lisa A. Sturtevant, "The Impacts of Affordable Housing on Education: A Research Summary," Center for Housing Policy, 2014, http://media.wix.com/ugd/19cfbe_c1919d4c2bdf40929852291a57e5246f.pdf; Mary Cunningham and Graham

¹⁵ Ingrid Gould Ellen & Margery Austin Turner, "Does neighborhood matter? Assessing recent evidence," *Housing Policy Debates*, 1997; Margery Austin Turner & Deborah R. Kaye, "How Does Family Well-Being Vary across Different Types of Neighborhoods?," Urban Institute, 2006; Paul A. Jargowsky and Mohamed El Komi, "Before or after the bell? School context and neighborhood effects on student achievement. Neighborhood and life chances: how place matters in modern America," National Center for Analysis of Longitudinal Data in Education Research, 2009,

Addressing Shortage of Affordable Housing Requires Multifaceted Effort

Fundamentally, California's rental housing costs are high because the supply of rental housing has failed to keep pace with demand. California's population growth has slowed from its explosive rates over most of the 20th century but has remained at or above the national average over the past two decades. Perhaps more importantly, the share of California households that rent rather than own has risen significantly in recent years, from 42 percent in 2007 to 46 percent in 2013.¹⁶ Meanwhile, housing construction has remained relatively flat, particularly in the coastal areas.¹⁷ As a result, rental vacancy rates are far below the national average and have fallen sharply since 2010, to levels that are historically low even for California (see Figure 5). This has produced escalating rents and growing cost burdens for low-income families.

FIGURE 5

Source: Census Bureau.



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http://www.urban.org/uploadedpdf/1001430-student-achievement.pdf; Stefanie DeLuca and Elizabeth Dayton, "Switching social contexts: The effects of housing mobility and school choice programs on youth outcomes," *Annual Review of Sociology*, 2009; Julia Burdick-Will *et al.*, "Converging evidence for neighborhood effects on children's test scores: An experimental, quasi-experimental, and observational comparison," in Gregg Duncan and Richard J. Murnane (eds.) *Whither Opportunity: Rising Inequality, Schools, and Children's Life Chances*, 2011; Raj Chetty & Nathaniel Hendren, "The Impacts of Neighborhoods on Intergenerational Mobility: Childhood Exposure Effects and County-Level Estimates," 2015, http://www.equality-of-opportunity.org/images/nbhds_paper.pdf; and Raj Chetty, Nathaniel Hendren, and Lawrence F. Katz, "The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment," 2015, http://www.equality-of-opportunity.org/images/mto-paper.pdf.

¹⁶ CBPP tabulation of U.S. Census Bureau 2007 and 2013 American Community Survey data. For a discussion of national trends, see Joint Center for Housing Studies, *State of the Nation's Housing*, 2015.

¹⁷ Taylor (2015) discusses the reasons for California's relatively weak growth in housing units, which include local regulations (such as growth limits, zoning regulations, and environmental review requirements), financing incentives that favor commercial over residential development, and a shortage of land along the coast.

Increasing the supply of affordable housing and reducing the harmful impact of high housing costs on low-income families will require a multifaceted approach that includes lowering barriers to private rental housing development, promoting the development and preservation of affordable rental housing, and expanding rental assistance for low-income families. Local, state, and federal governments have important roles to play; this analysis focuses on the federal role.¹⁸

Federal housing assistance programs fall into two buckets:

- Programs that make more housing affordable by *increasing the supply* of affordable rental housing by providing tax credits, grants, or loan assistance to support rental housing development. Examples include the Low-Income Housing Tax Credit (LIHTC) and HOME Private Investment Partnerships.
- Programs that make more housing affordable by *lowering the cost* of rental housing for low-income families, typically by providing rental assistance directly to families or to public or private property owners who lease units to low-income families at affordable rents.

Programs in both buckets play a vital role in making rental housing affordable to more Californians.

Federal support to expand California's supply of affordable rental housing is substantial. For example, developers have used LIHTCs to cover most of the costs of producing or preserving some 304,000 units of affordable rental housing in California since the program's inception in 1986.¹⁹ HOME grants have helped defray the costs of developing and preserving some 57,000 units of affordable housing in California since 1992.²⁰

California's largest source of rental assistance is the federal Housing Choice Voucher program, which helps some 300,000 low-income California families to afford rent. The other major federal sources of rental assistance are the Section 8 Project-Based Rental Assistance, Public Housing, Homeless Assistance Grants, Elderly Housing, and Housing for People with Disabilities programs.

Rental assistance and housing production programs complement each other in several ways.²¹ First, production programs expand the supply of housing in which families can use vouchers or other rental assistance. This is particularly important in tight rental markets, where owners can easily fill units while refusing to rent to families using vouchers. Under federal rules, owners of developments supported by LIHTCs or HOME funds may not refuse to rent units to voucher holders.

¹⁸ For recommendations at the state and local policy levels, see the options discussed by the California Housing Partnership Corporation at www.chpc.net and Housing California at www.housingca.org.

¹⁹ California Housing Partnership Corporation analysis of California Tax Credit Allocation Committee data.

²⁰ U.S. Department of Housing and Urban Development, as compiled by the HOME Advocacy Coalition, https://www.ncsha.org/resource/home-coalition-advocacy-materials.

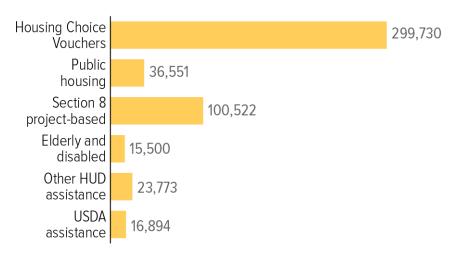
²¹ The rental assistance that the Public Housing, Section 8 Project-Based Rental Assistance, Elderly Housing, and Housing for People with Disabilities programs provide was originally coupled with capital funding or other financing subsidies to produce new housing units. These programs, however, are no longer used for this purpose.

Second, production assistance alone cannot create housing with rents affordable for the vast majority of low-income families. For instance, developers using LIHTCs typically can lower rents to a level that is affordable to families with incomes of 50 or 60 percent of the area median but unaffordable to those with extremely low incomes, who make up the large majority of families struggling with housing costs. Indeed, many families with extremely low incomes use vouchers to rent units in developments produced with the help of LIHTCs, HOME funds, or other production subsidies.

FIGURE 6

What Major Types of Federal Rental Assistance Do California Families Use?

Number of households assisted in 2014



HUD = Housing and Urban Development

USDA = United States Department of Agriculture

Note: Elderly and disabled households receive rental assistance through all of the programs listed. The bar labeled "Elderly and disabled" specifically refers to HUD's Supportive Housing for the Elderly (Section 202) and Supportive Housing for Disabled Persons (Section 811) programs. "Other HUD" assistance refers to the Rental Assistance program, Rental Supplement program, McKinney-Vento permanent supportive housing beds, and Housing Opportunities for People with AIDs. "USDA" assistance refers to the U.S. Department of Agriculture's Rural Rental Assistance Program (Section 521).

Sources: CBPP tabulations of Department of Housing and Urban Development 2014 administrative data and the Department of Agriculture's Multi-Family Fair Housing Occupancy Report for FY 2014.

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Third, vouchers provide a flexible and cost-effective alternative to housing production programs, particularly in areas with an adequate supply of market-rate housing. They are flexible because families may use them wherever there is suitable private market housing. They are cost effective because they rely on the existing stock of housing.

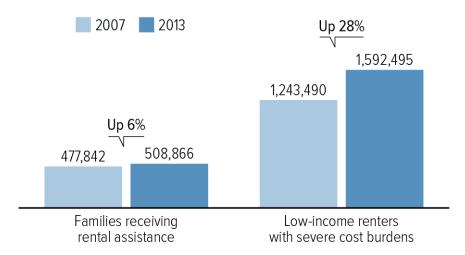
Federal resources in California, while substantial, have not kept pace with needs. The number of families with federal rental assistance has increased only marginally since before the Great Recession, even as the number of severely cost-burdened low-income renters has grown by 28 percent (see

Figure 7). Moreover, federal budget cuts since 2010 have reduced resources for producing and preserving affordable rental housing and cut the number of families with federal rental assistance (see Table A-3 in the appendix table).²²

FIGURE 7

Federal Rental Assistance in California Has Not Kept Pace With Need

Low-income renters in need grew by 28% while assistance rose just 6%



Note: "Low-income" households are families whose incomes do not exceed 80 percent of the median family income for the area. A household is considered "severely cost burdened" if it pays 50 percent or more of its monthly income on rent and utilities. This chart includes data on the following programs: Housing Choice Vouchers, Public Housing, Section 8 Project Based Rental Assistance (including Moderate Rehabilitation), Supportive Housing for the Elderly and People with Disabilities (Section 202 and 811), Rent Supplement, Rental Assistance Program, and USDA Section 521 Rural Rental Assistance. USDA data not available for 2007 so 2006 data were substituted.

Source: Department of Housing and Urban Development's Picture of Subsidized Households, the Department of Agriculture's Multifamily Housing Annual Occupancy Report, and CBPP analysis of the Census Bureau's American Community Survey.

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Vouchers Are Vital Resource to Address Rental Housing Crisis

While no single resource or policy reform will solve California's housing crisis, Housing Choice Vouchers play an outsized role. They help some of the most vulnerable households — low-income seniors and people with disabilities on fixed incomes and families with children — to afford safe, stable housing and make ends meet. More California families use vouchers to afford stable housing

²² These cuts have hit public housing and the HOME program particularly hard. HOME funding fell more than 50 percent from 2010 to 2015, for example, while public housing funding declined by 22 percent. (See Table A-3 in the appendix.)

and avoid homelessness than all other sources of rental assistance combined.²³ (See Figure 6 above.) And California has more vouchers than any other state, about 14 percent of the nationwide total.²⁴ California communities use vouchers to help meet local goals such as ending homelessness or boosting the supply of affordable housing; California low-income families can use them to raise their children in safer neighborhoods near good schools.

What are Housing Choice Vouchers?

Housing Choice Vouchers are a form of federal rental assistance, administered in California by a network of 90 local public housing agencies. Vouchers help low-income families pay for modest housing they find in the private market. A family with a voucher pays about 30 percent of its income for rent and utilities; the voucher covers the difference between the family contribution and the unit's market rent (up to reasonable rental limits set by the federal government and local agency).

Vouchers serve some of the poorest families: 75 percent of new families admitted to the program annually must qualify as extremely low income.

In addition to helping struggling families make ends meet, vouchers provide local property owners with a fair market rent for their units.

300,000 of California's Poorest Families Use Vouchers

The vast majority of the California families with vouchers are elderly, disabled, or families with children. (See Figure 8) The state's voucher holders reflect the diversity of California's low-income residents: more than one-quarter are Hispanic and 12 percent are Asian or Pacific Islander, for example. (See Table A-6 in the appendix for more race and ethnicity data).

Most California voucher households that *can* work *do* work. Some 85 percent of voucher households that are not elderly or disabled include an adult who works, has worked recently, or is likely subject to a work requirement through another program.²⁵

Households using vouchers could not otherwise afford California rents. Almost two-thirds are below the poverty line and 87 percent fall below 150 percent of poverty. Some 95 percent have very low incomes, defined as below half of the area median.

Over 90,000 voucher holders live in Los Angeles County. Many others live in other populous coastal counties such as San Diego and Alameda. But vouchers also help families in less populous rural counties: in Tulare and Kern Counties, for instance, 2,775 families and 3,087 families,

²³ State and local-funded sources of rental assistance are extremely limited. The CalWORKS Housing Support Program, which is a new program that provides short term rental assistance to families using welfare in California who are also homeless, is expected to serve about 3,000 families this year. There is also a tax credit for renters in California, which is capped at \$60 per year for individuals and \$120 per year for couples filing jointly.

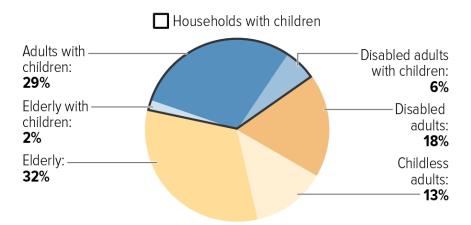
²⁴ CBPP tabulation of U.S. Department of Housing and Urban Development's Voucher Management System.

²⁵ CBPP, "California Fact Sheet: The Housing Voucher Program," http://www.cbpp.org/sites/default/files/atoms/files/3-10-14hous-factsheets_ca.pdf.

respectively, use vouchers to afford housing. (Table A-4 in the appendix shows the number of vouchers by county.)

FIGURE 8

Vast Majority of California Households Using Vouchers Include Children, Elderly, or Disabled



Note: "Childless adults" are households headed by a person under age 62 without disabilities and without children under 18 in the home. "Disabled adults" are households headed by a person under age 62 with a disability. "Elderly" households are headed by a person age 62 or older. This chart includes data on the following programs: Housing Choice Vouchers, Public Housing, Section 8 Project Based Rental Assistance (including Moderate Rehabilitation), Supportive Housing for the Elderly and People with Disabilities (Section 202 and 811), Rent Supplement, Rental Assistance Program, McKinney-Vento Permanent Supportive Housing, Housing Opportunities for Persons with AIDS, and USDA Section 521 Rural Rental Assistance. Percentages may not add to 100 due to rounding.

Sources: CBPP tabulations of Department of Housing and Urban Development 2014 administrative data.

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Vouchers Reduce Poverty, Overcrowding, and Homelessness

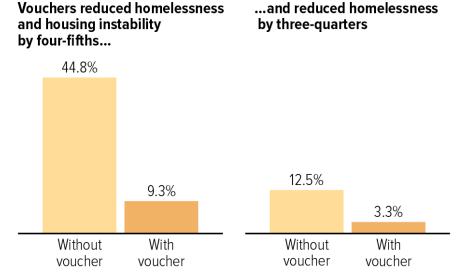
Vouchers and other rental assistance lifted an average of 660,000 Californians, including 230,000 children, out of poverty each year from 2009 to 2012. Vouchers produced the lion's share of this effect. By reducing rental costs, they allow families to devote more of their limited resources to food, medicine, transportation to work, and other essentials. Program rules also ensure that families will not be overcrowded and that their rental units meet basic safety standards.

²⁶ Source is CBPP analysis of Census data, including Supplemental Poverty Measure (SPM) public use files for 2009 through 2012, and additional data from the Transfer Income Model version 3 (TRIM3) developed and maintained by the Urban Institute for the U.S. Department of Health and Human Services Office of the Assistant Secretary for Planning and Evaluation. Consistent with the SPM, this analysis includes adjustments for non-cash benefits and variations in local housing costs. It also adjusts for the underreporting of housing and other benefits. For more information on the methodology, see Arloc Sherman and Danilo Trisi, "Safety Net More Effective Against Poverty Than Previously Thought," Center on Budget and Policy Priorities, May 6, 2015, http://www.cbpp.org/research/poverty-and-inequality/safety-net-more-effective-against-poverty-than-previously-thought. The estimates are annual averages.

Vouchers are extremely effective at reducing homelessness and housing instability and play a critical role in many California communities' efforts to eliminate homelessness. Among families with children at six study sites, vouchers cut the share of families living on the streets, in shelters, or doubled up with others by almost 80 percent, a rigorous study conducted between 2000 and 2004 found (see Figure 9). Vouchers also reduced the share of families in overcrowded housing by more than half and reduced the number of moves that families made by almost 40 percent.²⁷

FIGURE 9

Housing Choice Vouchers Sharply Reduced Homelessness and Housing Instability Among Families With Children



Note: Chart compares housing status of low-income families in six U.S. cities who were randomly selected to receive a voucher and used it for at least part of the previous year to families in a control group who did not use vouchers. Families experiencing "housing instability" were living doubled-up with friends or relatives at some point during the prior year.

Source: Michelle Wood, Jennifer Turnham, and Gregory Mills, "Housing Affordability and Family Well-Being: Results from the Housing Voucher Evaluation," Housing Policy Debate, 2008.

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A more recent major study found that families living in homeless shelters who received vouchers were 56 percent less likely than homeless families receiving no extra help under the study to experience another episode of homelessness over the next 20 months. They also were 55 percent less likely to report incidents of domestic violence, 42 percent less likely to have their children placed

²⁷ Michelle Wood, Jennifer Turnham, and Gregory Mills, "Housing Affordability and Family Well-Being: Results from the Housing Voucher Evaluation," *Housing Policy Debate*, volume 19, issue 2, pp. 367-412, 2008; Gregory Mills *et al.*, "Effects of Housing Vouchers on Welfare Families," prepared for Department of Housing and Urban Development Office of Policy Development and Research, September 2006. The study followed more than 8,700 families in Atlanta; Augusta, GA; Fresno, CA; Houston; Los Angeles; and Spokane, WA.

in foster care or live temporarily with other family members, and 27 percent less likely to have difficulty affording adequate food.²⁸

Many local housing agencies in California target vouchers to reduce homelessness, usually as part of a community strategic plan. One example is the Home for Good Campaign in Los Angeles, which brings together public and private sector partners to end homelessness among veterans and chronic homelessness among people with disabilities. Vouchers are a critical part of this campaign: the Housing Authority of the City of Los Angeles has dedicated over 5,000 vouchers to the homeless or formerly homeless and another 2,200 to a broader group, including the homeless, who need supportive services to live independently. Some 500 of the vouchers are dedicated to homeless veterans ineligible for Veterans Affairs Supportive Housing (VASH) vouchers, which are targeted at the federal level to homeless veterans; these 500 vouchers fill a critical gap in assistance.²⁹

Families Use Vouchers to Raise Children in Safer, Lower-Poverty Neighborhoods

Vouchers broaden families' choices of housing and neighborhoods, enabling them to choose the options that best meet their needs — for example, to escape a crime-ridden neighborhood or move to an area with better schools or job opportunities.

In California (as in most of the country), poor African American and Hispanic children are disproportionately likely to grow up in neighborhoods of concentrated poverty, which can compromise their health, development, and long-term academic and economic success. In California, vouchers are effective at helping poor minority households avoid these neighborhoods and live in areas with lower poverty.

Using a housing voucher cuts California children's chances of growing up in extreme-poverty neighborhoods (where 40 percent or more of the population is poor) by nearly one-third for poor African Americans and Hispanics. Poor African American and Hispanic children in California using vouchers are roughly twice as likely to live in *low*-poverty neighborhoods (where less than 10 percent of the population is poor) as poor African American and Hispanic children in California overall.

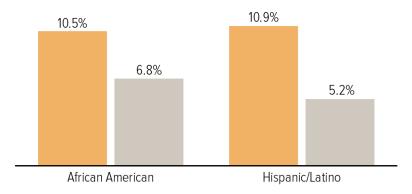
²⁸ Daniel Gubits *et al.*, "Family Options Study: Short-Term Impacts of Housing and Service Interventions for Homeless Families," prepared for Department of Housing and Urban Development Office of Policy Development and Research, July 2015, http://www.huduser.org/portal/sites/default/files/pdf/FamilyOptionsStudy_final.pdf. For the purposes of the study, "homelessness" is defined here at living on the streets, in shelters, or doubled up with others.

²⁹ Housing Authority of Los Angeles, "HACLA Homeless Initiatives", http://www.hacla.org/homelessinitiatives. Veterans must be eligible for Veterans Affairs health care services to be eligible for VASH vouchers. Eligibility for VA health care is determined on a case-by-case basis, but many veterans who develop mental illness while in the military struggle to serve the full time necessary (usually 24 months) to qualify for these vouchers or are discharged under other-than-honorable conditions, which also often makes them ineligible for services. Eligibility determinations may be appealed, but this process can sometimes take years, during which time such veterans may remain on the streets and have few resources to assist them.

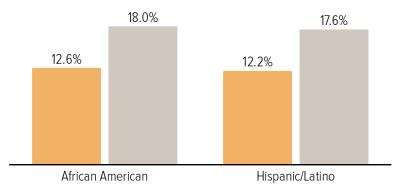
Vouchers Help Poor Minority California Children Live in Better Neighborhoods

Using vouchers All poor children

Minority children with vouchers are *more* likely to live in low-poverty neighborhoods...



...and less likely to live in extreme-poverty neighborhoods



Note: "Low-poverty" neighborhoods are defined as Census tracts where less than 10% of the population is below the federal poverty line. "Extreme-poverty" neighborhoods are defined as Census tracts where 40% or more of the population is below the federal poverty line Source: CBPP analysis of 2014 Department of Housing and Urban Development administrative data and the Census Bureau's 2010-2014 American Community Survey.

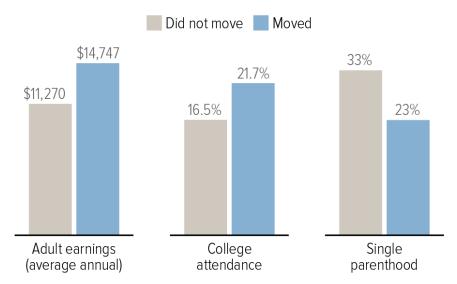
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Using vouchers to move to low-poverty neighborhoods can produce long-term gains for children. A recent ground-breaking study found, for example, that children in families that used vouchers to move to low-poverty neighborhoods had significantly higher rates of college attendance, lower rates of single parenthood, and higher incomes if they move early in life.³⁰

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³⁰ Raj Chetty, Nathaniel Hendren, and Lawrence F. Katz, "The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment," May 2015, http://www.equality-of-opportunity.org/images/mto-paper.pdf. The measured gains were in comparison to the children's outcomes in randomly-assigned control group families that received no voucher assistance through MTO.

Moving with Voucher to Lower-Poverty Neighborhoods While Young Improves Key Adult Outcomes



Note: Outcomes are for children up to age 13 at the time of random assignment under the Moving to Opportunity demonstration. Experimental group families received vouchers that could only be used to relocate to neighborhoods where fewer than 10 percent of residents were poor; results are for children whose families used their voucher.

Source: Raj Chetty, Nathaniel Hendren, and Lawrence F. Katz, "The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment," May 2015.

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Vouchers Help Communities Develop and Preserve Affordable Housing

California's supply of rental housing has failed to keep pace with demand, particularly along the coastal areas, thereby driving rents to unaffordable levels. As explained above, vouchers help some 300,000 California families — including thousands who were formerly homeless and had little or no income — to secure stable housing in spite of the high cost. But expanding the availability of affordable rental housing is essential to solving California's rental housing crisis.

Indeed, vouchers can be challenging to use in California communities with the lowest rental vacancy rates and highest costs, not least because property owners may be reluctant to rent units to voucher holders when there is strong private market demand for their units.³¹ Constructing or

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³¹ Housing agencies and communities may employ various strategies to help families use vouchers in tight rental markets. Agencies have some flexibility in setting the maximum rent that vouchers will pay (called the payment standard) and can set it higher to give families access to higher-cost neighborhoods. Agencies can also keep and regularly update lists of willing landlords and available units in neighborhoods where it is harder to use vouchers. Keeping good relationships

rehabilitating new affordable housing, dedicated to low-income households, can offer additional housing options to voucher holders and non-voucher holders alike.

Fortunately, federal rules enable vouchers to support housing development for low-income families; this strategy is particularly important in California communities with tight markets and high housing costs. Most vouchers are "tenant-based" — that is, the voucher follows the family. But housing agencies can tie a share of their vouchers to particular housing developments. Under this strategy, known as "project-basing," the agency contracts with a property owner to make the units with vouchers available to families who qualify for the voucher program.

Project-based vouchers can help finance an affordable housing project, lowering the risk for owners and investors and increasing the feasibility of many projects. They can also attract additional private investment to developments, especially if the project is using LIHTCs.³² In many areas the rent levels offered in LIHTC-funded units are lower than the maximum rent a voucher pays, so dedicating project-based vouchers to these projects can generate additional income that can be used to attract more investment, thereby creating more units than under a LIHTC-financed project *without* project-based vouchers.³³ In short, vouchers can provide a double benefit to communities, helping create more affordable housing units while ensuring that some of these units remain affordable to households that most need them.

Orange Grove Gardens in Pasadena, California, is a good example of a successful development where project-based vouchers were used for financing. The development includes 38 two- and three-bedroom apartments for low-income families with children, who can find it difficult to afford the larger housing they need while working a low-wage job. The energy-efficient project was built using a combination of funding sources, including LIHTC and project-based vouchers. Vouchers attracted almost half a million dollars of private investment to the project.³⁴

Fewer California Families Using Vouchers Due to Federal Cuts

The number of California families using vouchers fell by 14,620 between December 2012 and December 2014 due to federal budget cuts known as sequestration enacted in March 2013. Some 76 of the 92 California agencies that administer vouchers reduced the number of families they assisted, ten of them by 10 percent or more. (See Table A-5 in the appendix for reductions by agency.)

with landlords can be especially helpful, as can giving families more time to search for housing. In short, although some neighborhoods can be challenging for voucher holders, well-run agencies can usually help voucher holders access the neighborhood of their choice.

³² LIHTCs are federal tax credits allocated for affordable housing development to states, which then allocate them to specific projects. These projects then sell the tax credits to private investors to generate capital for the project. Projects using LIHTC must offer rents that are affordable to families earning either 50 or 60 percent of the area median income.

³³ The California Housing Partnership Corporation, "The Power of Leveraging Section 8," November 2008, http://chpc.net/dnld/MacArthurS8Rept2008 11 09.pdf. Allowing vouchers in LIHTC units to pay the same level of subsidy as in other units doesn't increase voucher program costs. Without this flexibility, LIHTC properties would have less incentive to commit units in advance to serving families eligible for vouchers.

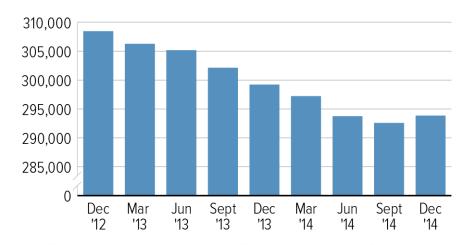
³⁴ Ibid.

Funding Congress provided in 2014 and 2015 enabled agencies to restore some of the lost vouchers. The President's fiscal year 2016 budget would restore the rest, renewing all vouchers in use and funding an additional 67,000 vouchers nationally. It would set aside 30,000 of these vouchers for homeless families, veterans who cannot receive HUD-VASH vouchers, victims of domestic and dating violence, and preventing the separation of low-income children and their families due to a lack of adequate housing.³⁵

FIGURE 12

Voucher Use in California Has Fallen Due to Sequestration

Number of families with vouchers



Note: These estimates exclude the more than 6,500 new "tenant-protection" vouchers and veterans' supportive housing (VASH) vouchers that Housing and Urban Development awarded to agencies (and that agencies then issued to families) during this period.

Source: CBPP analysis of the Department of Housing and Urban Development's Voucher Management System.

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³⁵ Douglas Rice, "Obama Budget Restores Housing Vouchers," Center on Budget and Policy Priorities, March 23, 2015, http://www.cbpp.org/research/housing/obama-budget-restores-housing-vouchers.

Conclusion

Alleviating California's housing affordability crisis will require action by all levels of government and the private sector to both boost housing production and help struggling families afford homes. Housing Choice Vouchers are a critical part of the solution and the largest funding source available to California for this purpose. Yet vouchers have been cut in recent years, worsening the crisis.

Congress could make modest progress toward helping more California families afford housing by restoring funding for the remaining 67,000 vouchers that have been lost nationally due to sequestration. Congress should consider targeting a substantial share of such vouchers on people with urgent needs, including families with children and veterans experiencing homelessness. If Congress provided funding for these vouchers, California could expect to receive a large share of them. A large proportion of the vouchers lost due to sequestration were in California, and California has a very large homeless population. As California continues to see housing prices outpace what low-income families can afford, these restored vouchers would be a lifeline for thousands of Californians.

Appendix

TABLE A-1

California Renter Households with Severe Cost Burdens, by County, Income, Age

County	Low-Income Renters	Low-Income Renters with Severe Cost Burdens	Extremely Low- Income Renters with Severe Cost Burdens	Low-Income Elderly Renters with Severe Cost Burdens
Alameda	143,720	63,455	43,805	10,135
Alpine	67	8	4	0
Amador	2,007	805	405	95
Butte	20,640	9,995	5,140	1,530
Calaveras	2,294	860	550	185
Colusa	1,573	388	190	64
Contra Costa	71,595	32,105	20,755	6,150
Del Norte	2,399	930	550	165
El Dorado	9,430	3,875	2,115	570
Fresno	82,520	37,075	22,150	5,305
Glenn	2,110	753	384	73
Humboldt	14,704	7,609	3,965	804
Imperial	14,690	5,455	3,850	1,085
Inyo	2,022	650	340	150
Kern	62,855	27,530	16,585	3,075
Kings	10,818	4,035	2,465	500
Lake	6,665	3,215	1,690	555
Lassen	2,420	1,029	670	175
Los Angeles	1,140,035	490,495	341,135	90,630
Madera	9,870	3,315	2,000	430
Marin	23,670	10,295	6,715	2,940
Mariposa	1,179	325	225	30
Mendocino	8,669	4,095	2,095	580
Merced	22,295	8,825	5,480	1,085
Modoc	725	270	215	85
Mono	1,213	464	280	19
Monterey	33,535	13,795	6,775	2,385
Napa	10,494	4,470	2,395	1,075
Nevada	6,635	2,880	1,540	520
Orange	255,110	106,325	68,155	20,190
Placer	19,475	9,080	4,625	2,310
Plumas	1,607	504	260	34
Riverside	135,810	63,090	35,210	11,245
Sacramento	134,305	57,040	36,555	8,835

TABLE A-1

California Renter Households with Severe Cost Burdens, by County, Income, Age

		Low-Income Renters with	Extremely Low- Income Renters	Low-Income Elderly Renters
	Low-Income	Severe Cost	with Severe Cost	with Severe Cost
County	Renters	Burdens	Burdens	Burdens
San Benito	3,637	1,720	895	255
San Bernardino	140,865	64,070	39,115	9,160
San Diego	294,905	126,165	73,825	20,685
San Francisco	125,120	45,390	32,805	10,925
San Joaquin	49,500	24,220	12,835	3,995
San Luis Obispo	25,089	11,935	7,055	1,650
San Mateo	62,275	22,330	15,245	4,720
Santa Barbara	38,410	17,225	9,305	3,120
Santa Clara	128,685	54,640	38,515	10,510
Santa Cruz	26,160	10,660	7,260	1,300
Shasta	14,718	6,905	3,895	955
Sierra	230	93	30	0
Siskiyou	4,580	1,848	1,099	293
Solano	28,315	13,980	8,180	2,305
Sonoma	40,265	18,290	8,995	3,775
Stanislaus	41,095	19,345	10,325	2,855
Sutter	7,274	2,925	1,535	455
Tehama	5,061	1,729	845	264
Trinity	1,085	278	155	18
Tulare	35,115	13,510	8,510	1,520
Tuolumne	4,078	1,675	895	370
Ventura	54,930	23,750	13,055	4,155
Yolo	20,835	9,555	5,590	945
Yuba	5,777	1,979	1,004	199

Note: Low-income renter households are those earning 80% or less of the area median income, as estimated by HUD. Extremely low-income renters are those earning 30% or less of the HUD area median income. A renter household is severely cost burdened if it spends more than half of its monthly income on housing. HUD considers a person elderly if he or she is age 62 or older. The estimates for California's less populous counties are derived from small survey samples, which results in a relatively large margin of error for those estimates.

Source: CBPP tabulations of HUD's 2012-2008 Comprehensive Affordability Strategy Data.

TABLE A-2

Poverty Rates in California Counties, 2012

	All	All People		Children	
County	Official	Adjusted*	Official	Adjusted*	
Alameda	12.9%	19.1%	17.3%	23.1%	
Alpine/Amador/Calaveras/Inyo/Mariposa/Mono/Tuolumne	11.9%	15.0%	12.6%	11.1%	
Butte	21.8%	21.3%	27.5%	16.8%	
Colusa/Glenn/Tehama/Trinity	20.5%	17.6%	27.1%	17.2%	
Contra Costa	11.9%	17.1%	15.5%	20.1%	
Del Norte/Lassen/Modoc/Plumas/Siskiyou	22.2%	19.6%	34.5%	23.7%	
El Dorado	9.4%	13.3%	10.0%	12.7%	
Fresno	28.5%	21.0%	41.7%	22.9%	
Humboldt	21.3%	20.7%	22.8%	15.4%	
Imperial	19.2%	13.4%	26.8%	10.4%	
Kern	24.1%	18.7%	34.3%	20.7%	
Kings	22.2%	17.0%	34.3%	19.1%	
Lake/Mendocino	23.2%	24.4%	30.8%	24.3%	
Los Angeles	18.9%	26.1%	27.1%	29.9%	
Madera	25.2%	22.6%	40.9%	24.3%	
Marin	6.7%	16.0%	6.5%	19.7%	
Merced	23.7%	19.0%	36.7%	24.4%	
Monterey/San Benito	18.6%	24.5%	30.6%	32.4%	
Napa	8.6%	16.0%	9.9%	13.6%	
Nevada/Sierra	12.5%	10.9%	19.7%	11.8%	
Orange	13.0%	22.5%	17.9%	27.8%	
Placer	9.1%	13.2%	13.8%	14.7%	
Riverside	17.6%	21.2%	24.7%	24.4%	
Sacramento	19.8%	19.5%	28.3%	20.8%	
San Bernardino	20.5%	20.6%	29.4%	23.7%	
San Diego	14.5%	21.7%	19.7%	25.2%	
San Francisco	14.8%	24.4%	15.5%	24.2%	
San Joaquin	18.1%	19.0%	24.0%	20.6%	
San Luis Obispo	13.2%	16.5%	16.1%	17.4%	
San Mateo	8.4%	18.0%	12.2%	23.3%	
Santa Barbara	15.4%	23.8%	19.3%	27.3%	
Santa Clara	10.9%	18.3%	12.9%	20.0%	
Santa Cruz	13.1%	20.6%	13.3%	22.4%	
Shasta	15.2%	14.8%	20.4%	13.2%	
Solano	13.9%	18.1%	18.4%	20.2%	
Sonoma	11.6%	18.7%	14.3%	23.0%	

TABLE A-2

Poverty Rates in California Counties, 2012

County	All	All People		Children	
County	Official	Adjusted*	Official	Adjusted*	
Stanislaus	21.9%	23.5%	30.7%	26.8%	
Sutter/Yuba	23.0%	19.6%	30.6%	21.7%	
Tulare	30.5%	25.2%	41.5%	29.6%	
Ventura	11.5%	19.1%	17.8%	24.2%	
Yolo	16.0%	22.5%	13.7%	20.0%	

Source: Sarah Bohn, Caroline Danielson, Matt Levin, Marybeth Mattingly, Christopher Wimer, "The California Poverty Measure: A New Look at the Social Safety Net," Public Policy Institute of California, 2013, supplemental tables at http://www.ppic.org/main/dataSet.asp?i=1399.

TABLE A-3
Funding for Selected Federal Housing Assistance Programs in California, 2010 - 201

Program	Funding, 2010 (in 2014 dollars)	Funding, 2014	Change, in dollars	Change, percentage
Housing Choice Vouchers	\$3,592,206,000	\$3,465,075,000	-\$127,131,000	-3.5%
Public Housing	\$264,189,000	\$207,426,000	-\$56,763,000	-21.5%
Homeless Assistance	\$269,073,334	\$337,414,736	\$68,341,402	25.4%
HOME	\$285,492,980	\$133,027,452	-\$152,465,528	-53.4%

Source: U.S. Department of Housing and Urban Development, White House Office of Management and Budget.

^{*}Adjusted estimates take into account non-cash benefits, as well as regional variations in housing costs, and include other adjustments. The official measure is that of the U.S. Bureau of the Census.

TABLE A-4

Number of California Families Using Housing Vouchers, by County

County	Vouchers in Use During Calendar Year 2014
Alameda	22,958
Butte	2,070
Contra Costa	9,143
Del Norte	540
El Dorado	362
Fresno	13,068
Glenn	85
Humboldt	952
Imperial	1,901
Kern	3,087
Kings	598
Lake	287
Los Angeles	90,329
Madera	796
Marin	2,025
Mendocino	843
Merced	2,685
Modoc	NA
Monterey	3,518
Napa	1,167
Orange	15,942
Placer	935
Plumas	647
Riverside	8,282
Sacramento	12,048
San Benito	NA
San Bernardino	9,443
San Diego	28,428
San Francisco	7,386
San Joaquin	4,823
San Luis Obispo	2,043
San Mateo	4,104
Santa Barbara	5,667
Santa Clara	16,035
Santa Cruz	4,647
Shasta	2,094
Siskiyou	191
Solano	4,901

TABLE A-4

Number of California Families Using Housing Vouchers, by County

County	Vouchers in Use During Calendar Year 2014
Sonoma	4,538
Stanislaus	4,582
Trinity	30
Tulare	2,775
Ventura	6,268
Yolo	1,549
Yuba	1,471
All counties	305,243

Source: CBPP tabulations of 2014 HUD administrative data

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TABLE A-5

Housing Choice Vouchers Lost Due to Sequestration, by Public Housing Authority

Estimated change in number of families using vouchers following March 2013 sequestration, as of December 2014

Agency	sequestration, as of December 2014
Alameda City	-140
Alameda	-94
Anaheim	-344
Baldwin Park	-47
Benicia	13
Berkeley	-102
Burbank	-23
Butte	-39
Calexico	1
Carlsbad	-44
Compton	30
Contra Costa	-93
Crescent City	-41
Culver City	-13
El Dorado	-15
Encinitas	-6
Fairfield	-111
Fresno City	140
Fresno	0
Garden Grove	-24
Glendale	-19
Hawaiian Gardens	-4
Hawthorne	35
Hollister	-22
Humboldt	-112
Imperial Valley	35
Inglewood	49
Kern	8
Kings	-6
Lake	-2
Livermore	-102
Long Beach	-469
Los Angeles City	-3244
Los Angeles	-99
Madera	-2
Marin	-103
Mendocino	93

TABLE A-5

Housing Choice Vouchers Lost Due to Sequestration, by Public Housing Authority

Estimated change in number of families using vouchers following March 2013 sequestration, as of December 2014

Agency	sequestration, as of December 2014
Merced	-179
Monterey	-392
Napa	-82
National City	-45
Needles	0
Norwalk	-4
Oakland	-245
Oceanside	-14
Orange	-583
Oxnard	-139
Pasadena	-72
Pico Rivera	-42
Pittsburg	-6
Placer	-19
Plumas	-17
Pomona	9
Port Hueneme	-3
Redding	-28
Redondo Beach	-23
Richmond	-9
Riverside	-962
Roseville	2
Sacramento	-184
San Bernardino	-629
San Buenaventura	-87
San Diego	-550
San Diego	-500
San Francisco	-615
San Joaquin	-236
San Jose	-664
San Luis Obispo	-50
San Mateo	-244
Santa Ana	-101
Santa Barbara City	-165
Santa Barbara	-161
Santa Clara	-1299
Santa Cruz	-171

TABLE A-5

Vacaville

Vallejo

Ventura

Yolo

Yuba

Total

Housing Choice Vouchers Lost Due to Sequestration, by Public Housing Authority

using vouchers following March 2013 **Agency** sequestration, as of December 2014 Santa Monica -56 Santa Paula -32 Santa Rosa -15 Solano 3 7 Sonoma **South Gate** -42 Shasta -69 **Stanislaus** -141 **Suisun City** -41 **Sutter and Nevada** -46 **Torrance** -15 **Tulare Co** -211 Upland -46

Estimated change in number of families

0

-306

-113

-68

-14,620

-4

Note: This number represents the net change in households using vouchers between December 2012 and December 2014 due to sequestration. The estimates exclude the more than 6,500 new "tenant protection" vouchers and veterans' supportive housing (VASH) vouchers that HUD awarded to California agencies (and that agencies then issued to families) during this period. Our analysis of sequestration's impact does not include these vouchers because their issuance does not represent a gain in the number of families receiving rental assistance.

Source: CBPP analysis of HUD's Voucher Management System.

TABLE A-6

California Households Using Housing Choice Vouchers By Race and Ethnicity

Category	Share of All Households Using Housing Choice Vouchers
African American	33%
White, non-Hispanic	29%
Hispanic/Latino	26%
Asian/Pacific Islander	12%
Native American	1%

Note: Categories are based on the race or ethnicity of the household head. Categories do not sum to 100 because people who report Hispanic/Latino ethnicity may also identify as any race.

Source: CBPP tabulations of 2014 Department of Housing and Urban Development administrative data.