## MERCED SUN-STAR

## Merced and Stanislaus counties lack affordable housing, advocates say

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A bill that would end a tax subsidy for vacation homes and use the new funding to pay for affordable housing could have implications on pending projects in Merced and Stanislaus counties, advocates said on Thursday.

Authored by Assemblyman David Chiu, D-San Francisco, Assembly Bill 71 goes before the state Assembly Appropriations Committee on Friday, according to records.

The funding could be used to pay for nearly 200 affordable apartments in Planada and Patterson, according to Tom Collishaw, president of <u>Self-Help Enterprises</u>, a nonprofit that helps low-income families find homes.

"Where the funding would go is to expand the state's housing tax credit program, which we compete for ... for projects we build," he said on Thursday. "We have been following (AB 71) and certainly have supported it."

Still in the planning stages, the Planada project would have 72 units and Patterson would see 120 units, he said.

One in four people in Merced County spend half of their income on rent, according to the <u>California Housing</u> <u>Consortium</u>. In Stanislaus, it's three in 10.

The ideal amount of income spent towards rent would be 30 percent, according to advocates.

An estimated 1.5 million California families lack access to affordable housing, lawmakers have said, and the state has disproportionately high rates of homelessness.

While prices in Merced and Stanislaus do not rival those in Southern California and the Bay Area, workers also make less on average.

In Stanislaus, the average household would need to make \$37,440 annually to afford the fair market rent of \$936 for a two-bedroom rental, according to the <u>Out of Reach 2016</u> report. The median income for renters is \$32,419, according to that report from the National Low Income Housing Coalition, a Washington, D.C.-based research and advocacy organization, and the California Coalition for Rural Housing.

The average renter in Merced makes \$30,443 a year but would need to make \$31,360 to afford a two-bedroom apartment. The renter would need to make an average wage of \$15.08 an hour, the report says, but the average Merced renter is paid \$11.45.

State <u>lawmakers said in March</u> that Trump's budget blueprint adds to the problem because it calls for more than \$6 billion in cuts to the federal Housing and Urban Development Department, including eliminating Community Development Block Grants and reducing money for public housing.

"This is a housing crisis that preceded Donald Trump, but it is about to be exacerbated by our president," Chiu said in March. "More homeless will die on the streets of Los Angeles, San Francisco — the streets of California — if he gets his way. This is why it is important for us to act."

The Associated Press contributed to this report.