Orange County Affordable Housing Coalition
Principles for Review of Affordable Housing Plans in Multifamily Rental Developments

In Orange County, the gap between the supply and the need for affordable housing is wide. More than **40% of Orange County households** are eligible for most income-based affordable housing, while **only 3% of the total housing units** in the county are permanently affordable. As of 2018, **13,163 households in Orange County are cost-burdened** – earning below 80% of AMI and paying more then one-third of their income for housing.

The need for affordable housing has grown significantly over the last 10 years, with lower-income households continuing to be priced out of the market. For example, an individual working full-time, year-round, and earning the Orange County Living Wage of $14.25 per hour can afford up to $741 per month for rent *and* utilities. Meanwhile, in 2019, the Fair Market Rent standard for a one-bedroom apartment in Orange County is $902. And the going rate for many of the newer, Class A rental developments is more like $1,400 for a one-bedroom – *double* the rate an individual working full-time at a living wage could reasonably afford.

Affordable rent for individual earning Orange County Living Wage	**$741**
Fair Market Rent for 1-BR	**$902**
Going Rate for Class A 1-BR	**$1,400**

The urgency and gravity of the need for affordable housing in our community demands decisive action. **The Orange County Affordable Housing Coalition is advocating for the following guiding principles when considering the affordable housing plans of residential rental developments**:

- **Incorporate affordable units on-site whenever possible, building 15% of proposed units as affordable units**. If incorporating 15% affordable units on-site is not a viable possibility for the specifics of the development, combine a payment-in-lieu contribution with a lesser percentage on-site, or provide a payment-in-lieu capable of producing the equivalent number of units.
- **Ensure any affordable units are rented at a rate affordable to households with a gross income less than 50% of Area Median Income (AMI).** A two-person household earning the Orange County Living Wage has a gross income of a little less than 50% of AMI. Pricing these units at rates affordable for households earning 50% of AMI will ensure these units can serve as living-wage rentals.
- **Commit to a 30-year period of affordability**. As a standard, the federal government set the 30-year affordability standard for Low-Income Tax Credit (LITC) properties. Moreover, as housing demand in our region continues to mount, affordability will likely become even more challenging in the coming years. To make a real contribution to affordability, dedicated units must endure.

- **Partner with an affordable housing agency, local government, or third-party agency to screen tenants for income qualifications**. Supporting agencies are well-equipped in monitoring these requirements and connecting with eligible tenants in need of housing. Establish a contract with a partner entity for this service.
- **Accept Housing Vouchers for the affordable units**. Do not disqualify tenants based on the source of their income. Allow eligible residents with Housing Vouchers to rent units in the development.
- **Dedicate all affordable units to households that are not comprised entirely of full-time students**.
- **Promote access to housing, including by considering extenuating circumstances for applicants who may have criminal or credit issues**
- **Ensure the affordable units are integrated appropriately into the development as a whole, including similar bedroom-counts and exterior appearance.**