

# Housing Element Fact Sheet

## What is a Housing Element?

The Housing Element is part of the City’s General Plan and serves as the City’s housing strategy to address the needs of City residents of all income levels. State law (Government Code Sections 65580 through 65589) requires that a housing element:

**The Housing Element is the City’s strategy to address current and future housing needs**

- Identify and evaluate housing needs;
- Address constraints to the development of housing;
- Identify sites available to accommodate the City’s share of the region’s future housing need;
- Include goals, policies and objectives to address housing need;
- Establish programs and an action plan to fulfill the goals and policies; and
- Promote equal housing opportunities for all persons.

**The Housing Element update covers period from 2014 to 2021**

## What Time Period Does the Housing Element Cover?

The City of Sacramento’s Housing Element update will cover the period from 2014 to 2021. The updated Housing Element must be adopted by October 31, 2013, according to State law.

## How Much New Housing is Needed?

The City is not required to build any housing; it just has to make sure there is enough available land with the correct zoning that will enable the City to meet its share of the regional housing need. The State and the Sacramento Area Council of Governments (SACOG) estimate the amount of future housing needed in the region based on population and employment projections. Each city and county in our region is responsible for a share of that future housing need. This is called the Regional Housing Needs Allocation or RHNA. The City’s share of the RHNA for the period from 2014-2021 is 24,101 units, which is broken down by income level.

### New Housing Need Forecast for Sacramento 2014-2021 (SACOG RNHA)

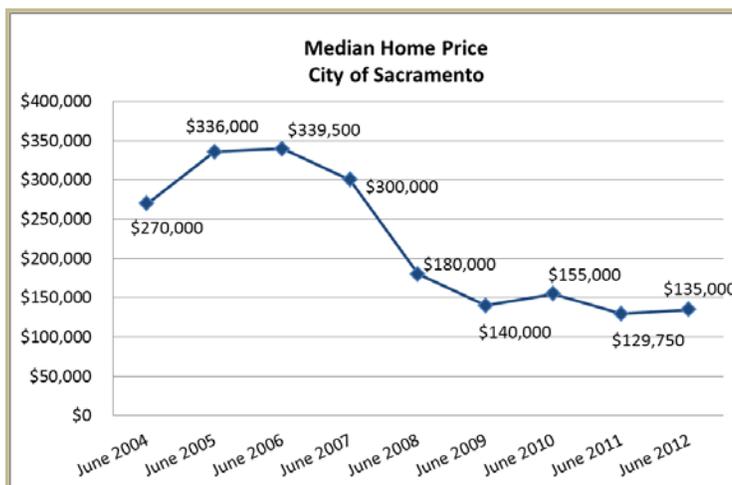
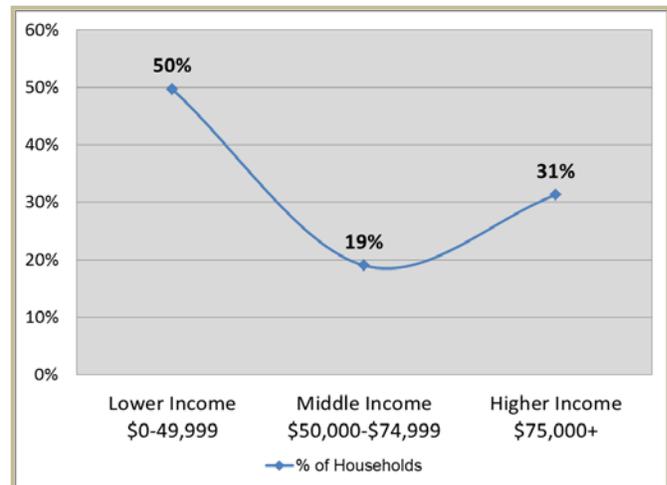
Income Level	Units	Percent
Extremely Low-Income:	2,472	10.25%
Very Low Income:	2,472	10.25%
Low Income:	3,467	14.40%
Moderate Income:	4,482	18.60%
Above Moderate Income:	11,208	46.50%
<b>TOTAL</b>	<b>24,101</b>	<b>100.00%</b>

Source: SACOG, 2012

## What Are Current Housing Needs?

Low-income households have more housing challenges including overpayment and overcrowding. In addition, certain segments of the population such as seniors, single-parent households and persons with disabilities often have special housing needs. In Sacramento:

- 50% of all households are low-income (less than 80% of Area Median Income)
- 21% of residents live below the poverty line
- 31% of children live in poverty
- 38% of female-head households with children live in poverty
- Seniors represent 22% of all households they are one of the fastest growing age groups
- 14% of residents have one or more disability
- Over 44% of households pay more than 30% of their income on housing
- Almost 70% of lower-income households overpay for housing



## Market Conditions

Sacramento has seen one of the weakest housing markets in many years. The economy and the large number of foreclosures have caused low sales prices and rents which have made new construction infeasible in most of the City.

- New construction fell from 3,500 housing units in 2006 to less than 200 units in 2012
- Over 22,000 local foreclosures from 2006 to 2012

- City median home prices fell from \$339,500 in 2006 to \$129,750 in 2011
- Rent levels remain flat in most areas
- Current rents and home prices do not support new housing construction in most areas
- Prices are more affordable, but cash buyers and lending standards have limited access.

## What's Next?

The City will be preparing a draft Housing Element in late spring/early summer of 2013. The document will include updated policies and programs to address current and future needs as well as market conditions. Another community workshop will be held in the spring to gather public input on the draft Housing Element. For more information visit the Housing Element website at: [www.sacgp.org/housing.html](http://www.sacgp.org/housing.html).