



PRICED OUT

A Regional Report

Assemblymember Shannon Grove

The Housing Situation in the 34th Assembly District

More and more people in California find themselves priced out of the current housing market. Foreclosures have forced more people into the rental market, pushing up rents across the state.



People who are key to the local economy cannot even afford to *rent* a home. To afford a two-bedroom apartment, a family needs an annual income of \$31,720 in Kern County — significantly more than security guards, child care workers, and ambulance drivers earn.

Homeownership is also out of reach. As of October 2012, median home prices were still high in district communities like Tehachapi (\$154,500) and Bakersfield (\$159,500). Even with home prices dropping, a home buyer in the district must earn more than \$31,532 a year to afford a median-priced home (\$148,750) — assuming a near-perfect credit score, sufficient savings for a down-payment and zero monthly debt (e.g. car payments, student loans, credit cards).

In Kern County:

Affordable Homes Needed: 57,815
Affordable Homes Available: 52,530
 Shortage: **5,285**



Some of the residents in your district who would benefit from more affordable homes include:

VERY-LOW-INCOME EARNERS*

Cashiers	\$ 22,909	Ambulance Drivers	\$ 25,966
Security Guards	\$ 24,501	Bank Tellers	\$ 26,761
Child Care Workers	\$ 24,795	Receptionists	\$ 27,019
Veterinary Assistants	\$ 24,825	Medical Assistants	\$ 28,069
Nursing Aides and Orderlies	\$ 25,885	Teacher Assistants	\$ 29,809

*below 50% of median income for a family of four

Children and Education

Despite foreclosures and home price declines, finding an affordable home is an ongoing challenge for working families in the 34th District. Families with low incomes move 50 to 100% more frequently in search of a home they can afford, so children must move from school to school. Homelessness is particularly troubling for children and families, and the 2011 Point-in-Time Count found 1,439 homeless individuals in Kern County, 69 of whom were family households. Increasing options for families to afford a safe and stable home for their children will result in better outcomes for children. They will benefit from:

- Less exposure to violence.
- Increased school attendance.
- Reduced stress, illness, and mental-health problems.
- Having a safe place to play, do homework, and share family time.

Local schools will also benefit from increased family stability. Teachers can better plan for staffing and resources, and both teachers and classmates will experience fewer disruptions so they can focus on student achievement.

Agriculture

Affordable home options support the agricultural industry in accessing the ongoing labor force they need to be productive. In the 2007 Census of Agriculture, Kern County had more than 800 farms employing more than 29,000 farmworkers. However, agricultural workers can still be found living in extremely substandard and overcrowded conditions. A May 2008 Bakersfield Californian article reported,

[S]ubstandard housing remains the only choice for many farmworkers in Kern County. ... “People jam in 20, 30 migrant farmworkers in a house or some apartments,” said Chris Hengst, a county code compliance supervisor. Hengst said he couldn’t guess how many people live in such squalid conditions ... “I’m sure we’re only seeing the tip of the iceberg,” he said. Filthy dwellings may endanger individual worker health, but they can also create a breeding ground for diseases that can spread by direct contact or food contamination, health and housing experts said.

A self-help housing development recently built in Shafter is now home to more than 50 farmworker families. More such developments are needed to provide farmworkers -- still the backbone of Kern County’s agricultural economy -- with decent, stable, affordable places to live, where conditions are sanitary and where children can succeed.

Business and the Economy

Families who have access to affordable homes are a benefit to the area’s businesses and economy. They are better able to afford reliable transportation to work, reducing tardiness and absenteeism and increasing productivity and continuity. Communities with well-constructed and maintained rental and for-sale homes are also more attractive to potential employers. A range of local rental and ownership choices improves businesses’ access to the younger and lower-wage workers they need to succeed.

Households that can pay a reasonable portion of their income for rent also have more discretionary income. They become customers for local businesses and increase sales tax revenues that support economic development and public services.