



PRICED OUT

A Regional Report

Assemblymember Toni Atkins

The Housing Situation in the 78th 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 \$55,120 in San Diego County — significantly more than child care workers, nursing aides, and security guards earn.

Homeownership is even further out of reach. As of October 2012, median home prices were still extremely high in district communities like Coronado (\$1,295,000), Del Mar (\$1,200,000), and Solana Beach (\$895,000). Even with home prices dropping, a home buyer in the district must earn more than \$74,194 a year to afford a median-priced home (\$350,000) — 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 San Diego County:

Affordable Homes Needed: 258,230
Affordable Homes Available: 200,110
Shortage: 58,120



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

VERY-LOW-INCOME EARNERS*	
Child Care Workers	\$ 24,476
Pharmacy Aides	\$ 26,363
Nursing Aides and Orderlies	\$ 25,642
Bank Tellers	\$ 27,651
Security Guards	\$ 27,912

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

LOW-INCOME EARNERS**	
Medical Transcriptionists	\$ 44,089
Payroll Clerks	\$ 44,306
Loan Counselors	\$ 46,115
Executive Secretaries	\$ 49,313
Mental Health Counselors	\$ 49,538

**below 80% 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 78th 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 2011 Point-in-Time Counts found 9,436 homeless individuals in San Diego County, of whom 564 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.

Environment

Recent legislation provides incentives and requirements for residential development to be part of efforts to improve energy efficiency, preserve water quality, and limit emissions. Affordable homes, in particular, contribute to California's efforts to protect the environment. To reduce construction costs and rents, affordable homebuilders build more compactly, using land, water, and energy resources more efficiently. Most affordable home developments are in locations closer to jobs and daily needs, increasing options for walking and public transit use, and reducing vehicle travel, greenhouse gas emissions, and development pressure on agricultural land and open space.

Public Safety

In too many neighborhoods, high housing costs have led to overcrowding, straining parking, fire departments, law enforcement, and public services. These costs could be decreased if households did not have to crowd family members into homes that are too small for them or bring in others to afford rent.

More options in the housing market would reduce other public safety costs as well:

- Today's affordable homebuilders reduce demands on law enforcement by screening their tenants carefully and closely managing their apartment communities to make sure that they are safe, quality places to live.
- With additional options, battered women and their children can more easily afford to leave their abusers without risking homelessness and further victimization on the street, reducing law enforcement and related costs. According to the National Law Center on Homelessness and Poverty, almost 50% of homeless women in San Diego reported being victims of domestic violence
- With housing and treatment, people with mental illness will be less likely to end up in jail or prison. The cost of incarceration is roughly \$110,000 per year for those with serious mental conditions. If people with mental illnesses can find a home with supportive services that helps them remain stable, they are less likely to experience breakdowns or engage in criminal behavior.