



PRICED OUT

A Regional Report

Assemblymember Rocky Chavez

The Housing Situation in the 76th 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 high in district communities like Carlsbad (\$590,000), Encinitas (\$702,500) and Oceanside (\$316,000). 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 76th 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 9,436 homeless individuals in San Diego County, 564 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.

Business and the Economy

According to the San Diego Regional Chamber of Commerce, “The inability to create housing for the region’s workforce poses a significant threat to its ability to attract and retain entry and mid-level jobs. ... Clearly, there is not sufficient new housing to accommodate the needs of new employees. Consequently, companies will begin to relocate or expand outside of the state if salaries are inadequate to pay for increasing housing costs.” States the EDC, “The competitive effects are borne out in State of California figures showing that many more people have left San Diego County for other parts of the country than have moved here in the past few years.”

Improving the match between housing costs and incomes through a greater range of rental and ownership choices will increase local employers’ access to an ongoing labor force, including the younger and lower-wage workers they need to be productive. Employers and employees alike benefit from greater continuity and productivity when people can afford to live closer to work, reducing commutes and traffic congestion.

Veterans

A 2011 county-wide homeless count revealed more than 1,600 homeless veterans in San Diego County. Providers are continuing to see new homeless veterans who have returned from Iraq and Afghanistan with physical and/or mental traumas, and without a stable living environment, California’s former servicemen and women have difficulty seeking necessary care and treatment. Homeless veterans have disproportionate rates of Post Traumatic Stress Disorder and substance abuse, along with hepatitis C, diabetes, prostate cancer, and HIV/AIDS, which can be life-threatening without proper treatment and a stable home.

According to San Diego’s Regional Task Force on the Homeless, “Homeless veterans do not always fare well in programs designed for the general homeless population. Dropout and recidivism rates can be high and therefore programs that specifically tailor their services to veterans are needed.” Veterans programs that provide homes with supportive services are critical, so veterans can address their medical, mental health, substance abuse, and employment issues and successfully reenter society.