



PRICED OUT

A Regional Report

Assemblymember Susan Bonilla

The Housing Situation in the 14th 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 in the district needs an annual income of \$49,160 in Solano County and \$56,080 in Contra Costa County — significantly more than bank tellers, preschool teachers, and nursing aides earn.

Homeownership is also out of reach. As of October 2012, median home prices were still high in district areas like Pleasant Hill (\$425,750), Benicia (\$266,500), and Martinez (\$302,500). Even with home prices dropping, a home buyer in the district must earn, on average, more than \$55,009 a year to afford a median-priced home (\$259,500) — 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 Contra Costa County alone:

Affordable Homes Needed: 62,995

Affordable Homes Available: 53,250

Shortage: **9,745**



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

VERY-LOW-INCOME EARNERS*

Child Care Workers	\$ 25,028
Bank Tellers	\$ 27,022
Security Guards	\$ 27,082
Preschool Teachers	\$ 28,966
Nursing Aides and Orderlies	\$ 32,942

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

LOW-INCOME EARNERS**

Dental Assistants	\$ 41,478
Construction Laborers	\$ 41,968
Mental Health Counselors	\$ 44,611
Payroll Clerks	\$ 46,743
Legal Secretaries	\$ 47,124

**below 80% of median income for a family of four

A range of homes affordable to all affects many of the issues that you care about.

Public Safety

When there is a greater range of housing options that people can afford, public safety benefits:

- 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, up to 57% of homeless women reported domestic violence as the direct cause of their homelessness.

- People with mental illness will be less likely to end up in jail or prison due to a lack of housing and treatment. The cost of incarceration is roughly \$110,000 per year for those with serious mental conditions. If people with mental illnesses can find homes with supportive services that help them remain stable, they are less likely to experience breakdowns or engage in criminal behavior. This reduces demands on our criminal justice system, while improving the lives of those with mental illnesses.

- Today's affordable homebuilders also 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.

Increasing the options for renting or owning a home also supports police and fire operations. Local fire and police departments have an easier time recruiting and retaining lower-paid key support staff, such as mechanics, dispatchers, and emergency medical personnel, when they can afford to live near work.

Foster Youth

Home affordability is also an issue for foster youth. The outcome for too many teens as they leave foster care is grim. Within one year to 18 months of leaving foster care:

- 30% will be homeless.
- 40% will suffer serious physical victimization, including sexual assault.
- 33% will be forced to rely on public assistance.

As of January 2012, there were more than 1,300 children in Contra Costa and Solano County's foster care systems. These especially at-risk youth need to be able to find a safe, affordable home, preferably one that provides ongoing support and resources, so that they can work on building a healthy and successful life for themselves. Foster youth who receive services are less likely to go to jail or prison, and more likely to finish high school. Expansion of programs such as Transitional Housing Placement (THP) Plus is needed to help provide the transition.

Children and Education

Despite foreclosures and home price declines, finding an affordable home is an ongoing challenge for working families in the 11th 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. 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.