



# PRICED OUT

A Regional Report

## Assemblymember Jim Frazier

### The Housing Situation in the 11th 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 average annual income of \$48,693 — significantly more than bank tellers, preschool teachers, and nursing aides earn.

Homeownership is even further out of reach. As of October 2012, median home prices were still high in district areas like Vacaville (\$244,000), Oakley (\$260,000), and Discovery Bay (\$325,000). Even with home prices dropping, a home buyer in the district must earn, on average, more than \$49,392 a year to afford a median-priced home (\$233,000) — 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 Solano County alone:

Affordable Homes Needed: 28,960  
Affordable Homes Available: 26,120  
**Shortage: 2,840**



### 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**

More options in the housing market reduce public safety costs:

- 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.

- Substandard and overcrowded housing increases fire department risks, strains parking, law enforcement, and public services. Such public costs could be decreased if households could afford the rent without having to crowd into residences that are too small for them or needing to bring in relatives or others to cover monthly payments.

- With more alternatives, battered women and their children could 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, more than 57% of homeless women cite domestic violence as the direct cause of their homelessness.

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

## **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.

Building homes that increase variety and balance in the market also increases local construction employment. Even in these tough economic times, affordable homebuilders are continuing to provide well-paid, construction-related jobs that support both families and the economy.

## **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.