



PRICED OUT

A Regional Report

Assemblymember Tim Donnelly

The Housing Situation in the 33rd 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 \$45,960 in San Bernardino County — significantly more than security guards, ambulance drivers and medical assistants earn.

Homeownership is also out of reach. As of October 2012, median home prices were still high in district communities like Big Bear Lake (\$233,750). Even with home prices dropping, a home buyer in the district must earn more than \$36,037 a year to afford a median-priced home (\$170,000) — 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 Bernardino County:

Affordable Homes Needed: 124,370
Affordable Homes Available: 99,250
Shortage: 25,120



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 33rd 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 2,825 homeless individuals in San Bernardino County, 189 of which 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

Affordable homes 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.

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.

If they can find a reasonable place to live after college, young adults graduating from CSU San Bernardino and other local colleges and universities, will be more likely to remain in the area and contribute their skills to the local economy (especially those with student loans to pay back).

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.