



# PRICED OUT

A Regional Report

## Assemblymember Henry T. Perea

### The Housing Situation in the 31st 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 \$33,160 in Fresno County — significantly more than receptionists, preschool teachers, and paramedics earn.

Homeownership is also out of reach. As of October 2012, median home prices were still high in district communities like Kingsburg (\$165,000) and Reedley (\$148,750). Even with home prices dropping, a home buyer in the district must earn more than \$33,917 a year to afford a median-priced home (\$160,000) — 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 Fresno County:

Affordable Homes Needed: 78,345  
Affordable Homes Available: 69,185  
 Shortage: 9,160



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

#### VERY-LOW-INCOME EARNERS\*

Child Care Workers	\$ 20,682	Bank Tellers	\$ 26,145
Security Guards	\$ 22,181	Receptionists	\$ 26,471
Physical Therapist Aides	\$ 23,865	Preschool Teachers	\$ 28,110
Veterinary Assistants	\$ 25,884	Paramedics and EMTs	\$ 28,593
Nursing Aides and Orderlies	\$ 26,062	Medical Assistants	\$ 28,675

\*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 31st 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.

## **Veterans**

The 2011 Fresno-Madera Point in Time Count found nearly 600 veteran who are homeless on any given night. Providers are continuing to see new homeless veterans who have returned from Iraq and Afghanistan with physical and/or mental traumas, including high rates of Post Traumatic Stress Disorder and substance abuse. Homeless veterans also have high rates of hepatitis C, diabetes, prostate cancer, and HIV/AIDS, all potentially life-threatening conditions without proper treatment.

From the stability of a home, it is much easier for California's former servicemen and women to contact health-care providers, receive appointment reminders, maintain relationships with doctors and practitioners, and obtain medications so they can address medical, mental-health, and substance abuse issues; pursue job training; and return to productive lives.

## **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 Fresno State 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.