



# PRICED OUT

A Regional Report

## Senator Tom Berryhill

### The Housing Situation in the 14th Senate 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 \$34,980 — significantly more than child care workers, security guards, and ambulance drivers earn.

Homeownership is also out of reach. As of October 2012, median home prices were still high in district communities like Clovis (\$239,000), Linden (\$255,000), and Ripon (\$340,000). Even with home prices dropping, a home buyer in the district must earn, on average, more than \$33,705 a year to afford a median-priced home (\$159,000) — 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 alone:

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
Pharmacy Aides	\$ 22,047
Security Guards	\$ 22,181
Ambulance Drivers	\$ 25,612
Nursing Aides	\$ 26,062

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

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

EMTs and Paramedics	\$ 28,593
Veterinary Technicians	\$ 29,333
Medical Secretaries	\$ 30,269
Office Clerks	\$ 30,269
Dental Assistants	\$ 32,716

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

## Agriculture

Affordable home options support the agricultural industry in accessing the labor force they need to be productive. According to the Fresno Council of Governments in the 2007 Regional Housing Needs Assessment, “Two main factors lie behind the worsening housing shortage for farmworkers: there are more farmworkers and many farmers have ceased to provide housing. A shrinking supply with an increasing demand has led to higher prices in rural areas, resulting in housing costs that are high relative to farmworker income. This has led to significant overpaying for housing and overcrowding of housing.”

Like others, when farm workers have access to more permanent and more affordable homes, they can seek long-term employment with higher wages and benefits, and their children can stay in the same schools, giving them more opportunities for success.

## Children and Education

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

## Public Safety

Public safety benefits when there is a range of housing that people can afford. In too many communities in the Central Valley, lower incomes have led to overcrowding, straining parking, fire departments, law enforcement, and public services. These public costs could be decreased if households could afford rent without having to crowd family members into residences that are too small for them or bring in relatives or others to cover monthly payments.

More options in the housing market would reduce other 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.
- 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 reported domestic violence as the direct cause of their homelessness.
- 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 saves significantly on costs related to law enforcement, courts, imprisonment, and parole.