



PRICED OUT

A Regional Report

Senator Leland Yee

The Housing Situation in the 8th 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 an average two-bedroom apartment, a family needs an income of \$76,200 in San Francisco and in San Mateo County — significantly more than preschool teachers, bank tellers, and paramedics earn.

Homeownership is also out of reach. As of October 2012, median home prices were still extremely high in district areas like San Francisco (\$800,000), Belmont (\$976,250), and Burlingame (\$1,450,000). Even with home prices dropping, a home buyer in the district must earn, on average, more than a whopping \$151,568 a year to afford a median-priced home (\$715,000) — 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 Francisco County alone:

Affordable Homes Needed: 105,775
Affordable Homes Available: 81,775
Shortage: 24,000



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

VERY-LOW-INCOME EARNERS*

Teacher Assistants	\$ 33,695
Receptionists	\$ 36,986
Nursing Aides	\$ 37,837
Preschool Teachers	\$ 38,962
Veterinary Technicians	\$ 39,401

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

LOW-INCOME EARNERS**

School Counselors	\$ 60,831
Law Clerks	\$ 61,624
Ambulance Dispatchers	\$ 61,665
Administrative Assistants	\$ 62,020
Kindergarten Teachers	\$ 63,930

**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.

Business and the Economy

Families in the 8th Senate District 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. Affordable rental/apartment homes also provide opportunities for low-wage families and younger workers to increase their assets, so they can eventually own a home.

Health Care

A recent study of the link between home and health reports, "Inability to afford adequate housing drives many families into overcrowded units, frequent evictions or changes of address and episodes of homelessness, all of which have consequences for the families' health, both mental and physical." Homeless children, persons with mental illnesses, veterans, and older adults are especially at risk health-wise.

From the stability of a home, it is much easier for families and individuals to contact health-care providers, receive appointment reminders, plan transportation, obtain medications, and maintain relationships with doctors and practitioners.

Homes offering supportive services for those with chronic conditions help residents address their ongoing health and mental-health problems more effectively. This reduces costly demands on our health-care system, including emergency rooms, public hospitals, inpatient psychiatric hospitals, and veterans' hospitals, as well as our criminal justice system.

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 have cited 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.
- 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.