

Homelessness & the High Cost of Housing

City of San Diego Planning Commission Workshop

June 21, 2018

Stephen Russell
Executive Director
San Diego Housing Federation
housingsandiego.org

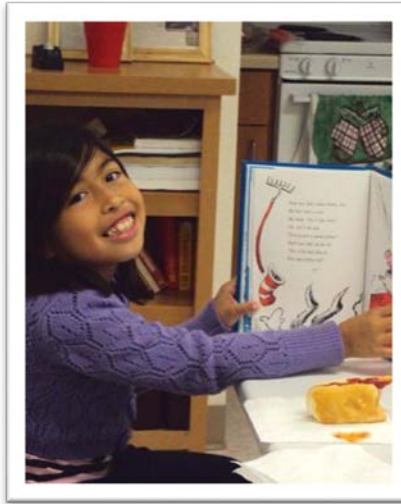
A decorative bar at the bottom of the slide, consisting of a green horizontal line above a wider orange horizontal bar.

Our Vision



San Diego is a thriving and sustainable region
where all of us have access to a safe and stable
place we can afford to call home

Our Belief



A safe place to call home is the basis for all other successful outcomes in life – social, medical, educational, vocational.



San Diego's Voice for Affordable Housing

SDHF promotes the creation and preservation of homes that are affordable to families living on modest budgets and those in need

- Working families
- Seniors
- Veterans
- Foster youth
- Neighbors living with mental or physical disability
- Recently homeless individuals

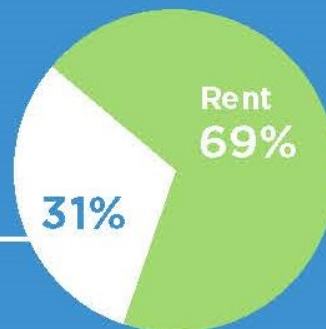


Affordability Crisis

**WHAT DO
SAN DIEGO
COUNTY'S
RENTERS HAVE
LEFT OVER
AFTER PAYING
RENT?**

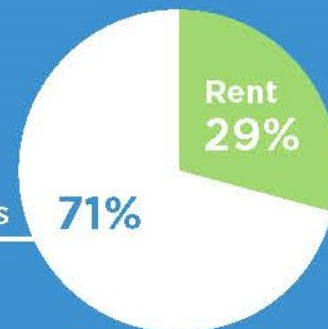
HOUSEHOLDS EARNING HALF OF MEDIAN INCOME OR LESS

Food,
Transportation,
Health Care,
& Other Essentials



MEDIAN INCOME HOUSEHOLDS

Food,
Transportation,
Health Care,
& Other Essentials



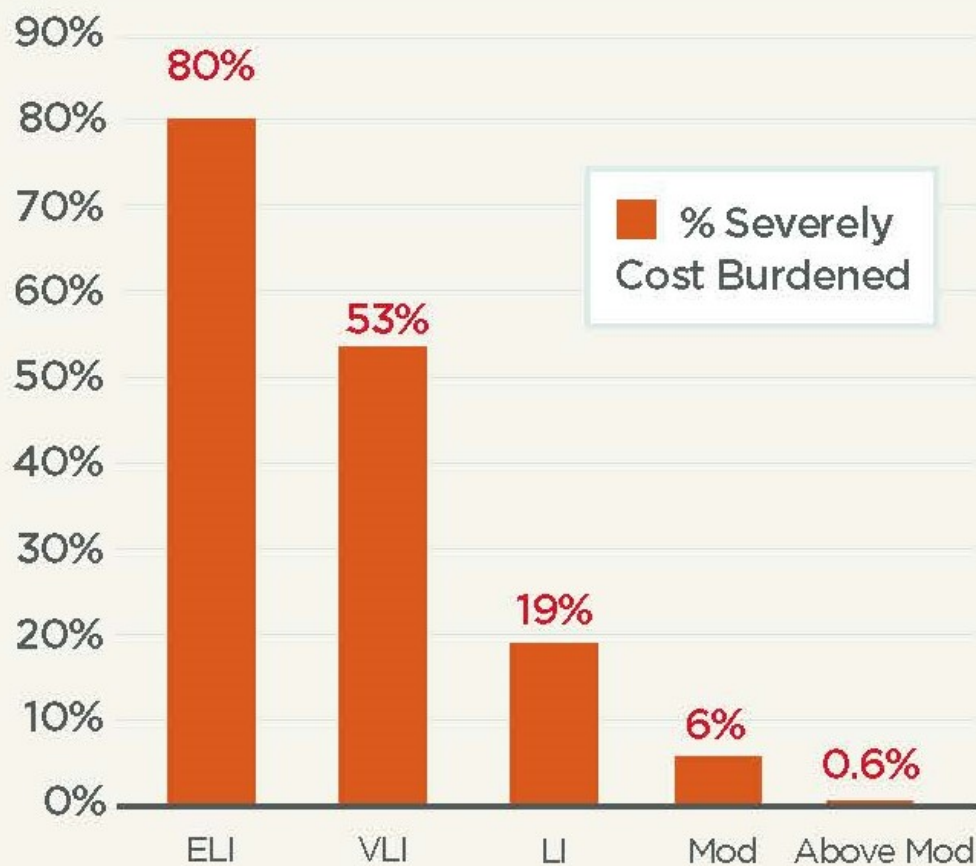
Source: NLIHC analysis of 2016 PUMS data.



**SAN DIEGO
HOUSING
FEDERATION**



PERCENTAGE OF SEVERELY COST BURDENED* HOUSHOLDS BY INCOME GROUP



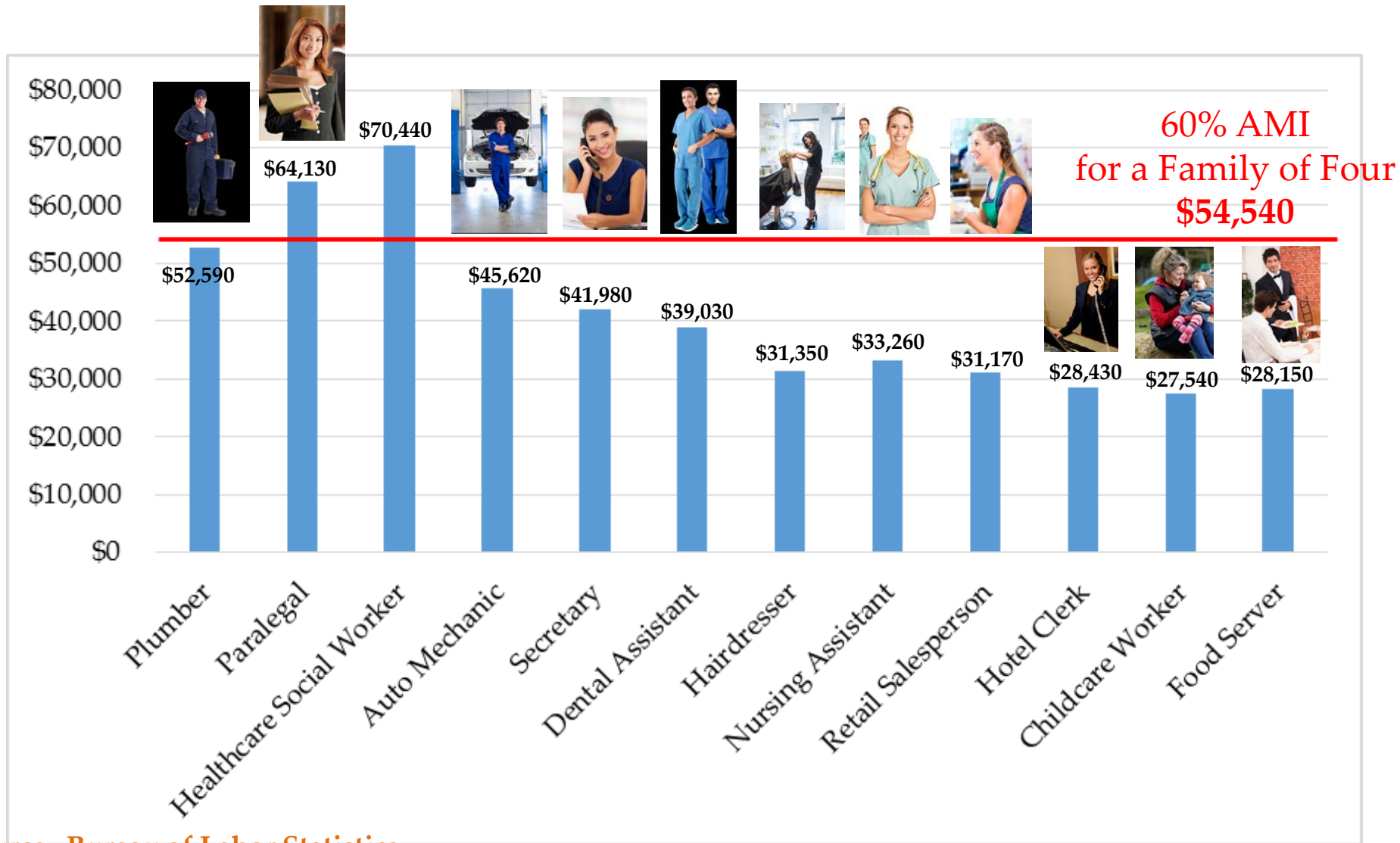
Source: NLIHC analysis of 2016 PUMS data.

*Severely cost-burdened households spend more than 50% of their income towards housing costs.



SAN DIEGO
HOUSING
FEDERATION

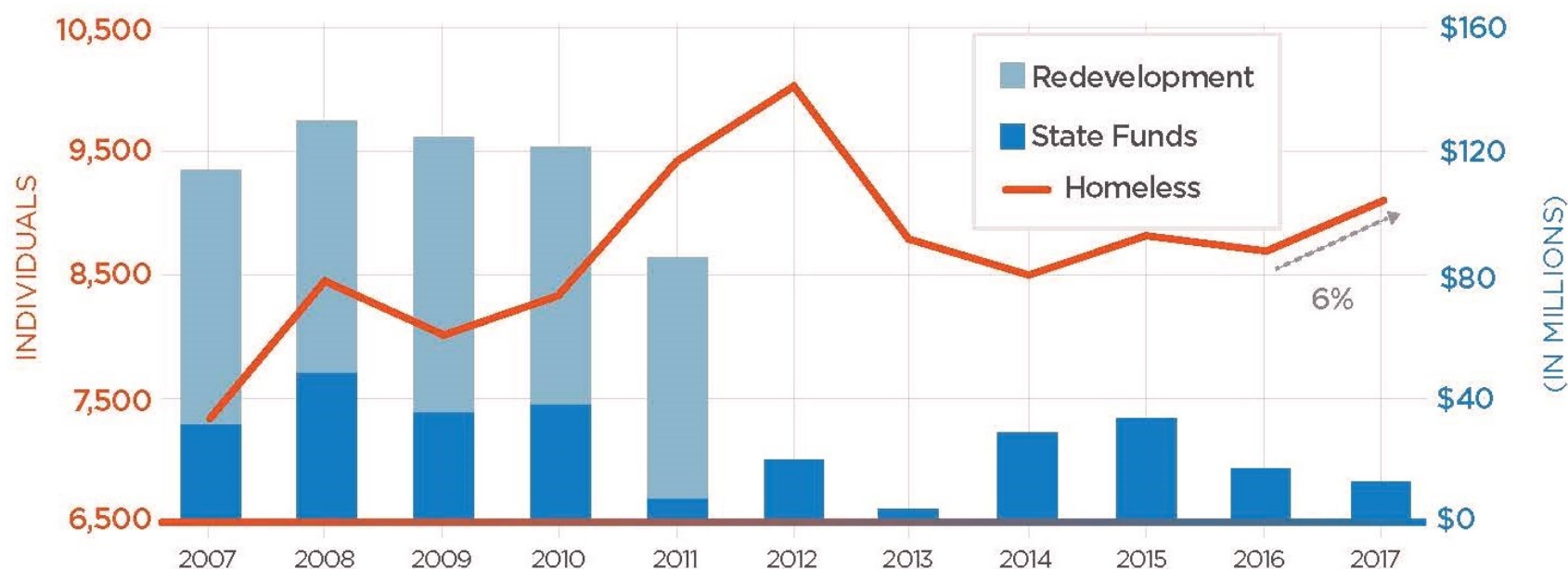
Average Salaries by Job in San Diego



Source: Bureau of Labor Statistics

Affordability Crisis

ELIMINATION OF REDEVELOPMENT & LOSS OF STATE BOND FUNDING FOR HOUSING FORESHADOWED A 6% RISE IN HOMELESSNESS IN SAN DIEGO COUNTY IN 2016-17



Source: CHPC analysis of 2008-2009 annual HCD Redevelopment Housing Activities Reports; 2008-2009 and 2016-2017 annual HCD Financial Assistance Programs Reports. Housing and Urban Development (HUD) PIT and HIC Data Since 2007. Note fiscal years are indicated by second half of fiscal year (e.g. FY 2006-2007 is presented as 2007).

Affordable Housing Challenges

- Demand increasing faster than supply
- Lack of funding
- Public opposition/concern





“Naturally Occurring Affordable Housing” (NOAH)

Typically:

- *Debt retired*
- *20+ years old*
- *Deferred Maintenance*
- *Lacking contemporary amenities*
- *Less desirable location*
- *Often absentee ownership*



“Naturally Affordable Housing”



“Naturally Affordable Housing”



“Naturally Affordable Housing”





“Naturally Occurring Affordable Housing” (NOAH)

New housing typically
“filters down” with time...

*But in a constrained market,
housing is BID UP.*





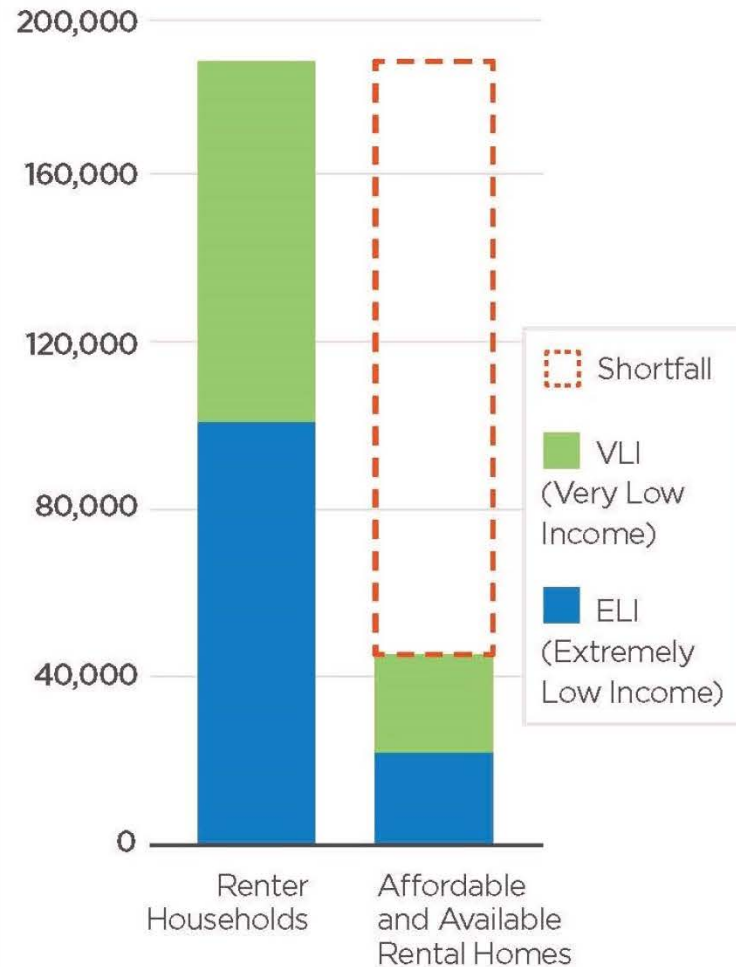
Affordability Crisis

- Housing production is not meeting need
- Households are rent burdened
- Ownership is out of reach
- Moderate income households are bidding up existing housing stock available to lower income households.





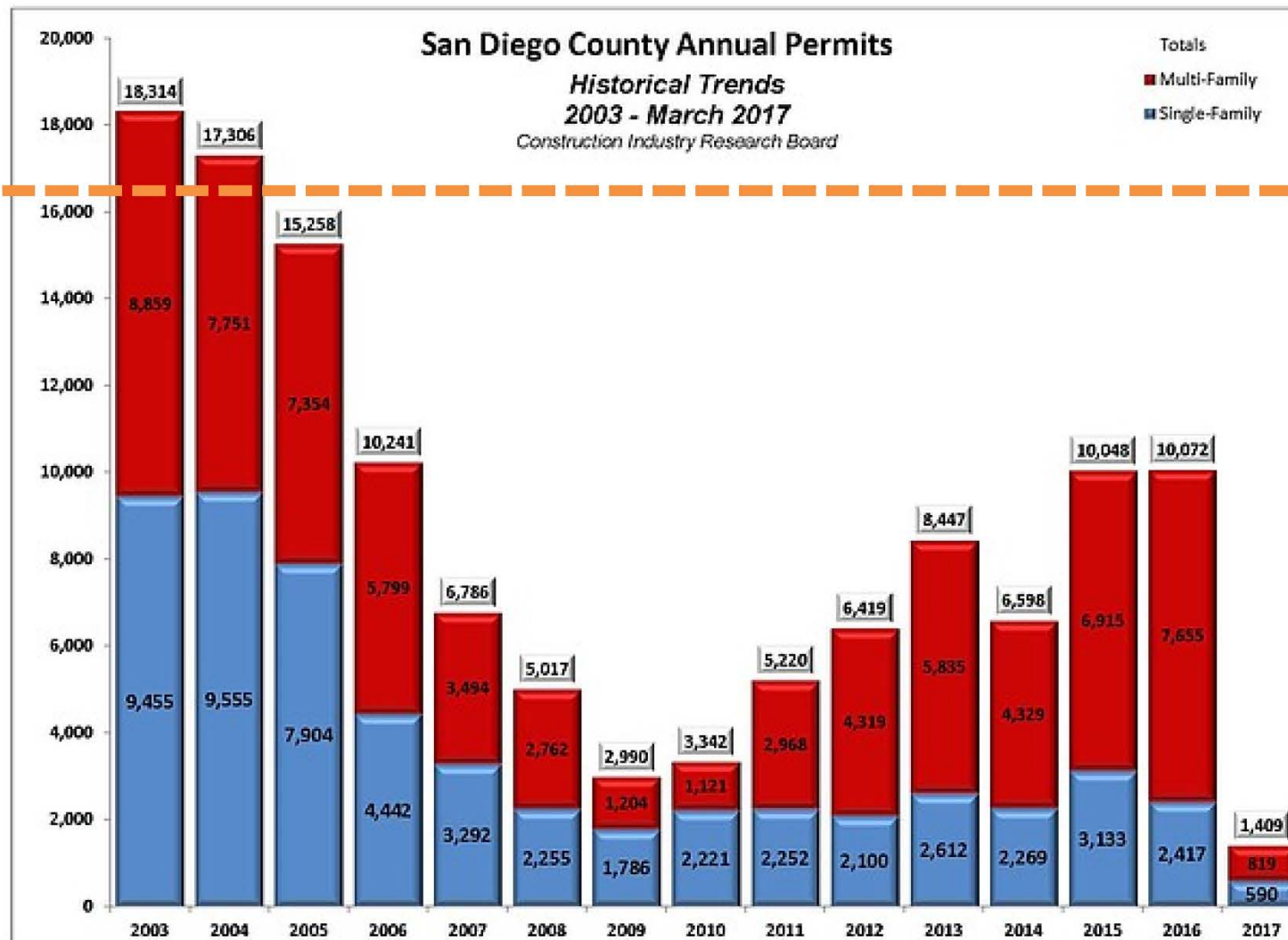
SAN DIEGO COUNTY NEEDS 143,800 MORE AFFORDABLE RENTAL HOMES



Source: NLIHC analysis of 2016 PUMS data.

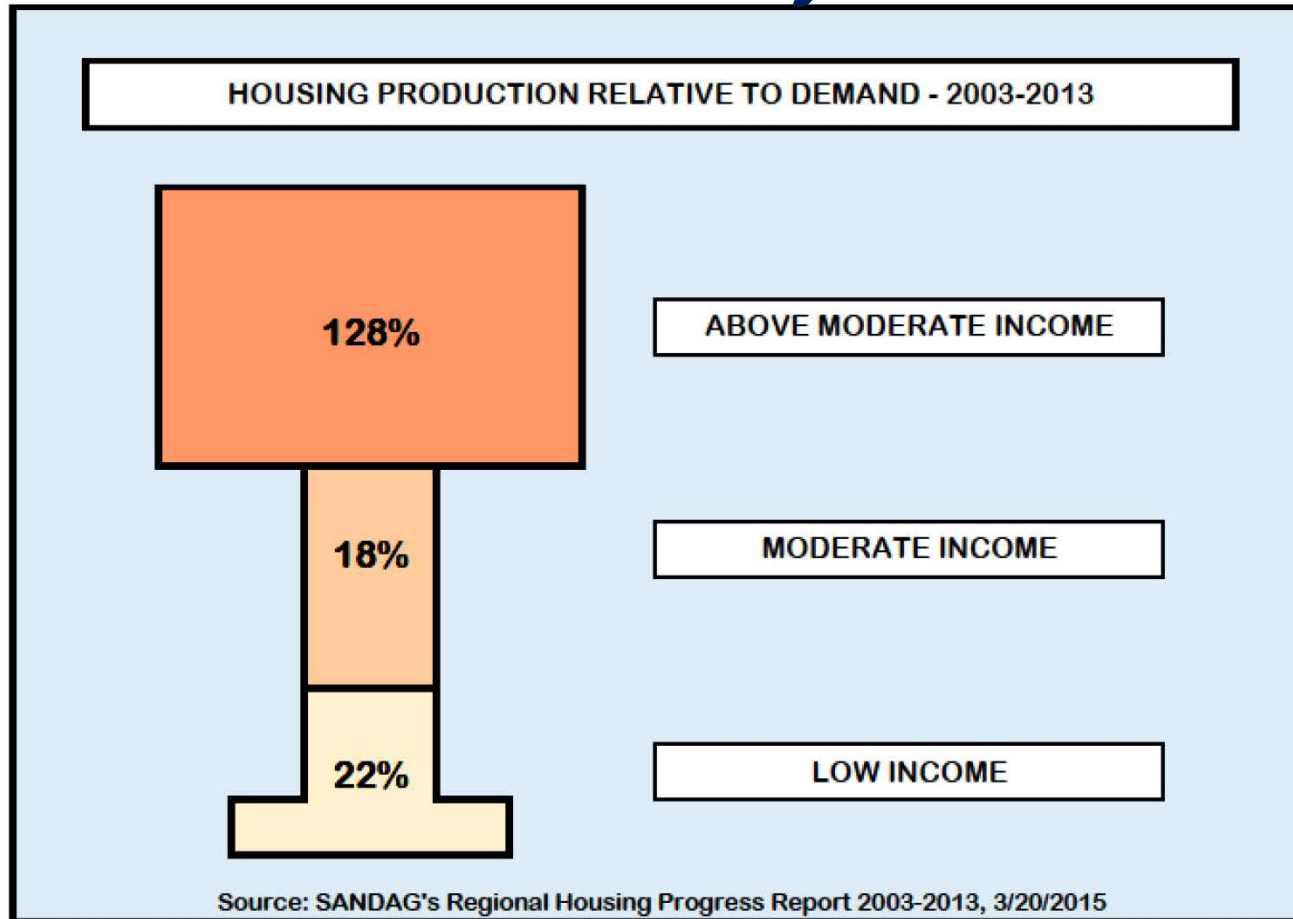


SAN DIEGO
HOUSING
FEDERATION

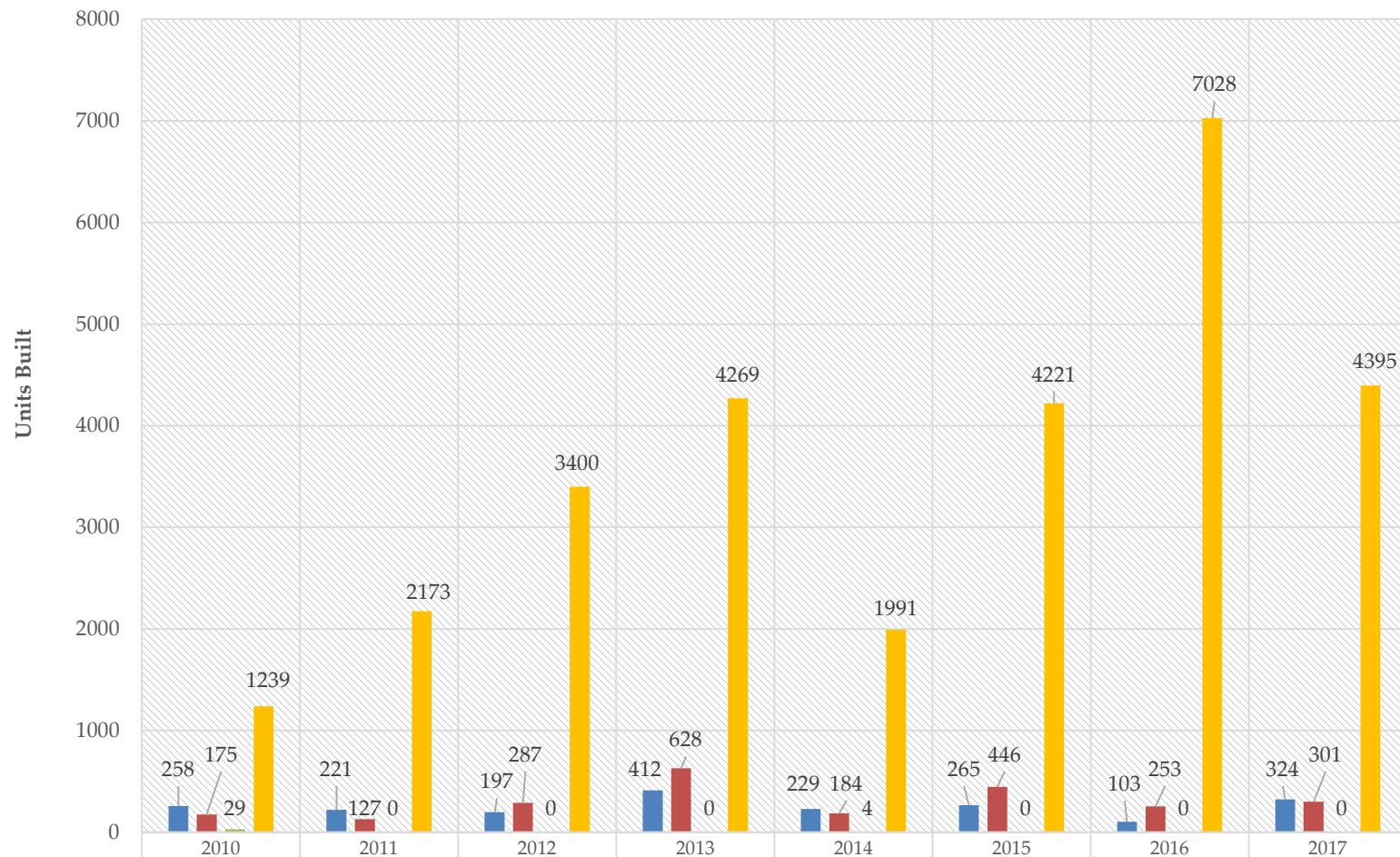


Construction Industry Research Board

Affordability Crisis



Actual Housing Production by Income Level



	2010	2011	2012	2013	2014	2015	2016	2017
Very Low	258	221	197	412	229	265	103	324
Low	175	127	287	628	184	446	253	301
Moderate	29	0	0	0	4	0	0	0
Above Moderate	1239	2173	3400	4269	1991	4221	7028	4395

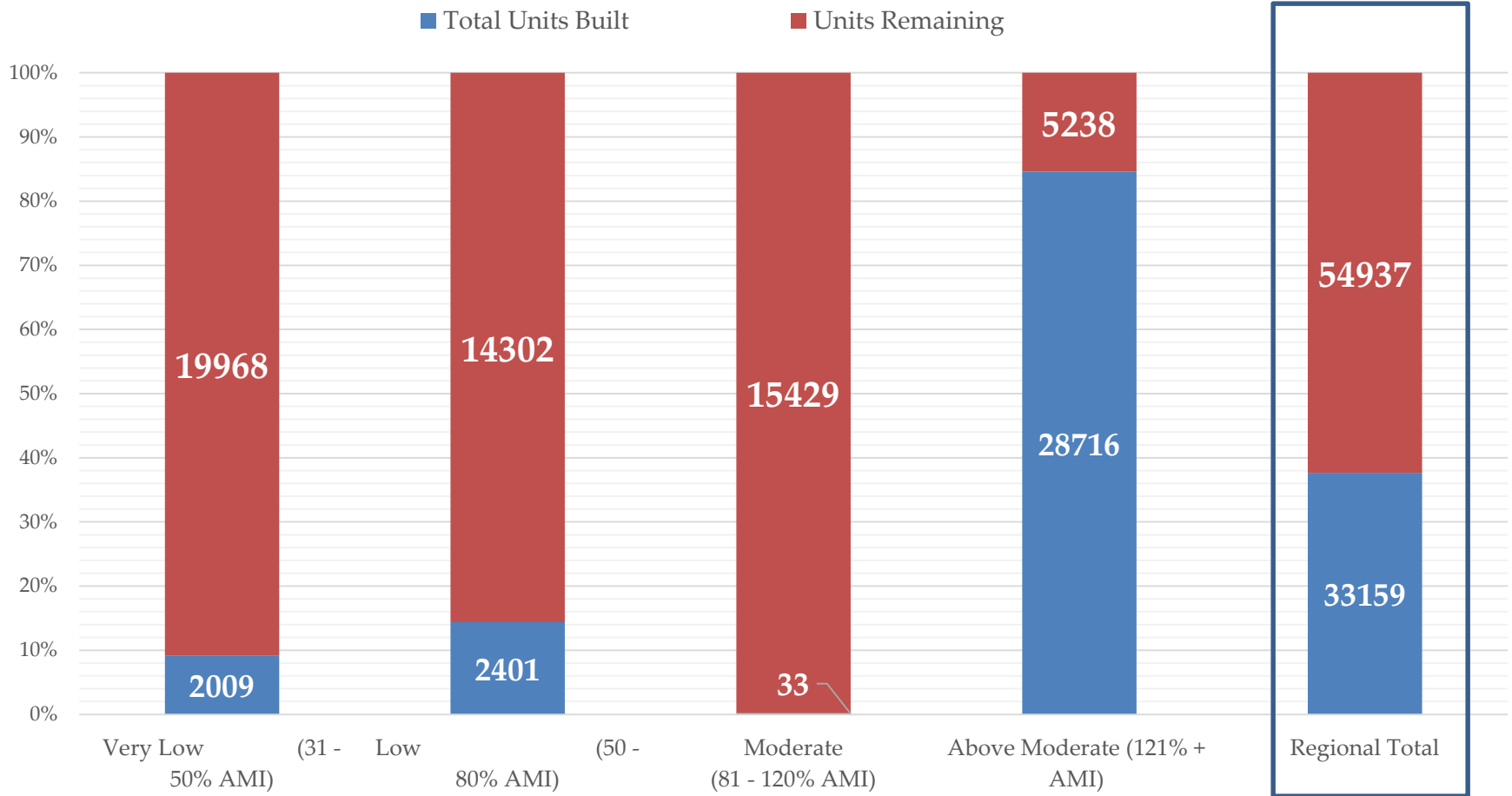
SOURCE: City of San Diego – 2018 Housing Inventory Annual Report



SAN DIEGO
HOUSING
FEDERATION

RHNA

Units Built vs Units Remaining



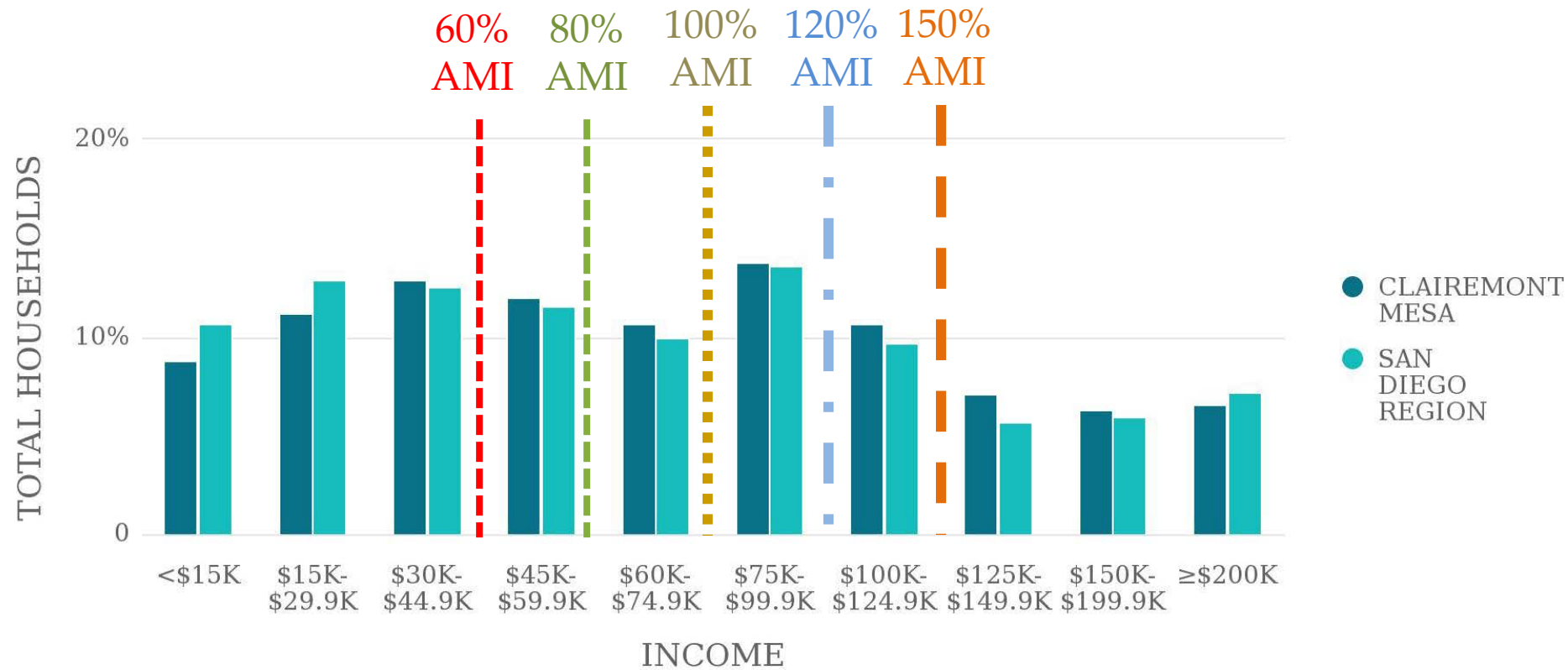
SOURCE: City of San Diego – 2018 Housing Inventory Annual Report



SAN DIEGO
HOUSING
FEDERATION



Area Median Income



LOCAL RECOMMENDATIONS FOR SAN DIEGO COUNTY

- » Place revenue measures on city and county ballots to allow voters to approve affordable housing bonds similar to those recently passed in other California jurisdictions that can provide a local revenue source to be matched with state and federal resources to finance the construction and preservation of affordable homes.
- » Prioritize the use of public lands for affordable housing and require affordable housing as a component of development on public lands located near transit.
- » Adopt and fully enact local programs to incentivize the development of affordable homes as a part of new development, similar to the City of San Diego's Affordable Homes Density Bonus Program.
- » Fully implement local policies to fund and develop affordable homes such as inclusionary ordinances and related in-lieu fees, commercial linkage fees, and SRO replacement ordinances.
- » Include affordable housing as a solution in local TOD (transit-oriented development) policies, including Climate Action Plans and SANDAG's Smart Growth Plan to make the San Diego region more competitive for State Cap-and-Trade funds.
- » Lower the cost to develop affordable homes through reforms that shorten entitlement processing times, create more certainty, and reduce unnecessary or duplicative regulatory barriers.
- » Identify local resources for services and capital that can be matched with state funds to create permanent supportive housing for individuals and families experiencing homelessness.

Thank You!

San Diego Housing Federation

www.housingsandiego.org

