



CALIFORNIA CAMPAIGN
FOR AFFORDABLE HOMES

A Regional Report

Los Angeles County



The Housing Situation in the 30th Senate District Senator Ronald Calderon

The housing market in Los Angeles County is broken. Most of what has been built is still too expensive, leaving far too many families without options for an affordable place to live.



People who are key to the local economy cannot even afford to *rent* a home. To afford an average two-bedroom apartment, a household in L.A. County needs an income of \$54,440 — significantly more than preschool teachers, carpenters and ambulance drivers earn.

Homeownership is even further out of reach. In October 2009, median home prices were still extremely high in communities like Whittier (\$315,000) and La Mirada (\$362,500). Even with home prices dropping, a first-time buyer must earn \$61,239 to afford the entry-level home in L.A. County (\$325,000).

This gap between housing costs and wages highlights the need to create more balance in the housing market. We need greater housing variety and supply so everyone can find a place they can afford.



Some of the Los Angeles County residents who would benefit include:

VERY-LOW-INCOME EARNERS*

Preschool Teachers	\$ 30,732
Barbers	\$ 30,472
Medical Equipment Preparers	\$ 30,213
Ambulance Drivers and EMTs	\$ 30,072
Landscaping Workers	\$ 28,680

*below 50% of median income

LOW-INCOME EARNERS**

Administrative Assistants	\$ 46,010
Carpenters	\$ 48,418
Choreographers	\$ 47,851
Agriculture Inspectors	\$ 47,732
Social Workers	\$ 47,531

**below 80% of median income

Increasing the predictability and stability of the housing market will bring many benefits to the 30th District.



Benefits to Families and Children

Despite foreclosures and home price declines, finding an affordable home is an ongoing challenge for working and impoverished families and their children in L.A. County. Continued high housing costs mean less money for family needs such as groceries, transportation, health care, and other items for which prices are skyrocketing. Low-income families move 50 to 100% more frequently as they continually search for rental homes they can afford.

These frequent family relocations mean that children often move from school to school. The cost of these school moves to children is significant. They often suffer from:

- Slower academic progress.
- Lower achievement levels.
- Disruptions in relationships with teachers and class friends, often resulting in social and emotional distress.
- A reduced likelihood of graduating from high school.

The 2007 Greater Los Angeles Homeless Count found more than 10,000 children in the county were homeless on any given night. Homelessness is particularly troublesome for children, resulting in poor school attendance; more academic and behavioral problems; increased hunger; more health and mental health problems; and increased risks of violent abuse, molestation, and ending up in foster care.

Increasing options for families to afford a safe and stable home will result in better outcomes for children. They will benefit from:

- Less exposure to violence.
- Increased school attendance and access to school breakfast/lunch programs.
- Reduced stress, illness, and mental-health problems.
- Having a safe place to play, do homework, and share family time.

Local schools benefit from families' increased stability, too. Teachers and classmates have fewer disruptions and are better able to focus on student achievement.

Local schools benefit from families' increased stability.



The success of a community involves everyone

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Benefits to Business and the Economy

People's ability to find an affordable place to live also helps the economy. According to the Los Angeles Business Council, "Many of Los Angeles' businesses will relocate or close their doors if the housing supply and lack of affordability is not addressed. These two issues are causing a myriad of problems for business -- most notably -- decreased productivity, high-turnover, long work commutes and an overall diminished quality of life."

A greater range of local rental and ownership choices will improve employers' access to a skilled workforce, including the lower-wage and younger workers they need to be competitive and productive. Per the Business Council, "[O]ne of the largest threats to our economy [is] the 'Brain Drain.' The 'Brain Drain' was coined to describe the alarming numbers of young professionals leaving the Southern California region -- citing the lack of affordable housing and intolerable work commutes."

Employers benefit from a reduction in costly employee turnover and increased productivity when employees can afford to reduce their commute and live closer to work. Residents living near their jobs mean more customers for local businesses, less traffic congestion, and more sales tax revenues to provide infrastructure and public services that help support the business community.

Graduates of UCLA, Cal State L.A., and other colleges and universities who can afford a reasonable place to live will be more likely to remain in the area and contribute their skills to the local economy. Affordable rental/apartment homes also provide opportunities for younger workers and low-wage families to increase their assets, so they can eventually own a home.

Building homes that increase variety and balance in the market creates more local construction employment. Even in these tough economic times, affordable homebuilders are continuing to provide well-paid, construction-related jobs that support families and the economy.

