



Fixing the Broken Housing Market in Santa Cruz County



The housing market in Santa Cruz County—like other California communities—is broken. Wages are not keeping pace with housing costs, and the variety of affordable home choices is small.

As a result, key contributors to our local economy cannot even afford to rent homes. In 2006, a Santa Cruz County resident needed an income of \$54,360 to afford a two-bedroom apartment—significantly more than firefighters, preschool teachers, and mail carriers earned on average.

Homeownership is even further out of reach. Median household income in the county is \$75,300. However, a first-time buyer must earn \$184,571 to afford the median-priced home (\$646,000).

Income needed to buy the county median-priced home = \$184,571
Santa Cruz County household median income = \$75,300

The gap between wages and the cost of homes in Santa Cruz County highlights the need for wider variety in the housing market. Today's housing market is the equivalent of a supermarket that sells filet mignon and caviar, but no hamburger or macaroni and cheese. Californians need the market to provide a full range of housing choices for people at all income levels.

One proven solution? State investment that spurs the private market to build that range of affordable homes.



SANTA CRUZ COUNTY RESIDENTS WHO BENEFIT FROM STATE INVESTMENT IN AFFORDABLE HOMES

VERY-LOW-INCOME EARNERS*

Firefighters	\$39,932
Social workers	\$33,560
Preschool teachers	\$29,951
Medical assistants	\$26,452
Home-health aides	\$18,255

*50% of median income

LOW-INCOME EARNERS**

Accountants	\$59,006
Elementary school teachers	\$47,594
Mail carriers	\$46,926
School psychologists	\$45,040
Paralegals	\$43,189

**80% of median income

