

**CLERK OF THE BOARD OF SUPERVISORS
EXHIBIT/DOCUMENT LOG**

MEETING DATE & AGENDA NO. 08/31/2021 #6

STAFF DOCUMENTS (Numerical)

No.	Presented by:	Description:
1	Staff	Power Point Presentation

2

3

4

PUBLIC DOCUMENTS (Alphabetical)

No.	Presented by:	Description:
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N/A

#6

San Diego's Housing Crisis & Potential Transformative Solutions

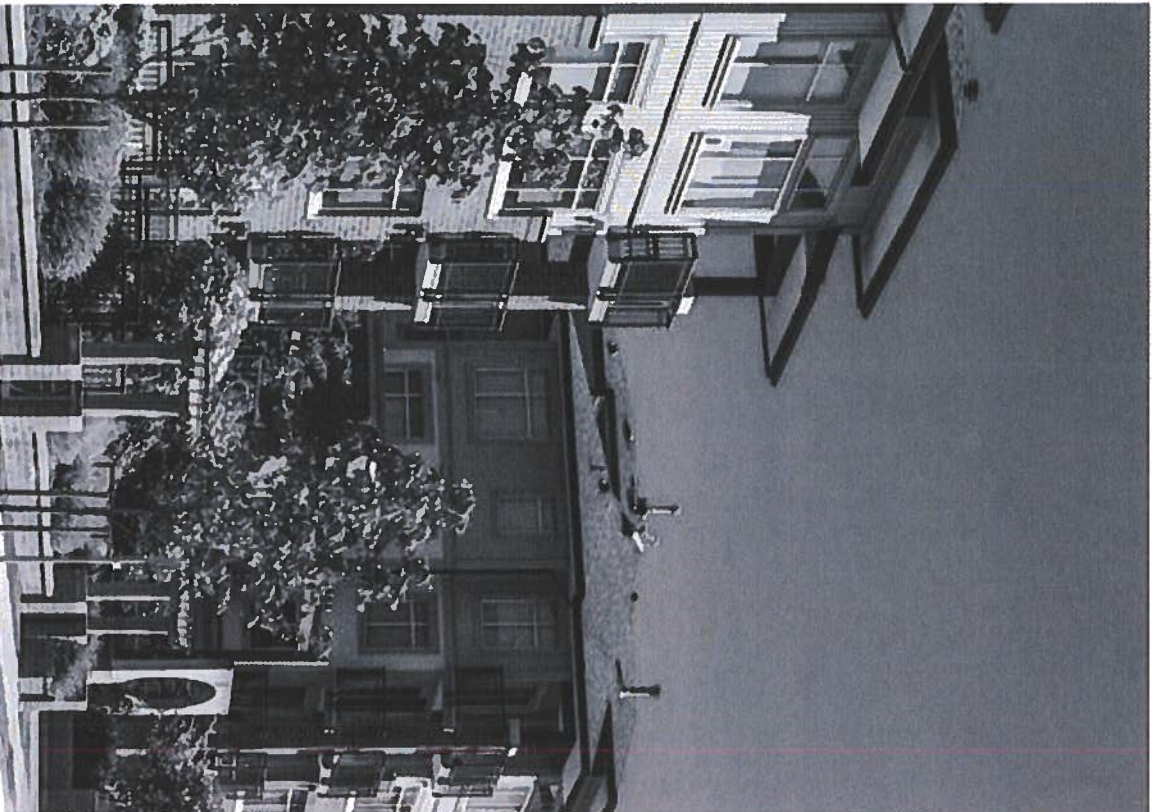


County of San Diego
August 31, 2021



The High Cost of Housing Impacts Everyone

- Renters and first-time homebuyers
- Seniors and young families
- Low-income and middle-class families
- Employers, small businesses, and workers
- Educators and students
- Healthcare providers




Housing Matters...

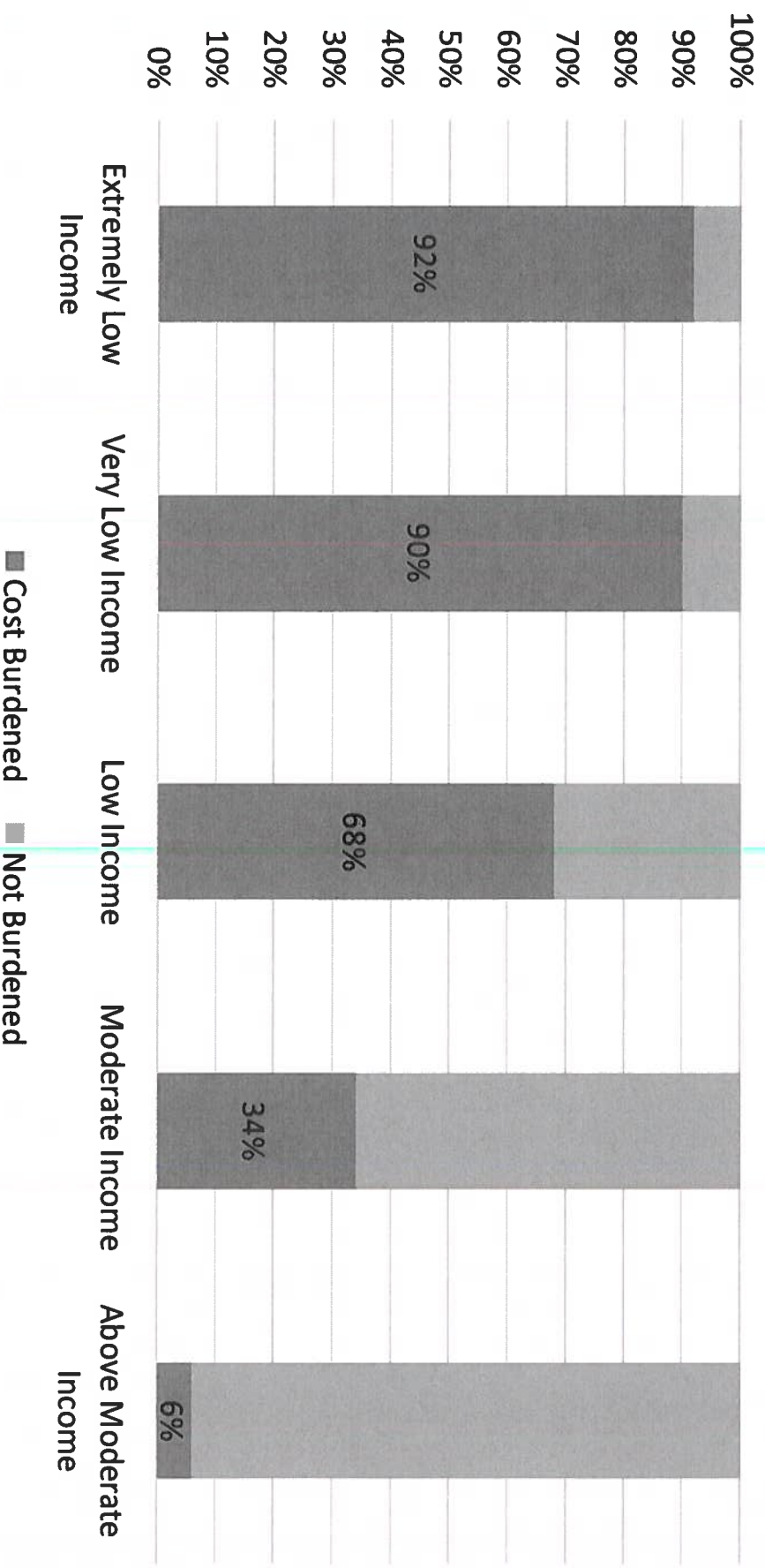
- For Equity
 - CA has the ***highest poverty rate*** in the nation due primarily to high cost of living with disproportionate impacts on vulnerable subpopulations.
- For Sustainability
 - Buildings account for ***nearly 40%*** of carbon emissions.
- For a Just Economic Recovery
 - Our regional economy depends on retaining a diverse and skilled workforce, but we are ***losing 23,000 people*** each year due to high cost of living.

San Diegans are Paying Way Too Much for Housing

Top 25 Metropolitan Areas	Households (Thousands)	Cost Burdened (%)
Los Angeles-Long Beach-Anaheim, CA	4,349	46.0
Miami-Fort Lauderdale-West Palm Beach, FL	2,107	44.6
San Diego-Carlsbad, CA	1,126	42.6
New York-Newark-Jersey City, NY-NJ-PA	7,204	42.1
Riverside-San Bernardino-Ontario, CA	1,345	41.6
San Francisco-Oakland-Hayward, CA	1,694	36.7
Boston-Cambridge-Newton, MA-NH	1,821	34.5
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	2,280	34.2
Chicago-Naperville-Elgin, IL-IN-WI	3,489	34.2
Tampa-St. Petersburg-Clearwater, FL	1,210	34.2
Seattle-Tacoma-Bellevue, WA	1,490	32.9
Phoenix-Mesa-Scottsdale, AZ	1,676	31.1
Washington-Arlington-Alexandria, DC-VA-MD-WV	2,209	31.1
Houston-The Woodlands-Sugar Land, TX	2,326	31.1
Dallas-Fort Worth-Arlington, TX	2,572	30.9
Atlanta-Sandy Springs-Roswell, GA	2,104	30.8
Detroit-Warren-Dearborn, MI	1,708	29.2
St. Louis, MO-IL	1,119	27.3
Minneapolis-St. Paul-Bloomington, MN-WI	1,377	26.1
United States	120,063	31.5


 San Diego's Housing
 Cost-Burden Ranks 3rd
 Worst among all
 106 Metro Areas
 Cost-burdened =
 paying over 30% of
 gross income in
 housing expenses

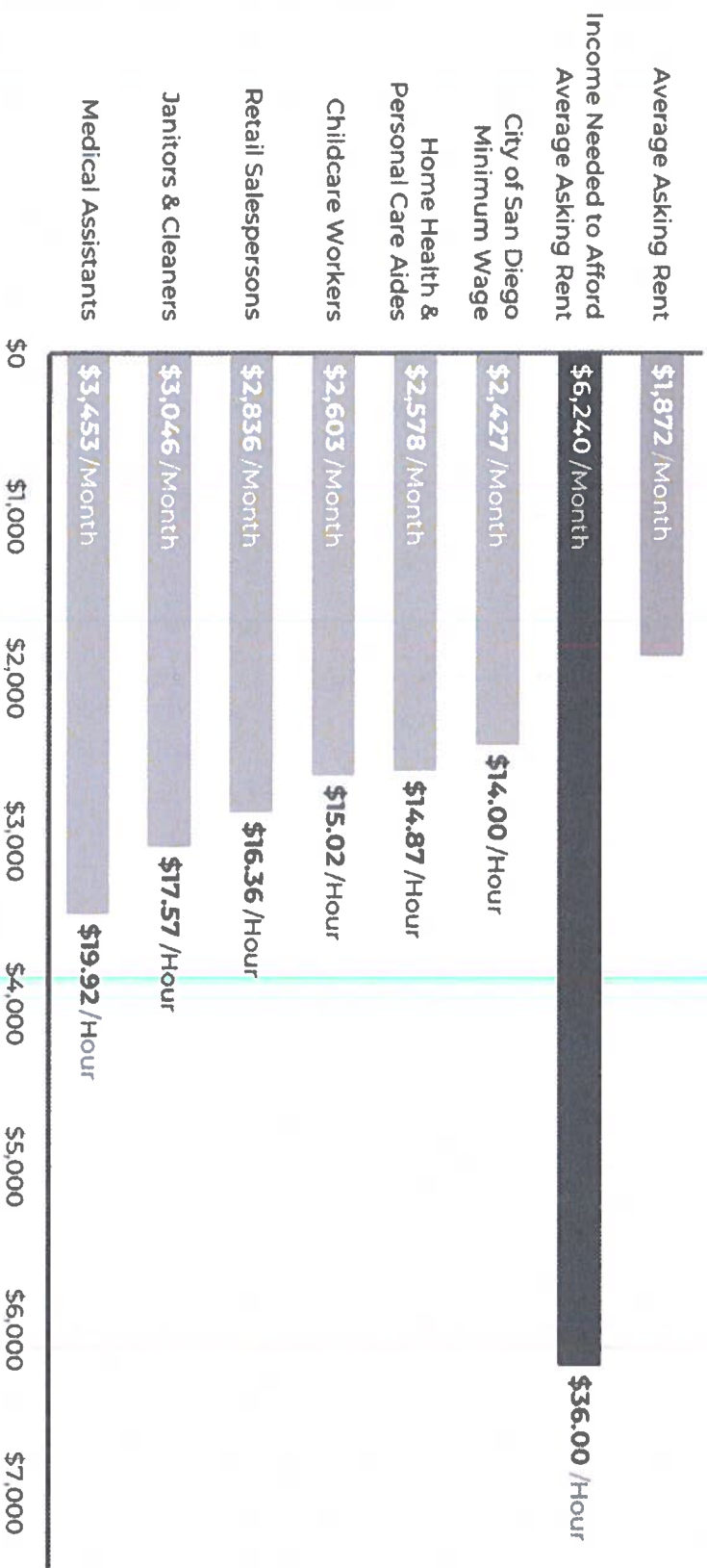
Housing Cost-Burden is Felt Across the Income Spectrum



Source: *Community Housing Partnership*, 2020

Half of Renters are Housing Cost-Burdened

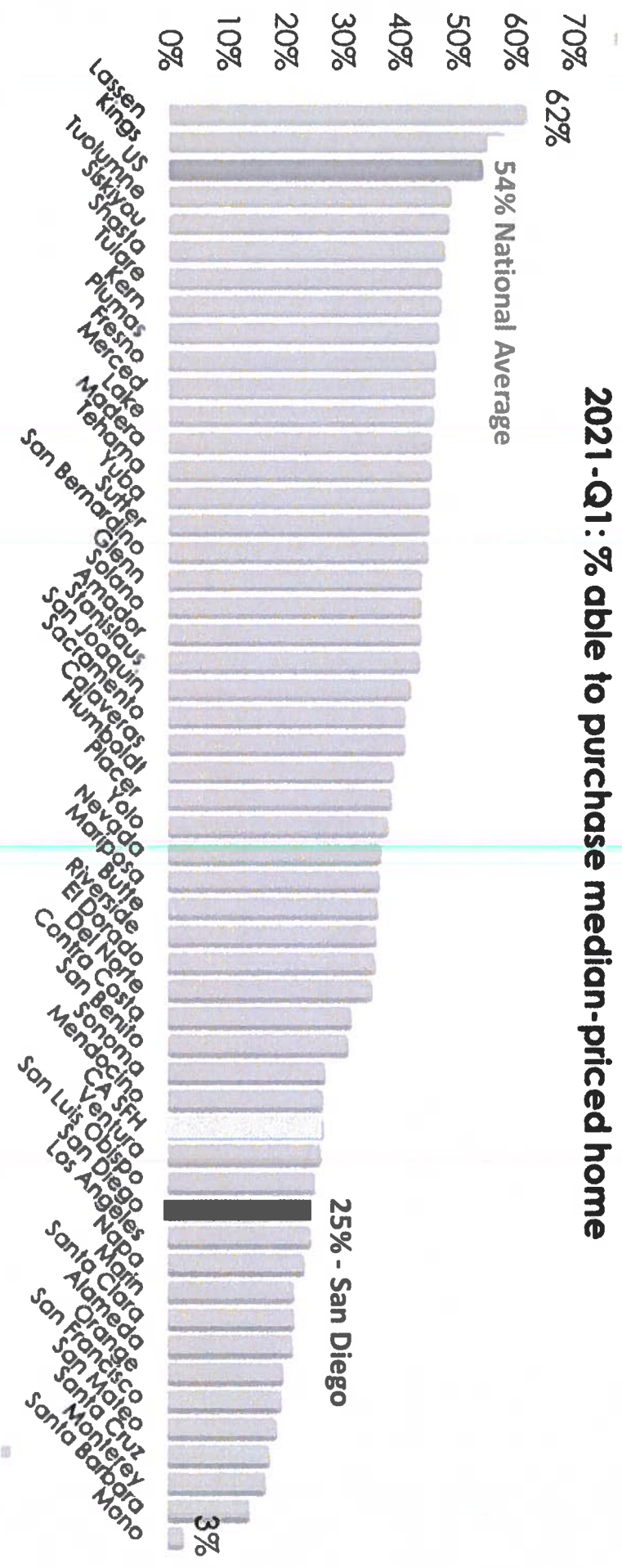
Renters need to earn 2.6 times minimum wage to afford the average asking rent in San Diego County



Source: Community Housing Partnership: 2020

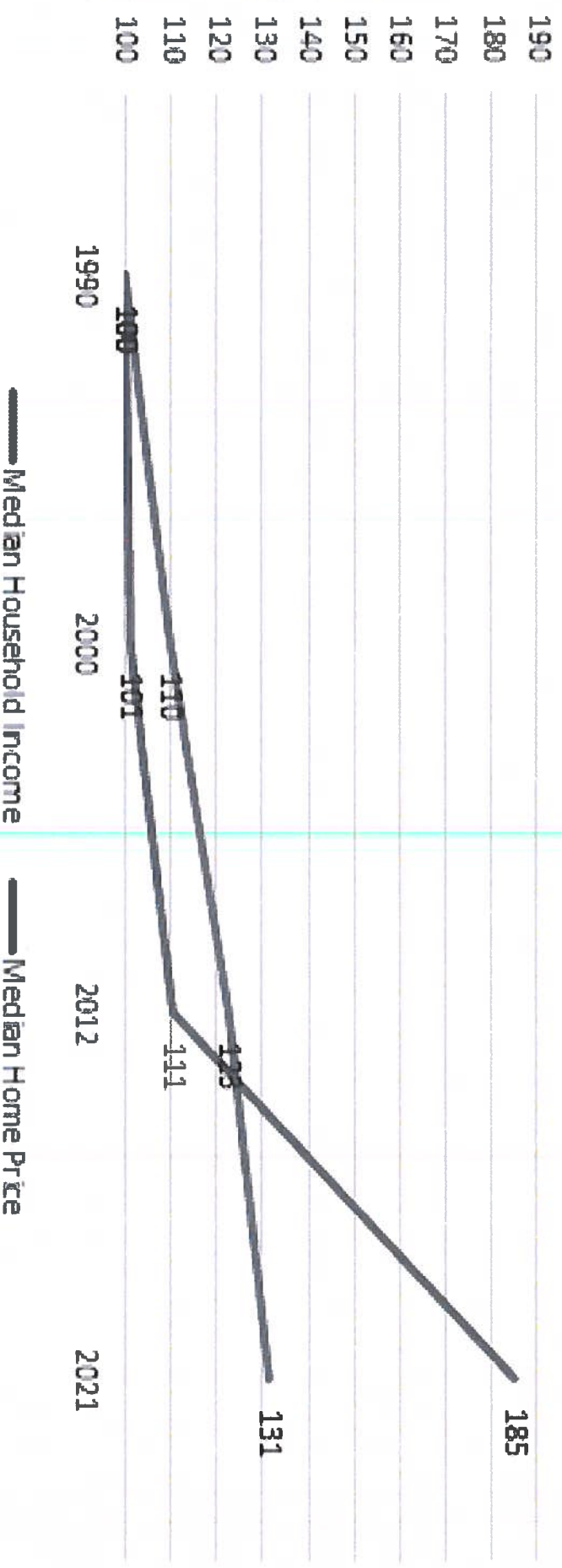
Homeownership is Increasingly Out of Reach

- 1/3 of Homeowners are cost-burdened
- Only 25% of San Diegans can afford to buy a median home, half the national rate

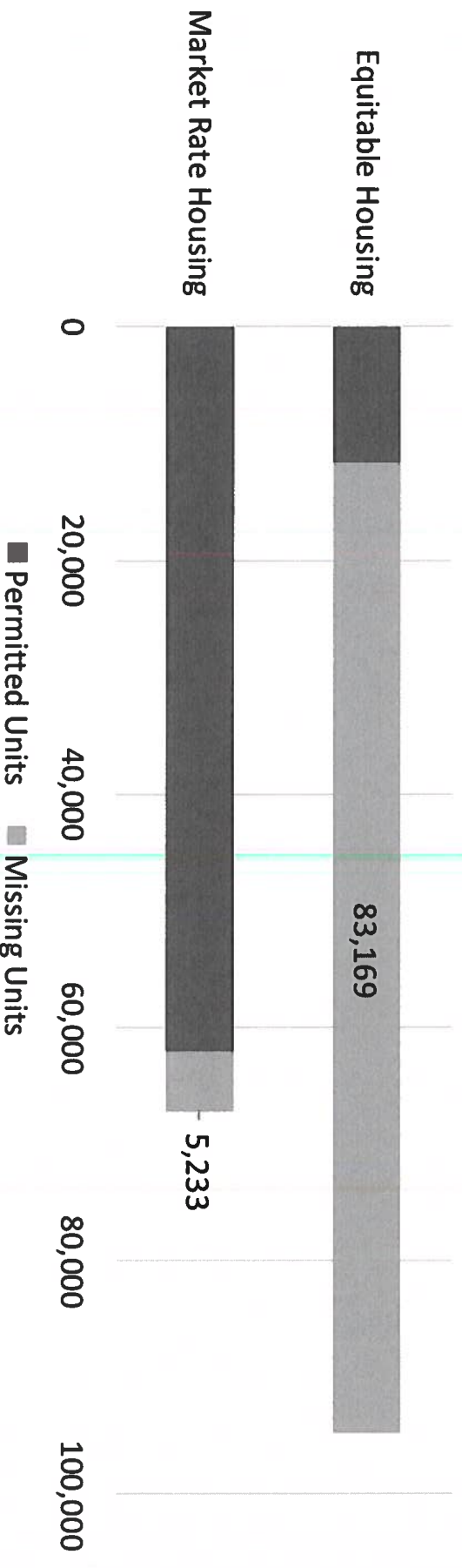


Home Prices have Increased Much Faster than Incomes

Median Household Income and Median Home Price
(Indexed to 1990, Inflation Adjusted)



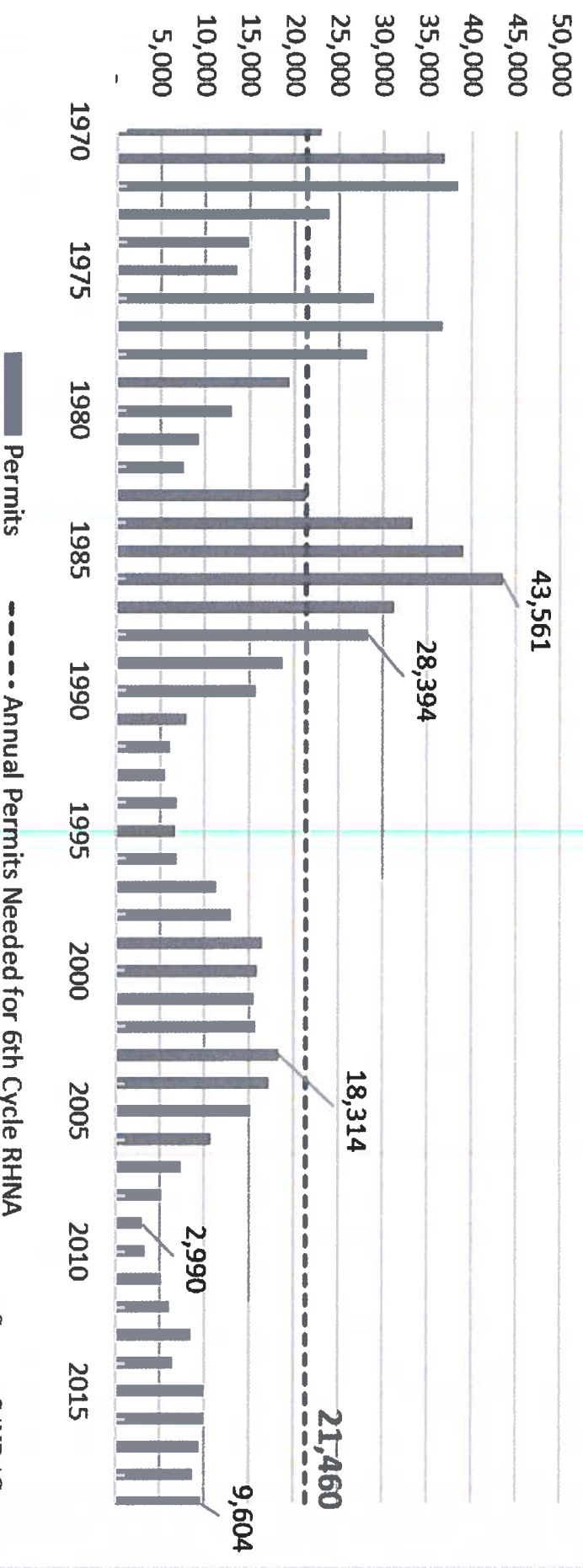
- We are *currently missing 88,000* homes across the County
- Most of missing homes are “equitable housing” for working class families



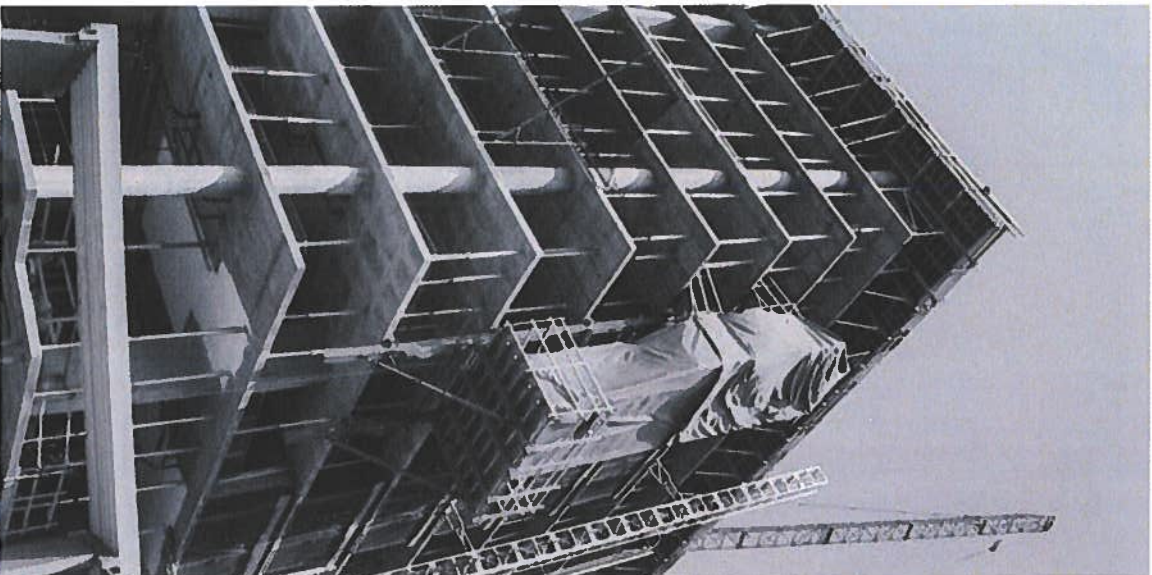
Source: SANDAG

We need ***another 83,000*** homes to keep up with
population growth through 2029

- # This translates to 21,460 new homes each year
- We are currently producing less than half that amount of housing
 - We haven't seen that scale of housing production since 1988



Source: SANDAG

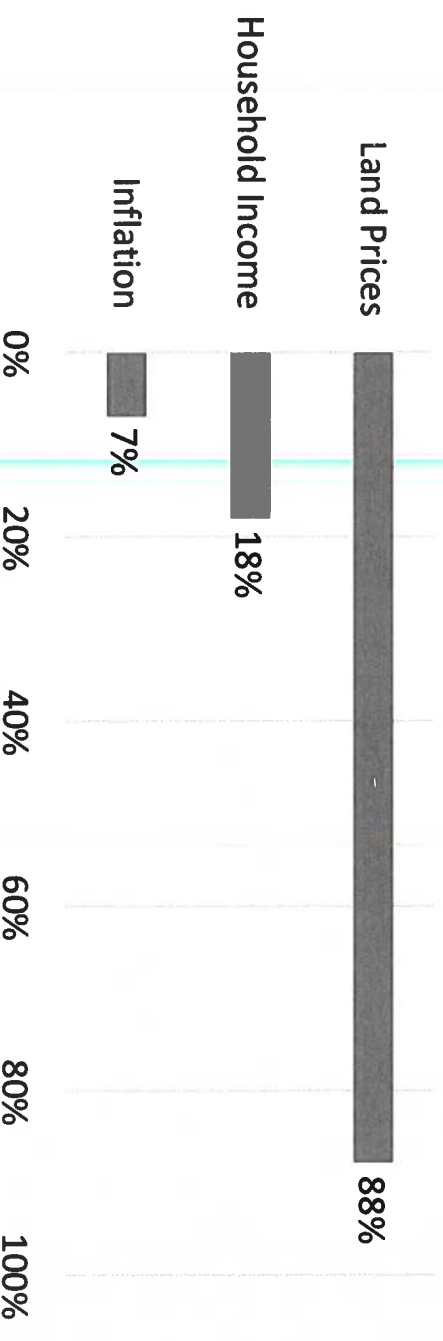


Why doesn't more housing get built?

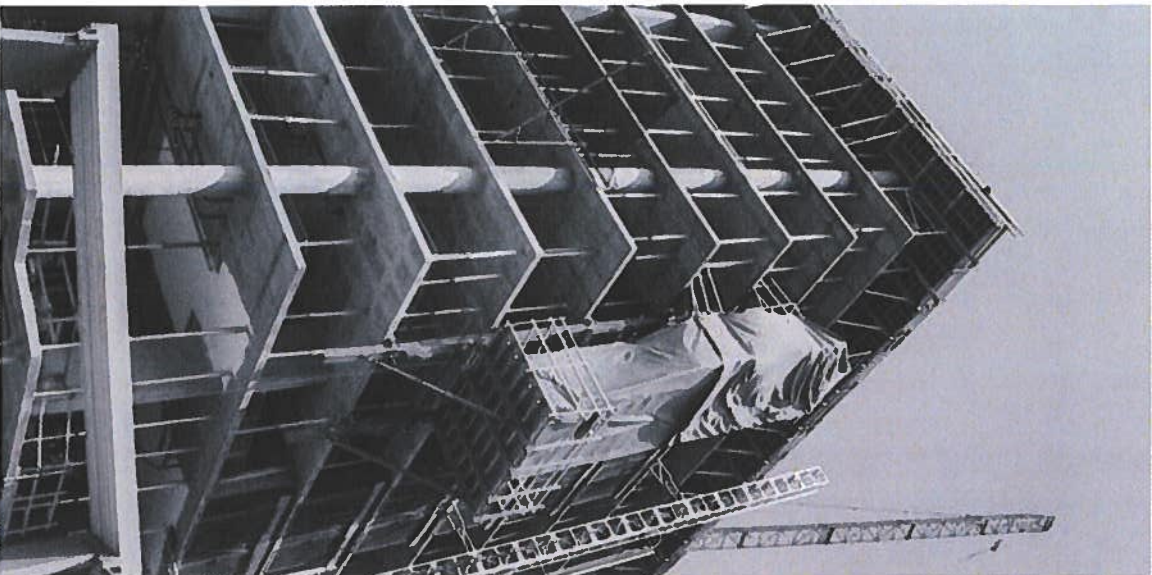
Land is Expensive

Land accounts for nearly 60% of the price of a home in San Diego. The 4th highest in the nation!

% Changes from 2012-2017 (San Diego)



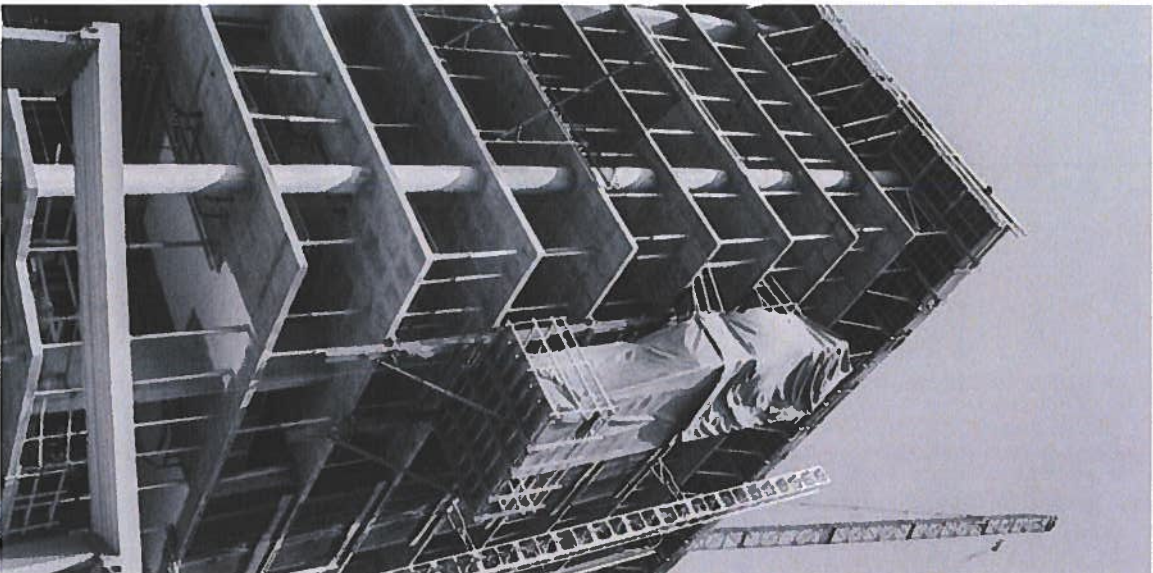
Source: Joint Center for Housing Studies, BLS, ACS



Why doesn't more housing get built?

Construction is Expensive

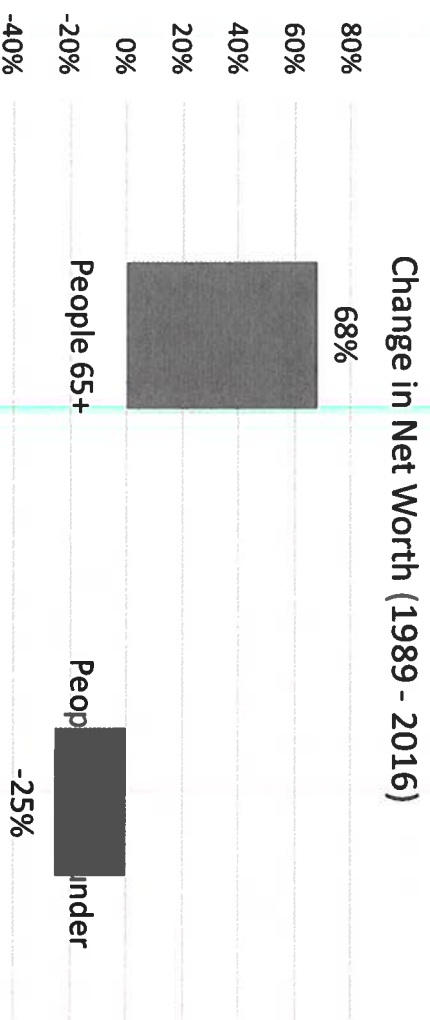
- Land use regulations cause uncertainty in development process and increase timeline for construction
- Multifamily material costs/sf have increased 25% in past decade
- Construction industry hit hard by last recession



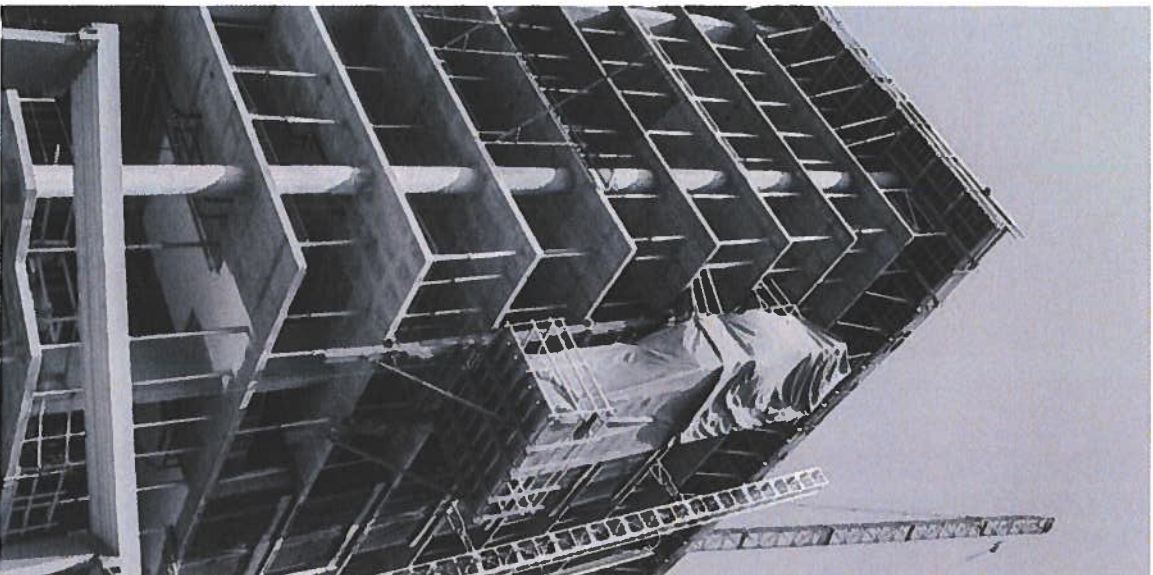
Why doesn't more housing get built?

Income and Wealth Gaps

- Wealth: Huge generational wealth gaps due to income stagnation, and growing student loan debt.



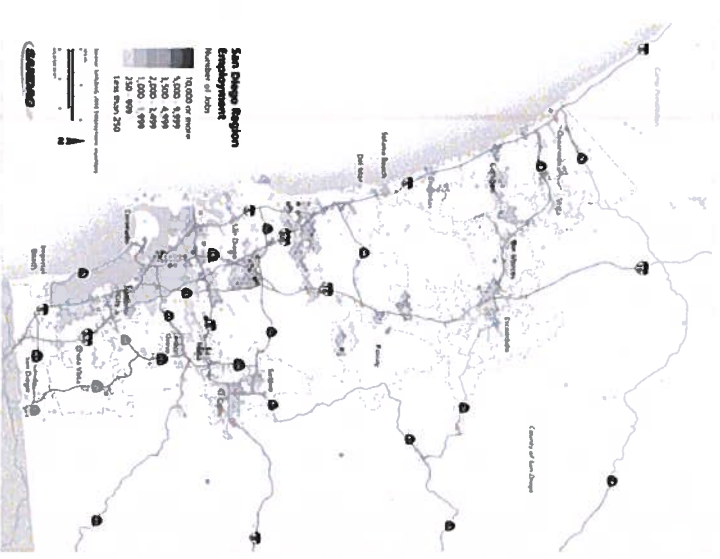
- Income: 25% of San Diegans make under \$35,000/year and can only afford \$875 in rent

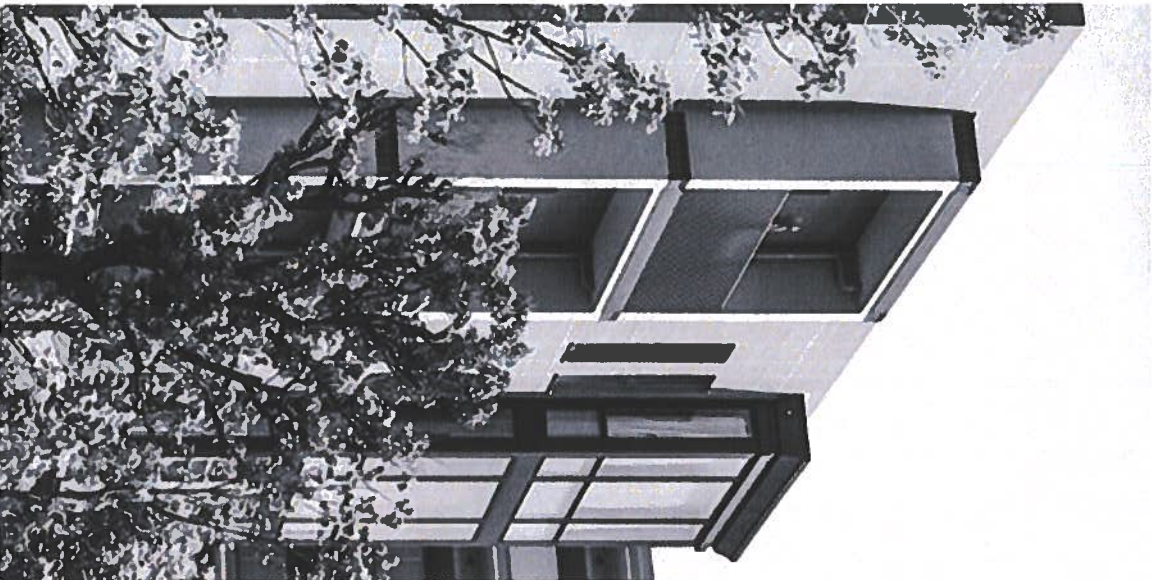


Why doesn't more housing get built?

Regional Housing Challenges Require Regional Solutions

- Housing markets are regional in nature, so we need greater regional coordination and partnership to solve the problem.
- The County can be a strong leader/convenor working with partners across the region.





Researching Transformative Solutions

1. Acquiring Public Land in Key Transit Corridors
2. Democratizing upzoning gains through inclusionary housing on County general plan amendments (GPAs)
3. Comprehensive New Construction Cost Study
4. Developing Incentives for Green Affordable Housing
5. Fast-Tracking Green Affordable Housing Developments
6. Expanding preservation of naturally-occurring affordable housing (NOAHs)
7. Creating a permanent regional housing trust fund

