

The Cost of Not Housing

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About SCAG



- Nation's largest Metropolitan Planning Organization (MPO)
- Also a Council of Governments (COG)
- 38,000 Square Miles
- 15 Subregions
- Long range transportation planning and other regional initiatives

SCAG FACTS ▶

191
Cities

6

Counties

18.2

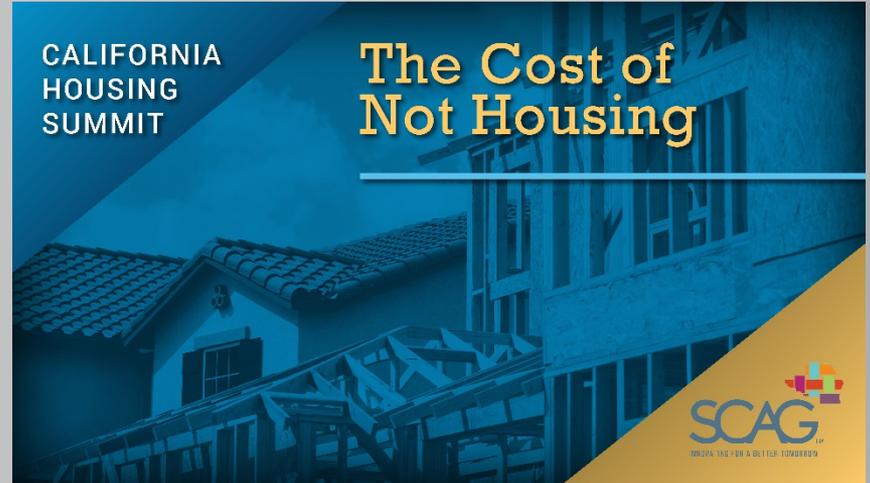
Million People

16th

Largest Economy
in the World

California Housing Summit

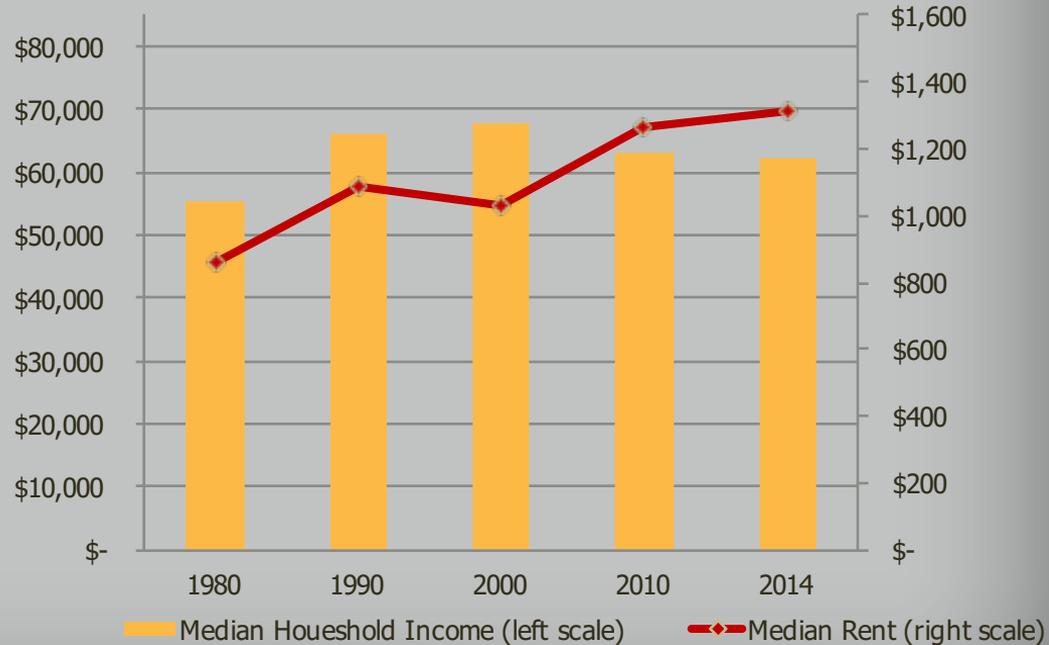
- Approximately 400 people attended
- Elected officials, community and business leaders, builders, developers, housing advocates and other stakeholders attended



The Housing Affordability Crisis

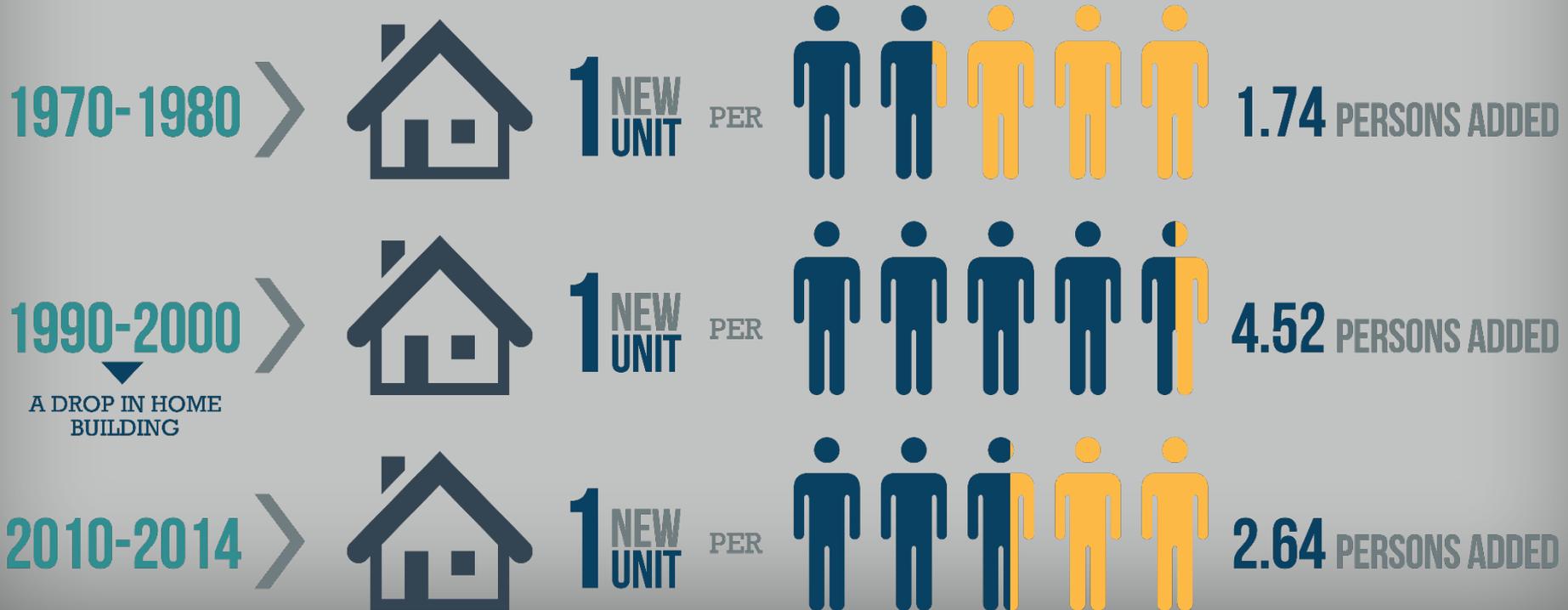
California: Median Household Income vs. Median Gross Rent

- The cost of a median priced home in 2016 is \$460,800. To save a traditional 20% down payment, a family would need to save over \$90,000.
- Rental prices are also bleak. Median rental prices have increased 28% since 2000 while household income has decreased by 8%.

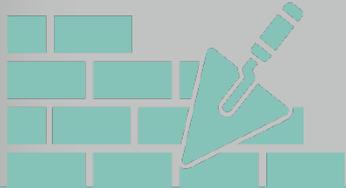


How Did We Get Here?

Housing Supply has not kept up with population growth



Other Causes



01 LACK OF FUNDING OR FISCAL INCENTIVES

Many jurisdictions do not have permanent funding to build housing. Subsidized housing may not produce enough revenue and other forms of land use may be preferred.



02 REGULATORY BARRIERS

There are a number of regulatory requirements, such as CEQA, that can delay or kill residential projects. They can also add to the cost of a project.



03 LOCAL ZONING REQUIREMENTS

Local zoning requirements, such as parking, can restrict the number of units or render them unaffordable for many.

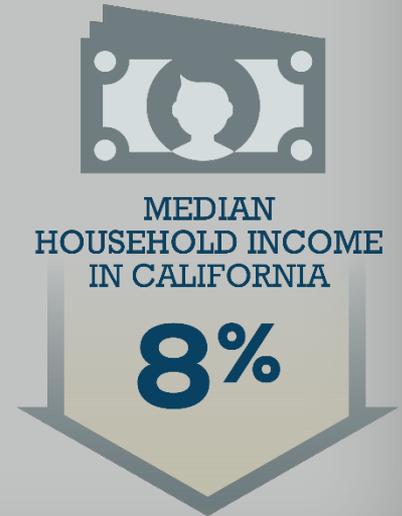


04 NOT IN MY BACK YARD (NIMBYism)

Misinformation and fear can lead to community opposition to residential projects.

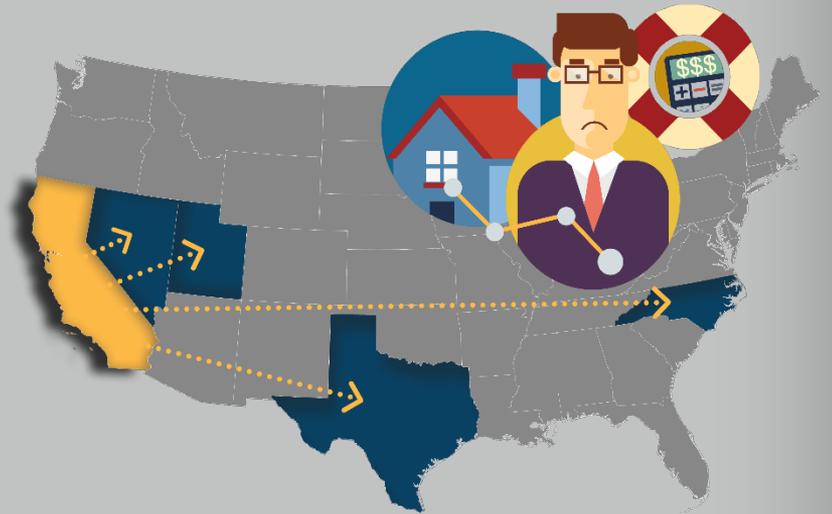
Socioeconomic Impacts

- Increase in gentrification
- Workforce exodus
- Increase in poverty risks
- Diminishing spending power



Economic Impacts

- Companies relocating to other states due to lack of housing options
- Difficulty in recruiting or retaining talented workforce
- Decrease in productivity and efficiency in workplace due to lengthened commute



Public Health Impacts

- Public safety and health issues due to overcrowding
- Substandard housing in low income areas have higher public health risk
- Extended commute times diminish quality of life
- Stress increase due to unaffordable housing

What can local and state governments do?

Local

- Utilize planning and financing tools to incentivize housing development and infrastructure
- Myth-busting for housing, especially affordable housing
- Partner with community and business leaders

State

- Provide funding incentives to build housing and supporting infrastructure
- Streamline the housing development process through CEQA reform

What can you do today?

- Mobilize those who say “YES” to housing
- Build relationships and educate housing opponents
- Develop partnerships and educate local leaders, media and stakeholder groups

