



What is Affordable Housing in 2011?

What does it mean for housing to be “affordable,” and why does it matter? Simply put, affordable housing means that families don’t have to choose between paying the rent and buying groceries, that they don’t have to live in crowded or unsafe conditions, and that their homes provide community, economic security, and support.

Technically speaking, policymakers call housing “affordable” when a household pays no more than 30% of its total income for housing costs (rent or mortgage payment, insurance, taxes, and utilities). Housing is officially affordable if it passes this test, leaving most of a family’s income to cover other basic needs. This is important in the Bay Area, where housing expenses combined with transportation costs can eat up as much as 70% of income.¹

When advocates use the term “affordable housing,” we also mean housing affordable to people with low or moderate incomes, as defined by the U.S. Department of Housing and Urban Development (HUD). These income levels are set as a percentage of Area Median Income (AMI) and vary annually from region to region and by household size. (See chart #1)

Chart #1				
	Extremely Low	Very Low	Low	Median
Income Level (% of Area Median Income)	30% AMI	50% AMI	80% AMI	100% AMI
Income limits for one-person household	\$19,000	\$31,650	\$45,100	\$63,200
Income limits for four-person household	\$27,100	\$45,150	\$64,400	\$90,300
Affordable monthly rent for a two-bedroom apartment	\$609	\$1,106	\$1,610	\$2,348

Out of 223 metropolitan areas, the East Bay is one of the 35 most unaffordable places in the country to buy a home. (Wells Fargo Housing Opportunity Index, 2010.)

The Continuing Need

To meet unmet housing needs, non-profit housing developers use these guidelines to set rents that are accessible to people with lower incomes and/or special needs. These developers know that the decline in the housing market has not lessened the shortage of affordable places to live. In just a few days in January 2011, **over 55,000 people applied to the Oakland Housing Authority for Section 8 vouchers**, a federal program that helps residents afford rents in the private market. According to a poll released in 2010 by the Non-Profit Housing Association of Northern California, 70% of Bay Area residents surveyed reported that finding affordable housing is a major problem, and 60% said they were concerned about their own housing situation. The United Way of the Bay Area estimates that about one in five East Bay families (and two in five Latino or African-American families) can’t afford housing and other basic needs—even though at least 80% of those families have a wage-earner.²

In other words, thousands of Alameda and Contra Costa residents struggle to stay housed, often due to economic forces beyond their control. With the job market still slow, more people now face foreclosure due to lack of income rather than subprime loans. According to Default Research Inc., between February 2010 and February 2011, 14,441 homes went into foreclosure in Contra Costa county, affecting nearly 4% of households—an increase from 2009.³

1. Urban Land Institute, “Bay Area Burden.” 2009. www.bayareaburden.org
2. United Way of the Bay Area. “Struggling to Make Ends Meet in the Bay Area.” 2009. www.liveunitedca.org
3. <http://market.defaultresearch.com/stats/ca>
4. Josh Richman, “Census: Blacks Leaving Urban Core for East Bay Suburbs.” Oakland Tribune. March 9, 2011



Communities of color are hit especially hard, with African-American and Latino homeowners experiencing foreclosure at twice the rate of non-Hispanic whites, according to the Center for Responsible Lending. And renters living in foreclosed properties often face eviction through no fault of their own.

This disparate impact on certain populations could even threaten the diversity of the Bay Area. **The 2010 census revealed that Richmond and Oakland have each lost 23% of their African-American populations in ten years.** While more analysis is needed, community leaders point to factors including housing costs, crime, and less economic opportunity (which can be linked to a lack of decent housing).⁴ Considering that fair market rents have increased slightly since last year, requiring an income of \$50,000 or more for an average two-bedroom apartment, it's not surprising that families might choose to move to less expensive areas. (See chart #2)

Looking Forward

The challenges are great, but there is hope. Through years of investment and advocacy, East Bay non-profits have produced thousands of quality affordable apartments and houses that help stabilize families and revitalize communities. Affordable housing today is always "green" by design, and includes services that help people exit homelessness or improve their health and financial security. EBHO members are building on these successes. A wide range of advocates are working to ensure that affordable housing is built near transit to help reduce greenhouse gas emissions and prevent displacement of lower-income communities. Non-profits are buying and renovating foreclosed homes, and reselling them with affordable, safe loans. Organizing and policy groups are monitoring legislation to

maintain affordable housing funding and promote environmentally-friendly building incentives.

We must protect this progress. Budget cuts at the federal and state level have threatened major sources of funding, even those recently won through hard-fought elections and legislative efforts. We need to be creative, finding collaborative solutions with both public and private entities, local organizations and regional bodies. We need to think holistically, connecting housing to other critical needs like schools, parks, human services and infrastructure. Affordable housing can be the foundation for children to succeed in school, for new recreational amenities and support services, and for smart transit investment. Ensuring that everyone has a home they can afford is the key to a just and prosperous future for the East Bay.

70% of Bay Area residents surveyed in late 2009 reported that finding affordable housing is a major problem. (Non-Profit Housing Association of Northern California)

Chart #2 – How many hours do these East Bay residents have to work to afford a two-bedroom home at "Fair market Rent" (FMR)?

We highlight selected common occupations and show how many hours these people would have to work to keep housing costs at 30% of their income. Note that people in the shaded occupations would qualify for affordable housing if living alone.

Occupation	Average hourly wage	Annual wage	Hours of work per week needed to afford FMR
Combined Food Preparation & Serving Workers	\$10.37	\$21,570	93
Cashiers	\$11.80	\$24,544	82
Laborers & Material Workers	\$14.50	\$30,160	67
Receptionists	\$15.48	\$32,198	62
Preschool Teachers	\$15.55	\$32,344	62
Registered Nurses	\$47.15	\$98,072	20
General & Operations Managers	\$60.85	\$126,568	16

Fair Market Rent of \$1,393 is based on a two-bedroom apartment in Alameda & Contra Costa county according to HUD (www.huduser.gov). **Annual Wage** is based on a 40-hour work week for 52 weeks. Data on selected occupations from the State of California Employment Development Department (www.labormarketinfo.edd.ca.gov).

Weaving Strong Communities:

Stable Housing Supports Youth Development



Lion Creek Crossing's National Night Out Celebration allowed families to connect with each other and with community officers.

Investments in affordable housing help ensure a healthy future for young people. When rising rents or foreclosures force a family to move, the stress can make it hard for families to keep predictable schedules, get enough sleep, or ensure consistent school attendance. On top of these hardships, greater exposure to violence, less access to nutritious foods and positive role models, and the lack of a safe place to study can impact low-income children's educational achievement and, later, their economic opportunities.

These early individual disadvantages can grow into problems for communities and public safety. Faced with upheaval at home, children and youth often seek stability and belonging wherever they can find it. They become susceptible to street gangs and other activities that prey on their vulnerability.

Fortunately, affordable housing organizations are working with youth development and public safety providers to address the root causes of these problems. In addition to stable rents, city-supported and non-profit affordable housing often provides Head Start and other family services on-site. Contra Costa Interfaith Housing in Pleasant Hill runs an all-ages homework club at Garden Park Apartments. At Madison @ 14th Apartments in Oakland, former foster youth receive job and



education support from First Place for Youth. Alameda County's Every One Home collaborative helps homeless families find a home and keep their kids in school. While there is no single solution to improving public safety and academic achievement, the coordination of housing, youth development and other programs can provide much-needed stability.

East Bay Asian Local Development Corporation (EBALDC), for example, has integrated community resources throughout its Lion Creek Crossings development in East Oakland (profiled on page 24). Formerly known as Coliseum Gardens, a home to Oakland's most notorious drug lords, the housing was transformed into 367 new homes for low- to moderate-income families with a hub of services for children, youth and families, including a public park, a Family Resource Center, childcare centers, afterschool programs and financial services.

Lion Creek Crossings shows that stable and service-enriched affordable housing can give a community hope. In a September 2010 survey of Lion Creek residents, 83% felt that the on-site youth programs were beneficial and rewarding for their children. Even more promisingly, 79% responded that they feel connected to their neighbors and community, and 72% felt that their overall quality of life had improved since moving to Lion Creek Crossings. Lion Creek Crossings is just one example of how affordable housing developers and service providers are working to create strong communities for today and for the next generation.

EBHO thanks Joshua Simon of Northern California Community Loan Fund and Charise Fong of East Bay Asian Local Development Corporation for their contributions to this article.

A Worthwhile Investment:

Preventing Homelessness with Stimulus Funds



Have you seen signs around town announcing your “American Re-investment and Recovery Act (ARRA) Funding at Work”? Did you know that federal stimulus funds are also offsetting the impact of the recession on the low-income and homeless communities? Known as the Homeless Prevention and Rapid Re-Housing Program (HPRP), this ARRA funding is preventing individuals and

families from becoming homeless and quickly re-housing and stabilizing those who are. High unemployment, reduced work hours and the lack of affordable rental housing have increased the number of people at risk of homelessness. But HPRP offers a solution: in its first year, the program helped 4,739 people in the East Bay.

Alameda County HPRP Sponsors: Alameda County Housing and Community Development, Alameda County Social Services, State of California and the Cities of Alameda, Berkeley, Fremont, Hayward, Livermore, Oakland, San Leandro and Union City.

Contra Costa County HPRP Sponsors: Contra Costa County Conservation and Development Department, the Cities of Antioch, Concord, Pittsburg, Richmond and Walnut Creek and the State of California.

For more information on HPRP and to get a full list of nonprofit partners, please visit www.shelterincofccc.org for Contra Costa and www.everyonehome.org for Alameda County.

This program helps families and individuals avoid the trauma of even temporary homelessness by offering rental assistance and connections to resources. The program also helps to “rapidly re-house” homeless families and individuals, providing temporary rent subsidies, case management and other supportive services. The program has acted as a bridge for disabled homeless individuals before they get into permanent supportive housing with on-site services. The end goal of HPRP is self-sufficiency and permanent, stable housing.

A multi-agency collaboration, the HPRP program has helped over 2,000 households in the East Bay, like Beth*, a single mom with a two-year-old son who was laid off from her waitress job. On unemployment, Beth couldn’t afford the family’s current apartment, but she also couldn’t afford the deposit on a new, more affordable apartment. The program helped pay the deposit so the family could move into a less expensive home and stay off the streets.

The HPRP program is working. In its first year, the homeless prevention program had a 94% success rate—almost all of the households helped remained in or moved into permanent, stable homes.

*Names have been changed to protect privacy.

EBHO thanks Tim O’Keefe of SHELTER, Inc. of Contra Costa County for contributing this article.

“We were losing our home and SHELTER, Inc. was able to help. If not for this program, we would be living on the streets. Thank you so much.”

– HPRP Homeless Prevention Family



One of the many families helped by SHELTER, Inc.



Key Strategies to Create and Preserve Affordable Homes

Local government policies can make or break the efforts of developers to build homes people can afford. Because cities answer to the people who live and work there, local organizing and advocacy are some of the most important parts of building and preserving affordable housing. In general, cities decide what can be built where—whether a certain piece of land should be used for retail, office, industry or housing—and, if housing is permitted, whether it should be large estate homes for the wealthy or compact apartments that are more affordable and green. Cities control local funding and set policies about tenant rights, such as fair rent laws and just cause eviction protections. Local advocates can use a wide range of political, organizing and legal tools to advance proven strategies that create and preserve affordable housing.

Building affordable housing depends on three things: suitable land, adequate funding, and permission to build. California requires all cities to address these issues in the Housing

Element of their General Plan. They must identify sites to accommodate the city's fair share of the region's housing needs for lower-income families, based on the distribution of jobs, transportation and existing housing, and identify funding sources and programs to facilitate the construction of affordable housing. Housing Elements are subject to review and approval by state regulators. Bay Area Housing Elements were due in June 2009,

but many cities have only recently adopted their Elements or are still working on them. Whether adopted or under development, Housing Elements are a powerful legal and organizing tool for winning stronger affordable housing policies.

A 2010 court decision in *Urban Habitat v. City of Pleasanton* required the city to execute a Housing Element program to make sites available for affordable housing. The ruling has reinforced the importance of honoring Housing Element commitments, and makes it even more important and valuable for local advocates to get strong Housing Elements passed. It's spurring advocates and jurisdictions throughout the state to take action on existing plans.



Affordable housing resident Deborah Carney speaks at a rally in Sacramento.

Housing Elements are not the only tool for organizing local affordable housing advocacy. Collaboration among local community advocates, policy experts and non-profit developers can generate winnable campaigns. It is important for local advocates to consider both the most pressing community needs and the most promising political opportunities. No single set of policies will fit every community's needs and political climate, but here are some tried-and-true strategies:

Get the Land

- **Advocate for increased density**, especially on larger parcels near transit, jobs and services.
- **Establish affordable housing overlay zoning** to encourage affordable housing construction and allow non-profit developers to compete in the land market by giving developers incentives such as increased density or reduced parking requirements if—and only if—they include a high percentage of affordable housing.
- **Hold cities to their housing element obligation** to identify sites for affordable housing, giving non-profit developers the information and preliminary rights (zoning) necessary to plan for the development of affordable housing.



housing technique even in light of recent legal challenges.

- **Increase local funding sources** dedicated to affordable housing, and support statewide and regional efforts to establish an *Affordable Housing Trust Fund* as a permanent, reliable funding source.

Get It Built

- **Streamline local permitting and approval processes** for affordable housing development, reducing costs and making affordable housing more feasible.

- **Allow flexibility with design requirements and fees** for affordable housing developments to cut costs while promoting environmental sustainability.

Keep It Affordable

- **Promote non-profit affordable housing** as permanently affordable high-quality homes with on-site services.
- **Keep tenants in their homes** through *Just Cause Eviction* rules and *Fair Rent Laws* that benefit low-income families and keep communities intact.
- **Restrict condominium conversions** of rental apartments, a key way to combat displacement of lower-income families.
- **Protect tenants in foreclosed properties** by pressing for local enforcement of federal and state regulations, and pass local laws to help hold property owners and banks accountable.

Additional online resources:

California Affordable Housing Law Project —
www.pilpca.org/publications-trainings

Public Advocates —
www.publicadvocates.org/affordable-housing

EBHO thanks Samuel Tepperman-Gelfant of Public Advocates Inc. for authoring this article.



Get the Funding

- **Institute affordable housing fees** requiring developers of industrial, commercial, office and market-rate residential projects to contribute money to help meet local housing needs.
- **Develop inclusionary housing policies** requiring for-profit developers to include affordable housing in all new residential development. They remain a key affordable



Residents rally in Sacramento to save funding for affordable housing.

Get Involved

Become an EBHO member

Sign up online and send in your dues and membership information. Join more than 300 organizations and individuals to continue winning support for affordable housing on behalf of the lowest-income families and individuals in Alameda and Contra Costa counties. Read on to see how EBHO members get involved.

EBHO's Member Campaigns and Committees

- **Affordable Housing Week and Education Committee** A week of events each May showcasing affordable housing solutions and resources, and raising awareness through tours, open houses, panels, symposiums and media coverage.

- **Concord Campaign and Committee** Advocates for equitable land use and affordable housing in the reuse plan for the Concord Naval Weapons Station.
- **East Bay Housing Elements and SB 375 Committee** Partners with regional allies to advocate for smart growth, transit-oriented development and equitable planning, especially in suburban jurisdictions.
- **Interfaith Communities United for Affordable Housing** A multi-denominational coalition that mobilizes congregations to engage with issues of housing and social justice and organizes several faith-focused events during the year, including Housing Sabbath and our Annual Interfaith Breakfast.
- **Oakland Campaign and Committee** Advocates for citywide housing and zoning policies, as well as specific development projects.

- **Resident Organizing Program** Empowers affordable housing residents to be advocates, alongside EBHO members and allies, for improvements to their neighborhoods through local planning processes.
- **Supportive Housing Committee** Aims to increase the development of permanent supportive housing in Alameda and Contra Costa counties, and to promote best practices coordinating housing development, support services provision, and property management.

Plus...

- **Educate yourself and others** about the need for and benefits of affordable housing. Distribute EBHO's Affordable Housing Guidebook!
- **Support affordable housing proposals** in your neighborhood. Participate in the community-input process and encourage your neighbors to do the same.
- **Testify** and support affordable housing at public hearings and city council meetings.
- **Call and write** your local elected officials and ask them to support affordable housing.
- **Organize** community campaigns and advocate for affordable housing.
- **Build grassroots leadership** to speak about the affordable housing needs in our communities.
- **Mobilize and engage** your organization, neighborhood group, congregation, school and/or union in affordable housing advocacy campaigns.

Interfaith Communities Unite

For Housing and Social Justice

While budget cuts and a struggling economy threaten affordable housing and services for the poor, congregations of all faiths continue to be anchors for the community. Faith leaders have long been strong advocates for affordable housing, witnessing the need firsthand in their congregations.

Since 2004, Interfaith Communities United (ICU) for Affordable Housing has been a vital part of EBHO's mission and programs. ICU convenes interfaith leaders — Christian, Jewish, Muslim, Buddhist, Sikh, and others — along with housing advocates to speak out for affordable housing, as well as the need for good jobs, immigrant rights, restorative justice, and other core, interconnected social justice issues.

ICU has raised the East Bay's awareness of the housing crisis with events like EBHO's uplifting annual "Shelter in a Time of Storms" Interfaith Breakfast. When religious leaders and housing advocates break bread together, people from different faiths and fields are able to meet and bridge their divides. One guest called the breakfast a "wonderful gathering of family members." The 6th Annual Breakfast on October 22, 2010 was particularly significant in that numerous leaders and advocates committed to concrete actions in the coming year. Additionally, ICU's Housing Sabbath, held each May during Affordable Housing Week, also empowers advocates, people

of faith, and those affected most by the housing crisis to speak out to congregations.

EBHO's ICU works towards a just future through important partnerships with other interfaith and social justice groups, such as EBASE's Interfaith Committee for Workers' Justice, Black Alliance for Just Immigration, Building Opportunities for Self Sufficiency, the Diocese of Oakland, Northern California Religious Leaders in Conversation, and the Interfaith Council of Contra Costa County. In 2011–12, these partners will host three events: Housing Sabbath, Labor Sabbath and Migrant Day. Participants will unite with a single message of shared struggle: "Injustice to the homeless, to low-wage workers or to immigrant residents is injustice to the whole community of faith!"



"I am blessed and grateful to be a beneficiary of affordable housing. I want others to have the same opportunity...I believe decent and affordable housing ought to be a very basic right in America."

—Affordable Housing Resident, Francine Williams, speaking at the Interfaith Breakfast

Rabbi Abraham Heschel once pointed out that "the significant word in 'interfaith dialogue' is 'interfaith.'" ICU is rooted in the concept of justice that is found in every major religion. It is faith that motivates religious leaders and housing advocates to continue the shared struggle for housing justice. It is faith, according to the Rev. Dr. Martin Luther King, Jr., that allows us to trust that "the arc of the moral universe is long, but it bends towards justice."

EBHO thanks Rev. Phil Lawson, EBHO's Director of Interfaith Programs, for contributing this article.



To get involved with EBHO's Interfaith programs, contact Rev. Phil Lawson, Phil@EBHO.org.