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#### Option 4: Addressing Housing Needs and Social Injustice

It goes without saying that housing is an issue in California. This is a complex problem that does not uniformly affect all areas of the state (ppic.org) and nor does not affect everyone in the same way. The issue becomes more complex when discussing affordable housing. What do we mean when we talk about affordable housing in California? To some of us, it means affordable rentals, to others it's the ability to purchase ones own home. To some it means trading our time to commute two hours just so we can own a home, to others it means no longer being homeless or ability to provide a safe environment for their children.

As we know, a home is not just a home. The location of a home affects all aspects of ones life. Location is critical as it can breed injustice and result in individuals being more susceptible to violence, poverty, and health issues. The World Health Organization defines a home “as a place which protects privacy, contributes to physical and psychological well-being, and supports the development and social integration of its inhabitants - a central place for human life.” (WHO) A home is not just a place to lay one head down; it needs to be a place where individuals and those close to them can feel safe. All too often, individuals are forced to decide between affordability and safety, affordability and education, and affordability and health.

According to US Department of Housing and Urban Development (HUD):

*The generally accepted definition of affordability is for a household to pay no more than 30 percent of its annual income on housing. Families who pay more than 30 percent of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care.*

HUD also estimates that 12 million renter and homeowner households now “pay more then 50 percent of their annual incomes for housing, and a family with one full-time worker earning the minimum wage cannot afford the local fair-market rent for a two-bedroom apartment anywhere in the United States.” From a national standpoint, HUD recognizes that low-income households are not able to meet their basic needs due to unaffordable housing. Individuals cannot afford proper nutrition or healthcare and they are unable to save for the future.

San Franciscan's can relate to being “cost burdened,” as many of us were directly or indirectly affected by the sky rocketing rents and housing prices of the last decade. Based on the assumption that a renter should not pay more than 30% of their income on rent, below are some statistics from the National Low Income Housing Coalition:

- In California, the fair market rent for a 2 bedroom is \$1,189. Based on a 40 hour week and 52 week/year work schedule, the renter would have to earn \$22.86 to afford this place.

- If a renter earns minimum wage of \$6.75, to afford the two bedroom apartment, they would have to work 135 hours/week, 52 weeks/year.
- To afford a studio, a renter needs to earn \$16.00/hour

It will not be surprising to know that the situation is bleaker in San Francisco and Los Angeles:

- The Fair Market Rent for a two bedroom apartment in San Francisco is \$1551.
- To afford this, a renter must earn \$29.83/hour or \$62,040/year
- To afford a studio, a renter needs to earn \$19.38
- In Los Angeles, the Fair Market Rent for a 2 bedroom is \$1,269
- To afford this, a renter would have to earn \$24.40/hour or \$50,760/year
- To afford a studio, \$16.21 is needed

These figures are based on one earner who pays no more than 30% of their pay on rent. The rents listed here are fair market rates and do not necessarily reflect the current rents paid by tenants. Therefore we have to assume that either people are spending more than 50% of their income on rent and/or they must have an additional person helping with rent.

In addition, we have yet to consider those who are on SSI. An individual on SSI in California would receive a payment of \$836. A rent of \$251 would be considered affordable. There is no way someone on SSI could afford to live in San Francisco or Los Angeles. This issue is further exacerbated by the lack of affordable housing.

Naturally, a whole host of other problems arise when families are spending money on housing and not on health or nutrition (Anderson et al 2003). If parents are on minimum wage, both parents have to work in order to afford to provide a home for their children. They are more likely to live in overcrowded conditions or in areas that are unsafe or lack adequate schools. Not only in California but in other parts of the country, middle-class families are also finding they are restricted by cost of housing.

The other side to this problem is the issue around providing affordable housing. Because of past mistakes, affordable housing conjures up negative images of high-rise apartment complexes that are riddled with crime and drugs and residential segregation based on income occurred. Not only do we need provide housing but we need to address a whole host of social issues. In the past, it was typical to build housing just for low-income families. These complexes were visually ugly and were not adequately maintained and these areas have become ghettos. These complexes had the unintended consequence of segregating families not only because of their income but also by race. Isolation of poor resulted in the inability of people to break the cycle of poverty. Breaking the cycle of poverty was almost impossible (smith p9). Because of this, there has been a movement toward residential desegregation through mixed income development housing and tenant-based rental assistance.

Mixed income development is where both market rate and subsidized housing units are available in a development. This can take two forms. These mixed income developments can contain solely rental units or they can include units for sale. The developments can either be built by the city or private developments that have inclusionary housing. Inclusionary housing is usually

mandated by a jurisdiction. For example, San Francisco requires that new developments provide approximately 12% on-site or 17% off-site affordable housing.

Tenant-based rental assistance programs provide low-income families with subsidies. Families use these subsidies to rent homes in the private market. It was hoped that the higher-income families would be an example for low-income families and these families would copy the behaviors of their wealthier neighbors. In addition, it was hoped that employment opportunities would become available as low-income families networked with higher-income families. Unfortunately, little research has been done on the benefits of mixing incomes within an area. However, one can only assume that people do better when their environment is safe and healthy and they do not have the constant threat of violence.

Why is housing an issue in California? The Public Policy Institute of California (PPIC) has argued that the shortage of housing in California is somewhat overstated. They claim that the shortages do not occur uniformly. They do confirm that the shortages of Bay Area, Los Angeles and San Diego need to be addressed, however, they say this is because of restricted land use policies. This is indeed one reason for the shortage of housing. PPIC does report that homeowners spend a disproportionate amount on their mortgage. Though homeownership rose in California to 59%, it is estimated average mortgage payments make up 42%, making homeownership a burden for many people. However, this report does not address the availability of affordable housing. Everything from low-vacancy rates to long waitlist for housing to cuts in number of available units are problems for low-income individuals and families throughout California (Williams 2000).

There is some good news: state and local spending in California, according to PPIC, is 50% more than other states. This November, proposition 1C, was passed. This is an enormous boost to supporters of affordable housing. This proposition, called the Housing and Emergency Shelter Trust Fund Act, gave permission to the state to issue bonds in amount of \$2.8 billion “to provide shelters for battered women and their children, clean and safe housing for low-income senior citizens; homeownership assistance for the disabled, military veteran and working families; and repairs and accessibility improvements to apartments for families and disabled citizens.” However, the provision of housing does not go far enough to ensure social justice. Jurisdictions need to go beyond solely providing housing.

### **Five Point Plan**

Though the state requires housing to be part of the general plan, housing also needs to address social injustice. Changes need to occur at both state and local level.

#### **Point 1. Planning for the Future: Enforce General Plan Housing Elements (organized at the state level)**

**Reasoning:** Cities are required by the state to incorporate housing plans into their general

plans. Despite this state requirement, cities are often faced with local opposition against new low/moderate income developments. In addition, cash strapped cities or counties sometimes find it difficult to follow plans and often resort to enticing large box retailers which generate more sales and property taxes. This means that the provision of affordable housing is not uniform.

**Implementation Strategy 1: Punish cities who do not comply with the housing element of their general plan.**

Attempts have been made (e.g. SB910) to punish cities that do not get their housing elements certified. However, these attempts have failed. Other than lawsuits (Calavita/Grimes 1998), cities cannot be forced to comply with the housing element requirement. Via the legislature, one way would be to develop a system of fines for cities that do not comply. This money would be used specifically to fund affordable housing developments in nearby cities. If cities are not willing to support housing developments in their immediate area, they should be required to support developments in areas where their low-income workers live. Fines could be extracted directly from the city or cities could be denied state funding for certain projects.

**Implementation Strategy 2: Reward for areas that fulfill housing requirements**

It is imperative that cities that do fulfill that housing requirements be given incentives for complying with state law. In addition to expanding the Workforce Housing Incentive Grant Program, offered by Department of Housing and Community Development, perhaps additional funding could be provided for services that might be provided as part of a low-income housing project, such as a job training program or child care program. The State could also use some of the Proposition 1C money to provide low-interest loans to non-profit housing developers.

**Implementation Strategy 3: Reward private developers who build inclusionary houses on-site rather than off site**

Currently, cities give developers the option to provide 12% inclusionary homes on-site or 17% off-site or to pay money to avoid including low-income housing at all. Often private developers choose not to provide the inclusionary homes on site, which encourages income segregation. Private developers who build inclusionary housing on-site should be rewarded with financial incentives or relaxed zoning laws for future developments.

**Point 2. Consolidation Housing Education Programs (organized at the state or local level)**

**Reasoning:** While there are a lot of free education programs available, all the information available to regarding affordable housing and home-ownership is not consolidated. It is critical that people know how to access affordable housing, either by renting or buying. In addition to accessing this information via the internet, it is also important for there to be someone, other than a real estate agent or mortgage lender, that the individual buyer can turn to for advice. Specifically, there needs to be a specialist who can guide buyers through the

maze of programs and who can advise them on how to combine programs, such as down-payment assistance programs with low-interest mortgages programs.

### **Implementation Strategy No. 1: Creation of Centralized information Data Base of Home Buyers programs.**

Currently, people interested in finding out about homeowner programs have to go to individual city websites to find out about various programs. The state should consolidate information about all homeownership programs under the California Home Financing Authority ([www.calhfa.ca.gov](http://www.calhfa.ca.gov)) website. They currently have a database that allows individuals to search for available programs offer by them based on criteria entered by the user. However, it is limited to CalHFA programs only. This should be expanded to include a searchable database of city and county programs, such as programs in San Francisco and the greater Bay Area, Los Angeles or San Diego, home ownership programs and workshops offer by non-profit organizations, such as the workshops offered by the Consumer Credit Counseling Service of San Francisco. It would not necessarily be limited to homeownership but could include information on accessing senior housing or transitional housing. Alternatively, this project could be contracted out to a non-profit organization, such as the Consumer Credit Counseling Service agency, which already provides housing education.

### **Implementation Strategy No. 2: Create Homeowners Specialists.**

Again, there is a myriad of programs available to the first time home buyers, some state and local programs allow you to combine with other state or local programs. However, trying to sift through this information is very difficult for someone just starting out or whose first language is not English. The second implementation proposal would be to create homeownership specialists who could advise prospective homeowners regarding their eligibility for these programs. These specialists could be an advocate and a resource for the individual. Again, individuals could be better served by local non-profit agencies that would perform this service on behalf of the state and local government.

### **Point 3. A Holistic Approach: plans for affordable housing must consider as many ways to alleviate poverty and social injustice as possible**

**Reasoning:** As past programs to provide housing for low income and moderate income families have demonstrated, it is not sufficient just to provide a roof over someone's head. Lessons learned from these programs encouraged a shift towards mixed income developments and rental vouchers. Rather than confine low-income families and individuals to certain areas, the goal was to integration them into areas where there was not a concentration of similar income groups. While desegregating housing programs is a positive move it is important not to forget that each group has specific needs. Any program to integrate families of different income levels should include programs to address the needs of specific groups.

### **Implementation Strategy No. 1: Provide services that would assist people to break the cycle of poverty**

State and local governments would work with non-profit agencies and local community colleges to provide services for specific groups in a mixed income developments. If a development is mixed income rental property, services should include the following: job training and employment opportunities, childcare, homebuyer's education programs, financial management programs, business development skills, etc. Access to a credit union or bank is also very important. Many people get into financial trouble when they need to borrow money and have to resort to check-cash stores. Credit unions offer a variety of low interest loans while encouraging people to save money.

It is equally important that developments have access to variety of transportation options. Mixed-income developments should coordinate with car sharing organizations to provide additional transportation. In addition, networking between tenants should be facilitated so that people of different incomes do mix. This could be done by using the [babysittersexchange.com](http://babysittersexchange.com) website to coordinate childcare with other parents or providing a avenue to arrange carpooling.

### **Implementation Strategy No. 2: Assisting those in rental properties to move towards homeownership**

The Diggs Town in Norfolk, VA developments help tenants save for a down payment. If a person's income increases, instead of increasing their rent, the difference between the old and new rent is put into a savings account towards a down payment. This is where close ties to a credit union would be very important. This difference between the old and new rent could also be used towards paying down debt or saving for college, equally positive steps to moving people out of poverty.

In addition, it must be clear to the renter that others in their situation have succeeded in purchasing their own homes. Having a development near by where former renters have successfully bought their first home, makes the dream of homeownership a reality. Knowing that they can purchase a home near by, encourages people to put down roots and invest in their community. It also creates continuous rather than transient neighborhood. It is also important, if possible, for there to be a variety of housing options, from apartments, to townhouses to single family homes, available in an area. Developing a housing plan for a whole area would make it possible for people to move within a neighborhood as their family size changes.

### **Implementation Strategy No. 3: Coordination is necessary with local schools and colleges.**

Good schools attract homeowners. Having local schools for children to attend adds to the feeling of a neighborhood. In a neighborhood, everyone knows who the neighborhood children are. Busing children should be limited. Busing children to other areas means losing

a sense of community. In addition, coordinating with local colleges is good source of volunteers for after school programs or for adult programs.

**Point 4. Work Closely with the Community and Local Non-profit Groups during the Development of an Affordable Housing Program.**

**Reason:** It may go without saying that community involvement is necessary for a project to be successful. The level of community involvement in a housing development will depend on the developer or the architect. The only way to reduce social inequality is to allow people to determine what is best for them. While agencies can turn to projects that might be prized as good models, each development must be tailored to the specific needs of a community. A good example of this is Diggs Town, in Norfolk, VA. The residents were involved in every aspect of the development process, including the design of the homes and what services would be available to the residents. The residents determined the neighborhood characteristics, and in doing this, they were able to maintain the local history and architecture. What matters to one community may not matter to another community.

**Implementation Strategy No. 1: Include community at every stage of development**

This would involve including current residents in every aspect of the development of a housing project. This may be more difficult to do in private developments but should not be ignored in public developments. In general, private developers must interact and listen to the recommendations from the public and their neighbors since their development also impacts the community. Usually, a large private development will need to provide some type of public space or building. The public will have a say in what is actually done. In a public development, participation can be achieved by inviting the community to participate in the planning and architecture of the site and to determine the services available to residents. This can be done by town hall meetings, inclusion of community members and leaders on committees, and engaging in dialogue with local community groups and churches. The most important thing is that those involved should try to incorporate suggestions from the community as much as possible. Listening is not enough. Planners and developers must demonstrate their willingness to listen by acting on suggestions or finding compromises.

**Implementation Strategy No. 2: Work closely with local non-profit groups to provide services within a development.**

Again, this is primarily aimed at public developments rather than private developments. If the plan is to provide affordable housing and to reduce social inequality, then the citizens need to have more than just their housing needs fulfilled. Non-profit agencies already have the expertise and knowledge needed by the local community. They are also based in the community and so people can freely access their services. By using local non-profits, services can be tailored to the community being served. For example, if the housing is in a predominately Latino area, Spanish speaking services will be necessary. Also, depending on the workforce, services, such as medical care, may need to be available during the evenings or weekends to accommodate working schedules. In general non-profit agencies are more

adept at providing these services.

### **Point 5. Use Urban Design Techniques to Improve the Immediate Environment to Reduce Crime and Improve the Wellbeing of Individuals.**

**Reasoning:** As demonstrated by the Diggs Town case study, architecture and environment can actually decrease crime and improve people's well being. The Diggs Town community decided to structure housing with porches that had a clear line of sight down the street. This deterred criminal activity. Clearly identified lawns and homes gave people a sense of ownership over their piece of land. Another example is Delancy St Drug Rehabilitation Center along the San Francisco Embarcadero. Though this not an affordable housing development, it demonstrates the interaction between people, their environment and their ability to be successful. Delancy Street is considered one of the most successful drug rehabilitation centers in the country. The facility itself looks like other apartment buildings in the neighborhood and inside, the layout looks "expensive". The architecture says "We treat people with dignity." The other example of this is the award winning Cecil Williams Housing facility, which services low-income clients who are formerly homeless, living with AIDS or who are in recovery. The architects designed this building to "convey a sense of comfort, optimism and self-reliance to its occupants."

#### **Implementation Strategy No. 1: Architects and Developers must be willing to work with the community**

While most cities require developments to seek feedback from the community, this may occur in more or less. However, for developer or architect working on a public project would be required to include the community in the planning process and incorporate the existing neighborhood into the current design.

#### **Implementation Strategy No 2: Use Urban Design Techniques to Enhance the Wellbeing and Dignity of Occupants**

The architecture should aim to convey to occupants that they will be treated with respect and dignity. Everything from lighting to sidewalks to open space should be considered. If no gardens are available, such as in apartment building, space should be set aside for communal gardens. These gardens can even be placed on roof tops should no space be available at ground level. Lighting and landscaping should enhance the safety of the occupants.

As has been demonstrated, the provision of affordable housing and achieving the goal of social justice is more than just putting a roof over someone's head. While these are just some approaches, it is apparent that it requires a holistic approach and needs to include people at every level to ensure that individuals and families are lifted out of poverty.

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