

HOME:

The Foundation for Life



Californians believe...

...that everyone should be able to provide a place to live for themselves and their family.

- A place where children have opportunities to grow and succeed in life.
- A decent place that families can afford.
- A place where the most vulnerable among us -- seniors, persons with disabilities, battered women -- are able to live safely and securely.



...But California's housing market is broken.

It's not meeting the variety of housing needs for millions of Californians. Most new homes are too big and too expensive. Even with foreclosures and decreasing home prices, rentals and for-sale homes are still not affordable to a large proportion of residents in most communities. Yet the market continues to build high-end homes that don't provide any choices for individuals and families. For

millions of consumers, California's housing market is the equivalent of a grocery store that offers filet mignon and caviar, but no hamburger or macaroni. People at all income levels and stages of life must be able to find a place to live -- students, younger workers, families with children, empty nesters, and seniors.



The Foreclosure Crisis

The severe foreclosure crisis is another symptom of the broken housing market. Despite falling home prices, there still isn't enough supply for everyone to have an affordable place to live. Every year, California falls further behind in building new affordable apartments, condominiums, townhomes, and houses.

For California's families to thrive and for children to have the opportunity to succeed in life, we need a steady, predictable supply of homes to stabilize our housing market; ensure reasonable housing choices for Californians of all income levels; and bring more stability to California's economy, communities, neighborhoods, and families.



*Creating a greater variety in the supply of rental and for-sale home choices brings many **benefits to California's residents and communities.***

Benefits to Families with Children

Families that have an affordable and stable home have more money to afford rising food and gas prices, health care, and other vital living expenses for themselves and their children.



Children in stable homes have better opportunities to learn and grow. Staying in the same school gives children continuity with their teachers and classmates, and improves academic success. Children living in a stable home experience fewer problems than homeless or transient children in terms of school, nutrition, stress, illness, and mental health. Children living in a secure, quality environment have safer places to play, less exposure to violence, and an ongoing place to share family time and meals and do homework. Children with parents working close to home receive more parental time and supervision.

Benefits to Older Adults

Parents, adult children, and grandchildren who have options for living near each other can maintain strong relationships and provide mutual support. Older adults who can afford to remain near family, friends, or in assisted living, have people to look out for them. When they can no longer drive, living near family and friends allows more opportunities for socializing and access to medical care and services, all of which contribute to better physical and mental health.



Benefits to Schools

When children can stay at the same school, everyone benefits. There are fewer classroom disruptions. Teachers and classmates don't have to contend with children coming and going mid-year and the disciplinary and emotional issues those disruptions bring. Material does not have to be reviewed or repeated, so lesson plans can stay on schedule. Schools can count on stable Average Daily Attendance receipts and plan and budget more predictably for staffing and resources. Academic performance and test scores can be improved with greater school stability.





Benefits to Public Safety

More options in the housing market reduce costs and challenges for state and local law enforcement and fire agencies:

- Local police and fire departments are better able to recruit personnel. Police officers and firefighters who live in the community are more familiar with what is happening locally, and better able to respond quickly to emergency calls when off duty.
- More residential stability for families reduces stresses that can trigger abuse and family violence.
- Demands on law enforcement and emergency response are lessened if there are fewer people who are homeless. Reducing the victimization of women and children who otherwise would be living on the streets reduces law enforcement calls and needs for assistance.
- If people with mental illnesses can find a home with supportive services that help them to remain stable, they are far less likely to commit a crime, reducing taxpayer costs related to law enforcement, jail/prison, and probation.
- When more people live near employment/retail areas, they provide eyes on the street, also reducing the potential for crime.



Benefits to Young Adults

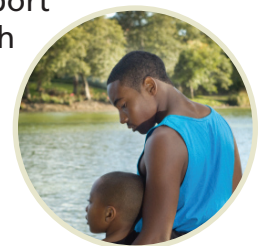
The rising costs of college, housing, food and gas can be tough for many of California's undergraduate and graduate students. Many students work full-time to afford school, lengthening the time it takes to obtain their degrees and start their careers. Many are taking on large loans, affecting their finances for many years following college or graduate school.



If rents are more affordable during and after school, more of these talented and educated young people can stay in their communities rather than moving away in search of more affordable regions of the country or moving back home with their parents. When rental costs are reasonable, young adults are better able to pay other living expenses; pay off student loans; and afford marriage, family, and saving to buy their own home.

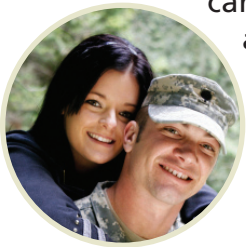
Benefits to Foster Youth

As teens "age out" of foster care, they either find a place to live or – as 20-30% do – become homeless. When these young people can find a safe and affordable place, especially one that offers ongoing support and resources, they are much more likely to succeed in making the transition from foster care into a productive adulthood.



Benefits to Veterans

Veterans living in stable homes they can afford are more likely to take care of health and other issues that impact them. Nearly 50,000 veterans were homeless in California in 2006, and 73,000 or more faced severely burdensome housing costs. From the base of a stable, affordable home, veterans have easier access to transportation options and can keep medical, counseling, and program appointments. Younger veterans are better able to access remedial education, job training, and counseling so they can reenter the workforce. And when more affordable homes are available, older, more frail veterans are able to find a secure and dignified place with the care and support they need to live out their lives.



Benefits to Health

When people have a stable living situation they can afford, they are better able to stay healthy and reduce demands on the health-care system. People who can afford a stable place to live have easier access to disability and health benefits and can maintain personal hygiene, schedule medical appointments, keep up medications and treatment, and when needed, seek rehabilitation and employment training.



When homes with support services are available and affordable to those with chronic physical or mental-health problems, emergency room visits, crisis care, and hospitalizations drop significantly, saving taxpayers and health-care providers substantial amounts of money.





Benefits to Business and the Economy

A greater variety of affordable choices in the state's housing market supports California's businesses and the economy in many ways:



- Employers are better able to recruit and retain employees who can afford to live in the area.
- Employers benefit financially from reduced employee turnover, tardiness, and absenteeism.
- More local rental and ownership choices improves employers' access to a skilled workforce, including the younger workers they need to remain competitive.
- Employers benefit from greater productivity when employees can reduce their commutes and stress levels by living closer to work.
- Building more affordable rental and for-sale homes stimulates construction-related employment, family spending, and tax receipts that help offset the current slow-down in market-rate development.
- The availability of low-cost rentals increases businesses' ability to recruit low-wage workers for key sectors of California's economy, such as agriculture and tourism.

Benefits to Persons with Severe Disabilities

Affordable homes with supportive services are critically important for adults with severe physical or developmental disabilities and their families. When a person with a significant disability is able to find and keep a home that meets his/her needs, whether alone or with others, it builds self-esteem and helps that individual be as independent and productive as possible.



This independence provides respite for families who care for loved ones as they age. Quality options are absolutely vital for those who do not have family to help shelter or support them, to prevent them from being relegated either to living on the streets or to more restrictive and costly institutions than they need.



Benefits to Agricultural Workers

With total sales of more than \$30 billion dollars, agriculture is California's 2nd largest industry. California's 75,000-plus farms and ranches employ more than 500,000 agricultural workers. Although insufficient for the demand, a number of apartments and migrant centers have been built specifically to provide a decent, healthful place that low-wage-earning farm laborers can afford for their families. This increases the local labor pool available to growers and offers alternatives to the overcrowded and substandard options found in many agricultural communities.

Like others, when farm workers have more permanent housing, they can seek long-term employment with higher wages and benefits and their children can stay in the same schools, giving them more opportunities for success.



Benefits to Domestic Abuse Victims

When the life or physical safety of a woman or her children is threatened by a violent partner, she needs a place to go that will allow her and her children to leave the situation and stay safe. Temporary shelters that provide support for women escaping violent situations can make the difference between life and death.

After temporary shelter, finding a safe, more permanent, affordable home is key to helping battered women rebuild their lives and support their families long-term.



Benefits to the Environment

Affordable homes contribute to California's efforts to reduce greenhouse gas emissions and protect the environment. Most affordable-home developments are more compact, using land more efficiently. Most are in infill locations, closer to jobs and services, reducing vehicle miles traveled, greenhouse gas emissions, and pressure on farmland and open space.



Affordable homebuilders are using more energy-efficient and green building techniques to reduce costs and demand for utilities. Smaller-sized apartments and townhomes, shared wall construction, shade trees, and use of solar technology reduce energy consumption. In more-compact developments, more limited, drought-tolerant landscaping uses less water and less energy to deliver water. Reduced parking lot sizes decreases the amount of heat generated from pavement, as well as urban runoff, reducing pollutants to streams, rivers, and beaches.





Fixing California's Broken Housing Market

For many years government has played a successful and vital role in keeping the housing market functional. Government programs have helped simplify home purchases for first-time homebuyers and established protections in the contracting process. The federal mortgage interest tax deduction has been a great incentive to home ownership. During the current market downturn, county tax collectors have been lowering home assessments to reduce property tax payments, while state and federal governments have sought ways to help those whose mortgage payments have risen to levels they can no longer afford. Federal, state, and local governments have partnered with private home builders to increase the supply of rental homes affordable to the most vulnerable, people with very low incomes or special needs.

State government can play an important role in fixing California's broken housing market. It can help when homebuilders cannot make a reasonable profit on some

of the rental and for-sale starter homes, particularly in areas with high land costs. Government investments provide strong incentives for homebuilders who must pull together a wide variety of financing sources such as bank loans, private investments, tax credits, tax-exempt bonds, community development block grants, state funds, redevelopment funds, local trust fund dollars, grants and contributions.

State government is an important partner with many others in California's housing marketplace: homebuilders, lenders, investors, federal and local governments, employers, and charitable foundations. Continuing state gap financing and supportive policies will help ensure the market can produce the varied home supply needed for all Californians, so everyone has a safe and affordable place to live.

The California Campaign for Affordable Homes is a broadbased coalition concerned about the lack of affordable places to live in California. The Campaign is comprised of representatives from California's:

- Local Governments
- Business Groups
- Senior Organizations
- Firefighter Associations
- Financial Institutions
- Faith-based Communities
- Labor Organizations
- Building/Construction Trades
- Affordable-home Trade Organizations and Advocacy Groups

For a complete list of organizations involved or to learn more, visit the California Campaign for Affordable Homes online: www.housingca.org/homesforall

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