



## Half of San Diego County Households Lived in Unaffordable Housing in 2006

New data from the US Census Bureau's American Community Survey reveal a deepening crisis of affordability for renters and homeowners in San Diego County, according to an analysis by the Center on Policy Initiatives.

The data, embargoed for official release Wednesday, show that only 52% of the county lived in housing that was affordable by federal standards in 2006, compared to 60% in 2000. The U.S. Department of Housing and Urban Development (HUD) considers housing unaffordable in the total cost — rent plus basic utilities or mortgage, tax and insurance payments — is more than 30% of a household's income.

Compared to the previous year, affordability worsened for homeowners with mortgages in 2006, but improved slightly for renters, so that 53% of both groups now live in unaffordable housing.

However, the apparent improvement for renters is a largely "an illusion," said Richard Lawrence, cochair of the Affordable Housing Coalition of San Diego County.

"Rents have increased in this county, but more upper-income households are renting rather than buying," Lawrence said. "The housing burden for lower-income households seems to get worse every day."

Here are some highlights of the deepening affordability crisis in San Diego County:

- 500,130 households in the County (48%) lived in unaffordable housing in 2006, meaning housing costs exceeded 30% of income. This is more people than in 2000, when 39.5% households lived in unaffordable housing.
- 52.8% of renters lived in unaffordable housing. This is 6 percentage points higher than in 2000.
- 53.4% of homeowners who pay mortgages lived in unaffordable housing in 2006. This is 12 percentage points higher than in 2000.

***The data indicate that household incomes have not kept pace with rising housing costs.***

CPI analyzed the Census Bureau's August release of economic data to show that middle-income households are shrinking even as low-wage jobs are added to the San Diego economy.

"The 2006 Census data illuminates San Diego County's housing crisis and shows that the growth in household income has not kept pace with housing costs," said Murtaza Baxamusa, CPI Research and Policy Director. "Half of us live in housing we cannot afford."

Table 1: Historical Rise in Unaffordability in the County:

	Rental	Owner w/ mortgage	Owner w/o mortgage	Total
<b>2000</b>	46.2%	41.4%	10.1%	39.5%
<b>2001</b>	52.3%	41.8%	13.9%	42.7%
<b>2002</b>	51.0%	41.5%	13.5%	41.7%
<b>2003</b>	56.3%	43.6%	10.6%	44.3%
<b>2004</b>	55.6%	47.3%	16.6%	46.6%
<b>2005</b>	57.5%	49.6%	15.1%	48.0%
<b>2006</b>	52.8%	53.4%	15.6%	48.0%

*Source: CPI analysis of U.S. Census data*

It should be noted that the conventional approach to housing affordability used here—30% for all households regardless of size or income—is biased against lower-income households and large families, who cannot realistically afford the 30% level without compromising other basic needs. The following tables highlight the differences in housing costs and annual income among cities in San Diego County.

In 2005 the median monthly rent paid countywide was \$1072 and in 2006 this increased to \$1131. In 2005 the median monthly mortgage paid in the county was \$2059 and in 2006 this increased to \$2300.

Table 2: Median Housing Costs by City in 2006

	Median Monthly Rent	Median Monthly Mortgage and Owner Cost	Median Value of Owner-occupied units
<b>Carlsbad</b>	\$1,514	\$2,803	\$743,500
<b>Chula Vista</b>	\$1,053	\$2,562	\$564,700
<b>El Cajon</b>	\$955	\$1,953	\$460,000
<b>Escondido</b>	\$990	\$2,079	\$472,000
<b>Oceanside</b>	\$1,213	\$2,062	\$516,500
<b>San Diego</b>	\$1,154	\$2,243	\$579,000
<b>San Marcos</b>	\$1,213	\$2,509	\$517,400
<b>Vista</b>	\$1,142	\$2,031	\$491,000
<b>San Diego County</b>	\$1,131	\$2,300	\$572,000

*Source: CPI analysis of U.S. Census data*

Table 3: Income Data by City in 2006

	Median Household Income	Median Family Income	Per Capita Income
<b>Carlsbad</b>	\$83,737	\$107,018	\$44,168
<b>Chula Vista</b>	\$56,303	\$62,310	\$22,087
<b>El Cajon</b>	\$45,651	\$51,870	\$21,570
<b>Escondido</b>	\$51,595	\$56,186	\$21,583
<b>Oceanside</b>	\$58,995	\$65,845	\$25,919
<b>San Diego</b>	\$58,815	\$71,026	\$29,846
<b>San Marcos</b>	\$65,234	\$75,860	\$26,496
<b>Vista</b>	\$50,162	\$53,578	\$20,345
<b>San Diego County</b>	\$59,591	\$69,099	\$28,763

*Source: CPI analysis of U.S. Census data*