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BAY AREA REPORT HIGHLIGHTS HOUSING AS KEY TO REGION'S ECONOMIC FUTURE

OAKLAND, Calif. — *Solving the Housing Crisis Is Key to Inclusive Prosperity in the Bay Area*, released today, presents new data and analyses that illustrate how rising rents and stagnant incomes are straining household budgets and stifling opportunity in the nine-county Bay Area, jeopardizing the region's diversity, growth, and prosperity. The report was developed as part of the Bay Area Equity Atlas, a partnership between PolicyLink, The San Francisco Foundation, and the Program for Environmental and Regional Equity at the University of Southern California (PERE).

From displacement and homelessness to employers struggling to find workers who can afford to live anywhere near work, the Bay Area's housing crisis has become the Achilles' heel of one of the strongest economies in the world. Though the effects of the housing crisis are far-reaching, it has hit low-income communities of color first and hardest, exacerbating longstanding racial inequities.

"When a region becomes unlivable for all but the very wealthy, it threatens social, cultural, and economic vitality for everyone," said **Michael McAfee, President of PolicyLink**. "If we do not address the housing crisis, we cannot hope to make meaningful progress toward building a Bay Area that is equitable, inclusive, and prosperous for all residents."

This report offers a new analysis of the Bay Area housing crisis — and the broad benefits of addressing it — by leveraging robust data sources disaggregated by race, income, and geography, including new market rent data for Bay Area neighborhoods provided by Zillow.

Key findings include:

- More than 480,000 economically insecure households pay on average \$9,000 more than they can afford on rent annually—adding up to \$4.4 billion that they could be spending on their family needs and in the regional economy.
- Between 2000 and 2016, rents increased 24 percent while renter incomes rose just 9 percent.
- Six of every 10 economically insecure residents are renters and 75 percent of them pay too much for housing (more than 30 percent of their income).
- A family of two workers each making \$15/hour for a yearly household income of \$62,400 can afford the median market rent in only 5 percent of the Bay Area's 1,500-plus neighborhoods.
- Ninety-two percent of the neighborhoods affordable to these working-class households are rated "very low opportunity" on a comprehensive index of neighborhood opportunity.

"On one hand, the data confirm what we already knew about the housing crisis in the Bay Area: that the situation is particularly dire for people at the lower end of the economic spectrum," said **Fred Blackwell, CEO of The San Francisco Foundation**. "Once forced out of their homes, there are precious few places in the region they can still afford to live. On the other hand, this report illuminates the specific actions that can be taken to counter displacement."



“Despite seeing the growth of the world’s wealthiest tech companies in their backyard, too many working families experience the Bay Area’s tech driven-economy through the proliferation of low-wage jobs and an amplified housing crisis,” said **Derecka Mehrens, Executive Director of Working Partnerships USA and adviser to the Bay Area Equity Atlas**. “This report highlights the fact that behind the housing crisis lies a jobs crisis, which is why we need an agenda that brings together good jobs, stronger tenant protections, and more affordable housing production and preservation.”

“This report tells the story that low-wage workers in the East Bay know too well — that the skyrocketing cost of housing is pushing families and people of color to the margins of our region and making it impossible for us to live stable and dignified lives,” said **Kate O’Hara, Executive Director of the East Bay Alliance for a Sustainable Economy (EBASE)**. “Policymakers should take note that advancing tenant protections and promoting community power are essential to laying the foundation for a just economy.”

Solving the Housing Crisis Is Key to Inclusive Prosperity in the Bay Area represents the first of many analyses that will be produced through the Bay Area Equity Atlas in the coming months and years. Through the Bay Area Equity Atlas partnership, PolicyLink, The San Francisco Foundation, and PERE will work to create a regional platform designed to provide data and serve those who are seeking to advance solutions at a local and regional scale.

About PolicyLink

PolicyLink is a national research and action institute advancing racial and economic equity by Lifting Up What Works®. For more information, visit PolicyLink.org

About The San Francisco Foundation

With more than \$1.3 billion in assets, The San Francisco Foundation is one of the largest community foundations in the country. The foundation is committed to expanding opportunity and ensuring a more equitable future for all in the Bay Area, and working with its donors, it distributed more than \$150 million to nonprofit organizations last year. The San Francisco Foundation serves Alameda, Contra Costa, Marin, San Francisco, and San Mateo Counties.

About PERE

The Program for Environmental and Regional Equity (PERE) at USC conducts research and facilitates discussions on issues of environmental justice, regional inclusion, social movement building, and immigrant integration. For more information, visit dornsife.usc.edu/PERE.