Renter Protections Strengthen California Communities

Fact Sheet: Assembly District 56

California's future depends on the health, well-being, and participation of renters. Renting is up, and renters are contributing ever more to the economic, social, and cultural vitality of communities across the state. But they could be contributing even more if it were not for skyrocketing rents and stagnant wages. When the rent is too high, little is left over for basics like food, transportation, health care, and education and renters are at risk of displacement, eviction, and homelessness.

Renters represent a growing share of residents in the district...

The district has 55,600 renter households, an increase of 23% since 2010.

...and across the region, people of color are more likely to rent their homes.

<table>
<thead>
<tr>
<th>Race</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black</td>
<td>58%</td>
</tr>
<tr>
<td>Latinx</td>
<td>48%</td>
</tr>
<tr>
<td>Mixed/Other Race</td>
<td>46%</td>
</tr>
<tr>
<td>People of Color</td>
<td>45%</td>
</tr>
<tr>
<td>Native American</td>
<td>45%</td>
</tr>
<tr>
<td>Asian or Pacific Islander</td>
<td>30%</td>
</tr>
<tr>
<td>White</td>
<td>29%</td>
</tr>
</tbody>
</table>

But rents are on the rise...

...and families are being squeezed by rising rents and stagnant wages.

59% pay too much for housing*

- 30,100 households in the district pay unaffordable rent.
- Among the district’s 28,400 low-income renters,** 78% pay unaffordable rent.
- There are 5,900 more rent-burdened households now than in 2010, an increase of 24%.

* Data Source: California Department of Finance
** Low-income is defined as income below 80% of area median income.
Homelessness is also on the rise in Riverside and Imperial Counties...

...and evictions continue to threaten economic and housing security in the two counties.

36,500 evictions in 2014-2016

- Research shows that when more than a third of renters are cost-burdened, homelessness increases much more quickly.
- In a survey, both families and single adult individuals reported the lack of affordable housing as the top cause of homelessness.

If all California renters paid only what they could afford on housing...

...they would have an extra $23.8 billion to spend in the community each year, or

$7,700 per household***

This would cover the basics, like:
- 1.4 times an entire food budget,
- 10 months of child care,
- 1.3 times all transportation costs, or
- 83% of tuition at a California public university.

Everyone would be better off, and racial inequities would shrink.

Increase in yearly disposable income by race:

<table>
<thead>
<tr>
<th>Race</th>
<th>Increase in Disposable Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>8%</td>
</tr>
<tr>
<td>Black</td>
<td>16%</td>
</tr>
<tr>
<td>Latino</td>
<td>12%</td>
</tr>
<tr>
<td>API</td>
<td>8%</td>
</tr>
<tr>
<td>Native American</td>
<td>11%</td>
</tr>
<tr>
<td>Mixed/other</td>
<td>10%</td>
</tr>
</tbody>
</table>

Data analysis from the National Equity Atlas, a partnership between PolicyLink and the USC Program for Environmental and Regional Equity (PERE). Sources: 2016, 2015, and 2010 5-Year American Community Survey; rent data from Zillow; Orange County Point In Time homeless count; eviction data from Tenants Together and the Anti-Eviction Mapping Project.

Notes: Unless otherwise noted, “renters” refers to renter-occupied households. All racial/ethnic groups are non-Latino (except for Latinos) and people of color include all persons who do not identify as non-Hispanic White. All dollar values in 2015 dollars (except Zillow data). “Disposable income” is defined as household income minus housing costs (rent and utilities). *We use the common standard of spending no more than 30 percent of income on housing costs to measure affordability. **Low-income is defined as less than $50,000/year. ***Potential increase in disposable income per rent-burdened household. Data on food and transportation from the MIT Living Wage Calculator for a household comprising one adult and one child. Data on center-based child care from KidsData.org. Data on education expenses at public four-year colleges are from the College Board and are at the state level for 2015.

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