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| National Low Income Housing Coalition OUT OF REACH 2013 |
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| **4/2/2013** |

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| A summary of the March 2013 publication as well as a chart with statistics for the CCASSC counties. |

The National Low Income Housing Coalition released the publication about rising housing costs in March 2013.

Renters made up 35% of all households in the US in 2011 and all rents were generally 3.8% higher in 2012 than the previous year. The US Census bureau reports that about 29% of all renters are living below poverty. Homelessness and housing stability are common issues facing the poor. Even those employed have difficulty affording housing. The Bureau of Labor Statistics estimate that most job growth will take place in jobs that pay low wages. The publication stated that there is not one state in the nation where a person working a typical full time job (40 hours/week) at minimum wage can afford the cost of renting a two bedroom unit. Further, in California someone earning minimum wage and working full time cannot even afford a one bedroom place. Over half of all renters pay greater than 30% of their income towards housing costs.

Another staggering statistic is that today 60% of all persons who are earning $10 an hour or less are in the 25-64 year old age bracket. Most people still think that teenagers are the majority of persons earning these low wages.

In order to meet the demand for affordable housing, it is estimated that the United States needs 4.5 million more affordable rental units.

The report included a breakdown of housing costs for each state. Further, the report showed that California is the second most costly state for housing. Although no CCASSC county is listed among the geographic areas where housing is the most costly, there are many residents who cannot afford rents.

In California, the Fair Market Rent for a two bedroom apartment is $1,241. The amount of income needed to pay for this type of housing including utilities without paying more than 30% of income on housing is $4,469 per month or $53,627 per year. So a person would have to have a wage of $25.78. Yet, the estimated average wage for a renter in the state is only $17.99. It would take 1.4 full time jobs at the mean renter wage to afford this housing.

The entire report can be found at www.nlihc.org.

The report provided the data for all California counties. The specific data for the CCASSC counties is presented in the following table.

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| CALIFORNIA FY13 HOUSING  HOUSING COSTS AREA MEDIAN INCOME RENTER HOUSEHOLDS  WAGE (AMI) |
| 2 BR Income Full time jobs Annual Rent 30% Rent affordable Number % of total Est. Rent Full time jobs  FMR[[1]](#endnote-1) to afford at min wage AMI affordable of AMI at 30% AMI Households mean renter affordable at mean renter  2 BR FMR to afford at AMI Hourly wage at mean wage wage needed to  2BR FMR afford 2BR FMR |
| Calaveras $17.75 $923 $36,920 2.2 $69,700 $1,743 $20,910 $523 4,026 21% $10.83 $563 1.6 |
| Fresno $16.88 $878 $35,120 2.1 $54,600 $1,365 $16,380 $410 128,359 45% $10.83 $563 1.6 |
| Kern $15.46 $804 $32,160 1.9 $52,500 $1,313 $15,750 $394 100,132 40% $12.26 $638 1.3 |
| Kings $14.96 $778 $31,120 1.9 $50,400 $1,260 $15,120 $378 18,465 45% $12.05 $627 1.2 |
| Madera $16.56 $861 $34,440 2.1 $54,500 $1,363 $16,350 $409 15,900 38% $11.23 $584 1.5 |
| Mariposa $15.98 $831 $33,240 2 $61,300 $1,533 $18,390 $460 2,213 29% $6.53 $340 2.4 |
| Merced $14.85 $772 $30,880 1.9 $50,200 $1,255 $15,060 $377 33,155 45% $10.19 $530 1.5 |
| San Joaquin $19.17 $997 $39,880 2.4 $58,600 $1,465 $17,580 $440 83,609 39% $12.19 $634 1.6 |
| San Luis Obispo $21.85 $1,136 $45,440 2.7 $70,900 $1,773 $21,270 $532 40,365 40% $11.39 $592 1.9 |
| Santa Barbara $27.42 $1,426 $57,040 3.4 $71,000 $1,775 $21,300 $533 65,746 46% $15.14 $787 1.8 |
| Stanislaus $18.10 $941 $37,640 2.3 $56,600 $1,415 $16,980 $425 64,707 39% $11.65 $606 1.6 |
| Tulare $14.77 $768 $30,720 1.8 $48,500 $1,213 $14,550 $364 52,684 41% $9.94 $517 1.5 |

The FY13 Housing wage is the hourly wage necessary to afford 2 bedroom Fair Market Rent.

Housing costs include utilities.

1. 1“FMR=Fiscal Year 2013 Fair Market Rent (HUD, 2012)

   2“AMI=Fiscal Year 2013 Area Median Income (HUD, 2012)

   3“Affordable rents represent the generally accepted standard of spending not more than 30% of gross income on gross housing costs.

   4 30% of AMI =”The federal standard for extremely low income households. Does not include HUD-specific adjustments. [↑](#endnote-ref-1)