

2021 Indicators Report: Equitable Housing

Executive Summary

The equitable housing issues we are facing in San Mateo County affect everyone. They negatively impact the quality of life of the most vulnerable populations, such as seniors, the disabled and low-income individuals, as well as essential workers and middle-income residents. These problems make it difficult for companies to hire enough workers. No one benefits from the burden of housing insecurity, as it negatively impacts entire communities.

Today's exclusionary practices began more than 250 years ago with the displacement of the Raymaytush Ohlone indigenous peoples. It continued with single-family zoning that created exclusive areas in cities that are primarily white and have the best schools. It pushed people of color into less desirable housing in parts of the county with high levels of pollution and high hazardous waste.

The purpose of this report is not to dwell on past mistakes, but to move forward and embrace solutions that will ensure that everyone in our county has housing security. To better understand the problems and opportunities, we spoke to elected officials, city and county staffs, nonprofit organizations, housing experts, housing developers and ordinary people.

Here are some key takeaways about the current state of affordable housing:

- The number of new homes in San Mateo County has not kept pace with the number of new jobs. Between 2010 and 2019, 102,500 new jobs were created in the county, while only 9,494 new housing units were built. The jobs-housing balance is destined to get worse. In a comprehensive analysis of all housing in the pipeline in the county, we found that approximately 330 developments under consideration would create more than 106,000 new jobs, possibly in the next five years, but housing units in those same plans add up to fewer than 25,000.
- Cities in San Mateo County are failing to meet the housing goals for different income levels that the Association of Bay Area Governments (ABAG) has set under its Regional Housing Needs Allocation (RNHA). During the last six years, cities in San Mateo County have issued permits for 150 percent of the homes needed for families of four making more than \$179,500. But permits were issued for only 27 percent of homes needed for families of four with household incomes below \$91,350.
- In order to afford an average two-bedroom housing unit in San Mateo County, renters need to earn \$50.60 per hour, more than 3.2 times the minimum wage, which is \$15.62 per hour.
- A large segment of the population cannot qualify for affordable housing because they don't earn enough money. There are very few spots available for people earning 30

percent of the Area Median Income (below \$38,400 for a household of one, below \$54,800 for a household of four), who are designated as extremely low income.

- Many extremely low-income people in the county are one medical crisis or paycheck away from homelessness. It's important to help them stay housed. If just 6 percent of the extremely low-income individuals in the county lose their homes, the county's homeless population (1,500 in 2019) will nearly double.
- High housing prices have caused many low-income workers to move out of the county. As workers become scarcer and traffic gets worse, some employers are pulling up stakes and moving elsewhere, too. This exodus has a detrimental effect on the local economy.
- Climate change also affects housing. More than 35 percent of terrain in the county has a high likelihood of fire ignition, and our county is more vulnerable to sea level rise than any other county in the state. FEMA and insurance companies are already beginning to force property owners to pay rates that more closely reflect these dangers.

There are many positive forces at work addressing the housing crisis. For example:

- Redwood City has made great strides in addressing the affordable housing shortage by requiring every commercial development to pay an affordable housing impact fee or provide affordable housing. It recently worked with the county to transform two hotels into housing for the homeless and create the county's first Navigation Center, a shelter with comprehensive services to break the cycle of homelessness. These projects will help the county reach its goal of "functional zero homelessness," meaning that anyone who desires shelter can access it in the county.
- More funding is available for affordable housing. Gov. Gavin Newsom's California Comeback Plan is the largest investment in housing in state history, with billions for affordable housing and homelessness mitigation. It includes subsidies to prevent renters from being evicted and a very successful state program, Homekey, which shelters homeless people quickly in converted hotels. San Mateo County's Measure K, the half-cent sales tax that supports essential county services, is boosting the amount of affordable housing being built locally.
- Leaders are working together to address the housing crisis through collaborative initiatives like Home for All in San Mateo County; All Home, a collaboration among leaders from throughout the Bay Area; and Roadmap Home 2030, a statewide partnership.
- Single-family zoning used to be untouchable, but state legislators recently approved Senate Bill 9, which allows as many as four units on single-family lots, without local approval; and Senate Bill 10, which permits local governments to build up to 10 units on single-family lots near public transit. The state has also made it easier to build separate units on single-family lots.

- California is getting serious about requiring equitable housing. In April 2021 California’s Department of Housing and Community Development issued new guidelines for implementing its fair housing bill. They say cities must “ameliorate past actions that led to inequity” with measures such as local ordinances that prevent harassment of tenants. Cities that do not heed these guidelines risk losing eligibility for funding that supports essential services and, ultimately, they may lose control of local land use decisions.

At Sustainable San Mateo County, we believe sharing successful solutions is one of the fastest ways we can accelerate sustainability. Here are a few solutions we found:

- The City of Burlingame traded two public parking lots for an affordable housing project on one lot and a parking structure on the other that more than made up for the lost parking.
- Private companies like Facebook, Apple and Google are contributing money and land to build affordable housing.
- School districts are offering housing incentives to attract new teachers and prevent current staff from leaving. Daly City is working with the city’s elementary and high school districts to build affordable housing for teachers and staff as part of the Serramonte Del Rey master plan.
- The City of San Mateo’s ambitious 225-unit Kiku Crossing development will offer 121 units for extremely low-, very low- and low-income families, and 102 units for households that earn greater than 60 percent and less than 80 percent of Area Median Income, plus two units for managers and support staff. Preference will be given to public employees of the city, county, state, local school districts and other public agencies for 57 of the units, provided they meet the income thresholds, while 22 units will be reserved for homeless households. The remaining eight units are being considered for individuals with developmental disabilities.
- South San Francisco has approved a 36-unit below-market-rate development in the city’s downtown, with half of the units reserved for households with intellectual or developmental disabilities. The city also approved a \$4 million loan to assist with the project’s development
- San Mateo County has a relocation ordinance that compensates renters who are evicted through no fault of their own. The county’s “red tag” ordinance gives tenants three times the usual rent if they experience permanent displacement due to substandard housing conditions.
- Los Angeles requires landlords to have a permit in hand before evicting a tenant to do a substantial remodel.

- Berkeley voters passed a measure in 2016 that raised the business license tax on residential rental properties by 1.8 percent of gross receipts, with extra funds allocated toward affordable housing.
- Some cities, like San Francisco, are constructing tiny, weatherproof homes for homeless individuals that allow them to lock their doors and feel safe.

Conclusion

We applaud the individuals who are demanding that policy makers in our county approve affordable housing projects despite public backlash. We admire those who have taken personal and corporate action to increase housing availability. We salute decision makers, planners and developers who manage to find the funding and comply with complex regulations to make exemplary projects happen.

We need everyone to join forces and work together, collaboratively, to come up with ingenious, practical solutions that work. Housing is a basic human right. Adequate housing is essential for human survival with dignity. Without equitable housing, many other basic rights will be compromised.

There is still much work to do. We hope you will join in the compassionate effort to help everyone in San Mateo County have a place to call home.