

A stylized graphic of a house with a dark blue roof, a grey body, and a white chimney. The house is positioned on the left side of the cover. The background is split into a light blue top half and a brown bottom half, both featuring a repeating pattern of small house icons. A vertical grey bar on the left contains a series of white squares.

MISSION IMPOSSIBLE?

MEETING CALIFORNIA'S HOUSING CHALLENGE

AN OVERVIEW OF THE CRISIS

Download the full report at
www.scag.ca.gov/housingsummit

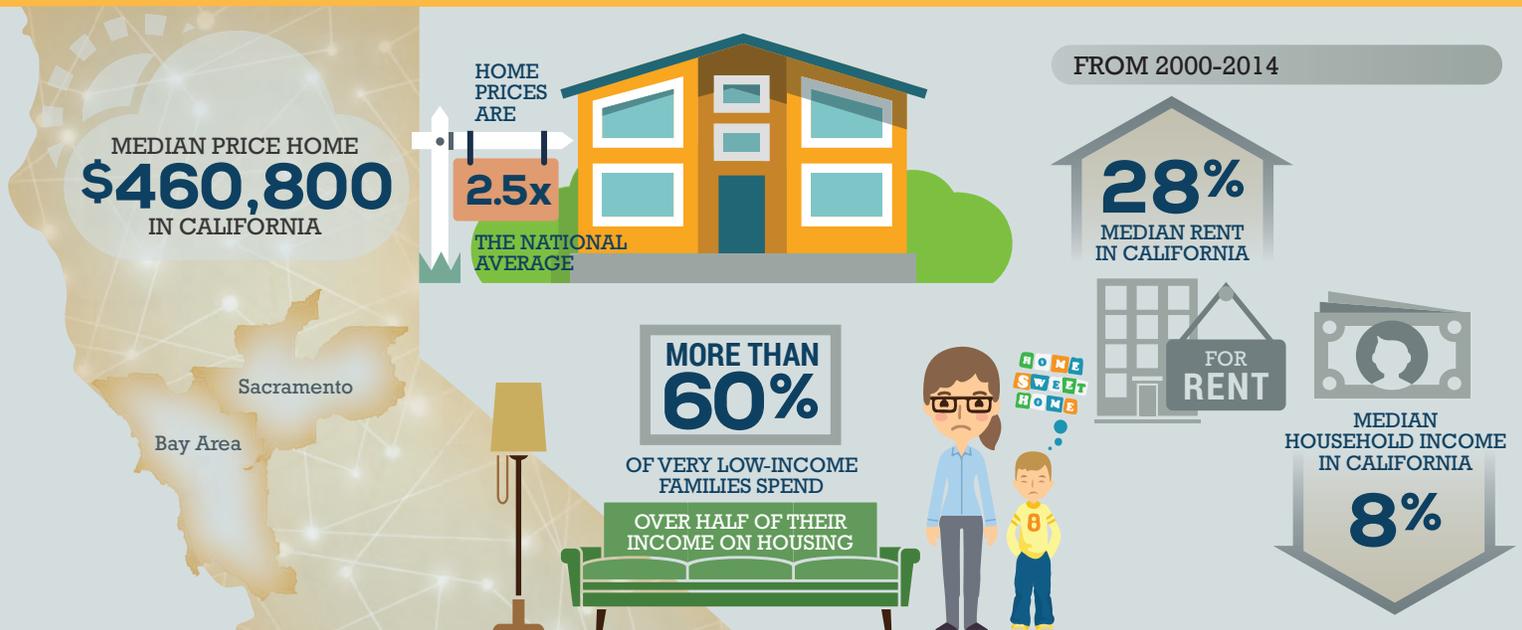
October/2016

The SCAG logo features a stylized, colorful graphic of a house or building above the letters "SCAG". The graphic is composed of several overlapping rectangular blocks in shades of blue, orange, green, and purple.

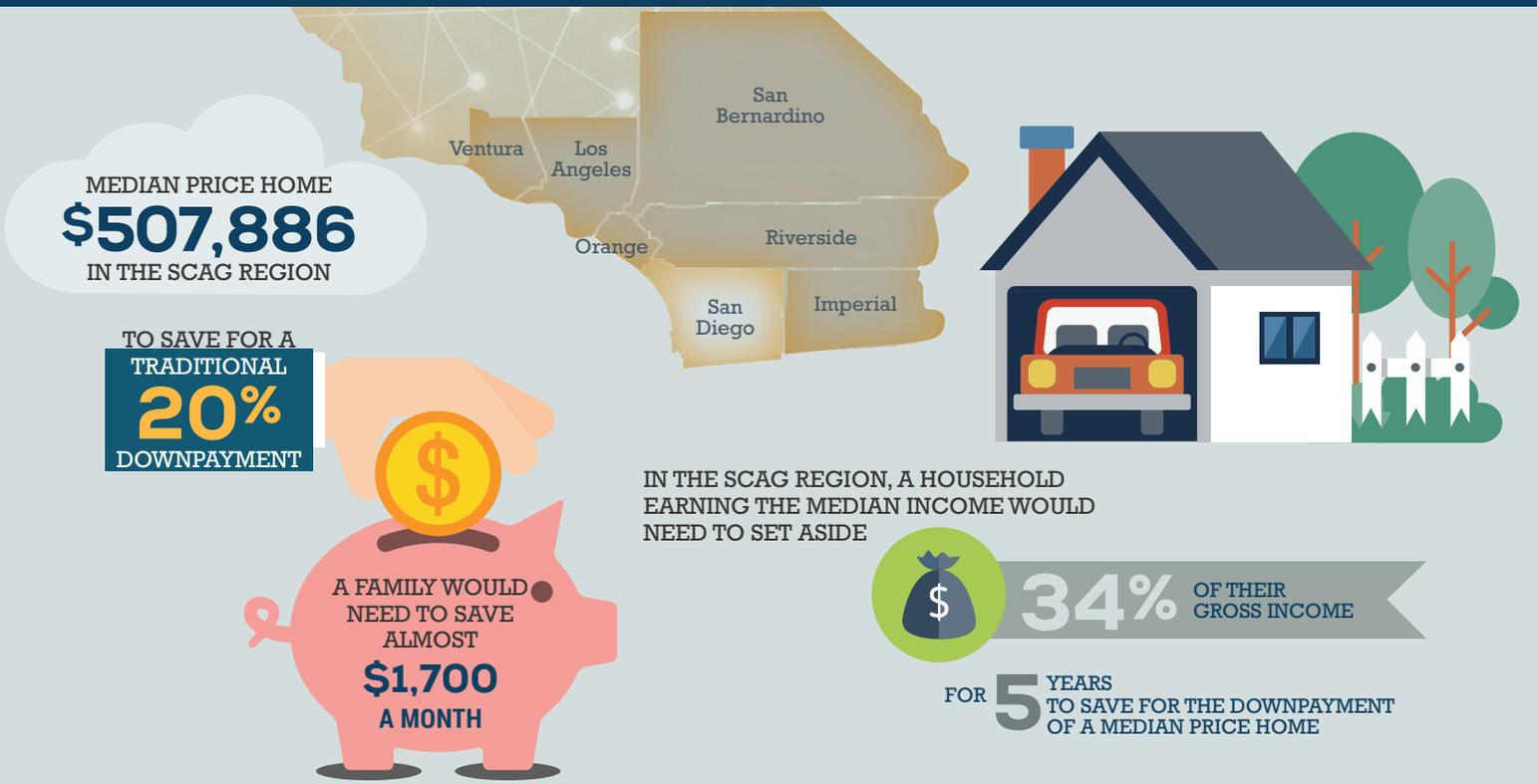
SCAG™
INNOVATING FOR A BETTER TOMORROW

WE HAVE A CRISIS STATEWIDE

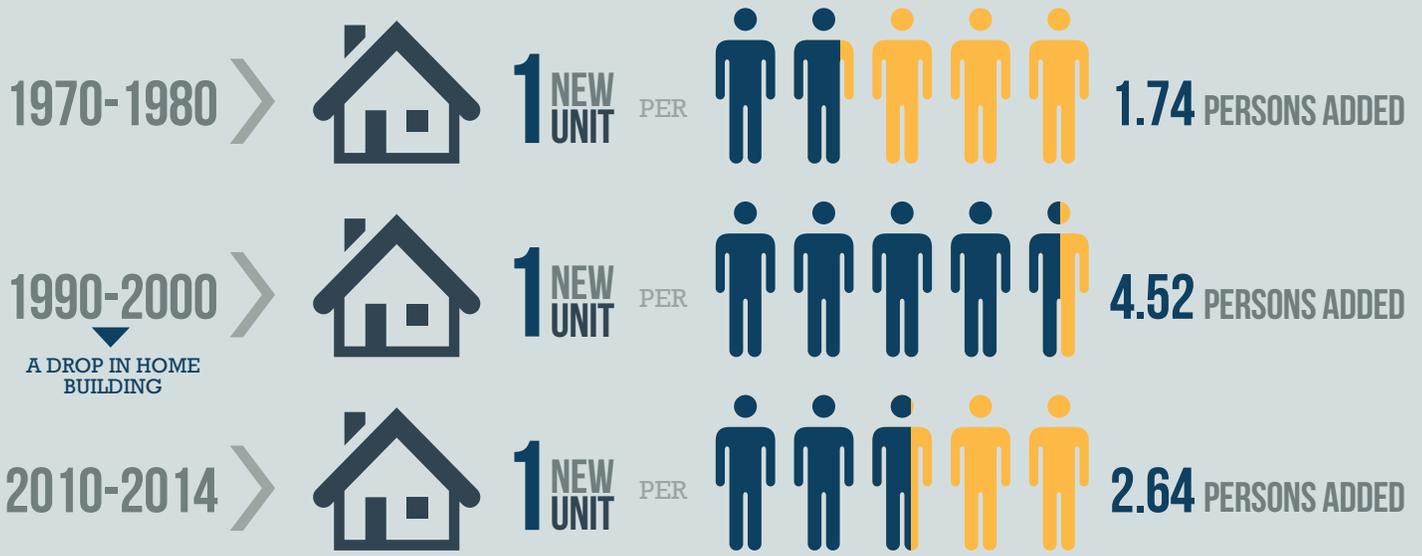
The housing crisis in California is due to a combination of both a housing shortage and a lack of affordability, and the problem is not limited to housing for low-income families.



AFFORDABILITY IS A LOCAL AND REGIONAL PROBLEM



HOUSING SUPPLY HAS NOT KEPT UP WITH POPULATION GROWTH



IT'S COMPOUNDED BY A DEMOGRAPHIC SHIFT



WHAT'S HOLDING UP NEW HOUSING CONSTRUCTION?



01 LACK OF FUNDING OR FISCAL INCENTIVES

Many jurisdictions do not have permanent funding to build housing. Subsidized housing may not produce enough revenue and other forms of land use may be preferred.



02 REGULATORY BARRIERS

There are a number of regulatory requirements, such as CEQA, that can delay or kill residential projects. They can also add to the cost of a project.



03 LOCAL ZONING REQUIREMENTS

Local zoning requirements, such as parking, can restrict the number of units or render them unaffordable for many.



04 NOT IN MY BACK YARD (NIMBYism)

Misinformation and fear can lead to community opposition to residential projects.

THE COST OF NOT HOUSING

The higher the housing costs, the lower the amount a family can use toward other costs. This can impact future savings, particularly for families that are close to poverty. High housing costs also mean less money that could be spent on local businesses, personal health or recreation.



DISPLACEMENT



OVERCROWDING



OUTMIGRATION AND LOSS OF YOUNG TALENT

Due to stagnant wages or difficulties finding a secure entry-level or mid-level job, and rising costs in rent, millennials represent over half of the outmigration from the most expensive metro areas despite representing only a quarter of the population.



ECONOMIC IMPACTS

High housing costs also impact wider economic growth and are an increasing factor in decision-making for employers. A number of major employers are leaving the state or reducing operations, citing the lack of housing for their employees as one of the top reasons for leaving.



To find out strategies and solutions to address California's housing challenge, download the full report at www.scag.ca.gov/housingsummit