

California cities, counties spur low-income building

750 BELOW-MARKET-RATE UNITS BUILT IN SANTA CLARA COUNTY SINCE 1999

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Nearly one-third of California cities and counties have ordinances in place to encourage the construction of affordable housing, resulting in nearly 30,000 units of rental and for-sale housing intended for low- and moderate-income people, according to a report released Tuesday by a housing advocacy group.

A total of 170 cities and counties statewide have so-called "inclusionary housing" laws, up from 107 in 2003, said the report from the Non-Profit Housing Association of Northern California. Though details of the ordinances vary by jurisdiction, the common thread is they require developers who build housing that will rent or sell at market rates to include some units that are designated "affordable" to moderate-, low- or very-low-income tenants or owners.

Because of these programs, an estimated 29,281 such housing units have been built since 1999, the report's authors found. Of those, 750 are in Santa Clara County, 686 are in San Mateo County, 3,059 were built in Alameda County and 346 are in Santa Cruz County. San Diego County leads the state with more than 4,500 units built.

Dianne Spaulding, executive director of the Non-Profit Housing Association, said there is still a shortage of affordable housing in California, despite the increased number of places with ordinances to promote it. Adoption of those programs "certainly is not a silver bullet, by any means, but . . . it is a solution that is putting roofs over people's heads."

About 90 percent of the units statewide were integrated among market-rate units, rather than built off-site. About 47 percent of the units were affordable to low-income residents, which in Santa Clara County would mean a family of four with an annual income of up to about \$61,300, the report said.

Spaulding said the study was the first time anyone had attempted to measure the amount of housing created by inclusionary programs, or the income levels of those served.

She said the sluggish real estate market affecting large parts of the state may help affordable housing developers and cities trying to create more housing. "If anything, these policies might even work better in a slowed-down economy because real estate prices fall. So when land prices fall, that's a big part of the equation," she said.

On the other hand, because most affordable housing units built in the state are done in tandem with market-rate developments, most affordable units won't be built if developers are holding off building their core products because of poor market conditions. But that's no reason for cities and counties to delay in enacting inclusionary housing ordinances, said Rob Wiener, executive director of the California Coalition for Rural Housing, who spoke during the conference call with reporters Tuesday. "It's always good to do this with anticipation" of future housing needs, he said.

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