

Key Issues in the California Housing Economy

The issues created by the underlying relationship between housing demand and supply unfold along several dimensions that have a significant impact on the quality of life for California's residents.

- Much higher levels of housing construction are needed to adequately house the State's population.
- High housing cost burdens are increasingly an issue for both owners and renters. The combination of upward price pressure in the housing market and relatively tight urban housing markets has led to increasing cost burdens, particularly for low-income renter residents.
- In addition to high housing cost burdens, it is evident that, in some portions of the State, the level of overcrowding has dramatically increased.
- A substantial portion of affordable rental housing developments statewide are at risk of conversion to market rate use. This situation threatens thousands of low-income elderly households and families, exacerbating local housing needs.
- California has an extensive agricultural economy that depends on temporary workers to harvest and process crops. Significant numbers of these critical workers migrate throughout the State facing housing challenges that impact their welfare.
- Finally, the homeless individuals and households who have fallen through the cracks of society face significant difficulties in obtaining shelter and reintegrating themselves into the broader society.

California's Housing Need

The California housing market has experienced significant strain throughout the 1990s. The recession dampened construction during the early part of the recession, and through at least 1996, construction activity remained relatively weak throughout the State. While economic activities continue to lag in portions of the State (particularly the Central Valley and non-metropolitan regions), strong economic growth in the Bay Area, San Diego, and portions of the Sacramento and Greater Los Angeles regions by 1998 had not resulted in major upswings in residential construction. While housing construction has traditionally led economic recoveries, activities in this decade continue to lag economic conditions in the State (although recent single-family sales activity has been stronger than any other time in the decade).

These lags have generally created increased tightness in housing markets throughout much of the State. All indications are that overall vacancies in most metropolitan areas have declined modestly, including most of the Bay Area, Greater Los Angeles, and San Diego, as well as portions of the Central Valley and Sacramento regions. In general, construction activity has overwhelmingly been concentrated in single-family housing, with little change through the decade. Moreover, while construction has been concentrated in the ownership market, available information indicates that removals are concentrated in the rental market, particularly at the lower end of the rental market.

The housing markets have not kept pace with the housing needs of households within the State, particularly low-income and other rental households. California residential permit activities during the 1990's have run at about one-half the level needed to meet projected housing needs by 2003 –

net housing permits have averaged about 116,000. In contrast, the projected statewide need is for an average of 173,000 – 195,000 units annually, depending on allowances for vacancy rates and loss of existing housing stock (see Table 22). The construction need projections, which reflect adjustments for existing market conditions (e.g., tight markets with low vacancies), are compared below to 1990-1997 housing construction.

The shortfall has been most critical within metropolitan areas. Overall, construction within metropolitan areas should increase to more than twice the levels within the earlier part of the decade to meet overall housing need in metropolitan areas, while non-metropolitan construction levels have been about 59 percent of the projected need levels.

The Greater Los Angeles Region was particularly hard-hit by the recession; construction was only at about 59 percent of the rate necessary for the projected need for almost 6.1 million housing units needed in the Region by year 2003. Construction activity in Los Angeles and Imperial counties was particularly weak during the 1990 to 1997 period.

The eight counties of the Central Valley Region are anticipated to reach over 1.25 million households by 2003. Construction activities in the Region have generally run at about 70 percent of that needed to meet overall need for an additional 172,000 housing units from 1997 - 2003. In particular, there will be particular pressure to increase housing production in Stanislaus and San Joaquin counties.

While the Bay Area did not experience the depth of recession that other regions did, housing construction failed to keep up with needs. The projected construction need is for over 240,000 housing units during 1997 to 2003. Based on estimates of household growth, activity in Santa Clara, Alameda and San Mateo counties will need to expand significantly. The activity in remaining counties would also need to nearly double the levels of 1990 - 1997.

Approximately 116,000 units will be needed in the Sacramento Region to accommodate the .86 million projected households. To accomplish this, it will be necessary for communities within the Region to increase the level of construction activity by nearly one-third over the 1990 to 1997 period. There is a need for relative activity levels in both El Dorado and Yuba counties to expand. Through the rest of the State, construction in most counties has run significantly below levels needed to meet projected housing needs.

Housing Cost Burden

Housing is generally the greatest single expense item for households. Current public standards measure housing cost in relation to gross household income – those households spending in excess of about 30 percent of income are generally considered “cost-burdened.” Using this measure, housing cost burdens for owners and renters in 1990 were a significant source of strain for households throughout California. In 1990, over 2 million rental households paid in excess of 30 percent of their income on housing, while over 30 percent of owners (1.4 million households) paid in excess of 30 percent of their income.

Not all areas experienced comparable cost burdens. The Greater Los Angeles, Bay Area, San Diego, Central Coast and Northern California regions experienced the greatest proportion of cost-burdened renters, while Central non-metropolitan California had lower levels of cost-burdened renters. High cost burdens for owners were concentrated in the Greater Los Angeles, San Diego and Bay Area regions, and to a lesser extent in the Central Coast Region.

Table 22
Housing Construction Need in California
1997 to 2003

Location	TOTAL HOUSEHOLDS			OWNER OCCUPIED UNIT NEED			RENTER OCCUPIED UNIT NEED		
	(Note 1) Estimated Households in January 1997	(Note 2) Estimated Households in July, 2003	(Note 2) Additional Household Demand	(Note 3) Estimated Occupied Owner Units in 2003	(Note 4) Ownership Vacancy Allowance	Total Ownership Units Required for 2003	(Note 5) Estimated Occupied Renter Units in 2003	(Note 6) Rental Vacancy Allowance	Total Renter Units Required for 2003
Metropolitan Areas									
Los Angeles Metro	3,067,181	3,243,867	176,686	1,563,435	23,809	1,587,244	1,680,432	88,444	1,768,875
Los Angeles County	883,229	953,095	69,866	572,530	8,719	581,249	380,564	20,030	400,594
Orange County	458,021	552,708	94,687	372,287	5,669	377,957	180,421	9,496	189,917
Riverside County	506,155	580,746	74,591	367,845	5,602	373,447	212,901	11,205	224,106
San Bernardino County	231,838	251,592	19,754	164,713	2,508	167,222	86,878	4,573	91,451
Ventura County	38,218	46,749	8,531	26,913	410	27,323	19,836	1,044	20,880
Imperial County*									
Total Los Angeles Metro Region	5,184,642	5,628,756	444,114	3,067,725	46,717	3,114,441	2,561,032	134,791	2,695,823
Bay Area									
San Francisco County	309,661	318,936	9,275	110,124	1,677	111,801	208,812	10,990	219,802
Marin County	96,865	99,564	2,699	61,821	941	62,763	37,743	1,986	39,729
San Mateo County	248,451	267,134	18,683	160,945	2,451	163,395	106,189	5,589	111,778
Alameda County	495,598	539,872	44,274	287,612	4,380	291,992	252,260	13,277	265,537
Contra Costa County	325,659	354,888	29,229	239,784	3,652	243,435	115,104	6,058	121,162
Santa Clara County	544,358	602,330	57,972	355,859	5,419	361,278	246,472	12,972	259,444
Sonoma County	163,761	186,726	22,965	117,495	1,789	119,284	69,231	3,644	72,875
Solano County	124,125	141,245	17,120	88,796	1,352	90,148	52,449	2,760	55,210
Napa County	44,601	48,955	4,354	31,595	481	32,076	17,361	914	18,274
Vallejo-Fairfield-Napa	168,726	190,201	21,475	120,391	1,833	122,225	69,810	3,674	73,484
Total Bay Area Region	2,353,079	2,559,650	206,571	1,454,030	22,143	1,476,173	1,105,620	58,191	1,163,811
Sacramento									
Sacramento County	430,515	482,412	51,897	273,102	4,159	277,261	209,309	11,016	220,325
Placer County	79,562	100,021	20,459	70,823	1,079	71,902	29,197	1,537	30,734
El Dorado County	53,641	66,145	12,504	46,896	714	47,611	19,248	1,013	20,261
Sutter County	27,342	32,073	4,731	18,818	287	19,105	13,255	698	13,952
Yuba County	21,247	23,301	2,054	12,293	187	12,480	11,008	579	11,588
Yolo County	56,180	63,219	7,039	32,803	500	33,302	30,416	1,601	32,017
Total Sacramento Region	668,487	767,170	98,683	454,736	6,925	461,661	312,434	16,444	328,878
Central Valley									
Fresno County	249,541	277,003	27,462	150,299	2,289	152,588	126,704	6,669	133,373
Madera County	34,943	43,776	8,833	28,420	433	28,853	15,356	808	16,165
Kern County	205,999	237,304	31,305	140,766	2,144	142,910	96,538	5,081	101,619
San Joaquin County	173,439	200,787	27,348	115,604	1,760	117,364	85,183	4,483	89,666
Stanislaus County	139,688	165,191	25,503	100,305	1,527	101,833	64,885	3,415	68,300
Merced County	62,317	71,536	9,219	38,892	592	39,485	32,644	1,718	34,362
Tulare County	110,052	124,989	14,937	75,068	1,143	76,211	49,921	2,627	52,549
Kings County*	32,626	37,883	5,257	20,096	306	20,402	17,788	936	18,724
Total Central Valley Region	1,008,605	1,158,469	149,864	669,451	10,195	679,645	489,019	25,738	514,757
San Diego Region	944,044	1,054,335	110,291	567,400	8,641	576,041	486,935	25,628	512,563
Central Coast Region									
Monterey County	114,702	126,150	11,448	63,897	973	64,870	62,254	3,277	65,530
San Luis-Obispo County	86,623	102,272	15,649	61,193	932	62,125	41,079	2,162	43,241
Santa Barbara County	134,937	143,455	8,518	78,516	1,196	79,711	64,940	3,418	68,358
Santa Cruz County	86,891	97,050	10,159	58,128	885	59,013	38,922	2,049	40,970
San Benito County*	13,818	17,212	3,394	10,525	160	10,685	6,688	352	7,040
Total Central Coast Region	436,971	486,140	49,169	272,258	4,146	276,404	213,882	11,257	225,139

Table 22 (continued)
Housing Construction Need in California
1997 to 2003

Location	TOTAL HOUSEHOLDS			OWNER OCCUPIED UNIT NEED			RENTER OCCUPIED UNIT NEED		
	(Note 1) Estimated Households in January 1997	(Note 2) Estimated Households in July, 2003	(Note 2) Additional Household Demand	(Note 3) Estimated Occupied Owner Units in 2003	(Note 4) Ownership Vacancy Allowance	Total Ownership Units Required for 2003	(Note 5) Estimated Occupied Renter Units in 2003	(Note 6) Rental Vacancy Allowance	Total Renter Units Required for 2003
Northern California Region									
Butte County	80,149	91,686	11,537	56,047	854	56,900	35,639	1,876	37,515
Shasta County	64,297	75,570	11,273	48,762	743	49,504	26,809	1,411	28,220
Tehama County*	21,427	23,757	2,330	16,304	248	16,552	7,453	392	7,846
Glenn County*	9,479	11,309	1,830	6,988	106	7,095	4,320	227	4,548
Colusa County*	6,230	8,105	1,875	5,147	78	5,226	2,958	156	3,113
Total Northern California Region	181,582	210,427	28,845	133,248	2,029	135,277	77,180	4,062	81,242
NONMETROPOLITAN AREAS									
Northern California Nonmetropolitan Region									
Del Norte County*	9,151	10,962	1,811	7,167	109	7,276	3,795	200	3,995
Humboldt County*	50,398	53,612	3,214	31,531	480	32,011	22,081	1,162	23,243
Mendocino County*	33,069	37,094	4,025	23,046	351	23,397	14,048	739	14,787
Lake County*	22,910	27,744	4,834	19,766	301	20,067	7,978	420	8,398
Siskiyou County*	18,643	20,209	1,566	13,588	207	13,794	6,621	348	6,969
Modoc County*	4,043	4,354	311	3,031	46	3,077	1,324	70	1,393
Trinity County*	5,473	5,936	463	4,134	63	4,197	1,802	95	1,897
Lassen County*	9,347	10,711	1,364	7,431	113	7,544	3,280	173	3,452
Plumas County*	9,168	9,814	646	6,621	101	6,722	3,192	168	3,360
Sierra County*	1,394	1,470	76	1,043	16	1,059	427	22	449
Nevada County*	35,021	41,860	6,839	31,147	474	31,621	10,713	564	11,277
Total Northern California Nonmetropolitan Region	198,617	223,766	25,149	148,505	2,261	150,766	75,261	3,961	79,223
Central-Southern California Region									
Amador County*	11,991	13,161	1,170	9,879	150	10,030	3,282	173	3,455
Alpine County*	487	563	76	323	5	328	240	13	253
Calaveras County*	14,748	18,035	3,287	13,723	209	13,932	4,312	227	4,539
Tuolumne County*	19,881	23,101	3,220	16,309	248	16,557	6,792	357	7,149
Mariposa County*	6,473	7,347	874	5,095	78	5,172	2,252	119	2,371
Mono County*	4,260	4,704	444	2,442	37	2,479	2,262	119	2,381
Inyo County*	7,849	7,989	140	5,298	81	5,379	2,691	142	2,832
Total Central-Southern California Region	65,689	74,900	9,211	53,069	808	53,877	21,831	1,149	22,980
All Metropolitan Areas									
*Non-Metropolitan Areas									
Total State	11,041,716	12,163,614	1,121,898	6,820,420	103,864	6,924,285	5,343,194	281,221	5,624,415

Table 22 (continued)
Housing Construction Need in California
1997 to 2003

Location	TOTAL 2003 HOUSING NEED				1997 HOUSING		CONSTRUCTION NEED	
	Owner and Renter Housing Needed in 2003	Seasonal and Withheld Unit Allowance for 2003	(Note 7) Replacement Needs thru 2003	(Note 8) Total Units Needed 2003	Estimated Housing Stock, 1997	Total Construction Need	Annual Construction Need	
Metropolitan Areas								
Los Angeles Metro	3,356,119	51,504	43,257	3,450,881	3,247,372	203,509	31,309	
Los Angeles County	981,843	17,716	12,575	1,012,135	935,097	77,038	11,852	
Orange County	567,873	70,130	7,735	645,739	552,038	93,701	14,415	
Riverside County	597,553	62,598	8,142	668,293	592,470	75,823	11,665	
San Bernardino County	268,672	5,120	3,300	267,093	243,888	23,205	3,570	
Ventura County	48,203	3,766	613	52,581	42,331	10,250	1,577	
Total Los Angeles Metro Region	5,810,264	210,835	75,623	6,096,722	5,613,196	483,526	74,389	
Bay Area								
San Francisco County	331,603	9,082	4,392	345,077	335,034	10,043	1,545	
Marin County	102,492	2,432	1,353	106,277	103,271	3,006	462	
San Mateo County	275,174	3,366	3,491	282,031	258,611	23,420	3,603	
Alameda County	557,528	8,858	7,069	573,455	521,101	52,354	8,054	
Contra Costa County	364,597	6,522	4,642	375,760	342,980	32,780	5,043	
Santa Clara County	620,722	6,361	7,756	634,839	566,164	68,675	10,565	
Sonoma County	192,159	9,333	2,459	203,951	176,807	27,144	4,176	
Solano County	145,358	2,240	1,811	149,409	131,017	18,392	2,830	
Napa County	50,350	1,992	650	52,992	47,694	5,298	815	
Vallejo-Fairfield-Napa	195,708	4,232	2,461	202,401	178,711	23,690	3,645	
Total Bay Area Region	2,639,983	50,185	33,624	2,723,791	2,482,679	241,112	37,094	
Sacramento								
Sacramento County	497,587	8,694	6,262	512,543	457,062	55,481	8,536	
Placer County	102,636	18,020	1,404	122,060	95,374	26,686	4,105	
El Dorado County	67,872	18,535	1,015	87,422	69,728	17,694	2,722	
Sutter County	33,057	707	405	34,169	28,592	5,577	858	
Yuba County	24,068	1,088	312	25,468	22,835	2,633	405	
Yolo County	65,319	1,020	811	67,150	58,379	8,771	1,349	
Total Sacramento Region	790,539	48,065	10,209	848,812	731,970	116,842	17,976	
Central Valley								
Fresno County	285,960	8,373	3,641	297,974	265,809	32,165	4,948	
Madera County	45,017	2,771	557	48,346	37,978	10,368	1,595	
Kern County	244,529	12,643	3,137	260,308	225,368	34,940	5,375	
San Joaquin County	207,030	4,339	2,560	213,929	182,444	31,485	4,844	
Stanislaus County	170,133	3,319	2,083	175,535	147,065	28,470	4,380	
Merced County	128,760	2,455	930	131,145	117,901	13,244	1,601	
Tulare County	99,126	6,050	1,643	105,819	88,822	17,000	2,854	
Kings County*	39,126	941	487	40,553	34,810	5,743	884	
Total Central Valley Region	1,194,402	40,889	15,038	1,250,329	1,078,197	172,132	26,482	
San Diego Region								
San Diego County	1,088,604	25,527	13,786	1,127,917	1,006,743	121,174	18,642	
Central Coast Region								
Monterey County	130,400	5,299	1,715	137,414	128,162	9,252	1,423	
San Luis-Obispo County	105,366	8,373	1,373	115,111	97,432	17,679	2,720	
Santa Barbara County	148,069	4,229	1,924	154,221	143,639	10,582	1,628	
Santa Cruz County	99,983	6,541	1,313	107,838	95,482	12,356	1,901	
San Benito County*	17,725	666	216	18,606	14,770	3,836	590	
Total Central Coast Region	501,543	25,109	6,540	533,191	479,485	53,706	8,262	

Table 22 (continued)
Housing Construction Need in California
1997 to 2003

Location	TOTAL 2003 HOUSING NEED			1997 HOUSING		CONSTRUCTION NEED	
	Owner and Renter Housing Needed in 2003	Seasonal and Withheld Unit Allowance for 2003	(Note 7) Housing Replacement Needs thru 2003	Total Units Needed 2003	(Note 9) Estimated Housing Stock, 1997	Total Construction Need	Annual Construction Need
Northern California Region							
Butte County	94,416	3,515	1,190	99,120	85,074	14,046	2,161
Shasta County	77,724	4,380	985	83,089	69,462	13,627	2,096
Tehama County*	24,398	1,577	321	26,296	23,400	2,896	446
Glenn County*	11,643	496	144	12,282	10,024	2,258	347
Colusa County*	8,339	813	105	9,257	6,980	2,277	350
Total Northern California Region	216,519	10,780	2,745	230,044	194,940	35,104	5,401
NONMETROPOLITAN AREAS							
Northern California Nonmetropolitan Region							
Del Norte County*	11,271	914	147	12,332	10,425	1,907	293
Humboldt County*	55,255	3,895	746	59,895	55,617	4,278	658
Mendocino County*	38,184	2,875	505	41,564	36,629	4,935	759
Lake County*	28,465	9,136	451	38,052	31,745	6,307	970
Siskiyou County*	20,764	2,425	292	23,480	21,722	1,758	271
Modoc County*	4,470	875	68	5,414	5,115	299	46
Trinity County*	6,094	2,377	107	8,578	8,005	573	88
Lassen County*	10,996	1,723	156	12,875	11,296	1,579	243
Plumas County*	10,083	4,141	180	14,404	13,513	891	137
Sierra County*	1,509	814	30	2,352	2,272	80	12
Nevada County*	42,898	7,716	611	51,225	43,338	7,887	1,213
Total Northern California Nonmetropolitan Region	229,989	36,891	3,293	270,172	239,677	30,495	4,692
Central-Southern California Region							
Amador County*	13,485	2,488	199	16,172	14,619	1,553	239
Alpine County*	580	526	16	1,123	1,428	(305)	(47)
Calaveras County*	18,471	8,318	319	27,108	22,361	4,747	730
Tuolumne County*	23,706	8,423	390	32,520	27,900	4,620	711
Mariposa County*	7,543	2,175	121	9,839	8,895	944	145
Mono County*	4,860	5,072	139	10,071	11,430	(1,359)	(209)
Inyo County*	8,212	888	118	9,217	9,041	176	27
Total Central-Southern California Region	76,857	27,890	1,303	106,049	95,674	10,375	1,596
All Metropolitan Areas							
*Non-Metropolitan Areas	12,092,421	403,131	155,678	12,651,230	11,454,895	1,196,335	184,052
Total State	12,548,699	476,170	162,158	13,187,027	11,922,561	1,264,466	194,533

Notes:

1. 1997 Households from California Department of Finance, E-5-98 Report.
2. Projection based on 1998 Department of Finance estimates for Jan. 1, 1997, adjusted using Jan. 1, 1997, household estimates from the Department of Finance.
3. Estimated owner occupied housing units based on proportion of owner households from 1990 Census held constant through projection period.
4. Vacancy allowance of 1.5 percent of owner occupied units.
5. Renter occupied housing units based on proportion of rental households from 1990 Census held constant through projection period.
6. Vacancy allowance of 5 percent of renter occupied units.
7. Seasonal and withheld unit percentage based on proportion from 1990 Census held constant through the projection period.
8. Annual replacement estimated at .2 percent of average stock annually.
9. 1997 housing stock estimate from California Department of Finance, E-5-98 Report.

Sources: US Census, California Department of Finance, 1998

The figures cited above are for all households. But, while higher-income households may “choose” to spend greater portions of their income, the housing cost burden for low-income households reflect choices limited by a lack of a sufficient supply of housing affordable to these households. High cost burdens in California are correlated with household incomes; for renters earning less than \$10,000 in 1990, over 90 percent experienced rent burdens that exceeded 30 percent, while more than 80 percent of households earning between \$10,000 and \$20,000 experienced cost burdens over 30 percent of income. At higher-income levels, the percentage of cost-burdened households declined, but did not reach minimal proportions until incomes reached \$50,000 (particularly for renters).

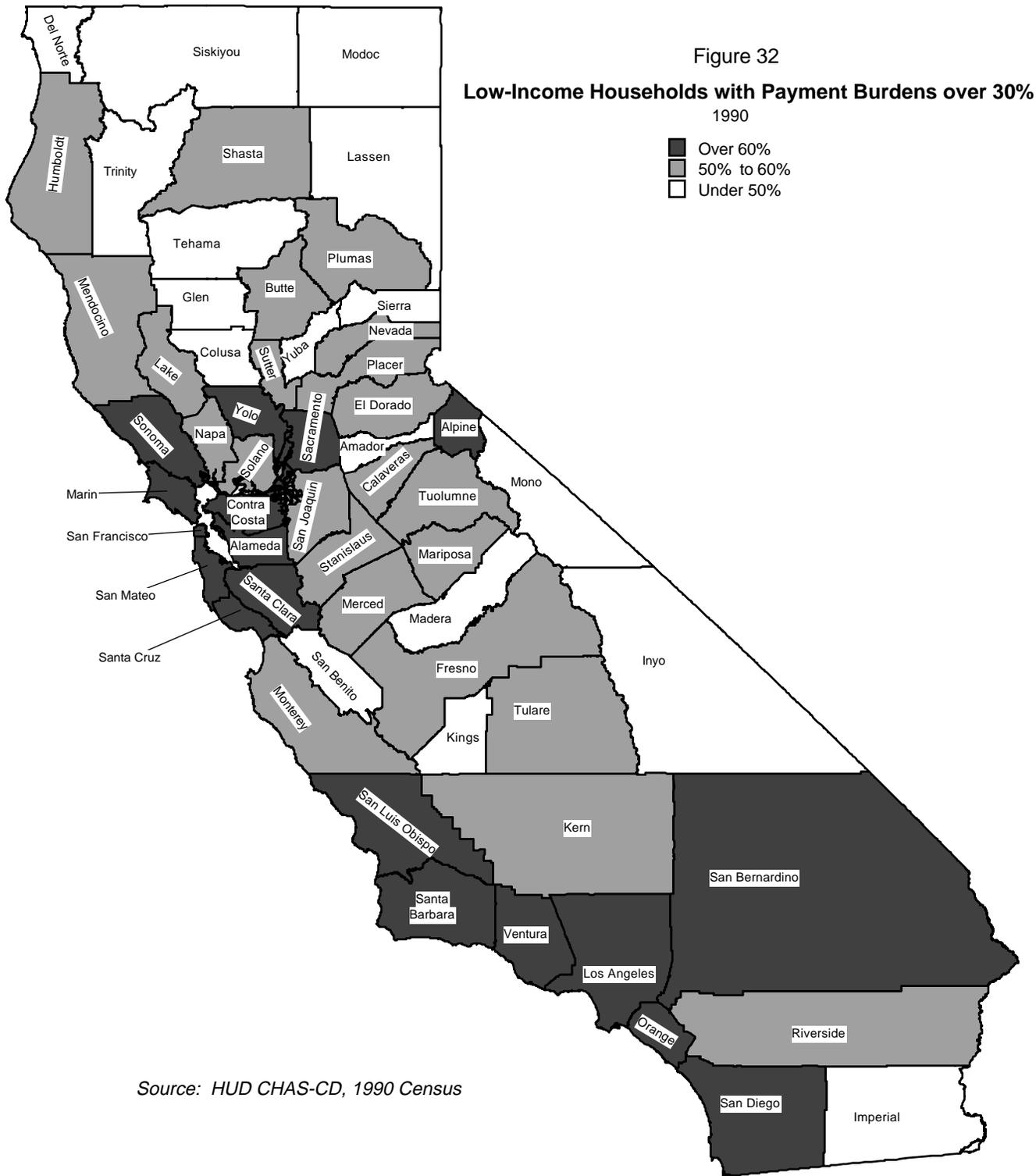
These figures are striking – low-income households consistently experienced high levels of overpayment throughout the State. Of the approximately 4 million low-income households in California in 1990, nearly two-thirds experienced housing cost burdens that were over 30 percent of income (see Figure 32). High cost burdens among low-income households were prevalent throughout the State, although they were more concentrated in metropolitan areas. A significant number of counties had rates that were over 60 percent (nearly one-third of counties), including most of the Bay Area, San Diego County, and a plurality of the counties in the Central Coast and Greater Los Angeles regions. A plurality of low-income households in 41 counties throughout metropolitan California were experiencing excessive cost burdens.

While these figures are striking, they do not indicate the depth of housing cost problems for low-income households. More than 1.3 million households paid in excess of 50 percent of their income on housing. In 21 counties in the State, more than 30 percent of all low-income households had cost burdens that exceeded 50 percent of income (see Figure 33). While these counties were concentrated in the Bay Area, Sacramento, Greater Los Angeles, San Diego, and Central Coast regions, with the exception of Northern Non-metropolitan California, all counties had rates of significant payment burdens exceeding more than one-fifth of low-income households.

Post-1990 Cost Burdens

Reliable information on cost burden is not available for all counties within the State after 1990. However, detailed information is available for several metropolitan areas in the intervening years.¹⁴ For these areas (see Table 23), cost burden data indicate the situation has deteriorated in every metropolitan area during the 1990s. For instance, in Greater Los Angeles, nearly two-thirds of all low-income households were paying more than 30 percent of household income in 1995, up slightly above comparable 1990 levels. For renters, almost three-fourths of low-income households experienced cost burdens above 30 percent, while over 62 percent of these households were paying over 50 percent of income. For owners, over 40 percent of low-income households were paying more than 50 percent of income. Increasing cost burdens were not limited to low-income households – with the exception of Orange County and San Diego, American Housing Survey data indicates an overall increase in cost-burdened households. Further, given the population increases in each of these areas, the number of households with excess burden has increased significantly.

Thus, payment burdens within these metropolitan areas have not decreased significantly in any metropolitan area, and during the period of analysis, housing cost burdens generally increased slightly in all areas. Given that the State’s economy has improved since most of this data was collected, it may be that the underlying scale of the problem has declined in some areas since the 1993 - 1995 period. Nonetheless, issues of high cost burdens remain a significant problem throughout the State, at least comparable to 1990 levels, and it is likely that high cost burdens have increased since the beginning of the decade.



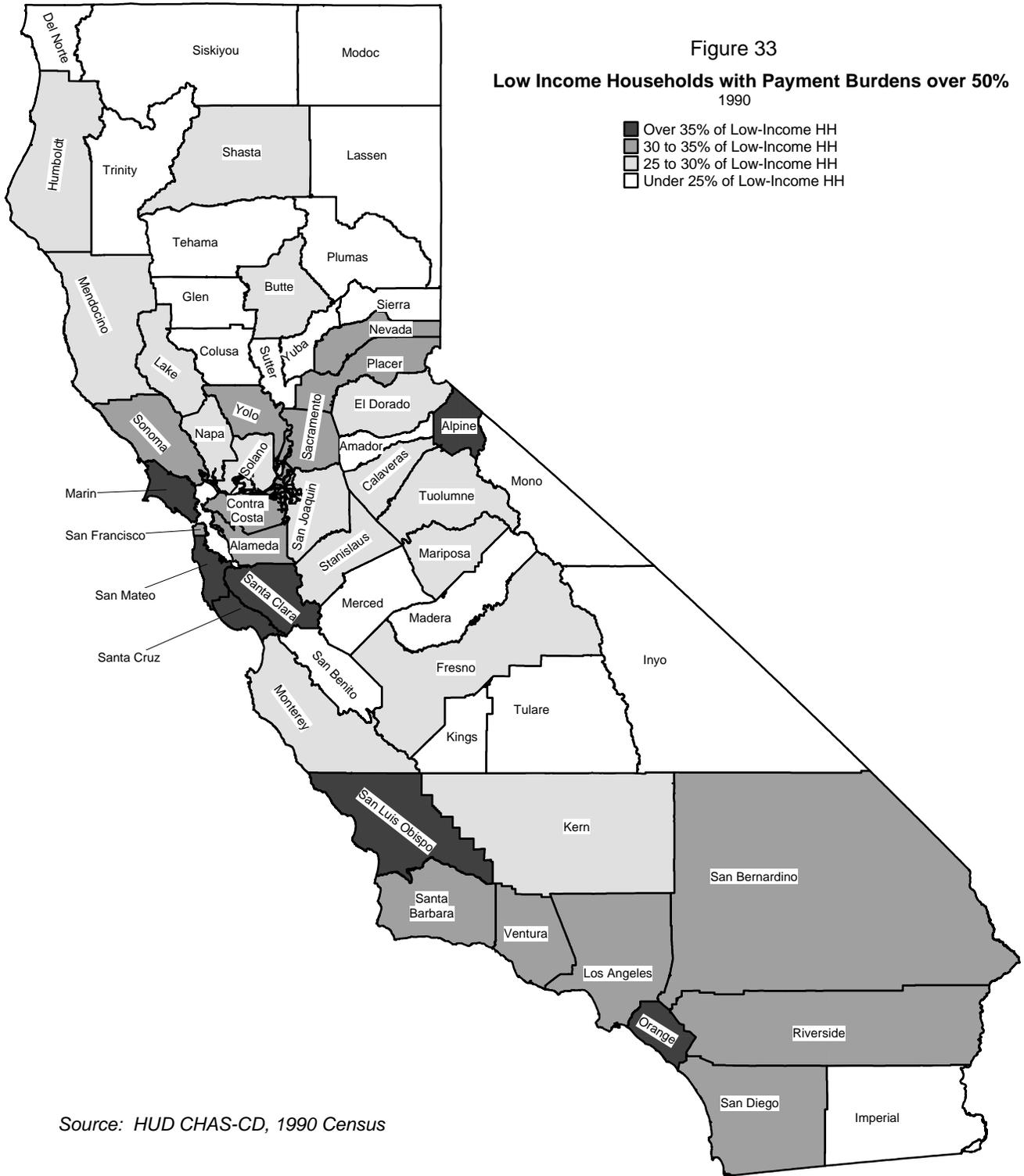


Table 23
Housing Burden by Income and Tenure
Key Metropolitan Areas in California
1988 to 1996

		All households				Renter Households				Owner Households			
		Income Level			Total HH	Income Level			Total HH	Income Level			Total HH
		Very Low	All Low	Above Low		Very Low	All Low	Above Low		Very Low	All Low	Above Low	
California													
1995	Burden <30%	480,084	1,233,252	3,189,411	4,422,663	220,110	612,368	976,999	1,589,367	259,974	620,885	2,212,412	2,833,297
	Burden 30 to 50%	139,050	347,420	343,787	691,207	112,583	284,088	77,620	361,708	26,467	63,331	266,167	329,498
	Burden over 50	1,486,719	2,044,046	398,954	2,443,000	1,235,550	1,557,761	46,418	1,604,179	251,168	486,284	352,536	838,820
	Total	2,105,853	3,624,718	3,932,152	7,556,870	1,568,243	2,454,217	1,101,037	3,555,254	537,609	1,170,500	2,831,115	4,001,615
Los Angeles													
1990	Burden <30%	162,967	405,201	1,237,327	1,642,528	83,102	228,922	506,002	734,924	79,865	176,279	731,325	907,604
	Burden 30 to 50%	41,474	126,651	115,960	242,611	33,125	106,850	56,260	163,110	8,349	19,790	59,700	79,490
	Burden over 50	398,785	569,306	150,746	720,052	346,101	463,639	44,124	507,763	52,684	105,668	106,622	212,290
	Total	603,226	1,101,158	1,504,033	2,605,191	462,328	799,411	606,386	1,405,797	140,898	301,737	897,647	1,199,384
1995	Burden <30%	180,798	520,164	934,335	1,454,499	83,628	274,511	345,336	619,847	97,170	245,653	588,999	834,652
	Burden 30 to 50%	55,371	146,308	91,692	238,000	42,700	117,362	17,852	135,214	12,671	28,946	73,840	102,786
	Burden over 50	553,801	831,938	128,508	960,446	479,251	637,576	16,419	653,995	74,550	194,362	112,089	306,451
	Total	789,970	1,498,410	1,154,535	2,652,945	605,579	1,029,449	379,607	1,409,056	184,391	468,961	774,928	1,243,889
Anaheim													
1990	Burden <30%	28,020	75,299	357,779	433,078	6,906	25,620	123,090	148,710	21,114	49,679	234,689	284,368
	Burden 30 to 50%	6,968	23,176	48,394	71,570	4,380	18,276	15,647	33,923	2,589	4,900	32,747	37,647
	Burden over 50	88,842	141,641	69,954	211,595	66,894	102,614	12,472	115,086	21,948	39,027	57,481	96,508
	Total	123,830	240,116	476,127	716,243	78,180	146,510	151,209	297,719	45,651	93,606	324,917	418,523
1994	Burden <30%	41,322	92,671	378,877	471,548	11,372	34,665	117,748	152,413	29,950	58,005	261,128	319,133
	Burden 30 to 50%	15,573	31,418	42,904	74,322	10,026	22,388	11,513	33,901	5,548	9,031	31,391	40,422
	Burden over 50	119,067	155,374	49,098	204,472	88,163	112,230	5,815	118,045	30,904	43,144	43,283	86,427
	Total	175,962	279,463	470,879	750,342	109,561	169,283	135,076	304,359	66,402	110,180	335,802	445,982
San Bernardino Riverside													
1990	Burden <30%	47,137	112,115	369,790	481,905	9,437	31,474	91,924	123,398	37,699	80,640	277,866	358,506
	Burden 30 to 50%	13,661	27,802	46,859	74,661	7,546	17,996	11,118	29,114	6,115	9,806	35,741	45,547
	Burden over 50	98,332	150,163	60,935	211,098	67,156	98,873	9,583	108,456	31,176	51,290	51,352	102,642
	Total	159,130	290,080	477,584	767,664	84,139	148,343	112,625	260,968	74,990	141,736	364,959	506,695
1994	Burden <30%	58,643	138,824	356,755	495,579	17,967	41,642	71,491	113,133	40,675	97,180	285,262	382,442
	Burden 30 to 50%	17,795	42,484	21,202	63,686	9,740	22,572	5,217	27,789	8,055	19,912	34,143	54,055
	Burden over 50	152,018	210,959	21,086	232,045	96,104	114,036	3,130	117,166	55,914	96,923	37,445	134,368
	Total	228,456	392,267	399,043	791,310	123,811	178,250	79,838	258,088	104,644	214,015	356,850	570,865
San Francisco													
1989	Burden <30%	33,089	109,399	689,589	798,988	12,068	46,256	248,647	294,903	21,021	63,143	440,942	504,085
	Burden 30 to 50%	10,832	30,405	106,602	137,007	8,595	22,538	41,034	63,572	2,236	7,867	65,568	73,435
	Burden over 50	77,654	121,979	197,008	318,987	63,944	93,986	114,936	208,922	13,710	27,993	82,072	110,065
	Total	121,575	261,783	993,199	1,254,982	84,607	162,780	404,617	567,397	36,967	99,003	588,582	687,585
1993	Burden <30%	85,434	190,381	580,127	770,508	35,944	89,304	196,299	285,603	49,490	101,078	383,828	484,906
	Burden 30 to 50%	23,663	54,911	67,887	122,798	17,486	42,509	20,509	63,018	6,177	12,402	47,378	59,780
	Burden over 50	201,769	277,682	86,309	363,991	167,198	217,071	14,205	231,276	34,572	81,950	72,105	154,055
	Total	310,866	522,974	734,323	1,257,297	220,628	348,884	231,013	579,897	90,239	195,430	503,311	698,741
San Jose													
1988	Burden <30%	25,697	77,930	232,663	310,593	8,179	30,242	71,296	101,538	17,158	47,329	161,367	208,696
	Burden 30 to 50%	6,178	24,551	25,387	49,938	4,647	18,648	5,540	24,188	1,531	5,903	19,847	25,750
	Burden over 50	51,540	82,079	22,493	104,572	41,268	59,602	3,201	62,803	10,273	22,478	19,292	41,770
	Total	83,415	184,560	280,543	465,103	54,094	108,492	80,037	188,529	28,962	75,710	200,506	276,216
1993	Burden <30%	41,322	92,671	378,877	471,548	11,372	34,665	117,748	152,413	29,950	58,005	261,128	319,133
	Burden 30 to 50%	15,573	31,418	42,904	74,322	10,026	22,388	11,513	33,901	5,548	9,031	31,391	40,422
	Burden over 50	119,067	155,374	49,098	204,472	88,163	112,230	5,815	118,045	30,904	43,144	43,283	86,427
	Total	175,962	279,463	470,879	750,342	109,561	169,283	135,076	304,359	66,402	110,180	335,802	445,982
San Diego													
1989	Burden <30%	37,160	114,767	341,056	455,823	13,588	47,407	118,073	165,480	23,572	67,361	222,983	290,344
	Burden 30 to 50%	11,469	35,274	41,945	77,219	8,134	26,518	12,172	38,690	3,335	8,756	29,773	38,529
	Burden over 50	128,656	170,601	64,036	234,637	106,839	148,572	10,061	158,633	21,817	43,740	53,975	97,715
	Total	177,285	320,642	447,037	767,679	128,561	222,497	140,306	362,803	48,724	119,857	306,731	426,588
1993	Burden <30%	26,734	71,292	238,636	309,928	22,269	54,815	110,122	164,937	26,734	71,292	238,636	309,928
	Burden 30 to 50%	5,290	9,753	26,589	36,342	11,655	33,488	7,646	41,134	5,290	9,753	26,589	36,342
	Burden over 50	28,904	55,100	38,634	93,734	111,398	143,743	8,425	152,168	28,904	55,100	38,634	93,734
	Total	60,928	136,145	303,859	440,004	145,322	232,046	126,193	358,239	60,928	136,145	303,859	440,004
Sacramento													
1996	Burden <30%	30,841	92,740	272,221	364,961	11,766	40,992	62,468	103,460	19,075	51,749	209,753	261,502
	Burden 30 to 50%	8,678	22,267	21,202	43,469	6,221	15,737	3,714	19,451	2,457	6,529	17,488	24,017
	Burden over 50	69,366	98,025	21,086	119,111	54,716	67,828	1,551	69,379	14,650	30,197	19,535	49,732
	Total	108,885	213,032	314,509	527,541	72,703	124,557	67,733	192,290	36,182	88,475	246,776	335,251

SOURCE: US Census, American Housing Survey, Core Samples and Metropolitan Series, various years.

Table 23 (Continued)
Housing Burden by Income and Tenure
Key Metropolitan Areas in California
 1988 to 1996

		All households				Renter Households				Owner Households			
		Income Level			Total HH	Income Level			Total HH	Income Level			Total HH
		Very Low	All Low	Above Low		Very Low	All Low	Above Low		Very Low	All Low	Above Low	
		Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	
California													
1995	Proportion of HH	28%	48%	52%	100%	44%	69%	31%	100%	13%	29%	71%	100%
	% paying over 30%	77%	66%	19%	41%	86%	75%	11%	55%	52%	47%	22%	29%
	% paying over 50	71%	56%	10%	32%	79%	63%	4%	45%	47%	42%	12%	21%
Los Angeles													
1990	Proportion of HH	23%	42%	58%	100%	33%	57%	43%	100%	12%	25%	75%	100%
	% paying over 30%	73%	63%	18%	37%	82%	71%	17%	48%	43%	42%	19%	24%
	% paying over 50	66%	52%	10%	28%	75%	58%	7%	36%	37%	35%	12%	18%
1995	Proportion of HH	30%	56%	44%	100%	43%	73%	27%	100%	15%	38%	62%	100%
	% paying over 30%	77%	65%	19%	45%	86%	73%	9%	56%	47%	48%	24%	33%
	% paying over 50	70%	56%	11%	36%	79%	62%	4%	46%	40%	41%	14%	25%
Anaheim													
1990	Proportion of HH	17%	34%	66%	100%	26%	49%	51%	100%	11%	22%	78%	100%
	% paying over 30%	77%	69%	25%	40%	91%	83%	19%	50%	54%	47%	28%	32%
	% paying over 50	72%	59%	15%	30%	86%	70%	8%	39%	48%	42%	18%	23%
1994	Proportion of HH	23%	37%	63%	100%	36%	56%	44%	100%	15%	25%	75%	100%
	% paying over 30%	77%	67%	20%	37%	90%	80%	13%	50%	55%	47%	22%	28%
	% paying over 50	68%	56%	10%	27%	80%	66%	4%	39%	47%	39%	13%	19%
San Bernardino Riverside													
1990	Proportion of HH	21%	38%	62%	100%	32%	57%	43%	100%	15%	28%	72%	100%
	% paying over 30%	70%	61%	23%	37%	89%	79%	18%	53%	50%	43%	24%	29%
	% paying over 50	62%	52%	13%	27%	80%	67%	9%	42%	42%	36%	14%	20%
1994	Proportion of HH	29%	50%	50%	100%	48%	69%	31%	100%	18%	37%	63%	100%
	% paying over 30%	74%	65%	11%	37%	85%	77%	10%	56%	61%	55%	20%	33%
	% paying over 50	67%	54%	5%	29%	78%	64%	4%	45%	53%	45%	10%	24%
San Francisco													
1989	Proportion of HH	10%	21%	79%	100%	15%	29%	71%	100%	5%	14%	86%	100%
	% paying over 30%	73%	58%	31%	36%	86%	72%	39%	48%	43%	36%	25%	27%
	% paying over 50	64%	47%	20%	25%	76%	58%	28%	37%	37%	28%	14%	16%
1993	Proportion of HH	25%	42%	58%	100%	38%	60%	40%	100%	13%	28%	72%	100%
	% paying over 30%	73%	64%	21%	39%	84%	74%	15%	51%	45%	48%	24%	31%
	% paying over 50	65%	53%	12%	29%	76%	62%	6%	40%	38%	42%	14%	22%
San Jose													
1988	Proportion of Households	18%	40%	60%	100%	29%	58%	42%	100%	10%	27%	73%	100%
	% paying over 30%	69%	58%	17%	33%	85%	72%	11%	46%	41%	37%	20%	24%
	% paying over 50	62%	44%	8%	22%	76%	55%	4%	33%	35%	30%	10%	15%
1993	Proportion of HH	23%	37%	63%	100%	36%	56%	44%	100%	15%	25%	75%	100%
	% paying over 30%	77%	67%	20%	37%	90%	80%	13%	50%	55%	47%	22%	28%
	% paying over 50	68%	56%	10%	27%	80%	66%	4%	39%	47%	39%	13%	19%
San Diego													
1989	Proportion of Households	23%	42%	58%	100%	35%	61%	39%	100%	11%	28%	72%	100%
	% paying over 30%	79%	64%	24%	41%	89%	79%	16%	54%	52%	44%	27%	32%
	% paying over 50	73%	53%	14%	31%	83%	67%	7%	44%	45%	36%	18%	23%
1993	Proportion of HH	14%	31%	69%	100%	41%	65%	35%	100%	14%	31%	69%	100%
	% paying over 30%	56%	48%	21%	30%	85%	76%	13%	54%	56%	48%	21%	30%
	% paying over 50	47%	40%	13%	21%	77%	62%	7%	42%	47%	40%	13%	21%
Sacramento													
1996	Proportion of HH	21%	40%	60%	100%	38%	65%	35%	100%	11%	26%	74%	100%
	% paying over 30%	72%	56%	13%	31%	84%	67%	8%	46%	47%	42%	15%	22%
	% paying over 50	64%	46%	7%	23%	75%	54%	2%	36%	40%	34%	8%	15%

SOURCE: US Census, American Housing Survey, Core Samples and Metropolitan Series, various years.

For owners, the underlying data mask one key issue – cost burden levels for recent home purchasers (at all income levels) exceeds the levels of all homeowners. Since the relative cost of homeownership decreases over time (long-term owner costs do not adjust to the market value of housing), longer-term owners should face declining cost burdens. However, recent home purchasers highlight the affordability of housing to households at the margin. For these recent purchasers, housing cost burdens are higher (than long-term owners), despite that fact that the median income for recent purchasers has generally risen (see Table 25). For instance, in the San Francisco-Oakland metropolitan area, despite the fact that median income levels for recent purchasers were more than one-fifth greater than all owners, the relative cost burden was more than one-quarter higher. While owner cost burdens were lower than renter costs, recent purchasers face significantly higher cost burdens than other owners.

Overcrowded Housing

In 1980, about 6.9 percent of California households (about a half-million households) were considered overcrowded (see Table 24).¹⁵ However, by 1990, this number had more than doubled, with over 1.2 million households (12.3 percent of total households) experiencing overcrowded conditions. More than half of these households (over 736,00 households) were severely overcrowded (over 1.5 persons per room). Overcrowding increased for both owners and renters during the 1980s, and for all household sizes.

Table 24
Overcrowded Households by Household Size and Tenure
(in %)

	Household Size					All	
	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6+</u>	<u>HHs</u>	
1980							
Owner	0.3	0.9	2.9	8.7	43.5	4.2	
Renter	<u>3.4</u>	<u>10.0</u>	<u>20.0</u>	<u>44.0</u>	<u>79.9</u>	<u>10.5</u>	
Total	1.5	4.5	8.3	19.9	57.5	6.9	
	Household Size						All
<u>1990</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>+HHs</u>
Owner	0.3	1.7	6.3	15.8	38.8	74.5	5.9
Renter	<u>6.0</u>	<u>16.6</u>	<u>28.8</u>	<u>55.5</u>	<u>78.2</u>	<u>94.9</u>	<u>19.0</u>
Total	2.4	7.9	14.8	32.4	57.7	85.6	11.6

Sources: U.S. Census, HC80-2-6, *Metropolitan Housing Characteristics*, Table A-7.
U.S. Census 1990 (PUMS).

Table 25
Median Income and Housing Cost Burden
From American Housing Survey
 1993-1996

	Median Income				Median Housing Burden			
	All Households	All Owners	All Recent Buyers	All Recent Renters	All Households	All Owners	All Recent Buyers	All Recent Renters
Metropolitan Areas								
Los Angeles Metro								
Los Angeles-Long Beach (1995)	30,000	48,510	50,250	23,000	28%	22%	27%	33%
Orange County (1994)	45,000	59,225	67,100	30,200	25%	22%	26%	31%
Riverside (1994)	30,000	37,300	31,700	20,000	26%	24%	27%	32%
San Bernardino (1994)]	31,920	40,000	38,000	19,500	26%	24%	31%	34%
Riverside/San Bernardino (1994)	30,400	39,000	33,600	20,000	26%	24%	28%	33%
Bay Area								
San Francisco (1993)	30,000	50,000	49,200	25,200	28%	19%	28%	32%
Marin (1993)	50,000	69,000	na	30,000	28%	23%	na	31%
San Mateo (1993)	49,200	63,240	95,000	31,500	25%	22%	27%	32%
San Francisco (1993)	40,000	60,000	75,100	27,500	25%	21%	31%	31%
Alameda (1993)	35,000	50,000	68,000	25,850	25%	22%	27%	30%
Contra Costa (1993)	45,000	59,000	59,000	28,800	24%	22%	26%	28%
Oakland (1993)	40,000	53,700	60,000	26,700	25%	22%	27%	29%
San Francisco Oakland (1993)	39,350	56,070	68,000	26,525	26%	22%	28%	31%
San Jose (1993)	48,000	60,440	65,000	35,000	25%	23%	29%	29%
Sacramento								
Sacramento (1996)	35,550	50,000	48,600	24,000	23%	19%	22%	25%
Placer (1996)	48,200	52,000	na	27,000	23%	22%	na	28%
El Dorado (1996)	40,800	50,100	na	25,000	23%	22%	na	29%
Sacramento (1996)	37,700	50,000	50,000	24,100	23%	20%	23%	29%
San Diego (1993)	32,000	45,000	48,200	24,000	26%	23%	26%	32%
Selected Metropolitan Areas	34,540	52,000	55,310	23,600	27%	22%	27%	33%

Source: American Housing Survey, Core and Metropolitan samples, 1993, 1994, 1995, 1996.

Despite the fact that both owners and renters experienced overcrowding, renters were more significantly impacted. In 1990, renters were more than three times more likely than owners to be overcrowded, regardless of household size. Moreover, as these figures indicate, overcrowding was strongly related to family size. Overcrowding appeared to be at least partly related to the fit of housing, particularly for larger family sizes.

While family size and tenure were important determinants of overcrowding, the type of household and household income played a strong role in the incidence of statewide overcrowding levels in 1990 (see Figure 34). As these figures indicate, overcrowding levels generally decreased as income rose for renters (particularly small and large families). Overall, the rate of overcrowding for renters was significantly less for households with incomes over 95 percent of median. The rate of overcrowding for very low-income households (50 percent of median income) was generally nearly three times greater than households with incomes over 95 percent of area median incomes. Furthermore, while the incidence of overcrowding was virtually nonexistent for elderly households, more than one-quarter of the very low-income small family rental households experienced overcrowding (declining to less than 8 percent for higher-income households). In addition, overcrowding rates for large families (five or more persons) were extremely high – more than 80 percent of very low-income households experienced overcrowding. Further, while these rates declined significantly with rising incomes, even large-family renters with incomes over 95 percent of area median income were impacted, with more than half of these households experiencing overcrowding.

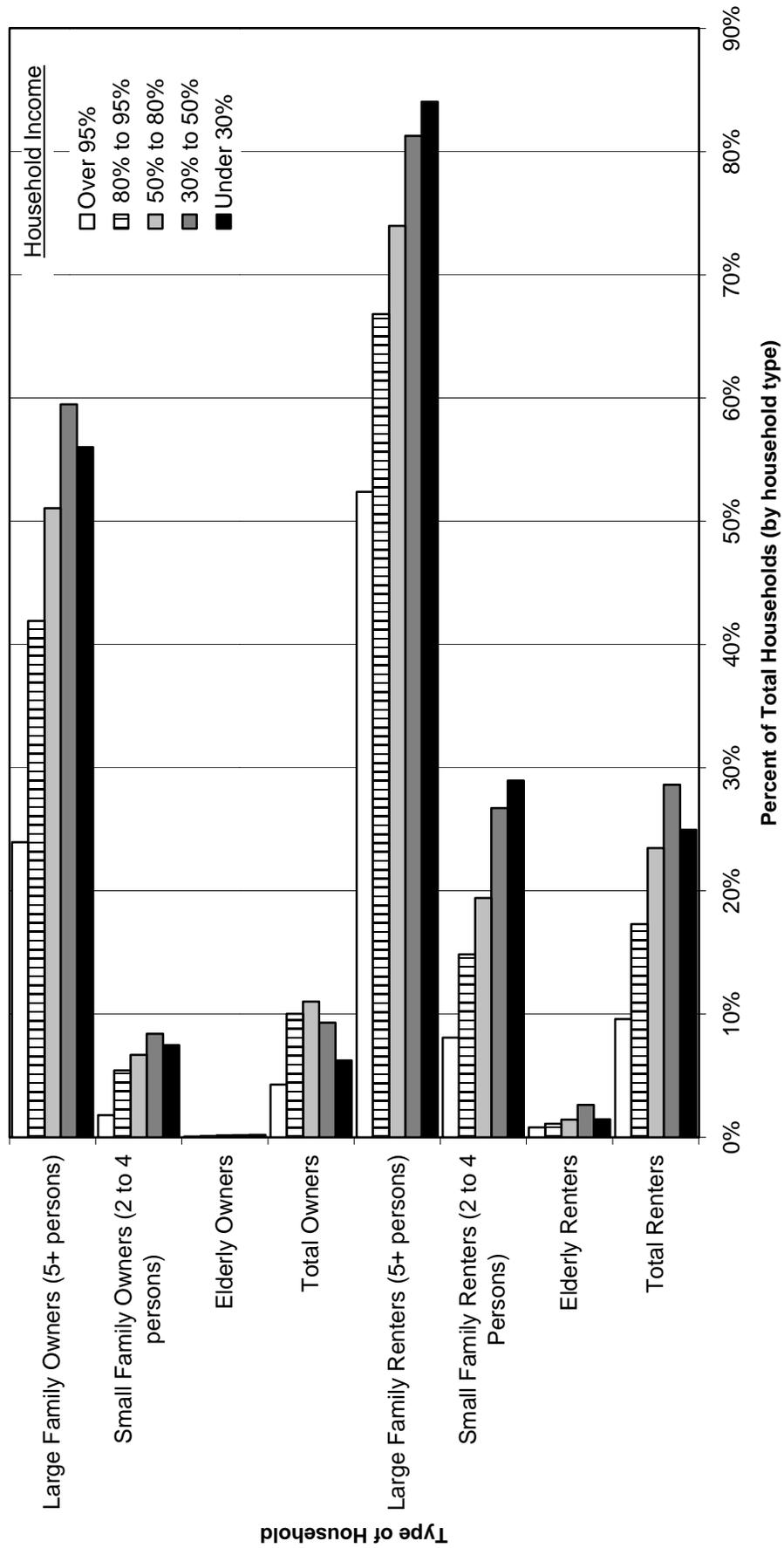
Owner households experienced lesser levels of overcrowding than renter households throughout household types and at every income level. Consistent with the pattern of renter households, rising income levels provided the greatest relief for small families, with overcrowding declining from 7-8 percent to 2 percent at higher income levels. Similarly, overcrowding for large-family owners, while about 50 percent lower than renter households at all income levels, still accounted for more than half of all large-family households. Moreover, while these rates declined with income, nearly one-quarter of higher-income large-family owners still experienced overcrowding.

While overcrowding is a problem statewide, households face varying levels of overcrowding within the State (see Figure 35). For example, though a majority of extremely low-income large-family households (30 percent or less of area median income) experienced overcrowding in all counties within the State, these rates varied by more than 30 percent within individual counties. High overcrowding levels were geographically disbursed, including both metropolitan and non-metropolitan areas. A total of 17 counties experienced overcrowding in more than 80 percent of extremely low-income households, including San Mateo and Santa Clara in the Bay Area, Los Angeles and Orange counties in the Greater Los Angeles Region, much of the Central Valley Region, Tehama and Glen counties in the Northern California Region, Santa Cruz and Siskiyou counties.

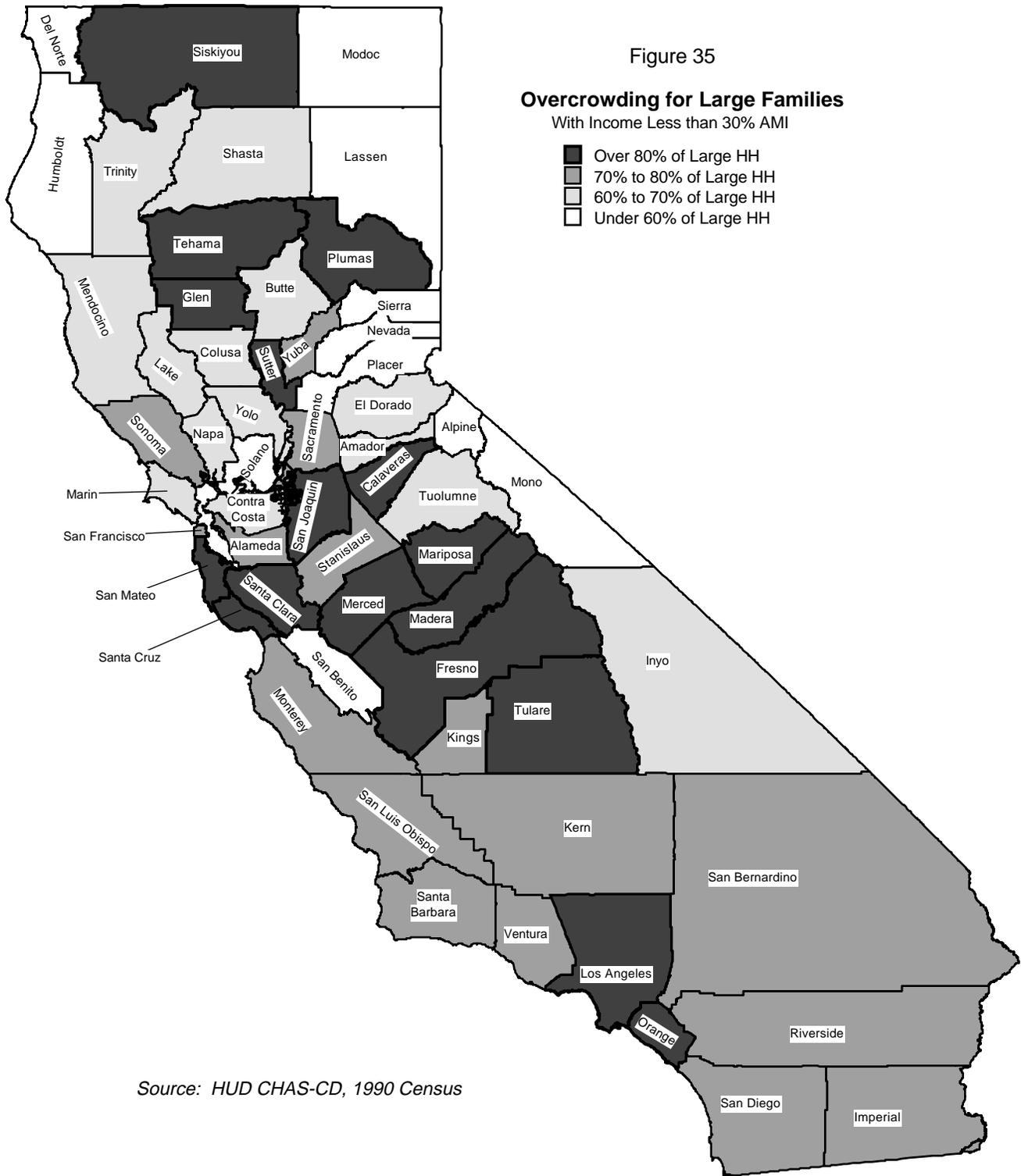
Available evidence suggests that overcrowding within the State has continued to rise since 1990. Drawing on information from the American Housing Survey (AHS) in the 1988 to 1991 and 1992 to 1996 periods, most metropolitan areas experienced increased overcrowding.¹⁶ The following discussion summarizes some of the key findings of the AHS information.¹⁷

Overall, overcrowding in selected metropolitan areas of California increased by about 13 percent in the 1989 to 1995 period, while severe overcrowding decreased modestly (-0.7 percent) during this same period¹⁸ (see Table 26). However, these figures mask differential overcrowding by tenure. Within this same period, renter overcrowding increased by over 20 percent while severe overcrowding

Figure 34
Overcrowded Households in California
by Tenure, Household Type and Relative Income Level
 1990



Source: US Census, HUD CHAS-CD



Source: HUD CHAS-CD, 1990 Census

Table 26
Relative Overcrowding in Selected California Areas, 1988 to 1996

	1988 - 1991		1992 - 1996		1988 - 1991		1992 - 1996	
	All Overcrowded (> 1 ppr)	Severe Overcrowded (>1.5 ppr)	All Overcrowded (> 1 ppr)	Severe Overcrowded (>1.5 ppr)	All Overcrowded (> 1 ppr)	Severe Overcrowded (>1.5 ppr)	All Overcrowded (> 1 ppr)	Severe Overcrowded (>1.5 ppr)
TOTAL HOUSEHOLDS								
Anaheim-Santa Ana	43,729	13,991	54,420	15,320	5.3%	1.7%	6.4%	1.8%
Los Angeles	284,263	96,466	347,118	108,407	9.5%	3.2%	11.8%	3.7%
Riverside/San Bernardino	44,248	7,838	49,211	10,618	5.0%	0.9%	5.2%	1.1%
Sacramento	N/A	N/A	18,452	3,983	N/A	N/A	3.3%	0.7%
San Diego	37,455	9,413	37,327	7,796	4.3%	1.1%	42.0%	0.9%
San Francisco/Oakland	54,901	21,030	60,785	20,574	3.9%	1.5%	4.2%	1.4%
San Jose	16,275	3,292	27,423	6,440	3.1%	6.0%	5.1%	1.2%
California Metro Areas	570,817	173,868	645,489	172,711	6.9%	2.1%	7.6%	2.0%
RENTER HOUSEHOLDS								
Anaheim-Santa Ana	32,233	11,840	44,604	12,923	9.8%	3.6%	13.6%	3.9%
Los Angeles	223,823	80,231	268,565	98,084	14.4%	5.3%	17.0%	6.2%
Riverside/San Bernardino	28,354	5,864	33,421	7,684	9.7%	2.0%	11.9%	2.7%
Sacramento	N/A	N/A	13,721	3,630	N/A	N/A	6.7%	1.8%
San Diego	28,517	8,273	28,754	7,136	7.3%	2.1%	7.4%	1.8%
San Francisco/Oakland	41,633	17,988	47,951	16,569	6.7%	2.9%	7.5%	2.6%
San Jose	10,382	2,273	20,048	5,532	5.1%	1.1%	9.4%	2.6%
California Metro Areas	424,138	149,326	511,061	160,084	10.8%	3.8%	12.8%	4.0%
OWNER HOUSEHOLDS								
Anaheim-Santa Ana	10,433	1,746	9,624	2,396	2.0%	0.3%	1.9%	0.5%
Los Angeles	60,440	16,235	76,545	9,313	4.2%	1.1%	5.8%	0.7%
Riverside/San Bernardino	15,152	1,974	15,062	2,934	2.6%	0.3%	2.4%	0.5%
Sacramento	N/A	N/A	4,471	353	N/A	N/A	1.3%	0.1%
San Diego	8,420	1,140	8,574	661	1.7%	0.2%	1.7%	0.1%
San Francisco/Oakland	12,765	3,041	12,473	4,005	1.6%	0.4%	1.6%	0.5%
San Jose	5,452	902	6,835	908	1.8%	0.3%	2.2%	0.3%
California Metro Areas	22,123	139,697	11,617	130,346	3.3%	0.5%	3.1%	0.3%
SHARE OF OVERCROWDED UNITS OCCUPIED BY RENTERS								
Anaheim-Santa Ana	75.5%	87.1%	82.3%	84.4%				
Los Angeles	78.7%	83.2%	77.8%	91.3%				
Riverside/San Bernardino	65.2%	74.8%	68.9%	72.4%				
Sacramento	N/A	N/A	75.4%	91.1%				
San Diego	77.2%	87.9%	77.0%	91.5%				
San Francisco/Oakland	76.5%	85.5%	79.4%	80.5%				
San Jose	65.6%	71.6%	74.6%	85.9%				
California Metro Areas	95.0%	51.7%	97.8%	55.1%				

Source: American Housing Survey, Core National and Metropolitan Series, various years.

of renters increased by about 7.2 percent. Overcrowding for owners decreased by 6.7 percent and severe overcrowding for owners decreased significantly. Renters thus disproportionately concentrated in overcrowded housing within the State, reflecting increasing household sizes competing for a finite available supply of larger rental housing units.

The relative change in overcrowding varied within metropolitan areas of the State. Los Angeles, Orange and Santa Clara counties all experienced significantly higher increases in overcrowding than both the statewide rate and other metropolitan areas surveyed by the AHS in the 1988 to 1996 period. The San Francisco/Oakland, Sacramento, and San Bernardino/Riverside metropolitan areas all experienced increased overcrowding, though with lower proportional changes. Only in San Diego did overcrowding not increase significantly after 1990.

With some notable exceptions, changes in overcrowding levels were disproportionately evident in suburban areas of these metropolitan areas. Overcrowding within central cities of the State's metropolitan areas decreased, while overcrowding in suburban areas generally increased (from 5.3 to 7.2 percent of households). This was also true for rental households in central city/suburban locations where overall overcrowding differentials declined (accounting for 12.8 and 12.7 percent of households respectively in 1995). Within individual metropolitan areas, Orange County, Santa Clara County and the San Francisco/Oakland metropolitan areas all had high concentrations of rental overcrowding (5, 2.5 and 2 times suburban rates, respectively).

There are several household traits that characterize overcrowded households within the State. As would be expected, large household sizes continue to be a strong gauge of overcrowding. Based on AHS information, about 40 percent of children living in renter households in 1995 were overcrowded, and about one-sixth of children in rental units were in severely overcrowded households. The relative incidence of overcrowding among children is consistent throughout metropolitan areas (though the actual rates vary).

While the presence of children was the most significant indicator of potential overcrowding, single-parent households, households with three or more adults, and multiple-family households all experienced a significant increase in overcrowding in the 1988 to 1996 period. One-quarter of all overcrowded rental households (as well as severe overcrowded households) contained more than one family. Overall, 54 percent of all households (including both owner and renter households) with more than one family were overcrowded in urban areas in 1995. These trends were evident in all metropolitan areas surveyed during the 1992 to 1996 period. Within metropolitan California, overcrowded households were most concentrated in households with a head of household in the 35 to 44 age group (37 percent of total overcrowding and nearly 45 percent of all households were in this age group). However, overcrowding was also strong for younger households (head of household in the 25 to 34 age group); one-third of overcrowded households and over one-quarter of severely overcrowded households. However, the relative composition of overcrowded households varied strongly within individual metropolitan areas, with overcrowding in both San Diego and Orange counties more concentrated in these younger households (25-34), while San Francisco had significant concentrations of older households (55+) than other areas within the State.

Overcrowded households are disproportionately concentrated in Hispanic households throughout the State. While Hispanic households accounted for about 22 percent of the State's metropolitan population (based on 1995 AHS information), over two-thirds of overcrowded households and three-fourths of severely overcrowded households were Hispanic. Nearly one-third of all Hispanic renter

households were overcrowded – more than three times the rate of any other racial/ethnic group within the State. For instance, non-hispanic white households comprise nearly half of all renter households, but account for only 4 percent of overcrowded rental units.

Not only did Hispanic households account for a disproportionate share of overcrowded households, during the 1988 to 1996 period, the rate of overcrowding for Hispanic households increased more rapidly than other households. With the exception of the San Jose PMSA (where overcrowding in Asian households accounted for 40 percent of metropolitan change), Hispanic household overcrowding accounted for more than three times that of any other household type. This is not to indicate that overcrowding is confined to Hispanic households. Overall within metropolitan areas, Black households experienced the greatest percentage increase during the period (more than doubling between 1989 and 1995). In both the San Jose and Los Angeles MSAs, the number of Asian households that were overcrowded increased significantly, nearly doubling in Los Angeles and almost tripling in the San Jose PMSA.

Within differing race/ethnicity groups, specific household types experienced greater proportionate growth over this period. For instance, over 80 percent of severely crowded white households consisted of two adults without children (presumably a couple living in a studio unit). In contrast, single parents with children were a stronger component of overcrowded black households (accounting for over one-quarter of overcrowded black households). For both Hispanic and Asian overcrowded households, a greater proportion were married couples with children (about two-thirds and 80 percent respectively).

The size and availability of housing units also impacts overcrowding. If housing supplies are such that households, particularly large renter households, cannot find appropriately sized housing units, it is inevitable that households will face overcrowding. In each of the metropolitan areas surveyed, the underlying supply of large-unit stock is not sufficient to permit renter households to avoid overcrowding (ignoring any mismatch between housing price and income).

In summary, it appears that there are several household and market characteristics that contribute to overcrowding. Large household size, high number of children per household, and low incomes all are related to overcrowding. Hispanic households tend to be disproportionately characterized by these factors, contributing to the relative concentration of these households in overcrowded housing units within the State. Finally, the limited availability of large rental units contributes to overcrowding, particularly for large rental households throughout the State.

Affordable Rental Housing At Risk of Conversion¹⁹

One of California's foremost housing problems is the potential loss of affordability restrictions on a substantial portion of the government-assisted rental housing stock. As of mid-1998, there were more than 3,200 such privately-owned multifamily rental developments in California, which included more than 186,000 housing units.²⁰ This housing sheltered an estimated 375,000 to 450,000 people, many of whom are very low-income elderly individuals and families with children. Much of this housing is "at-risk" of conversion from affordable housing stock reserved predominantly for lower-income households, to market-rate housing (see Table 27).

Several government programs, with different regulatory standards, were used to finance these properties, and thus, the nature of the risk of conversion differs. The eligibility of these properties for conversion from low-income use is both immediate and continuing beyond 2010. The

Table 27
AFFORDABLE PROJECTS AND UNITS AT RISK OF CONVERSION (FROM 1997)

	PROJECT BASED SECTION 8 (a) Projects	Units	OLDER-ASSISTED PP-ELIGIBLE (b) Projects	Units	SECTION 8 MOD REHAB Projects	Units	BMR UNITS - TAX EXEMPT BOND (c) Projects	Units	SECTION 515 Projects	Units	TOTAL PROJECTS (d) Projects	Units
Greater Los Angeles Metro												
Los Angeles	723	39,374	112	8,090	na	1,630	201	8,154	-	-	980	53,203
Orange	56	4,406	3	441	na	508	60	3,667	-	-	118	8,802
Riverside	48	3,078	2	331	na	545	54	2,322	40	2,159	143	8,270
San Bernardino	41	3,299	6	771	na	156	70	3,227	16	716	130	7,784
Ventura	10	616	4	379	na	163	17	908	-	-	29	1,877
Imperial*	15	413	-	-	na	82	-	-	27	1,058	42	1,553
Greater Los Angeles Metro Total	893	51,186	127	10,012	-	3,084	402	18,278	83	3,933	1,442	81,487
Bay Area Region												
San Francisco	89	8,042	4	394	na	544	11	976	-	-	102	9,759
Marin	21	742	1	56	na	33	8	486	-	-	30	1,289
San Mateo	50	1,465	1	102	na	131	5	305	-	-	56	1,952
Santa Clara	80	7,014	4	463	na	271	24	1,557	-	-	106	9,074
Alameda	91	6,626	5	451	na	879	31	1,420	-	-	125	9,151
Contra Costa	42	3,437	-	-	na	248	28	1,392	-	-	70	5,077
Sonoma	22	1,297	-	-	na	128	14	634	8	304	44	2,363
Solano	23	1,471	3	288	na	92	7	657	3	96	35	2,460
Napa	8	391	-	-	na	35	2	38	-	-	10	464
Bay Area Region Total	426	30,485	18	1,754	-	2,361	130	7,465	11	400	576	41,588
Sacramento Region												
Sacramento	105	5,897	30	1,614	na	79	25	1,686	-	-	145	8,469
Placer	9	456	3	170	-	-	1	124	13	663	25	1,328
El Dorado	5	313	-	-	-	-	-	-	10	364	15	677
Sutter	4	165	2	144	-	-	-	-	5	148	10	385
Yuba	5	439	1	76	-	-	1	28	5	223	12	728
Yolo	21	880	1	95	-	-	9	466	4	148	35	1,542
Sacramento Region Total	149	8,150	37	2,099	-	79	36	2,304	37	1,546	241	13,129
Central Valley Region												
Fresno	38	3,027	7	518	na	191	26	1,938	31	1,479	99	6,894
Madera	2	121	-	-	-	-	1	136	5	174	8	431
Kern	32	1,261	9	290	na	74	2	310	26	1,022	65	2,812
San Joaquin	19	1,399	3	240	-	-	3	272	1	42	25	1,833
Stanislaus	14	1,108	2	142	na	75	7	430	7	303	29	1,987
Merced	8	364	1	46	-	-	6	270	18	758	33	1,415
Tulare	10	658	2	105	na	106	4	173	34	1,561	49	2,551
Kings*	6	286	-	-	-	-	2	118	17	750	25	1,154
Central Valley Region Total	129	8,224	24	1,341	-	446	51	3,647	139	6,089	331	19,077
San Diego	94	9,818	5	138	na	948	39	2,574	1	32	137	13,441
Central Coast Region												
Monterey	11	557	2	150	na	135	5	355	3	150	20	1,272
San Luis Obispo	8	305	1	44	-	-	1	25	8	371	18	723
Santa Barbara	10	570	-	-	na	21	15	176	1	28	26	795
Santa Cruz	18	1,477	-	-	na	348	6	501	-	-	24	2,326
San Benito*	1	48	1	115	-	-	-	-	6	188	8	294
Central Coast Region Total	48	2,957	4	309	-	504	27	1,057	18	737	95	5,410

Table 27 (continued)

AFFORDABLE PROJECTS AND UNITS AT RISK OF CONVERSION (FROM 1997)

	PROJECT BASED SECTION 8 (a) Projects	Units	OLDER-ASSISTED PP-ELIGIBLE (b) Projects	Units	SECTION 8 MOD REHAB Projects	Units	BMR UNITS - TAX EXEMPT BOND (c) Projects	Units	SECTION 515 Projects	Units	PROJECTS (d) Projects	Units
Northern California Region												
Butte	14	679	4	274	na	80	3	133	7	488	26	1,517
Shasta	7	336	-	-	na	228	-	-	11	529	18	1,093
Tehama*	6	295	2	94	-	-	1	46	9	390	17	778
Glenn*	2	114	-	-	-	-	-	-	7	279	9	393
Colusa*	3	102	-	-	-	-	-	-	6	259	9	361
Northern California Region Total	32	1,526	6	368	-	308	4	179	40	1,945	79	4,142
NON-METROPOLITAN AREAS												
Northern California Non-metropolitan Region												
Del Norte*	-	-	-	-	-	-	1	56	4	180	5	236
Humboldt*	7	488	-	-	-	-	-	-	8	337	15	825
Mendocino*	11	447	-	-	na	96	-	-	16	636	27	1,179
Lake*	5	208	-	-	-	-	-	-	10	382	15	590
Siskiyou*	12	365	3	108	-	-	-	-	8	325	22	744
Modoc*	2	111	1	64	-	-	-	-	2	60	5	203
Trinity*	-	-	-	-	-	-	-	-	2	64	2	64
Lassen*	2	61	1	64	-	-	-	-	7	294	10	387
Plumas*	1	47	-	-	na	49	-	-	8	271	9	367
Sierra*	-	-	-	-	-	-	-	-	1	50	1	50
Nevada*	-	-	1	80	-	-	-	-	10	515	11	555
Northern California Non-metropolitan Region Total	40	1,727	6	316	-	145	1	56	76	3,114	120	5,200
Central-Southern California												
Amador*	2	112	-	-	-	-	-	-	5	196	7	308
Alpine*	-	-	-	-	-	-	-	-	-	-	-	-
Calaveras*	2	27	-	-	-	-	-	-	5	187	7	214
Tuolumne*	3	106	-	-	-	-	1	39	9	426	13	571
Mariposa*	-	-	-	-	-	-	-	-	4	126	4	126
Mono*	-	-	-	-	-	-	-	-	-	-	-	-
Inyo*	1	6	-	-	-	-	-	-	1	34	2	40
Central-Southern California Total	8	251	-	-	-	-	1	39	24	969	33	1,259
Other (e)												
Metropolitan Counties	1,738	111,088	218	15,812	na	7,648	686	35,340	257	11,758	2,790	173,740
*Non-metropolitan Counties	81	3,236	9	525	na	227	5	259	172	7,007	263	10,992
TOTAL CALIFORNIA	1,819	114,324	227	16,337	-	7,962	723	37,037	429	18,765	3,085	186,170

Notes:

- (a) Project-based Section 8 data from 1997 HUD Inventory. Because many projects have more than one contract, there are actually more contracts than projects.
- (b) Figures are subject to renewal activity since 1996.
- (c) Approximately 50% of Older-Assisted Prepayment Eligible units are also Project Based Section 8 developments; thus, some of these units overlap, an exact number is unknown.
- (d) This section represents below market-rate units in projects funded with tax exempt bonds, including CHFA regulated non Section 8 projects.
- (e) Total columns represent all numbers from all funding sources. Only 50% of units are counted from the older-assisted prepayment eligible stock (see note "a" above).

Sources:

- 1) Project Based Section 8: HUD Inventory, November 1996; entire universe expiring units starting in 1996.
- 2) Older-assisted Pre-Payment Eligible: California Housing Partnership Corporation Research; entire universe expiring units starting in 1996.
- 3) Section 8 Moderate Rehab: HUD Profile, total universe of Section 8 Moderate Rehab as of June 1996.
- 4) Tax-exempt Bond Financed projects with expiring below market rate (BMR) units: Table III-2 "Units in Occupied Projects: Multifamily Housing", 1996 Annual Summary: The Use of Housing Revenue Bond Proceeds, California Debt and Investment Advisory Commission; entire universe expiring units starting in 1996; source for CHFA-regulated units: California Housing Finance Agency 1996-1997 Statistical Supplement to Annual Report, Section IV-1 - Asset Management
- 5) Section 515: Department of Rural Housing Services

timing of the number of at-risk units peaks, however, in relation to the conversion eligibility of the Section 8-assisted portion of the stock. More than 80 percent (92,000) of these units have Section 8 contracts expiring by 2005.

HUD and FmHA-Assisted Housing

Approximately 80 percent of the 186,000+ properties were federally assisted by mortgage insurance, low-interest loans, and project-based rental subsidies (Section 8). This housing resulted from the primary affordable rental housing production programs of the federal government from the late 1960s through the early 1980s. These properties constitute a substantial share of the State's existing government-assisted rental housing stock for lower-income households.²¹

Under these programs, the federal government (HUD and what was then the Farmer's Home Administration, or FmHA)²² provided subsidies to developers that led to the production of approximately 150,000 units. These include Section 515 properties, and those created by the HUD 221(d)(3) and 236 programs (referred to as "older-assisted" properties), and other project-based Section 8 properties. The first phase of these properties began converting to market-rate in the late 1980s, prompting federal enactment of the Emergency Low-Income Housing Preservation Act (ELIHPA) in 1986. In 1990, ELIHPA was succeeded by the Low Income Housing Preservation and Resident Homeownership Act (LIHPRHA). Both programs prevented owners from converting properties to market-rate; instead these programs provided financial compensation in exchange for new 20-50 year affordability restrictions, thereby continuing federal responsibility for preserving the affordability of this housing. HUD provided well over half a billion dollars to California projects through the ELIHPA and LIHPRHA programs, covering nearly 100 percent of all preservation costs. Since 1996, however, the risk of conversion of the HUD-insured portion of the at-risk stock has increased markedly due to the loss of assistance from these programs and the restoration of a direct conversion option.

Between the spring of 1996 (when the prepayment rights of owners were restored by Congress) and late 1997, owners of nearly 6,300 of the remaining older-assisted, prepayment-eligible units in California prepaid mortgages and converted to market-rate use. As of spring of 1998, an additional 1,400 units were in the pipeline for doing so. Although tenant vouchers can be used for transition, one-third of the units from the older-assisted stock were converted within approximately 18 months of eligibility. As of May 1998, there were approximately 16,300 additional units of older-assisted stock still eligible to convert from restricted to market-rate use. In the absence of some preservation incentives to current owners or potential purchasers, it is likely that additional "older-assisted" units will be converted and will reduce the affordable housing stock.

Section 8 contracts, which were originally issued for 15-20 year terms, are now subject to annual renewal. Upon expiration of the Section 8 contract, owners are generally under no obligation to accept a contract renewal and maintain the affordability of the units to lower-income households. Section 8 assisted properties include both the HUD older-assisted properties (approximately half of these), and newer assisted properties which were generally financed by HUD under the Section 221(d)(4) program, or by the California Housing Finance Agency (CHFA).

In late 1997, Congress enacted the Multifamily Assisted Housing Reform and Affordability Act (MAHRAA), which substantially alters how Section 8 subsidies are provided. This new law, which took effect on October 1998, is intended to control costs and introduce reforms in the Section 8 program. Under this program, State and local government will assume newly delegated responsibilities, whereby the CHFA²³ plans to serve as a “participating administrative entity” (PAE) for the implementation of the MAHRAA program to restructure eligible Section 8 assisted properties.

California’s experience with market-rate conversion of the older-assisted stock suggests that 15-20 percent of the owners of the Section 8 inventory are likely to opt-out of project-based Section 8 and terminate their relationship with HUD unless new incentives are created to retain the Section 8 assistance. While some owners will choose to opt-out, other owners may be ineligible to renew their contracts. Owners might be ineligible, if for example, the development is saddled with financial or physical problems, or is located in an area with high vacancies and high contract rents. Thus, a significant number of affordable units could be lost due to owners opting out of subsidy contracts and also because some properties will no longer be eligible for Section 8 assistance. Based on an analysis of Section 8 contracts scheduled to expire during 1998-2000 which are at or below Fair Market Rents, the counties which appear most likely to experience owners opting out of Section 8 contracts are: Alameda, Contra Costa, Los Angeles, Sacramento, San Diego, San Francisco, and Santa Clara.

As of mid-1998, there were approximately 430 projects in California receiving Section 515 funding, representing nearly 18,800 units. In the mid-1980s approximately 1,800 units in 45 projects had their mortgages prepaid. However, subsequent to enactment of ELIHPA in 1987, mortgage prepayment on these properties is only allowed if other subsidies such as Section 8 are available, or if there is sufficient affordable housing in the region. Consequently, in the last 10 years, less than 200 units have been prepaid and no tenants were relocated or otherwise adversely affected. Since these properties are generally not located within high rent areas of the State and as tenants may not be displaced, these units are much less likely to be lost from the affordable stock than the other at-risk properties.

Mortgage-Revenue Bond Assisted Properties

While roughly 80 percent of the rental housing at-risk of conversion from low-income use received direct subsidies from HUD or FmHA, the remaining 20 percent of California’s at-risk housing was assisted with (federally-authorized) State or locally-issued mortgage revenue bonds (MRBs). Beginning in the early 1980s, these properties were financed with below-market interest rate mortgages in exchange for restricting a portion of the units for lower-income households for a specified period of time. The rent level restrictions and use restriction period of these properties vary, depending on when they were constructed, and whether other use restrictions apply. Thus, moderate- and low-income tenants may reside in these properties, and the conversion of low-income use restrictions on these properties may affect only a portion of the tenants if a portion of the units already have market-rate rents.

Reliable figures on the portion of the MRB assisted units that are still subject to use restrictions are not currently available. According to the most recent tabulated information (1996), approximately 22,500 units had eligible conversion dates from 1998 until beyond 2010.²⁴ A large majority of below-market units financed with tax-exempt bonds will convert to market-rate

upon expiration of the rent-targeting requirement. Unlike federally-assisted housing, there is no program or agency such as HUD to provide rental assistance vouchers or other transition assistance.

Summary of Conversion Risk

The nature of the risk of conversion of these units to market-rate rents, and the prospective displacement of the low-income tenants, varies significantly. A number of factors affect the conversion risk of individual properties:

- the options afforded by the program(s) under which a property is financed and regulated (e.g., some properties are no longer eligible for assistance);
- the condition of the local rental housing market, including the relationship of the contract rents to local market rents;
- the physical condition of the property and its ability to command higher rents;
- the nature of its ownership and owner motives (for-profit vs. non-profit);
- the financial stability of the property and the ownership entity; and
- whether there is dedicated government assistance available to extend or preserve the property's low-income use restrictions or assist the tenants.

Due to the tight rental markets in many parts of the State, California has had a level of prepayment and conversion among older-assisted HUD properties that is triple the amount of any other State. Between mid-1998 and the year 2000, based on recent conversion activity, it is quite possible nearly 10,000 affordable units could be lost from the existing affordable federally-assisted housing stock, as well as very high proportion of the MRB-assisted units. A short-term forecast of the distribution of such loss of affordability restrictions might include the following:

- an additional quarter of prepayment-eligible older-assisted developments (approximately 4,000 units);
- 20 percent of the Section 8 assisted properties facing contract expiration (approximately 6,000 units); and
- an undetermined portion of the below-market units in tax-exempt bond projects (approximately 9,000 units are estimated to be eligible for conversion 1998-2000).

This affordable housing is generally most at-risk in the State's highest cost rental markets. While the actual number and location of conversions will depend on factors summarized above, the extent of the pending loss of this scarce housing resource would severely aggravate the State's affordable housing needs.

California's Farmworker Population

Farmworkers and day laborers are an essential component of California's agriculture industry. Farmers and farmworkers are the keystone of the larger food sector, which includes the industries that provide farmers with fertilizer and equipment, farming to produce crops and livestock on farms, and the industries that process, transport, and distribute food to consumers. Almost 18 percent of the American work force is employed in this food sector, which generates about 16 percent of the Gross National Product (GNP).²⁵

California's strong agricultural sector functions with farm labor throughout the State. These employees and their families must have access to adequate housing while they are temporarily – or permanently – employed in an area. Far too often they are forced to occupy substandard “homes.” Very few California residents have seen the “homes” of many of these farmworkers or day laborers. They often live out of sight to avoid harassment from permanent residents or passing motorists — in undeveloped canyons, fields, and squatter camps, as well as motels, trailers, cars, and back houses.

Estimates of the Farm Labor Population

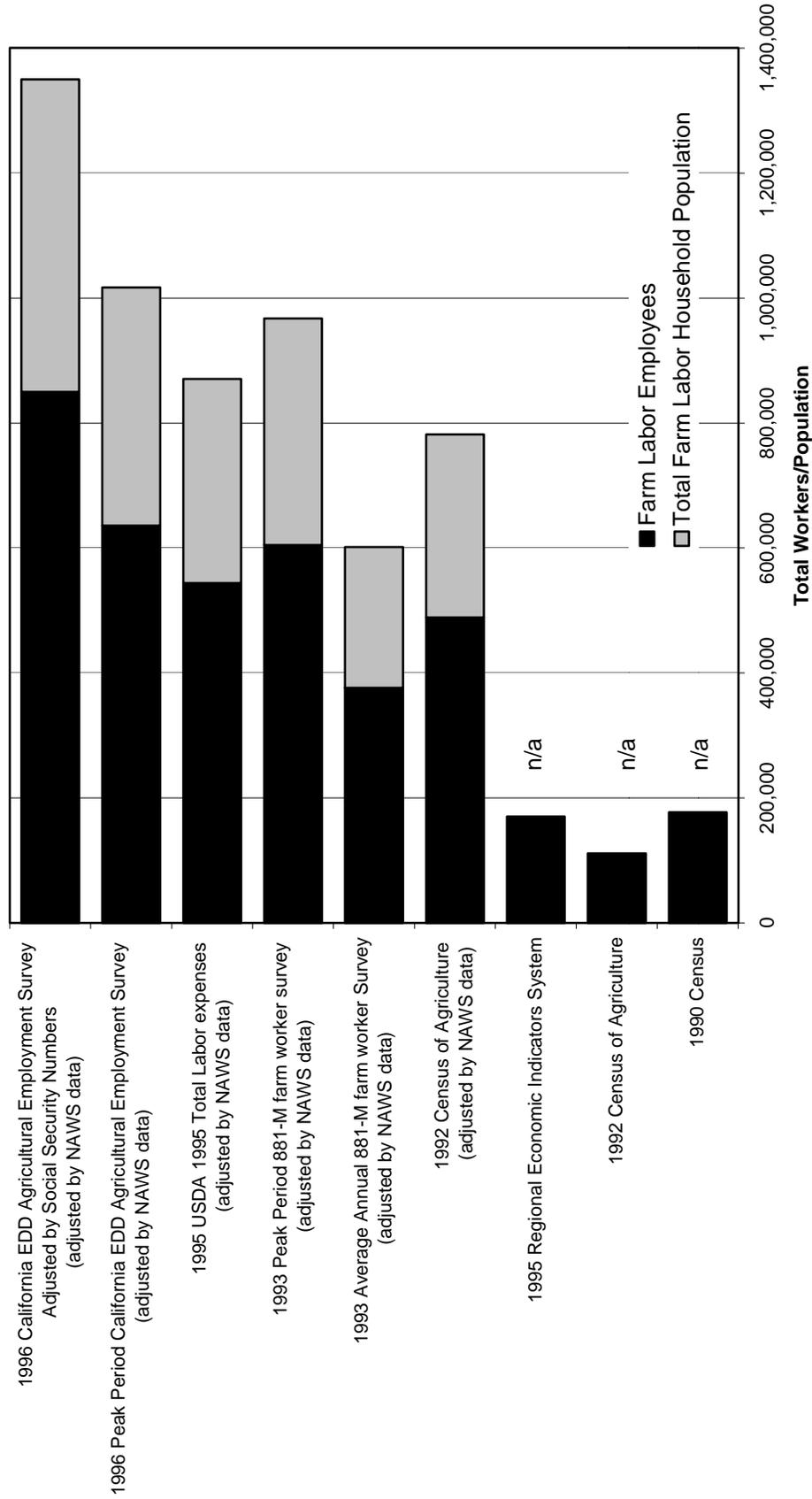
Estimating farmworkers and those households associated with farm work within the State is extremely difficult.²⁶ Traditional sources of population estimates, including the 1990 Census, have tended to significantly underestimate farmworker population. Moreover, different employment estimation techniques result in diverse estimates of local agricultural employment. Nonetheless, a range of estimates of farmworkers in the State can be derived. Further, by applying assumptions derived from surveys specifically targeted to farmworkers, aggregate population (both workers and households) can be estimated (see Figure 36).²⁷ These estimates indicate that average annual employment of farmworkers in California is about 350,000, with peak period employment of about 450,000 within the State. This employment is filled by between 650,000 and 850,000 farmworkers within the State. Total population (including family members) associated with these workers is between 900,000 and 1.35 million persons.

Farm labor is unevenly distributed within the State (see Figure 37).²⁸ More than one-half of agricultural labor within the State is in the San Joaquin Valley Region, while the South Coast and Central Coast regions account for an additional 15 and 14 percent respectively. The Desert Region employs about 10 percent of the statewide farmworkers, while the Sacramento Valley and North Coast regions account for 7 and 3 percent of laborers respectively.

Farm employment varies by season as well as region (see Figure 38). Agricultural employment is seasonal in nature, with each region experiencing peaks that are nearly twice as great as that experienced in the lowest months within a region. Moreover, seasonal peaks differ within the State, ranging from April in the South Coast Region to September in several regions.

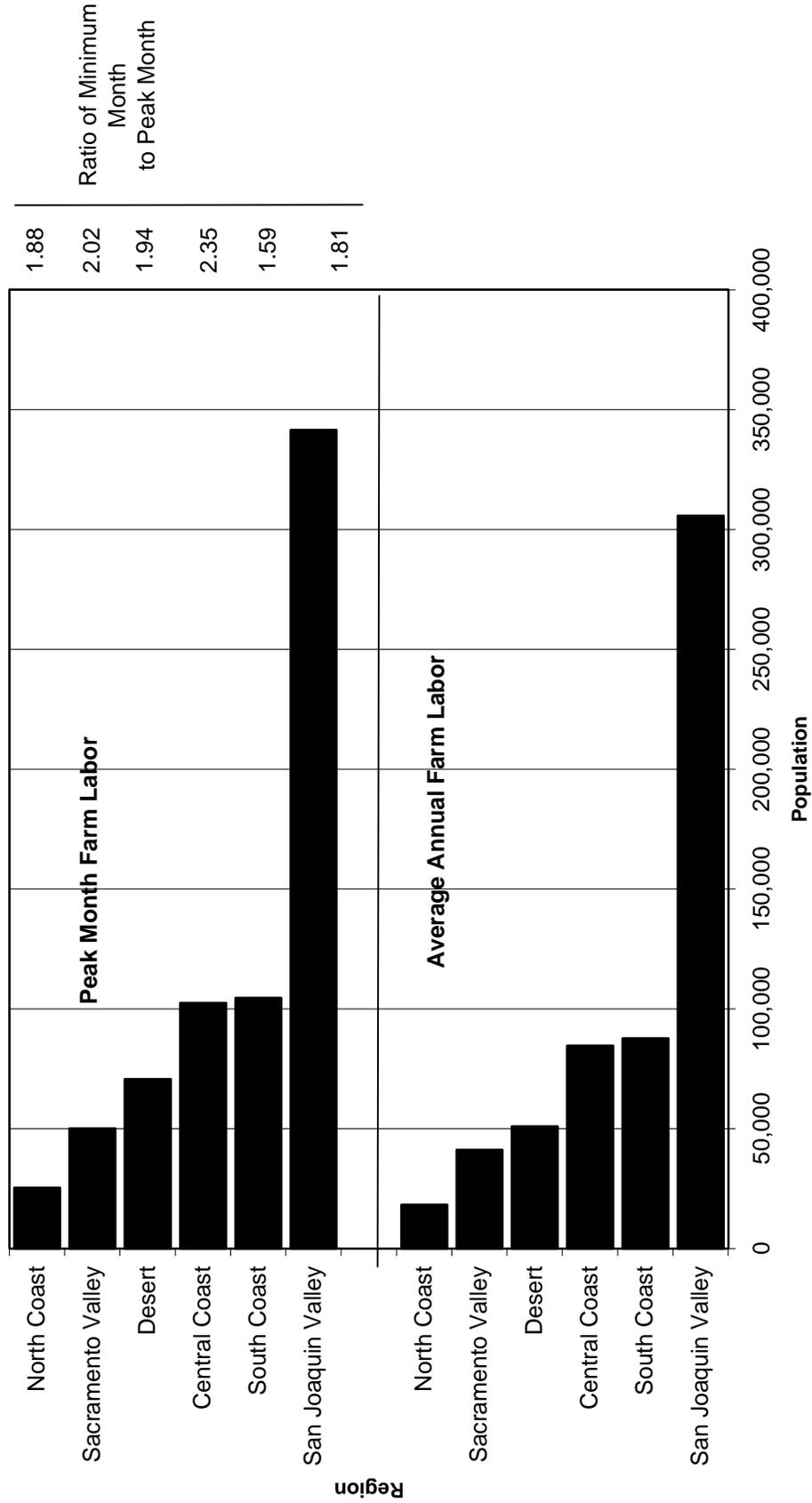
As would be expected, the distribution of farm labor population follows the key agricultural production areas of the State (see Figure 39). There are significant concentrations of farm labor households in Fresno, Tulare, Kern and Monterey counties – all have an average farm labor population that exceeds 50,000 individuals, though other counties in the Central Valley Region (San Joaquin, Stanislaus and Merced) also have high concentrations of farm labor population. In the Southern California Area, San Diego, Riverside and Imperial counties all have relatively high farm labor concentrations. Similarly, along the Central Coast, Ventura, Santa Barbara and Santa Cruz have

Figure 36
Alternative Estimates of Farm Labor for California



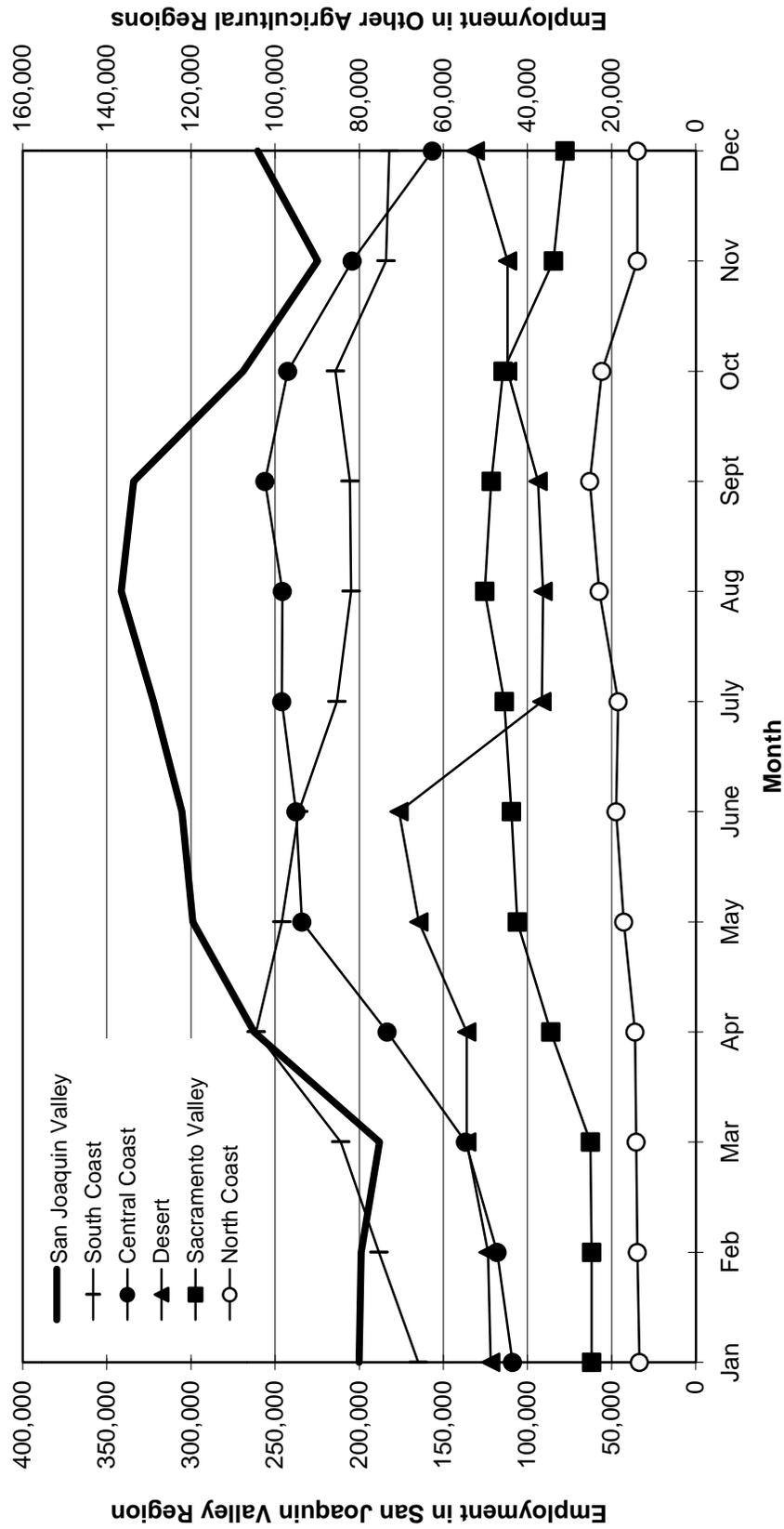
Source: California EDD; University of California, Davis

Figure 37
Estimate of Farm Labor Employment
1996

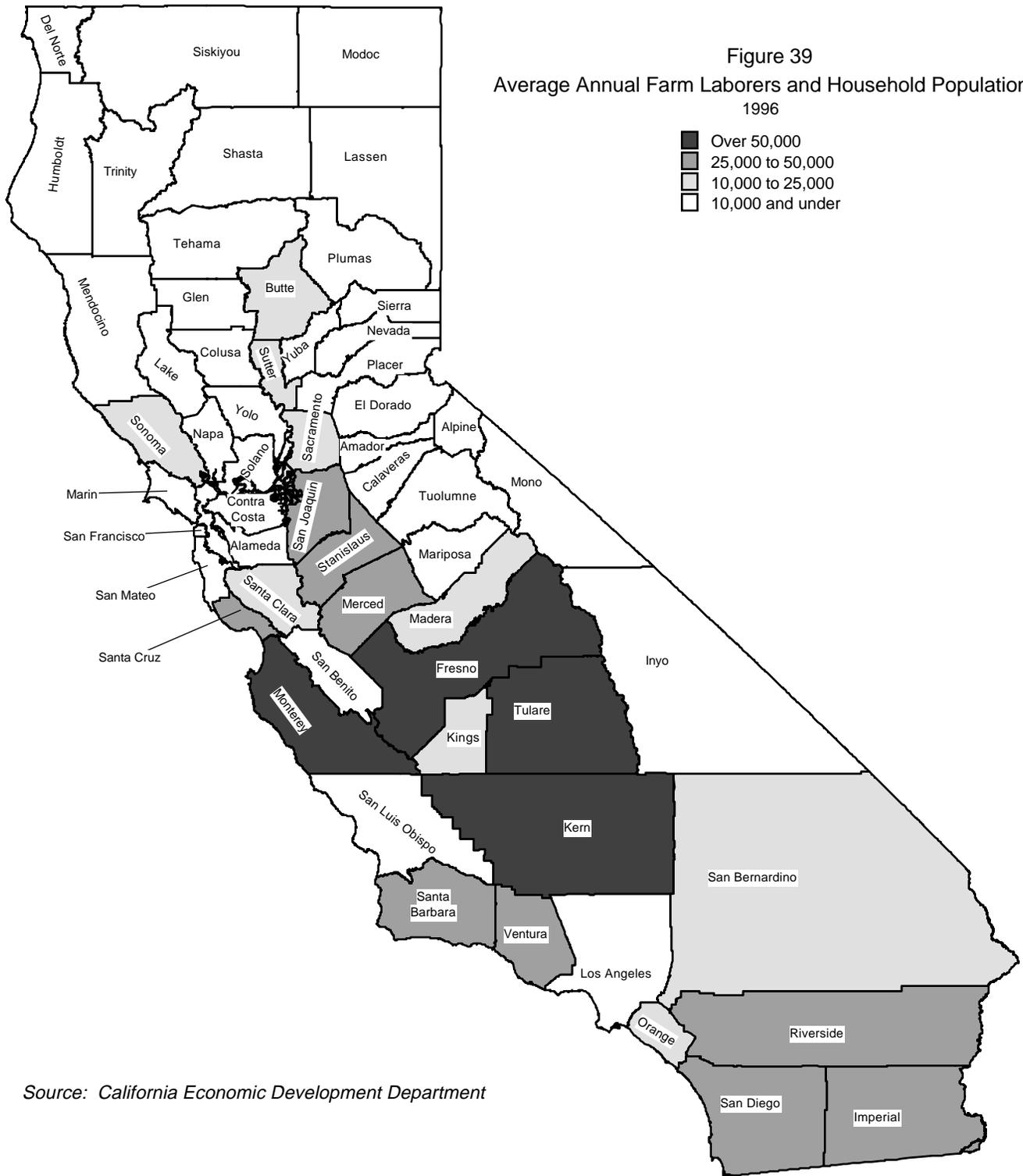


Sources: California Agricultural Bulletin, National Agricultural Worker Survey.

Figure 38
Monthly Agricultural Employment
(Adjusted by National Agricultural Survey Estimates)
1996



Source: California Agricultural Bulletin, 1996; National Agricultural Worker Survey.



Source: California Economic Development Department

relatively high concentrations of farm labor. While most areas outside the mountain areas of the State are impacted during peak season activities, Riverside, Ventura, and Madera counties experience significant increases in overall farm labor population during these peak periods (see Figure 40).

Distinguishing Characteristics of the Farmworker Population

Details on farmworkers and their households was developed as a part of the National Agricultural Workers Survey (NAWS). There are several key findings of this survey (completed in 1991) that characterize California's Seasonal Agricultural Service (SAS) workers.

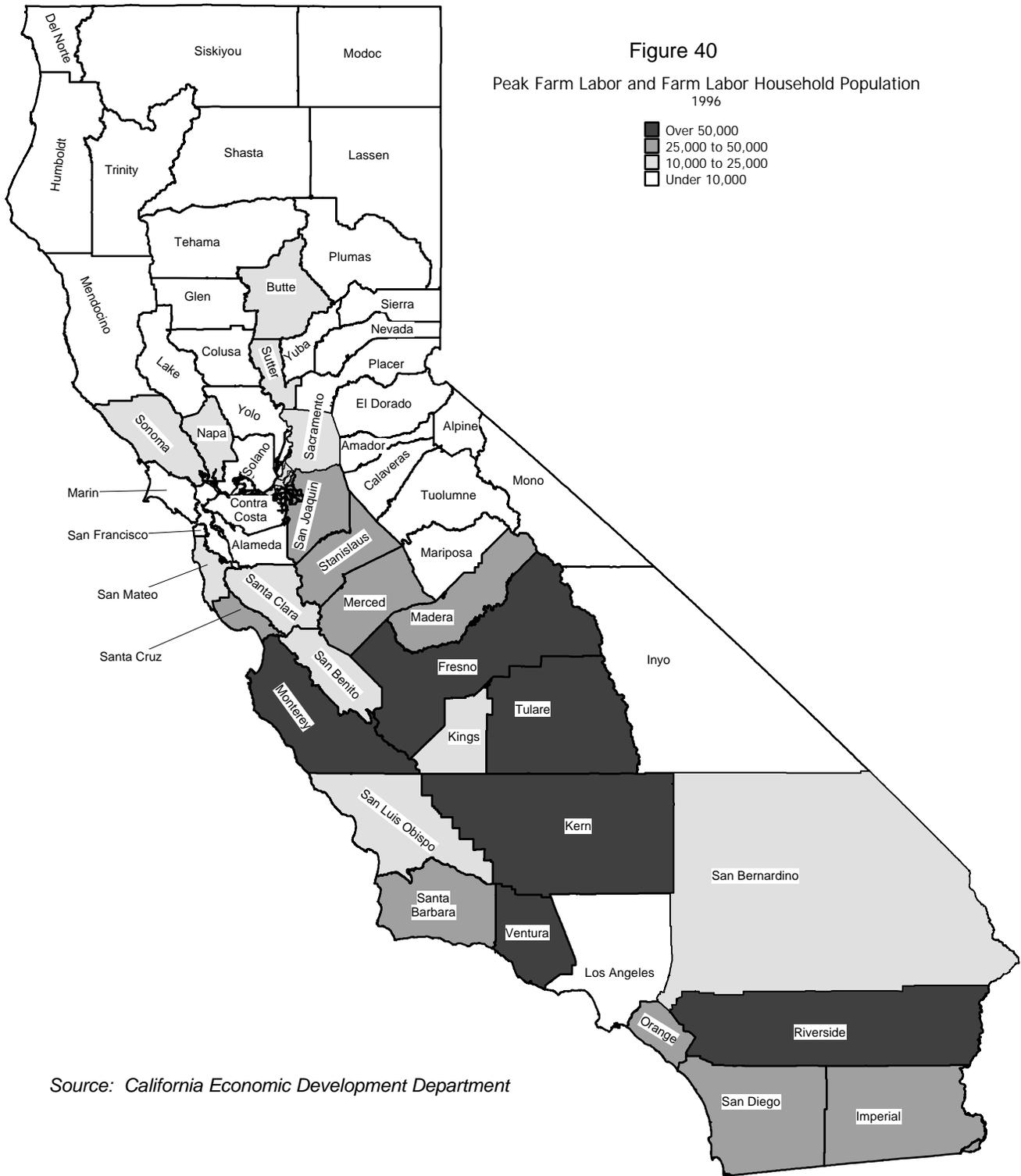
In reporting characteristics of farmworkers and household arrangements, it is important to recognize there are distinct groups of workers. These include year-round or "regular workers," recent entrants to the labor market (generally solo and sometimes illegally within the country), and a diverse group in between these extremes (including families, some migrants, and individuals). These groups have distinct housing needs that may vary.

According to 1991 SAS survey data, farmworkers were relatively young, averaging 34 years in age (median 32). Roughly 78 percent of workers were between 18 and 44 years in age. Few workers were under 18 (2 percent) or older than 54 (7 percent). Workers were predominantly male (74 percent), and were nearly universally members of minority groups. More than 91 percent of workers were Hispanic, 8 percent were White, four percent Black, and 2 percent were Native American or Asian.

California agricultural employers depend heavily on foreign workers. Approximately 92 percent of the farmworkers in the SAS survey are foreign-born; of which more than four out of five (82 percent) are from Mexico, 2 percent are from other Latin American countries, 6 percent from the Pacific Islands, and 2 percent from Asia. In general, farmworkers within the State are legally eligible to work in the U.S. (91 percent of workers). Workers include citizens, legal permanent residents, legal temporary residents and workers with other types of visas. About one in ten (10 percent) of the farmworkers interviewed in the SAS survey are ineligible for employment in the United States. This proportion should be considered a minimum estimate of unauthorized workers in the labor force, because people who are illegally in the U.S. generally avoid government surveys and try to conceal their status.

Farmworkers are not generally alone. Those who are living with at least one family member while engaged in farm work are "accompanied."²⁹ Three of five (60 percent) farmworkers are accompanied by a spouse, child or parent. The median number of children in families of farmworker parents is two, and the mean is three. Most California farmworkers who are parents and reside with their families at the work site (85 percent) are married.

Only about 22 percent of farmworkers were single workers, unaccompanied by family members (workers living apart from their parents, spouses, and children at the time of the interview are considered "unaccompanied" by the NAWS). Another 18 percent are parents or married workers not living with their spouses and/or children and are considered unaccompanied. A total of 30 percent of farmworker parents do not live with their children. One-third of all the children of farmworkers live away from their parents.



Source: California Economic Development Department

Households of parents and married workers, with or without children, often serve as “anchor” families for relatives and friends, many of whom are otherwise considered “unaccompanied.” It is common for married California farmworkers without children to live with their spouse and one other person in a three-person household. One sibling or extended family member is present in 20 percent of all parent and married worker households, and one non-family member in 51 percent of them.

Single and childless farmworkers residing with their parents have households that average four immediate family members over the age of 14. This typically includes the worker, two parents, and one sibling. These families sometimes include other relatives or non-family members. One household in eight includes an extended family member, and one in two a non-family member. The households of single farmworkers who live away from parents average three people, usually including one sibling.

It should be noted that these findings are based on NAWS data gathered early in the decade. More recent data from the 1994-95 National NAWS, not specific to California, found a marked difference in the farmworker population from this survey. For example, 1994-95 National NAWS found that a majority of farmworkers now do U.S. farm work away from their nuclear families. According to this survey, 44 percent of farmworkers in FY 1994-95 were accompanied by a spouse, a child, or a parent who lived in their households. This percentage declined since FY 1990-91, when three-fifths (61 percent) of farmworkers lived with a spouse, a child, or a parent.³⁰

This later survey also found that although most adult farmworkers were married, a sizeable percentage of them lived without their spouses while doing farm work. Two-fifths of married farmworkers were interviewed while living away from their spouses. The proportions of farmworkers living without their spouses varied strikingly by the gender and the national origin of the farmworker. One-half of the married male farmworkers lived without their wives, while only 9 percent of the married female farmworkers lived without their husbands. One-half of the foreign-born married workers lived without their spouses, while only 16 percent of the U.S.-born workers were without their spouses.³¹

The National NAWS claimed that these observed changes served as evidence of a growing migration pattern among Mexican farmworkers employed in the U.S. in which the men enter the United States prior to their wives. Among female Mexican farmworkers only 11 percent came before their husbands to the U.S. Among the males, 67 percent came before their wives. A minority of couples entered the U.S. at the same time; this pattern accounted for 30 percent of the female and 22 percent of the male farmworkers.

The Parlier Survey, conducted in 1997 had findings that are consistent with the later NAWS findings, but also included an expanded analysis to look at demographic characteristics of individuals and households by housing characteristics.³² The study found it was useful to break down the data for “front houses” and “back houses” to better understand the under-counted population. This method not only paints a clearer picture of the farmworker population missed during the 1990 Census count, but also describes the most crowded and substandard dwelling conditions.

The “front houses,” (dwellings most likely to be captured by the U.S. Census sampling frame) have a much lower incidence of single men living together, and are more likely to be inhabited by nuclear families. The study also found that the front houses have a higher percentage of female-headed families, and are more likely to be headed by single females than single males, unlike the back houses.

The Parlier study found a high likelihood of overcrowding in the “back houses” (as these dwellings are seldom larger than the front houses). Inhabited by large groups, and substandard to begin with, the back houses were also fraught with serious health and sanitation problems. The back houses were also much more likely to be inhabited by extended families and groups of single men. A few of the sample back houses contained ten or more single men.

Further evidence of an abundance of single men is shown by the high percentage of males in the back house population, nearly two-thirds compared to one-half males living in the front houses. Commonly the back houses have no indoor plumbing, or a single bathroom serving several apartments and large numbers of residents. Telephones are also unlikely to be found in the back houses.

In summary, there are several key conclusions that can be drawn regarding the farmworker population:

- Total production farmworkers in California are estimated at between 490,000 and 650,000.
- Total farmworker population in California (workers + nonworking family members) is between 900,000 and 1,350,000.
- The average California farmworker is relatively young, male, Hispanic and legally working in the United States.
- In the early 1990s, most California seasonal farmworkers were accompanied by a spouse, child or parent during their farm-working period.
- By the mid-1990s, it appears that the proportion of single male households had increased significantly. It is anticipated that California-specific estimates, to be published later this year, will echo this trend.
- Most government-sponsored housing programs for farmworker populations are designed to accommodate households modeled on the American nuclear family. Farmworker households, often comprised of extended family members or single male workers, tend not to be congruent with this model and as a result many are under-served through these channels.

Distinctive characteristics of farmworker households are as follows:

- They tend to have high rates of poverty. California farmworkers in 1990 earned an average of only \$7,320. A study by California researchers of how immigration is transforming rural communities identified some of the highest rates of welfare dependency in the State’s agricultural counties.³³
- They live disproportionately in housing which is in the poorest condition.
- They have very high rates of overcrowding - In 1990, half of farmworkers lived in overcrowded housing, including 31.4 percent who lived in severely overcrowded units.
- They have a low homeownership rate (only 35.6 percent in 1990).
- They are predominantly members of minority groups (largely Hispanic).

- They have among the largest household sizes in the state - In 1990, more than 60 percent of both owner and renter farmworker households included four or more persons; and 18.2 percent were seven or more person households.

In summary, farmworkers have major housing problems resulting from low incomes, large household sizes relative to available housing stock, and the high mobility of many farmworkers. They tend to live in rural areas which have the highest proportions of substandard housing in the State, and are chronically unable to find adequate housing. When they do find private low cost housing, it tends to be of poor quality, small, or both.

Acute housing shortages occur during periods of peak harvest time in rural areas away from cities. Rural housing markets and State or employer-provided migrant housing centers have insufficient capacity to absorb large influxes of temporary workers. These circumstances lead to doubling up in overcrowded housing conditions, using buildings not intended for residential use as housing, and homelessness.

Homeless Population in California

Homeless individuals and families face the ultimate housing deprivation. In the worst circumstances, these individuals and households may be living in places not meant for human habitation. "Homes" may include cars, parks, sidewalks, alleys, parking ramps, or door stoops; or homeless individuals may be squatters – in abandoned buildings, roofs, stairwells, farm out-buildings or garages (among other locations). In addition, homeless persons may be in "public" accommodations, including emergency shelters or transitional housing. They share a common attribute: a person is considered homeless when the person or family lacks a fixed and regular night-time residence, or has a primary night-time residence that is a supervised publicly-operated shelter designated for providing temporary living accommodations or is residing in a public or private place not designated for, or ordinarily used as, a regular sleeping accommodation for human beings.³⁴

One other characteristic is common to the homeless – it is very difficult to reliably estimate the numbers of homeless people. Because homeless people are transient in nature and sometimes illegally occupying space, it is difficult, if not impossible, to identify all locations where people find shelter. As the 1990 Census count illustrated, it is extremely difficult to obtain an accurate count of the homeless, in particular because there is no valid data to represent homeless persons in unsheltered locations (such as parks, cars, etc.).

A full census of homelessness within the State is beyond the scope of this report. Instead, this report draws on a variety of local documents to generate estimates of homeless individuals and families within localities within the State. This document does not purport to sanction (or refute) the estimates of local jurisdictions. Instead, the presentation is designed to present the diverse, individual sources developed at the local level to allow State policy-makers to understand the relative location and general magnitude of the homeless, and some of the general characteristics of this population. As such, the discussion that follows should be viewed only as a starting point for understanding the overall situation of homeless individuals and families within the State.

Several documents were analyzed to develop the information presented below. As part of the requirements for receiving federal homeless assistance, entitlement communities (including 26 counties or major cities within the State) submitted Continuum of Care Plans to the U.S. Department of Housing and Urban Development (HUD), detailing estimates of the number and types of

households that were homeless in the 1996/1997 period. In addition, for areas without Continuum of Care Plans, the following discussion draws on local Consolidated Plans and other local agency documents. In seven counties, no local estimate of homelessness was available. In these areas, while information was gathered on requests for homeless assistance for Temporary Assistance for Needy Families (TANF)/CalWorks or other sources that target homeless assistance, the information provided a “general” notion of homelessness, though it appeared to significantly underestimate overall homelessness.

In gathering information, to the degree possible, the information was presented based on a “gap analysis” – to estimate the number of people who are homeless at a given time, on an average day (referred to as point prevalence or point-in-time).³⁵ For a variety of reasons, the estimates presented below, while indicative of the homelessness within the State, should generally be taken as a broad minimum measure of the underlying homeless population within the State.³⁶

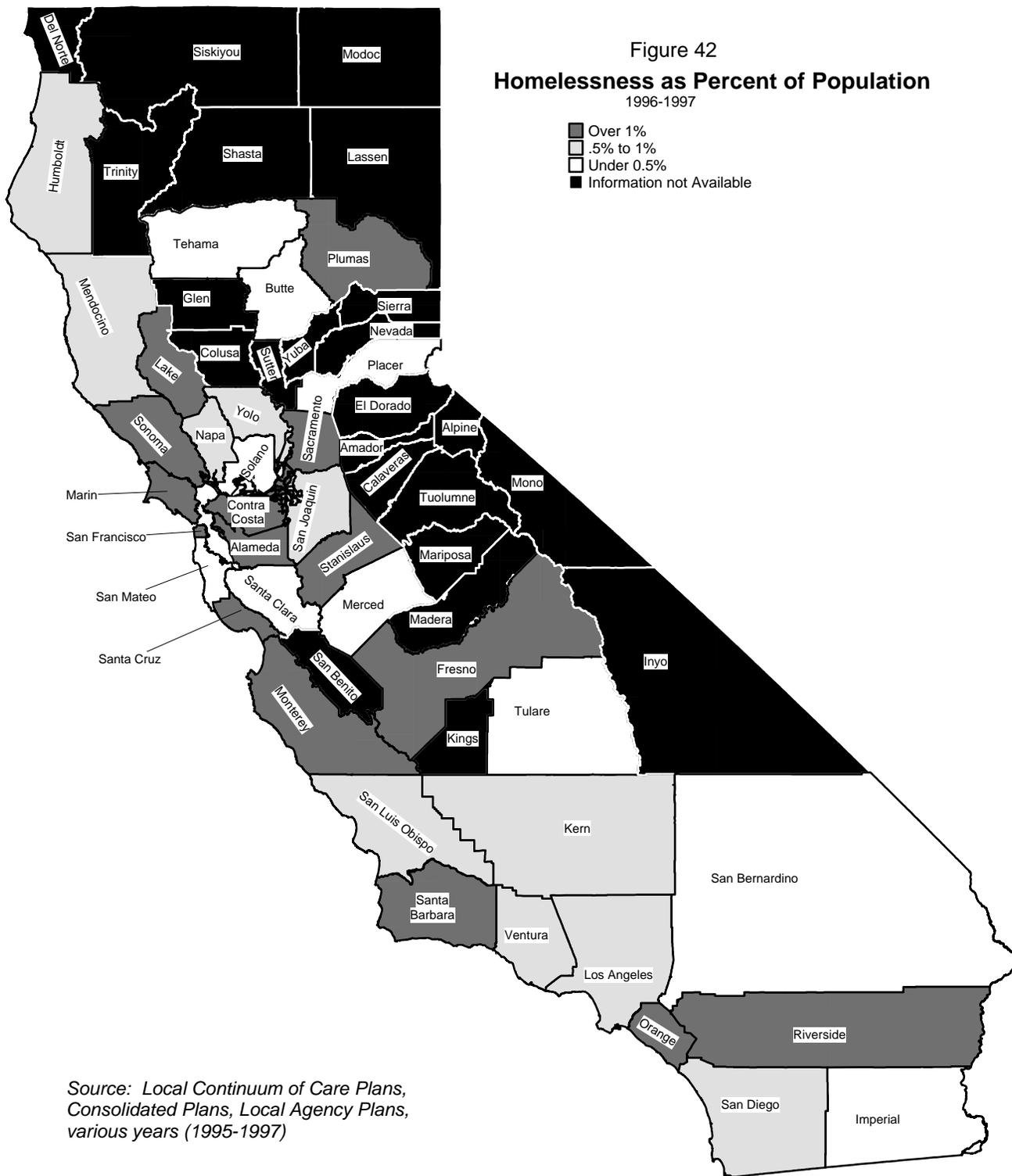
Based on these local source documents and discussions with homeless providers, the total homeless population was estimated at approximately 361,000 in the 1996/1997 period, representing approximately 1.1 percent of State population in 1997 (see Figure 41, Figure 42 and Table 28). While homeless individuals and families were present in every county, the greatest concentrations by both number and share of population were concentrated in metropolitan areas, particularly in the largest urban centers within the State (particularly Los Angeles and San Francisco). However, significant concentrations of the homeless population were also present in areas surrounding these cities and along most of the Pacific Coast. Similarly, major cities within the Sacramento and Central Valley regions also revealed concentrations of homeless persons.

Statewide, nearly two-thirds of the homeless are individuals, with about 37 percent of the population in families. Local facilities to assist these individuals and families are insufficient to meet overall need. Local sources estimate that there is a sufficient inventory of available facilities to meet the needs of only about one in six homeless individuals, and only one in five homeless families. These sources estimate housing resources to meet the needs of approximately 68,000 individuals and families (with a shortfall of over 290,000 units (including 185,000 beds/units for individuals and over 105,000 units for families). Based on available evidence, it appears that non-metropolitan areas tended to have a greater proportion of families than metropolitan areas, though biases in the sources of information (CalWorks applications) may account for the variation in non-metropolitan area composition.

While there is variation in the composition of the homeless population within localities, the overall composition of homelessness within individual regions is generally consistent with the statewide composition of individuals and households. However, individuals appear to be more concentrated in the major urban centers and along the Pacific Coast between San Francisco and Los Angeles. While there are several locations that report significant variation from the overall statewide composition, it is not clear if the underlying distribution of homeless needs systematically varies from this general pattern.

These sources estimate that the greatest need for housing is certainly permanent housing for the homeless population (estimated at 37.7 percent of overall need). Given the underlying issues of affordability and rent burdens discussed earlier in this report, the need for permanent housing for the homeless population is understandable. However, alternatives to transitional housing are also needed (see Table 29).³⁷ To meet short- and long-term needs of homeless families and individuals, local sources estimate that 27 percent of all need is for emergency shelter, while an additional 35

Figure 42
Homelessness as Percent of Population
1996-1997



Source: Local Continuum of Care Plans, Consolidated Plans, Local Agency Plans, various years (1995-1997)

Table 28
Summary of Select Homelessness Data
1996-1997

	Source of Estimate	Estimated Homeless Population	Total Pct. Homeless in County	Percent Individuals	Percent Families	County Pop as % of State	% of State Homeless Population
Metropolitan Areas							
Greater Los Angeles Metro							
Los Angeles County	A	84,300	0.89%	79.7%	20.3%	29.10%	23.36%
Orange County	A	51,300	1.93%	54.6%	45.4%	8.16%	14.21%
Riverside County	A	24,300	1.76%	11.4%	88.6%	4.23%	6.72%
San Bernardino County	A	4,000	0.25%	34.9%	65.1%	4.87%	1.11%
Ventura County	A	3,700	0.52%	67.7%	32.3%	2.20%	1.03%
Imperial County*	A	500	0.39%	<u>50.8%</u>	<u>49.2%</u>	<u>0.43%</u>	<u>0.15%</u>
Greater Los Angeles Metro Total		168,100	1.05%	60.8%	39.2%	49.0%	46.58%
Bay Area Region							
San Francisco County	B	31,400	4.03%	71.3%	28.7%	2.39%	8.70%
Marin County	B	3,100	1.28%	69.9%	30.1%	0.74%	0.86%
San Mateo County	A	2,200	0.31%	47.6%	52.4%	2.15%	0.61%
Santa Clara County	B	4,300	0.26%	67.7%	32.3%	5.07%	1.19%
Alameda County	A	34,300	2.49%	61.1%	38.9%	4.22%	9.51%
Contra Costa County	B	11,300	1.28%	29.2%	70.8%	2.70%	3.13%
Sonoma County	B	7,800	1.83%	52.1%	47.9%	1.31%	2.17%
Solano County	A	1,100	0.29%	41.9%	58.1%	1.15%	0.30%
Napa County	B	1,200	0.98%	<u>53.7%</u>	<u>46.3%</u>	<u>0.37%</u>	<u>0.33%</u>
Bay Area Region Total		96,700	1.47%	59.9%	40.1%	20.09%	26.77%
Sacramento Region							
Sacramento County	B	16,800	1.47%	69.5%	30.5%	3.50%	4.66%
Placer County	A	300	0.15%	20.1%	79.9%	0.64%	0.09%
El Dorado County	N/A	N/A	N/A	N/A	N/A	0.44%	N/A
Sutter County	N/A	N/A	N/A	N/A	N/A	0.23%	N/A
Yuba County	N/A	N/A	N/A	N/A	N/A	0.19%	N/A
Yolo County	B	1,100	0.68%	<u>43.3%</u>	<u>56.7%</u>	<u>0.47%</u>	<u>0.29%</u>
Sacramento Region Total		18,200	1.02%	67.1%	32.9%	5.47%	5.05%
Central Valley Region							
Fresno County	A	9,600	1.23%	60.7%	39.3%	2.38%	2.65%
Madera County	C,D	X	0.08%	95.7%	4.3%	0.34%	0.02%
Kern County	A	5,300	0.85%	65.0%	35.0%	1.93%	1.48%
San Joaquin County	B	4,600	0.86%	57.6%	42.4%	1.64%	1.28%
Stanislaus County	B	15,100	3.61%	65.1%	34.9%	1.29%	4.19%
Merced County	C, D	700	0.34%	59.4%	40.6%	0.62%	0.19%
Tulare County	N/A	N/A	N/A	N/A	N/A	1.09%	N/A
Kings County*	N/A	N/A	N/A	<u>N/A</u>	<u>N/A</u>	<u>0.36%</u>	<u>N/A</u>
Central Valley Region Total		35,300	1.13%	62.9%	37.1%	9.65%	9.81%
San Diego	A	21,500	0.79%	85.6%	14.4%	8.35%	5.96%
Central Coast Region							
Monterey County	B	5,400	1.44%	84.1%	15.9%	1.14%	1.48%
San Luis Obispo County	A	2,300	0.98%	78.2%	21.8%	0.72%	0.64%
Santa Barbara County	A	5,400	1.36%	58.2%	41.8%	1.22%	1.50%
Santa Cruz County	A	3,200	1.28%	54.0%	46.0%	0.75%	0.87%
San Benito County*	N/A	N/A	N/A	<u>N/A</u>	<u>N/A</u>	<u>0.14%</u>	<u>N/A</u>
Central Coast Region Total		16,200	1.25%	68.8%	31.2%	3.97%	4.49%

Table 28 (continued)
Summary of Select Homelessness Data
1996-1997

	Source of Estimate	Estimated Homeless Population	Total Pct. Homeless in County	Percent Individuals	Percent Families	County Pop as % of State	% of State Homeless Population
Northern California Region							
Butte County	D	600	0.30%	60.3%	39.7%	0.61%	0.17%
Shasta County	N/A	N/A	N/A	N/A	N/A	0.50%	N/A
Tehama County*	D	X	0.18%	59.8%	40.2%	0.17%	0.03%
Glenn County*	N/A	N/A	N/A	N/A	N/A	0.08%	N/A
Colusa County*	N/A	N/A	N/A	<u>N/A</u>	<u>N/A</u>	<u>0.06%</u>	<u>N/A</u>
Northern California Region Total		800	0.17%	57.9%	42.1%	1.42%	0.21%
Non-Metropolitan Counties							
Northern California Non-metropolitan							
Del Norte County*	N/A	N/A	N/A	N/A	N/A	0.09%	N/A
Humboldt County*	A	1,000	0.79%	60.0%	40.0%	0.39%	0.28%
Mendocino County*	B	600	0.70%	56.4%	43.6%	0.26%	0.17%
Lake County*	D	1,300	2.28%	50.0%	50.0%	0.17%	0.35%
Siskiyou County*	N/A	N/A	N/A	N/A	N/A	0.14%	N/A
Modoc County*	N/A	N/A	N/A	N/A	N/A	0.03%	N/A
Trinity County*	N/A	N/A	N/A	N/A	N/A	0.04%	N/A
Lassen County*	D	X	N/A	N/A	N/A	0.11%	N/A
Plumas County*	D	300	1.32%	17.9%	82.1%	0.06%	0.07%
Sierra County*	D	X	N/A	N/A	N/A	0.01%	N/A
Nevada County*	N/A	N/A	N/A	<u>N/A</u>	<u>N/A</u>	<u>0.27%</u>	<u>N/A</u>
Northern California Non-metropolitan Region		3,200	0.62%	51.8%	48.2%	1.56%	0.87%
Central-Southern Region							
Amador County*	D	X	N/A	63.8%	36.2%	0.10%	N/A
Alpine County*	D	X	N/A	N/A	N/A	0.00%	N/A
Calaveras County*	N/A	N/A	N/A	N/A	N/A	0.11%	NA
Tuolumne County*	D	X	N/A	58.3%	41.7%	0.16%	N/A
Mariposa County*	N/A	N/A	N/A	N/A	N/A	0.05%	NA
Mono County*	D	X	N/A	N/A	N/A	0.03%	N/A
Inyo County*	N/A	N/A	N/A	<u>N/A</u>	<u>N/A</u>	<u>0.06%</u>	<u>N/A</u>
Central-Southern Region Total		X	N/A	60.4%	39.6%	0.52%	0.00%
Metropolitan Counties		357,000	1.13%	62.9%	37.1%	96.69%	98.91%
*Non-metropolitan Counties		3,900	0.36%	50.8%	49.2%	3.31%	1.09%
Total State		360,900	1.11%	62.8%	37.2%	100.0%	100.00%

NOTES:

- X - Less than 100 persons
- A - 1997 Countywide Continuum of Care (Cof C)
- B - 1996 Countywide Continuum of Care (Cof C)
- C - 1995 Consolidated Plan
- D - Nonentitled County number reported from County Agency or County Document
- N/A - Information not available.

SOURCES:

Department of Finance; 1990 Census; Local Continuum of Care Plans (1996, 1997); Consolidated Plans (1995-1997); Local Plans; Local Agency Interviews

percent of housing need is for transitional housing. With the exception of significantly larger shortfalls of emergency shelter needed for families (about one-third of overall family housing need versus one-quarter of individual housing need), the underlying distribution of relative shelter need is consistent between individuals and families.

Table 29
Housing Need for Homeless Persons in the State of California

Type of Need	Individuals Only	Families Only	Total Need
Emergency Shelter Need	15.2%	12.2%	27.4%
Transitional Housing Need	23.3%	11.6%	35.0%
Permanent Housing Need	<u>24.3%</u>	<u>13.4%</u>	<u>37.7%</u>
Homeless Population	62.8%	37.2%	100.0%

Source: Local Continuum of Care Plans 1995 and 1996, Local Consolidated Plans (various dates), Local Agency Plans (various dates).

The composition of the existing supply of housing and beds for homeless persons reveals underlying shortfalls of facilities to meet the needs of the homeless population within the State (see Table 30). As these figures indicate, there are significant shortfalls of emergency shelter facilities for all homeless (but particularly for families), but significant shortfalls for all types of housing to assist the homeless.

Table 30
Bed Availability for All Homeless Persons in the State of California

Type of Facility	Individuals Only	Families Only	Total Need
Emergency Shelter Need	16.8%	7.7%	24.7%
Transitional Housing Need	22.4%	14.3%	36.7%
Permanent Housing Need	<u>20.2%</u>	<u>18.6%</u>	<u>38.8%</u>
Homeless Population	59.5%	40.5%	100.0%

Source: Local Continuum of Care Plans 1995 and 1996, Local Consolidated Plans (various dates), Local Agency Plans (various dates).

The following summarizes the key data regarding homelessness in California:

- It is very difficult to reliably estimate the number of homeless in California because of their transient nature and the difficulty in identifying homeless people in unsheltered locations (i.e., parks, cars, other public places).
- Statewide, nearly two-thirds of the homeless are individuals and about 37 percent are families.

- Local sources estimate that existing facilities can only serve one in six homeless individuals and only one in five homeless families.

- The greatest concentrations of homeless reside in metropolitan areas, particularly in the largest urban centers (Los Angeles and San Francisco). Non-metropolitan areas tend to have a greater proportion of families than metropolitan areas.

- The greatest need for housing for the homeless population is permanent housing (37 percent) while 35 percent of the need is for transitional housing and 25 percent of the need is for emergency shelter.

Continued and pervasive homelessness in California presents a critical challenge to all levels of government and the public and private sectors. Developing solutions to address homelessness require comprehensive strategies that address the diverse population and causes of homelessness.

Statement Pursuant to California Government Code Section 7550

“The State of California’s Housing Markets 1990-1997” was prepared pursuant to State Contract #97-3-001, a collaborative interagency agreement between the State Department of Housing and Community Development (HCD), Division of Housing Policy Development, and the University of California, Berkeley’s Institute of Urban and Regional Development, dated October 28, 1997 in the amount of \$26,283.

Endnotes

- ¹ Throughout this report, dollar amounts have been adjusted by the Consumer Price Index for Urban Wage Earners and Clerical Workers, for all Items less Shelter (1982-1984=100) and adjusted to reflect November, 1997 dollars.
- ² This report has not attempted to update income estimates beyond published national or State sources. However, several private data sources have projected that per capita income in the State in 1997 has risen above 1990 levels. For instance, the Center for Continuing Study of the California Economy estimates that statewide per capita income levels in 1996 reached within 0.5 percent of 1990 levels, and had exceeded 1990 levels by 1997 by about 2 percent.
- ³ See, for instance. Deborah Reed, Melissa Glenn Haber and Laura Mameesh, The Distribution of Income in California, published by the Public Policy Institute of California, 1996.
- ⁴ While the Current Population Survey permits insight into overall change at the State level, it is not possible to draw inferences at lower geographic levels.
- ⁵ For instance, Adjusted Gross Income estimates within the State were only about 79 percent of 1990 census-reported estimates for comparable information (1989 incomes). Moreover, underlying estimates of households by income class reveal a strong bias of the tax data to underestimate income. A portion of this is driven by the nature of information provided by tax returns. For instance, a household with a teenager employed part-time during the summer would file two tax returns (one for the child – with low-income reported – and at least one for the adults in the family), while Census information would report both incomes within a single-family income estimate. This explains part of the disparity in the relative income categories between these sources.

Second, the concept of income in a tax return is influenced by the underlying “rules” of the tax code. For instance, total “federal income” includes wages, dividends, interest, pensions and annuities, net sale of capital assets, net business and farm income, and supplemental income; these are often not consistent with the concept of money income (particularly “net business and farm income”). From 1989 to 1994, these “additional” income sources accounted from 25 to 29 percent of “federal” income, declining by about 3.6 percent between 1989 and 1994. Further, adjustments to income come from both federal and State adjustments to income. These items (IRA, one-half Self-Employment Tax, Self Employed Health Insurance, KEOGH/SEP payments, alimony) are generally uses of income – not deductions of income (from a Census income perspective). Though not generally very significant (generally about 1 percent of federal income), they mask some of the dispersion of income (since they are more likely taken by higher income households). Similarly, California adjustments (accounting for between 1 and 2 percent of federal income) are also generally not deductions to income, but instead a reflection of State tax policy.

- ⁶ Alternatively, it is possible to use knowledge of the underlying nature of income distributions to explore the relative change during this period. By comparing the mean (arithmetic average) with the median (the point that divides the total returns in half), it is possible to understand something of the nature of income distribution. Given the distribution of incomes, the mean will be greater than the median (since increasing incomes for the wealthy will increase the average – but not the median), greater dispersion between these two estimates reveal a greater disparity in income.

- ⁷ Both building permits and demolition permits are reported by jurisdictions within the State. Demolition permit information was available until 1994 – when reporting was eliminated. When estimates of total demolitions are presented, these reflect an annualized rate from the 1990 to 1994 period and projected using these rates to the respective period. In the aggregate, demolitions have averaged 4 to 5 percent of total building permits. Thus, from 1990 to November 1997, demolition permits are estimated to range from 45,000 to 50,000 of housing units statewide. When referring to demolition rates, demolitions have been calculated as percent of 1990 housing stock in each county.
- ⁸ The American Housing Survey was conducted in the 1993 to 1996 period on six metropolitan areas. These include Los Angeles-Long Beach (gathered as part of the 1995 national sample of housing units), San Bernardino-Riverside (in 1994), Orange County (in 1994), San Diego (in 1993), the San Francisco-Oakland MSAs (in 1993), and the Sacramento MSA (in 1996). In each of these areas, a survey of housing units was conducted (with sample sizes ranging between 3,000 and 6,000 housing units), and detailed characteristics of housing conditions are thus available.
- ⁹ Data from this section draws on information developed by RealFacts data service and a report prepared by Merrill Lynch and RealFacts (Leonard G. Sahling and Eric I. Hemel. “California Apartment Markets.” Merrill Lynch, Pierce, Fenner & Smith, Inc., September 3, 1997).
- ¹⁰ Data from RealFacts is gathered for properties in 25 counties within California. In general, these properties are not a random sample and are biased to “better” properties in the respective markets.
- ¹¹ The following discussion is based on detailed monthly transaction data provided by DataQuik. The series reports median monthly home prices for both new and existing home resales for 23 counties in the State. Statewide averages are based on total transactions in these counties. Information on the remaining 25 counties was not available in a compatible format. Small numbers of sales limited the ability to report on median price movements in unreported areas. When information is presented in an annual format, the information reflects the weighted average of the monthly median prices (weighted by number of transactions during each period).
- ¹² In total, RealFacts monitors about 3,300 properties throughout portions of the State, obtaining information on about 40 percent of the State housing stock (627,000 housing units) within the State.
- ¹³ Comparing 1990 average rents reported by the Census with RealFacts information (strictly comparable only in the Bay Area), it is evident that, as would be expected, average rents for RealFacts properties (institutional grade) are higher than overall rents from the Census (see Table 23). In about half of the counties, the general fit is fairly strong. However, the divergence between institutional and overall rents is particularly strong in San Francisco, Marin, San Mateo and Alameda counties, possibly reflecting the structure of these rental markets, both by size of buildings and divergent markets included within the overall county rental market (particularly in San Francisco and Alameda counties). This is indicated by the relative diversity of rental housing — institutional-grade properties reflect only about 17 percent of the San Francisco MSA (5+ unit rental stock, while they account for almost one-half of (5+) unit properties in the Santa Clara rental housing market.

- ¹⁴ The American Housing Survey (AHS) was conducted in seven metropolitan areas within the State during the past five years: Los Angeles (1995), Anaheim (1994), San Bernardino-Riverside (1994), San Francisco-Oakland (1993), San Jose (1993), San Diego (1993), and Sacramento (1996). In addition, the National AHS survey (1995) contained over 6,000 cases located in 14 metropolitan areas in California. These data (and earlier AHS surveys whenever available) form the basis for this discussion.
- ¹⁵ Households with more than one person per room are considered crowded. Households with more than 1.5 persons per room are considered severely overcrowded.
- ¹⁶ These areas include the Anaheim-Santa Ana MSA (Orange County), Bakersfield (Kern County), the Fresno MSA (Fresno and Madera counties), Los Angeles Long Beach MSA (Los Angeles County), Modesto (Stanislaus County), Oakland MSA (Alameda and Contra Costa counties), Riverside San Bernardino MSA (Riverside and San Bernardino counties), San Francisco MSA (Marin, San Francisco and San Mateo counties), San Jose MSA (Santa Clara County), Santa Barbara MSA (Santa Barbara County), Santa Rosa MSA (Sonoma County), Stockton MSA (San Joaquin County), Vallejo-Napa-Fairfield MSA (Solano and Napa counties).
- ¹⁷ This discussion draws on prior research completed for this report. See Sylvan, Jack. "Residential Overcrowding in California." University of California, Berkeley. IURD Working Paper, 1998.
- ¹⁸ AHS results consistently report lower overcrowding rates than 1990 Census data. These differences are partially due to the relative detail on housing unit configuration reported through the AHS. Individual respondents are more closely scrutinized on the composition of housing units, resulting in larger room counts, depressing relative overcrowding. In examining AHS results, it is thus important to focus on the relative change in overcrowding between survey periods of the AHS.
- ¹⁹ Much of the information in this section is from a report prepared by the California Housing Partnership Corporation (CHPC) for the Department of Housing and Community Development, Spring 1998.
- ²⁰ The actual number of developments and units is difficult to estimate because the need to reconcile and update different reporting systems, and because some of the programs overlap. In the case of the Section 8-assisted units, for example, some of the properties are covered by multiple contracts, expiring at different times.
- ²¹ This includes only privately-owned housing with project-based subsidies, and excludes the Section 8 certificate and voucher programs, which provide (portable) tenant-based subsidies.
- ²² The Farmers Home Administration has been succeeded by Rural Housing Development.
- ²³ Local governments can also apply to be delegated as PAEs, although as of this writing there are none.
- ²⁴ The Use of Housing Revenue Bond Proceeds, California Debt and Investment Advisory Commission, 1997 report for FY 1995-96.
- ²⁵ Martin, Philip L. "Farm Labor in California: Past, Present, and Future." Report and Recommendations, September 10, 1992.

- ²⁶ Traditional techniques include the U.S. Census, Current Population Survey, and various employment survey techniques.
- ²⁷ This discussion draws on prior research completed for this report. See Hall, Denise. "Migrant Farm Labor Estimates." University of California, Berkeley. IURD Working Paper, 1998.
- ²⁸ Agricultural employment data is based on agricultural regions within the State. These regions include:
- The **South Coast Region** is composed of Los Angeles, Orange, San Diego, San Luis Obispo, Santa Barbara and Ventura counties.
 - The **Desert Region** composed of Imperial, Riverside and San Bernardino counties.
 - The **San Joaquin Valley Region** is composed of Alpine, Amador, Calaveras, Fresno, Inyo, Kern, Kings, Madera, Mariposa, Merced, Mono, San Joaquin, Stanislaus, Tulare and Tuolumne counties.
 - The **Sacramento Valley Region** is composed of Butte, Colusa, El Dorado, Glenn, Lassen, Modoc, Nevada, Placer, Plumas, Sacramento, Shasta, Sierra, Siskiyou, Solano, Sutter, Tehama, Yolo and Yuba counties.
 - The **Central Coast Region** is composed of Alameda, Contra Costa, Monterey, San Benito, San Francisco, San Mateo, Santa Clara and Santa Cruz counties.
 - The **North Coast Region** is composed of Del Norte, Humboldt, Lake, Marin, Mendocino, Napa, Sonoma and Trinity counties.
- ²⁹ An unaccompanied SAS worker is not necessarily a migrant worker. Families residing together at a work site may be either settled there or staying temporarily while in a migration cycle. In either case, the worker is accompanied. Similarly, a worker may be unaccompanied whether migrating from permanent home or not.
- ³⁰ National Agricultural Workers Survey 1994-95, Chapter 2.
- ³¹ Ibid.
- ³² Finding Invisible Farmworkers: The Parlier Survey, J. Sherman, D. Villarejo, et. al., The California Institute for Rural Studies, Davis, CA, April 1997.
- ³³ Taylor, J. Edward, Philip Martin, and Michael Fix, Poverty amid Prosperity, Immigration and the Changing Face of Rural California, The Urban Institute Press, Washington, D.C. 1997.
- ³⁴ This is the federal definition of a homeless person per the McKinney Act, P.L. 100-77, Sec. 193(2), 101 Stat. 485 (1987).
- ³⁵ There are two choices for reporting homeless population. Point prevalence indicates the size of the homeless population at a point in time. Annual prevalence measures homeless over the year. To the degree that homeless is relatively short-term in nature, but an ongoing issue for an area, annual prevalence estimates will be significantly greater than point prevalence, since turnover would increase the number of homeless in this estimate. In the figures that are presented below, all estimates have been converted to point prevalent measures of homelessness.
- ³⁶ This discussion draws on prior research completed for this report. See Bonnewit, Natalie. "Homeless Population Estimates." University of California, Berkeley. IURD Working Paper,

forthcoming. Note that since funding opportunities increased with greater need, there is potential bias in these estimates. However, it also appears that several locations have underestimated need. Thus, on balance these figure may reflect a reasonable approximation of underlying homelessness within the State.

³⁷ The estimates presented in this section do not include those households and individuals “at-risk” of homelessness, often included in assessments of homelessness. Given the underlying rent burdens for a significant numbers of households within the State (as highlighted in the discussion of rental cost burdens), the estimates presented in this section are extremely conservative. For further discussion of “at-risk” households, see Burt, Martha. Practical Methods for Counting the Homeless: A Manual for State and Local Jurisdictions. Second Edition. The Urban Institute, June, 1996.

Addendum

Findings Relating to California Farmworkers from the 1995 - 97 National Agricultural Workers Survey (NAWS)¹

The following information reflects information on demographic and employment characteristics obtained from interviews of 1,885 California farmworkers between October 1994 and September 30, 1997 in the same nine counties the 1993 NAWS data was gleaned from. This updates information reported from the 1990-1991 NAWS interviews reported elsewhere in this document.

- **Household types** - Four of five California farmworkers are males. Three out of five workers are married, and more than half are parents. Approximately two-thirds of the parents reside with spouses or children while both parents are employed in farmwork. Nearly half of the farmworkers are accompanied by family members, and female farmworkers are more than twice as likely as men to be living with family members. Parents employed as California farmworkers have an average of nearly three children. Farmworker households also commonly include non-family members.
- **Tenure in California** - California's foreign born farmworkers have resided in the U.S. an average of ten years. Approximately a quarter of the foreign-born farmworkers have been in the U.S. less than three years, which represents a doubling of the prior figure from 1990-1991.
- **Employment** - An average of 45 percent of the year is spent employed in California and 29 percent of the year outside of the U.S. Over half of the farmworkers held between two and four jobs during a year. They work predominantly in fruit and nut crops. 90 percent of the farm jobs ended with a layoff upon completion of seasonal work.

They were employed an average of 23 weeks during the year in farm jobs and three weeks in non-farm jobs, although this varies by age. Older workers average 46 - 55 percent of the year employed in farmwork.

Most workers were paid by the hour at an average hourly wage of \$5.69. Three of five families had incomes below poverty level. Three quarters of them earned less than \$10,000 annually, and 20 percent earned less than \$1,000 annually.

- **Housing** - Approximately three quarters of farmworkers lived in housing rented from someone other than their employer. 16 percent of California farmworkers owned a home in the U.S., and approximately 41 percent owned a home in their native country.

1 "Who Works on California Farms? Demographic and Employment Findings from the National Agricultural Workers Survey," Howard R. Rosenberg, et. al., Agricultural Personnel Management Program, University of California, Agriculture and Natural Resources Publication 21583, December 1998.