

# Housing

## Section Highlights

Households that Can Afford an Entry-Level Home	67%
Average Monthly Rent for a One-Bedroom	\$1,068
Hourly Wage Needed to Afford a One-Bedroom	\$20.54/hour
Number of Students Living Doubled- or Tripled-Up	29,775
Number of Students Living in Motels or Hotels	1,350

## Success Story

September 2019 marked the dedication of Loma Linda Veterans Village, the county's first affordable housing community for homeless and low-income veterans and their families. The 87-unit development located near the Loma Linda VA Hospital, is the latest chapter in the countywide effort to house all homeless veterans. The campaign began in 2015, when there were 401 homeless veterans in the county. In 2018, the 1,000th veteran was housed under the initiative. Loma Linda Veterans Village received the Southern California Association of Nonprofits 2019 Homes Within Reach award for excellence in affordable permanent supportive housing. The project is a partnership between the County of San Bernardino, Housing Authority of the County of San Bernardino, City of Loma Linda, Meta Housing, and Housing Partners I.

# Homeownership Rises Despite Decreasing Affordability

An adequate supply of affordable housing promotes homeownership, which increases stability for families and communities, and can provide long-term financial benefits that renting cannot. Affordable housing encourages young workers to move to, or remain in, San Bernardino County and low relative housing prices can attract and retain businesses. This indicator uses the California Association of Realtors First-Time Buyer Housing Affordability Index to measure the percentage of households that can afford an existing single-family detached home at the entry-level price of 85% of median in San Bernardino County and compares the minimum qualifying income for an entry-level home to the annual incomes of common or growing occupations. Homeownership rates are also shown.

## How is San Bernardino County Doing?

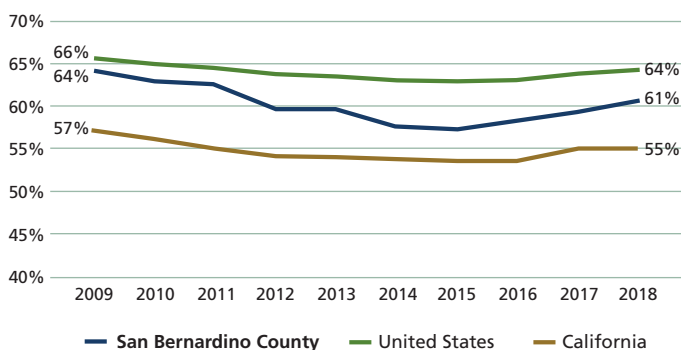
San Bernardino County remains the most affordable county in Southern California, but affordability dipped again in 2019:

- A minimum qualifying income of approximately \$41,300 is needed to purchase a median-priced, entry-level single-family home in San Bernardino County (\$254,960).
- San Bernardino County is considerably more affordable than the statewide entry-level single-family home price of \$463,950, which requires a qualifying income of \$75,160.<sup>1</sup>
- At 67%, a majority of San Bernardino County households could afford such a home in the first quarter of 2019. This level of affordability is slightly less than the 68% able to afford an entry-level home in 2018, but substantially less than the 81% 10-years ago in 2010.
- Looking at average salaries in common or growing occupations, retail salespersons, home health aides, and transportation and materials moving workers would not qualify for an entry-level home.

San Bernardino County's homeownership rate rose for the third consecutive year after several years of declining rates following the recession:

- The rate of homeownership in San Bernardino County was 61% in 2018, a four-point gain from the 10-year low of 57%.
- Despite the recent increases, the 2018 rate of 61% is three points below the homeownership rate of 64% in 2009 – a point in history marked by lenient and, in some cases, predatory lending practices, which likely contributed to the higher rate of homeownership.
- San Bernardino County's homeownership rate is above the California rate of 55% and below the nationwide homeownership rate of 64%. Both the state and national rates did not increase in the past year like San Bernardino County's.
- Seniors are more likely to be homeowners (77%) than non-seniors (56%). Seniors are also more likely to have fully paid off their mortgage (49%) than non-seniors (21%).

**Homeownership Rate**  
San Bernardino County, California, and United States, 2009-2018



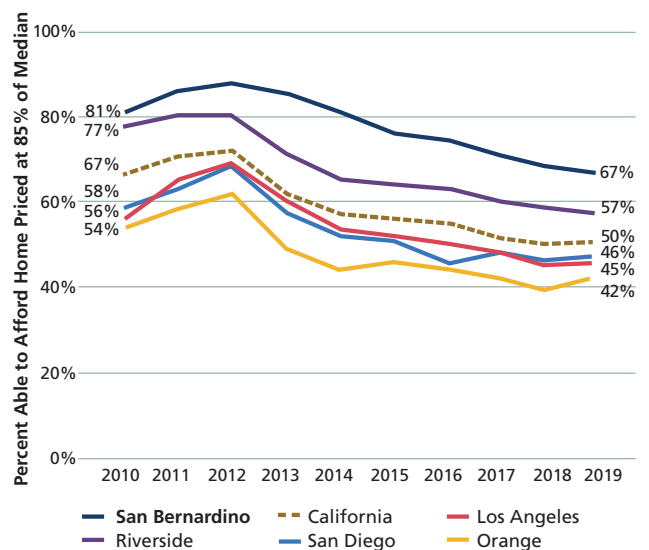
Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates (data.census.gov)

**Income Needed to Afford a Home Priced at 85% of Median (\$254,960) Compared to Average Salaries in Selected Occupations**  
San Bernardino County, 2019



Sources: California Employment Development Department, Occupational Employment Statistics (www.labormarketinfo.edd.ca.gov/data/oes-employment-and-wages.html); California Association of Realtors (www.car.org)

**First-Time Homebuyer Housing Affordability Index**  
County Comparison, 2010-2019



Note: Data are from the first quarter of the years presented.  
Source: California Association of Realtors (www.car.org)

<sup>1</sup>The California Association of Realtors defines the parameters for the First-Time Buyer Housing Affordability Index: 10% down and a 1-year adjustable-rate mortgage, including points and fees, based on Freddie Mac's Primary Mortgage Market Survey.

# Rents Continue Upward Trend Since 2013

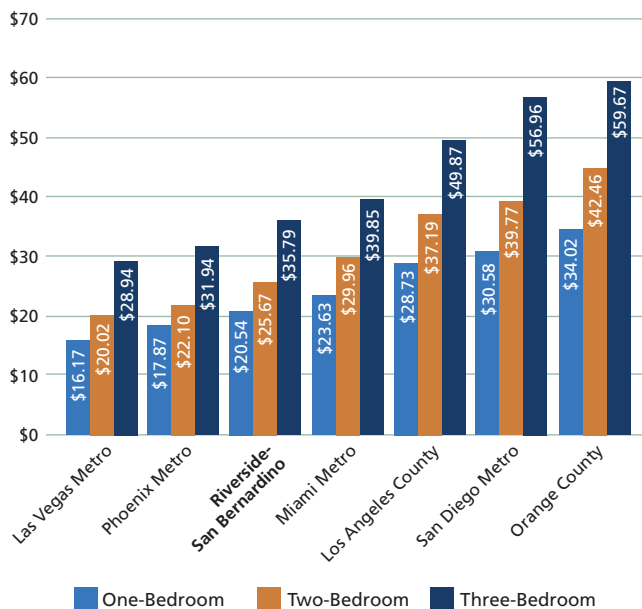
Lack of affordable rental housing can lead to crowding and household stress. Less affordable rental housing also restricts the ability of renters to save for a down payment on a home, limiting their ability to become homeowners. Ultimately, a shortage of affordable housing for renters can perpetuate and exacerbate a cycle of poverty. This indicator measures Riverside-San Bernardino metro area rental housing affordability by tracking the housing wage – the hourly wage a resident would need to earn to be able to afford the median rent in the region.

## How is San Bernardino County Doing?

The Riverside-San Bernardino metro area’s housing wage increased 6% in one year:

- The hourly wage needed to afford a median-priced one-bedroom apartment was \$20.54 in 2019, up from \$19.25 in 2018. This housing wage is equivalent to an annual income of \$42,720.<sup>1</sup>
- In the 10 years since 2010, one-, two- and three-bedroom rents rose 4%, 12%, and 10%, respectively. Meanwhile, minimum wage rose 50%.<sup>2</sup>
- The Riverside-San Bernardino metro area has the least expensive rental housing in the Southern California region, but it has higher prices than some peer regions outside of California (Phoenix and Las Vegas).
- Median monthly rent for a one-bedroom apartment (\$1,068) is not affordable to many lower wage occupations, including retail salespersons, home health aides, and transportation and materials moving occupations.
- The graduated increases in the California minimum wage are having a positive impact on what a minimum wage-household earning can afford to pay monthly in rent, rising from \$416 per month at \$8 per hour in 2014 to \$624 per month at \$12 per hour in 2019. To further close the gap between median rents and wages, the future graduated increases in the minimum wage (up to \$15 per hour in 2023) must outpace rental market costs.

## Hourly Wage Needed to Afford Median Rent Regional Comparison, 2019

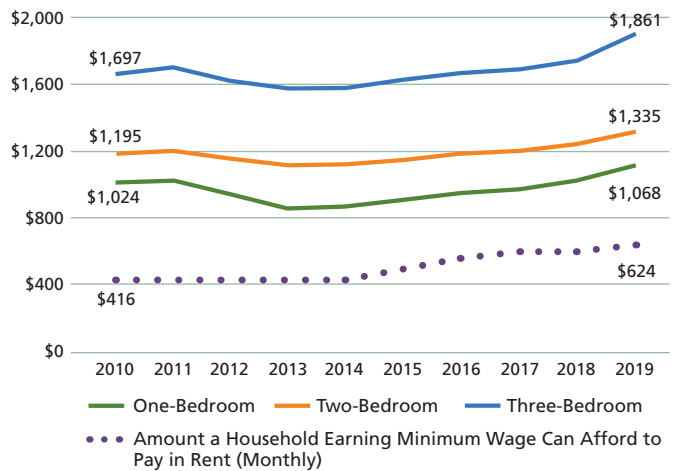


Source: Analysis of Housing and Urban Development 2019 Fair Markets Rents ([www.buduser.org/portal/datasets/fmr.html](http://www.buduser.org/portal/datasets/fmr.html)) using the methodology of the National Low Income Housing Coalition (<http://nlihc.org/oor>)

<sup>1</sup> Assumes 2,080 paid hours per year (52 weeks at 40 hours per week).

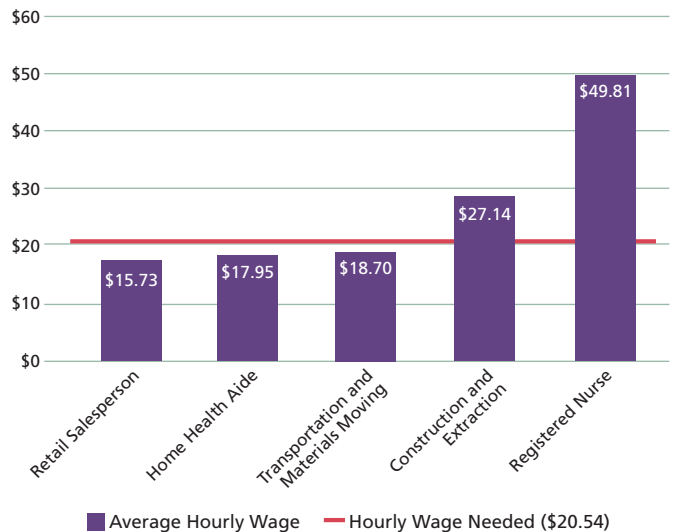
<sup>2</sup> Assumes 2019 California minimum wage of \$12.00/hour, which is the wage for companies with 26 or more employees; wage for companies with 25 or fewer employees is \$11.00/hour.

## Monthly Median Rents Riverside-San Bernardino, 2010-2019



Source: Analysis of Housing and Urban Development 50th Percentile Rent Estimates ([www.buduser.org/portal/datasets/50per.html#2019](http://www.buduser.org/portal/datasets/50per.html#2019)) using the methodology of the National Low Income Housing Coalition (<http://nlihc.org/oor>)

## Hourly Wage Needed to Afford a Median One-Bedroom Unit Compared to Selected Average Hourly Wages Riverside-San Bernardino, 2019



Sources: Analysis of Housing and Urban Development 2019 50th Percentile Rent Estimates ([www.buduser.org/portal/datasets/50per.html#2019](http://www.buduser.org/portal/datasets/50per.html#2019)) using the methodology of the National Low Income Housing Coalition (<http://nlihc.org/oor>); California Employment Development Department, Occupational Employment Statistics ([www.labormarketinfo.edd.ca.gov/data/oes-employment-and-wages.html](http://www.labormarketinfo.edd.ca.gov/data/oes-employment-and-wages.html))

### Rent as a Proportion of Household Income

In San Bernardino County, 48% of renting households pay 35% or more of their income on rent. This compares to 46% statewide and 41% nationwide.

Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates, 2018 (DP04)

# 74% of the County's Homeless are Living Unsheltered

Rising rent or mortgage costs, foreclosure, loss of a job, or simply not having enough money to afford the high upfront costs of renting or buying are challenges that can force many families into living conditions they would not choose otherwise. Living doubled- or tripled-up due to economic constraints can place stress on personal relationships, housing stock, public services, and infrastructure. When shared housing is not an option, the result can be homelessness. This indicator measures housing security in San Bernardino County by tracking the demand for rental assistance and public housing, the number of public school students who are homeless or have insecure housing arrangements, and the point-in-time homeless count.

## How is San Bernardino County Doing?

Due to high demand and low supply, most residents seeking a rent subsidy from their local Housing Authority will wait many years before the opportunity arises:

- In 2018, there were nearly 29,000 households waiting for a rental assistance voucher.<sup>1</sup>
- A monthly average of approximately 8,494 households currently receive a voucher.
- The supply of vouchers remains limited because housing authorities have not had the opportunity to apply to the federal government for additional housing vouchers since 2003.
- In addition to voucher rental assistance, demand for affordable public housing is an estimated 37 times higher than available supply.<sup>2</sup>

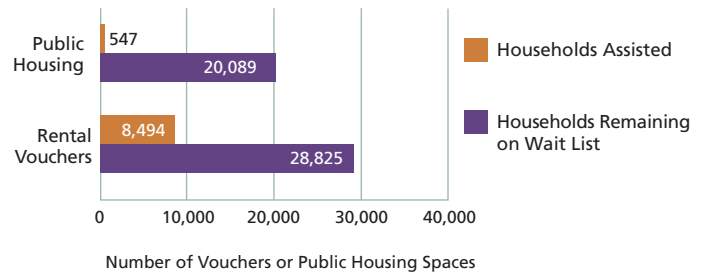
Approximately one in 12 school age students have insecure housing:

- In the 2018/19 school year, 32,355 San Bernardino County K-12 students were identified as homeless or lacking secure housing, representing 8.0% of total enrollment.<sup>3</sup>
- Among homeless and housing insecure students, 92% are living doubled- or tripled-up in a home due to economic hardship, 4% live in motels, 2% live in shelters, and 1% live unsheltered in cars, parks or campgrounds.

The San Bernardino County Homeless Count and Subpopulation Survey is an annual census of the number of people experiencing homelessness in a 24-hour period in January.<sup>4</sup> The 2018 count revealed the following:

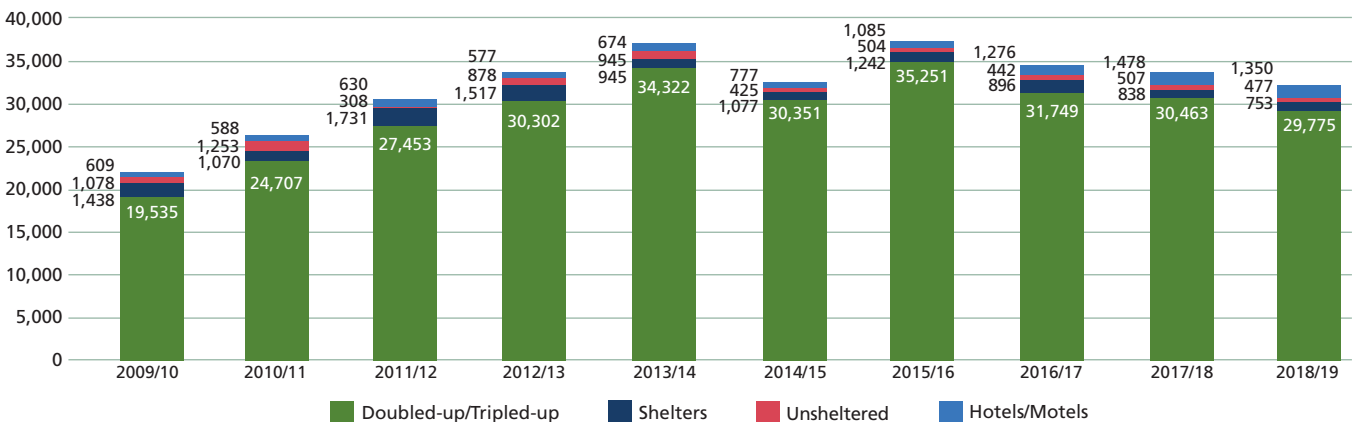
- 2,607 people were homeless, which is 23% more than the 2,118 homeless counted in January 2018 and 40% more than the 1,866 homeless counted in January 2017.
- Fully 74% of the homeless counted in 2019 were unsheltered. The remainder were sheltered in some type of housing for the homeless.
- 745 seniors (defined as age 62 and over) were living unsheltered.

Supply and Demand of Rental Assistance Vouchers and Public Housing San Bernardino County, 2018



Sources: Housing Authority of the County of San Bernardino and Needles Housing Authority

## Primary Nighttime Residence of Students Identified as Homeless or Housing Insecure San Bernardino County, 2010-2019



Sources: California Department of Education, according to information provided by school districts on their Local Education Agency Reporting Form Title 1, Part A and Homeless Education Consolidated Application (2009/10-2015/16); San Bernardino County Superintendent of Schools (2016/17-2018/19)

<sup>1</sup> Rental assistance in the form of Housing Choice Vouchers, or a similar voucher program that subsidizes rent for a voucher recipient, enables recipients to seek housing in the private market from landlords who will accept the vouchers. The voucher subsidizes the recipient's rent.

<sup>2</sup> Public housing can take the form of apartment complexes or houses that are owned by a government agency and rented at a subsidized rate to income eligible recipients.

<sup>3</sup> The federal law that governs the identification of homeless and housing insecure school-age students (McKinney-Vento) includes those who are living unsheltered as well as those housed in shelters, motels or hotels, or living doubled- or tripled-up due to economic hardship. Totals may not add to 100% due to rounding.

<sup>4</sup> The point-in-time estimates of homelessness are based on the U.S. Department of Housing and Urban Development definition of homelessness, which only counts individuals living in homeless shelters or living unsheltered in a place not intended for human habitation.