Creating Affordable Transit Neighborhoods in the San Francisco Region

Railvolution, Portland
Doug Johnson
Metropolitan Transportation Commission
<table>
<thead>
<tr>
<th>Rank</th>
<th>Median Home Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$694,700</td>
</tr>
<tr>
<td>2</td>
<td>$658,700</td>
</tr>
<tr>
<td>3</td>
<td>$641,800</td>
</tr>
<tr>
<td>4</td>
<td>$578,900</td>
</tr>
<tr>
<td>5</td>
<td>$574,400</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Rank</th>
<th>Median Monthly Costs for Homes with a Mortgage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$2,803</td>
</tr>
<tr>
<td>2</td>
<td>$2,471</td>
</tr>
<tr>
<td>3</td>
<td>$2,438</td>
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<tr>
<td>4</td>
<td>$2,432</td>
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<td>5</td>
<td>$2,412</td>
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</table>

<table>
<thead>
<tr>
<th>Rank</th>
<th>Median Gross Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$1,221</td>
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<tr>
<td>2</td>
<td>$1,206</td>
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<tr>
<td>3</td>
<td>$1,205</td>
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<tr>
<td>4</td>
<td>$1,168</td>
</tr>
<tr>
<td>5</td>
<td>$1,099</td>
</tr>
</tbody>
</table>

Source: 2007 American Community Survey.
The high combined costs of housing and transportation leave many Bay Area households with insufficient remaining income to comfortably meet their basic needs.

### Average Annual Housing Costs

- **Cost**: $28,045
- **% of Income**: 39%

### Average Annual Transportation Costs

- **Cost**: $13,375
- **% of Income**: 20%

### Average Annual Housing + Transportation Costs

- **Cost**: $41,420
- **% of Income**: 59%

### Table: Housing, Transportation, Combined Costs

<table>
<thead>
<tr>
<th>Location</th>
<th>Housing</th>
<th>Transportation</th>
<th>Combined</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boston</td>
<td>$22,373</td>
<td>$11,927</td>
<td>$34,300</td>
</tr>
<tr>
<td>Boston (%)</td>
<td>35%</td>
<td>19%</td>
<td>54%</td>
</tr>
<tr>
<td>D.C.</td>
<td>$22,960</td>
<td>$13,234</td>
<td>$36,194</td>
</tr>
<tr>
<td>D.C. (%)</td>
<td>29%</td>
<td>18%</td>
<td>47%</td>
</tr>
</tbody>
</table>
H+T: Moderately Low Income

Housing + Transportation Costs as % of Income for Moderately Low-Income Households ($35-60K)
Low Income H+T Options Few

**H+T Costs as % of Income for Low-Income Households (< $35K)**
H+T Conclusions: Preserve and Promote Affordable Choices

• “Drive till you qualify” does not meet the region’s need for affordable options

• Lower-income households face a disproportionate affordability burden and few choices
Bay Area TOD Opportunities
Limited Infill Development Sites

Bay Area Developable Land

Vacant or Underutilized Property
Bay Area TOD Opportunities

Few Sites Near Transit

Near Existing or Planned Transit 5,000+ acres
Bay Area Affordable TOD Fund

• CHALLENGES
  – Affordable housing developers do not have sufficient access to capital
  – Struggle to secure the best sites or to preserve affordable units
  – Region struggles to deliver desperately needed affordable housing
  – Ongoing displacement pressures due to market rate TOD
  – Using transport funds for housing
Bay Area Affordable TOD Fund

OPPORTUNITY

Great Communities Collaborative Planning
-Urban Habitat, Transform, Greenbelt Alliance, Non-Profit Housing Association of No. California, ReConnecting America
-San Francisco, East Bay, and Silicon Valley Community Foundations

Jointly establish Bay Area Affordable TOD Fund
Focus regional resources on implementation
Leverage regional land use program FOCUS and over $200 M in land use capital and planning grants
Choose to Participate: MTC & Affordable TOD Fund

1. Equity or Grants
- Foundation grants
- $10 million MTC grant funds from Transportation for Livable Communities

2. Low-interest loans
- Foundations
- Program Related Investments

3. Senior loans
- Banks, insurance companies
- Other direct commercial lenders
- Bond financing
FOCUS: 2007-2010 local plans and community goals

- Over 55% of future housing
- 3% of land – all infill, transit served
- Proposed jobs, if built, exacerbate regional jobs/housing
CA SB 375 & the Sustainable Communities Initiative

- Connects transportation planning and land use forecasting and housing allocations
- What transportation and affordable housing investments are needed for affordable access to essential services and jobs? $2+ billion estimated need
- What role must local jurisdictions play? How will regional agencies support them?
- How to forecast and plan for affordability (both cost and location)
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