



IMMEDIATE RELEASE

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Residents Say Solution to Bay Area Housing Shortage May Reside Outside Region

SAN FRANCISCO, CA – As the Bay Area’s chronic housing shortage makes it harder and harder to find an affordable place to live, a large number of residents think the solution may reside outside the nine counties, according to results of the 2016 Bay Area Council Poll released today.

Rather than building more housing in the Bay Area, 60 percent of residents say it should be built outside the region, with 84 percent saying they support stronger transportation networks between the Bay Area, Sacramento and other areas in the Central Valley to take pressure off regional housing supply.

“This is an understandable reaction to decades of failing to keep pace even minimally with the Bay Area’s housing needs and the transportation to support it,” said Jim Wunderman, President and CEO of the Bay Area Council. “There’s now an entrenched misperception that our region doesn’t have the capacity to add the housing we need. What’s unfortunate is that pushing housing outside the region still doesn’t solve the problem of supply and affordability in the Bay Area. It simply means that fewer working families and workers in lower-income jobs can afford to live here. It hurts the diversity of our region and our economy. It also means workers are commuting longer and longer distances in their cars, which pushes up damaging carbon emissions.”

[Read the Bay Area Council Poll summary housing results>>](#)

[See Bay Area Council Poll graphs and charts>>](#)

Support Exists for More Bay Area Housing

Wunderman noted that many residents are not reflexively opposed to building more housing in the Bay Area. The poll found that 56 percent of residents support building new housing in their neighborhood, a number that has largely held steady for the past three years. In addition, 68 percent support policies that make it easier to build new housing near transit hubs and job centers. And 65 percent support easing barriers to allowing residents to add second units to their existing homes.

The Bay Area Council currently is sponsoring legislation by state Senator Bob Wieckowski (SB 1069) that would make it easier and less costly for homeowners to add second units, also known as accessory dwelling units. If just 10 percent of the Bay Area’s 1.5 million single family

homeowners added a second unit, the region's affordable housing supply would grow by 150,000 units.

The impacts of the region's housing shortage has been amplified by the growing economy, with the Bay Area adding large numbers of jobs in a relatively short period of time. That, combined with constrained supply has led to stratospheric increases in rents and home prices that are unbearable for many, particularly renters and lower-income residents.

The Bay Area Council Poll found that 44 percent of residents with annual household incomes of \$50,000 or less are spending anywhere from 45-60 percent and more of income on housing, well over the accepted 30-35 percent. Even higher earning residents are paying a dear price, with a third of residents making between \$50,000 and \$100,000 spending at least 45-60 percent of income on housing.

Bay Area Lagging in New Housing Production

By some estimates, the Bay Area is lagging new housing targets set by regional planners by almost 50,000 units. And, the Bay Area is not alone in underperforming on housing. A 2015 report by the California Legislative Analyst's Office pointed the finger for California's overall high housing costs on an historic shortage caused by restrictive regulation, narrow but noisy local resistance and pervasive abuse of the California Environmental Quality Act (CEQA). The state's housing shortage and resulting high costs, the report found, are the main reason many Californians pay upwards of 50 percent of their income on housing and why California has the nation's highest poverty rate. The Council has long fought for CEQA reform to end abuses, but there has been little political will in Sacramento to take on the issue.

The shortage is reflected in the difficulty residents have finding housing and paying for housing. The poll found that 73 percent of residents said it's gotten harder over the past year to find housing, a seven-point jump from the year before. Among those, 41 percent said it's gotten much harder.

"We absolutely need to be thinking about the Bay Area's growing connections to the larger Northern California megaregion and how we thoughtfully plan for that," Wunderman said. "It's something the Council is already working on, but it will take time to make we sure we do it right and not willy-nilly. What we need, what residents need is more immediate and urgent action here to create the housing the Bay Area needs."

The *2016 Bay Area Council Poll*, which was conducted by Oakland-based public opinion research firm EMC Research from Feb. 12-March 9, surveyed more than 1,000 residents online about a range of issues related to economic growth, housing and transportation, drought, education and workforce. It has a margin of error of 3.1 percentage points.

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About the Bay Area Council

The Bay Area Council is a business-sponsored, public-policy advocacy organization for the nine-county Bay Area. The Council proactively advocates for a strong economy, a vital business environment, and a better quality of life for everyone who lives here. Founded in 1945, the Bay Area Council is widely respected by elected officials, policy makers and other civic leaders as the voice of Bay Area business. Today, approximately 275 of the largest employers in the region support the Bay

Area Council and offer their CEO or top executive as a member. Our members employ more than 4.43 million workers and have revenues of \$1.94 trillion, worldwide.