

# California housing shortage puts the squeeze on middle-class workers. What can be done?

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A site that was proposed for new affordable housing units in Huntington Beach.



For the last two years, Amber Bowser has driven an hour-and-a-half every day to and from her home in West Covina to work at a car rental service in Van Nuys.

The commute is dreadful, but like many Californians Bowser said she has to strike a balance between housing and work.

"It's the best job I could find because applying to places it's either minimum wage, and even if you get a server job, you have to have so much experience," Bowser said.

High housing costs are not only a big problem for California workers but also for companies. Developers, politicians and business leaders gathered at a forum called ["Housing Our Workers"](#) Wednesday in Van Nuys to try to come up with solutions aimed at easing the housing crunch for middle-class workers.

The conference was organized by Mel Wilson, a Northridge-based realtor, after he witnessed firsthand how hard the housing market has gotten for middle-class buyers.

"I've noticed as a realtor that the people who are trying to buy homes today who are in the middle income bracket cannot because there are not enough homes for them," said Wilson. "As I saw my agents struggling with writing offers four and five times for the same client on different properties I saw there was a problem here."

Wilson says it's middle-class workers who are being squeezed. "They have too much money to qualify for low down payment subsidies, and they have too little money to qualify to purchase a home," he said.

Those high costs are making it harder for companies to find good workers, according to Ken Phillips, president and CEO of [The Valley Economic Alliance](#), which represents 70,000 businesses. "If you're trying to recruit the best and brightest here, you have to have a place for them to live that's affordable," Phillips said.

The reason prices have been rising is simple economics: too much demand and not enough supply.

"We have fallen way behind in terms of being able to build and develop the number of homes we need every year," said Ben Metcalf, Director of California's Housing and Community Development Department, during a lunchtime keynote address. "In fact, if you look at the last decade we have only averaged 80,000 homes per year."

By contrast, from the 1960s through the 1980s, an average of 210,000 homes a year were built in California, according to Metcalf.

He said some solutions are on the way, such as billions in state and local funding for providing housing for the homeless, rule changes allowing homeowners to add so-called granny flats, and plans to ease fees for developers. Those solutions would allow more units to be built on the open land that's still left in Southern California.

But one local developer listening to the talk, Horace Heidt, did not come away convinced.

"Government doesn't have it together, and on a local level no one wants housing or apartments in their backyard," said Heidt.

Heidt is speaking from personal experience; for the past two and a half years he's been trying to expand an apartment building he and his family own in Sherman Oaks. He took out loans but he still hasn't been able to get permits for the project.

"I have to pay for that financing, yet I haven't built one brick," Heidt said.

In an area that so desperately needs housing, Heidt would love nothing more than to build it but he hasn't been able to. It is a shortage that trickles down, and puts a strain on workers like rental car employee Amber Bowser.

In West Covina, she and her husband share a townhouse with a roommate, who also has an even farther westbound commute—to Marina del Rey where she works as a valet. Bowser and her husband pay extra to get the master bedroom, \$900 a month. They're saving up to buy a house, one day.

"I would like to do it by the time I'm 40, but we'll see how everything goes by then," said Bowser, who's 30.

Households doubling up in a home – that's something Antonio Lopez says he sees a lot of. He's a council member in the city of San Fernando, who's made it his mission to get more housing for middle class workers.

"I've talked to school teachers," Lopez said. "And I'm like, 'Why don't you live in San Fernando? It's a such a great town. They say, well it's so expensive here. And we can't find housing.'"

Lopez said the city has about 12,000 jobs but only 500 or so belong to residents. Lopez said it's in his city's interest to get people to both live and work there. Less commuter traffic. More homeowners to tax. And more of a sense of community.

"There's someone there that cares for the children, cares for their elderly. It make a huge difference," Lopez said.

Oscar Sol, an events coordinator for the Southland Regional Association of Realtors, said that he is desperate to live in the city where he works, just to make the mornings less crazy for his whole family.

They only have one car, so to make it on time for work, Sol drops off two of his kids at middle school 35 minutes before it opens, and then drives his other son to high school.

"I know they suffer, and then I suffer because of all the traffic," he said.

Sol's working on buying a home closer to work. He's trying to get pre-approved for a mortgage. Then he'll have to find a place they can afford.

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