

# Workforce Housing

Creating Housing Security for Berkeley's  
Valued Educators

October 24, 2018

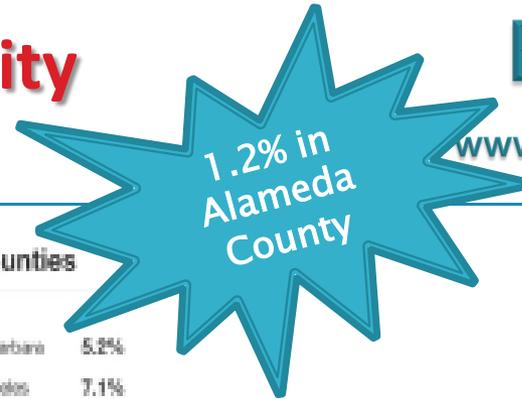
## **BeHOME Background**

- **Started in 2017 in response to dramatic housing affordability pressures, changing community diversity, and an underlying belief in the value and importance of civil service work performed by people who live in the communities they serve.**
- **Our members include business owners, marketing executives, teachers, administrators, realtors, with relevant business and educational background**
- **Our members are BUSD parents and community activists who know -- and are known in the community**

# Educator Housing Affordability is a Regional Problem

BeHOME

[www.behomeberkeley.org](http://www.behomeberkeley.org)



Percentage of Homes Affordable to Teachers in 31 California Counties



1	San Mateo	0.0%	17	Santa Barbara	5.2%
2	Santa Clara	0.0%	18	Los Angeles	7.1%
3	San Francisco	0.2%	19	El Dorado	10.8%
4	Sonoma	0.5%	20	Solano	11.7%
5	Santa Cruz	0.7%	21	Yolo	13.7%
6	Alameda	1.2%	22	Riverside	24.7%
7	Ventura	1.4%	23	San Joaquin	25.6%
8	San Benito	2.2%	24	Sacramento	31.7%
9	Napa	2.2%	25	Madras	43.8%
10	Marin	2.6%	26	San Bernardino	46.1%
11	San Luis Obispo	2.6%	27	Stanislaus	51.6%
12	Orange	3.2%	28	Butte	53.9%
13	San Diego	3.6%	29	Kern	56.5%
14	Contra Costa	4.2%	30	Fresno	58.4%
15	Monterey	4.3%	31	Merced	60.0%
16	Placer	4.3%			

Just 17 percent of homes for sale in the counties shown are affordable on the state's average teacher salary of \$73,536. "A typical home in California costs more than half a million dollars — \$200,000 more than the average teacher can afford," says Redfin's chief economist Nela Richardson.

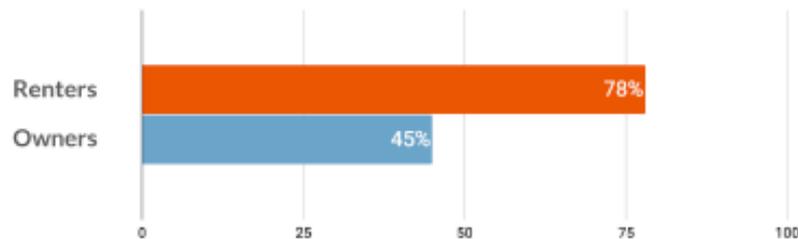
**Total for California: 17.4%**  
 Percentage of homes affordable by county, based on the average teacher's salary and MLS list prices as of September 5, 2015



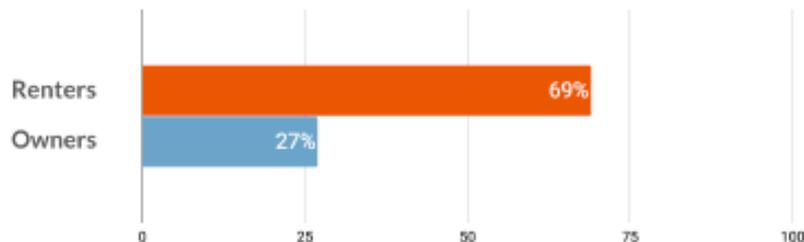
Source: DCG Strategies

# What About Housing Security for BUSD Employees?

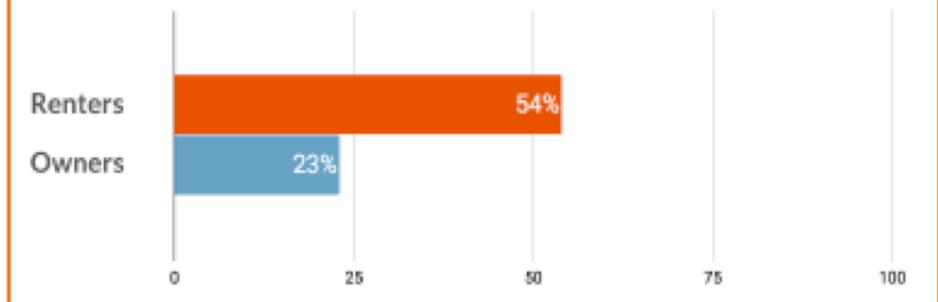
**78%** of renters are experiencing financial pressures due to high housing costs



**69%** of renters think the high cost of housing negatively impacts their long-term ability to stay at BUSD



**54%** of renters have considered leaving BUSD because of high housing costs



Source: UC Center for Cities + Schools Report on Q3 2017 BUSD Employee Housing Survey  
Universe of respondents; All: N=774; Renter: N=449; Owner: N=324

## **Benefits of Educator Workforce Housing**

- **Improved community and staff engagement rooted in local live/work proximity**
- **Reduction in staff healthcare and mental health expenses attributable to the stress of housing insecurity**
- **Reduction in district costs associated with employee absenteeism and underperformance related to commute fatigue and the logistical challenges lengthy commutes present for family care obligations**

## **Benefits of Educator Workforce Housing**

- **Improved BUSD staff job performance and satisfaction**
- **Reduced time and expense devoted to managing staff turnover**
- **Enhanced recruitment toolkit to compete with local schools for the best and brightest educators**
- **Solidify BUSD's reputation as a premier public school district and as an employer of choice in the region**

# BeHOME Efforts to Date

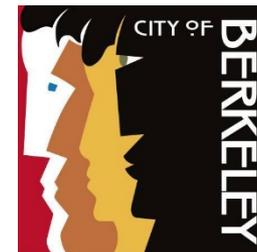
- **Research** – on affordable housing projects in-process or completed, legislation, economics, laws, and regulations
- **Collaboration** – with industry experts in affordable housing, and specifically educator housing
- **Stakeholder Engagement** – multiple one-on-one meetings with key stakeholders including BUSD Administration, Board Members, school board Candidates, and Employee Labor Representatives
- **2x Invitational Working Sessions** – including BUSD Stakeholders, public finance companies, City of Berkeley representatives, affordable housing developers, and community experts

# BeHOME Workshop Participants

**BeHOME**  
www.behomeberkeley.org



BERKELEY FEDERATION of TEACHERS  
LOCAL 1078 AFT, AFL-CIO



## **Learnings to Date**

**Strong community interest, capability and capacity to get BUSD workforce housing projects done. Critical elements include:**

- **Time is of the Essence**
- **Development/Operating Expense Cannot Impact BUSD General Fund**
- **Rental housing made available to eligible staff for a defined, finite period**
- **Rents fixed to income, NOT market rates (e.g., 30% of income)**
- **Development managed by a trusted third party entity**
- **Rental housing managed by a trusted third party entity**
- **Opportunities to channel economic benefit to BUSD**
- **Opportunities to leverage adjacent community benefits**

## **Learnings to Date (continued)**

- **Expert and experienced regional practitioners and agents exist to fund, build and manage educator workforce housing**
- **Financial models with expert input confirm a financially viable proof of concept, with or without Measure O funding.**
- **Neighboring School Districts are working on similar approaches (San Francisco, Alameda, Palo Alto, Pittsburg, etc.)**
- **Opportunity to leverage City, community, industry and District resources for a successful pilot project for future development of District and City housing**

## **BeHOME's Suggested Next Steps**

- **The Board direct the contractor for the Master Plan, Hibser Yamuchi, to include Workforce housing as part of the Master Planning Process**
- **A timely special Board Meeting/Workshop be convened to focus on relevant questions around an affordable housing pilot project such as:**
  - **Approach to selecting and making sites available for development of affordable housing;**
  - **Engagement with the City on utilization of Measure O funds, should the measure be approved**

***Workshop participants might include: BeHOME, other interested community organizations, finance and housing experts that BeHOME has invited to their workgroup sessions, and Hibser Yamuchi***

**Thank You!**  
**Additional Questions may be directed to:**  
**info@behomeberkeley.org**