



Contacts: Kevin Herglotz, 415-874-9650 kevin@hpastrategies.com
Trisha Riggs, 202-624-7086 priggs@uli.org
Website: www.bayareaburden.com

COMBINED COSTS OF HOUSING AND TRANSPORTATION LEAVING SAN FRANCISCO BAY AREA WORKERS WITH INSUFFICIENT RESOURCES TO MEET THEIR BASIC NEEDS

“BAY AREA BURDEN” EXAMINES THE HEAVY TOLL FROM TRANSPORTATION AND HOUSING COSTS ON RESIDENTS, THEIR COMMUNITIES AND THE ENVIRONMENT; ONLINE CALCULATOR PROVIDES CONSUMERS VALUABLE TOOL TO DETERMINE THEIR OWN COSTS & BUDGET IMPLICATIONS

SAN FRANCISCO - (November 4, 2009) – *Bay Area Burden*, a new report released today by the ULI Terwilliger Center for Workforce Housing finds that the average Bay Area household spends more than \$41,000 a year – *nearly 60 percent of their income* – on transportation and housing costs alone.

These costs vary among the nine Bay Area counties examined, ranging from 54 percent in Santa Clara to 66 percent in Sonoma. But the study finds that one fourth of all households in the Bay Area live in neighborhoods where housing and transportation costs account for 65 percent or more of income – a level defined as an extreme housing and transportation cost burden.

“This heavy burden forces residents to make extremely difficult decisions that pit housing and transportation choices against other basic needs such as health care, education and food,” said ULI Terwilliger Center Chairman J. Ronald Terwilliger. “These findings reinforce that years of ever-sprawling development have resulted in a growing gap between where people live and where they work.” Terwilliger, chairman and chief executive officer of Trammell Crow Residential, founded the center in 2007 to help achieve a measurable increase in the supply of workforce housing in high-cost markets throughout the nation.

Bay Area Burden, produced in partnership with the Center for Housing Policy (CHP) and the Center for Neighborhood Technology (CNT), provides a comprehensive analysis of the “cost of place” in nine counties located throughout the San Francisco region by examining the costs and impacts of housing and transportation on residents, their neighborhoods and the environment. The report demonstrates the severity of the problem in the region and how the combined costs of housing and transportation are leaving San Francisco Bay Area workers with insufficient resources to meet their basic needs. The report finds that three fifths of all Bay Area residents live in communities that are unaffordable to households earning less than \$80,000.

Two former Secretaries of the United States Department of Housing and Urban Development (HUD), who are now ULI Terwilliger Center Advisory Board members, Henry G. Cisneros and Steve Preston, attended a press conference along with federal, state and Bay Area leaders, to announce the report, a new website (www.BayAreaBurden.org) and cost calculator, all designed to bring greater awareness and understanding of these issues and their impact on communities.

Housing that appears to be affordable based solely on housing costs may not be truly affordable when it is located far from transit, jobs centers and services,” said Cisneros. “This report underscores the importance of broadening the understanding surrounding some of the challenges associated with housing affordability to also include transportation costs, travel time and the negative environmental impacts of commuting.”

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Bay Area Burden also demonstrates the unintended environmental impacts of these decisions. The successful implementation of greenhouse gas emission reduction plans in the transportation sector is particularly important in the Bay Area, where transportation accounts for 40.6 percent of greenhouse gas emissions, compared to 33 percent nationally. As reported in *Bay Area Burden*, densely developed urban counties like San Francisco are estimated to have substantially fewer vehicle miles traveled per household (19.4) and thus lower per-household carbon dioxide emissions (20.2) than do more rural and suburban counties such as Solano, where those figures are 50.4 and 49.4 respectively. Considering that less than one in ten (9.5%) Bay Area workers use public transit, compared with 26.5% in the New York Metropolitan area and 11.1% in the Washington DC region, these figures are even more compelling.

The report is available at a new website sponsored by the ULI Terwilliger Center -- www.BayAreaBurden.org, which will serve as a resource center of information to aid individuals, households, planners, government officials and municipalities better understand the issues and true costs of housing and transportation. Included on the site is the Terwilliger Cost Calculator, which provides Bay Area residents with up-to-date data on housing and transportation cost that demonstrates for each individual where they live and the findings in *Bay Area Burden* on a personal level. Developed in partnership with CNT, this product allows users to input their own expenses to show their true burden as well as allows them to explore how to lower this by moving closer to their place of employment or to areas better public transportation systems. The calculator helps consumers see the true combined costs of their housing and transportation decisions.

“This study reinforces the importance of planning for transportation, housing and the environment. The cost calculator provides real people here in the Bay Area with a valuable tool to examine the relationship of where they live and work to what they spend on housing and transportation,” said Preston. “Given the importance of these issues and the need to develop local solutions, the calculator is a vital step towards empowering residents to call upon policy makers to affect change.”

Bay Area Burden highlights that over the next 25 years, the Bay Area is projected to grow by 1.6 million new residents – a 22 percent increase in population. The report identifies current and future challenges and the opportunities to integrate land use, housing and transportation policies to encourage new residential development in areas that are well served by public transit or near job centers. The data provided on housing and the consequences faced by Bay Area households and the consequences for the environment may help expand awareness of the problem and build support for the resources and high-level policy attention needed to address it effectively in the future.

The release of the report was in conjunction with ULI’s annual fall meeting being held this week in San Francisco. The need to build workforce housing closer to employment centers is among many issues being discussed as part of ULI’s overall efforts to promote sustainable communities.

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About the ULI Terwilliger Center for Workforce Housing

The ULI Terwilliger Center for Workforce Housing was established by J. Ronald Terwilliger, chairman and CEO of Trammell Crow Residential, to expand housing opportunities for working families. The mission of the Center is to act as a catalyst in increasing the availability of workforce housing by harnessing the power of the private sector. The Center supports the development of mixed-income communities close o employment centers and transportation hubs. Through a multifaceted approach, the Center facilitates research advocates for public policy change, publishes best practices, convenes housing experts, and works to eliminate regulatory barriers to the production of workforce housing.

About the Urban Land Institute

The Urban Land Institute (www.uli.org) is a global nonprofit education and research institute supported by its members. Its mission is to provide leadership in the responsible use of land and in sustaining and creating thriving communities worldwide. Established in 1936, the Institute has nearly 34,000 members representing all aspects of land use and development disciplines.