Family Support: Housing

CONTEXT

According to Housing America’s Working Families Report, "For most of the last 20 years, federal housing policy has implicitly or explicitly linked the housing problems of American families to issues of poverty and welfare dependency. While the poor have by far the highest incidence of housing needs, an exclusive focus on very low-income families fails to appreciate the full extent of the country’s affordable housing problems." The report provides new information that documents the following:

- One out of every seven American families is faced with critical housing needs.
- Throughout the Nation, there is a growing disparity between economic growth, the creation of new job opportunities and the availability of affordable housing.
- Approximately three million moderate-income families are currently unable to meet their housing needs despite the equivalent of a full-time job.
- Excessive housing costs account for the majority of critical housing needs among working families.
- Homeowners account for the majority of all working families with critical housing needs.
- Vital municipal workers including teachers and police officers are among those with the most critical housing needs.
- The lack of decent, affordable housing is increasingly being seen as a significant impediment to local economic growth.

In one three month period in the Year 2000 the rents for vacant apartments shot up by 19 percent in San Mateo County, 18 percent in San Mateo County, 18 percent in Santa Clara County and 13 percent in San Francisco County, according to Real Facts, which collects information on apartment complexes with 50 units or more. The vacancy rate fell to 0.6 percent in Santa Clara County, the lowest rate region-wide since 1996.

As of June 2000, average rents for one-bedrooms were $1,967 in San Francisco, $1,973 in Palo Alto-Menlo Park, $1,415 in San Jose, and $1,550 in Santa Clara County. SJMN, 8/3/00 At the same time, low-income households can afford monthly rents of no more than $620 in Santa Clara County. Low-income households are defined as household earning 30% of a standard index (the AMI) of $82,600.

Housing is at a critical juncture. As rental and home purchase costs continue to skyrocket, immigrants are being faced with critical housing needs more than ever before The median price of an existing single-family home in the county was $547,000 as of August 2000, up 33.4 percent from July 1999. SJMN, 8/26/00
FINDINGS AND RECOMMENDATIONS

Finding 1: There is an urgent and immediate need for low income housing for immigrants in Santa Clara County.

When participants of focus groups were asked to discuss their immediate needs, housing was perhaps the most urgent and major priority on their list of needs.

In conjunction with the need for housing is the need for affordable housing. Two focus groups participants sum up key problems in life for many immigrants in Santa Clara County: “Housing is awfully expensive and is forcing many Latinos to live with other families or relatives. This is a kind of disguised homelessness in the Latino community”. “The minimal wages are not enough for rent and food and other basic needs of a family.”

Focus group reports show that there is a lack of low-income housing in the county and there are very long waiting lists for the low-income housing that does exist. Participants from the Mexican seniors focus group stated that rent is increasing quickly which causes great hardship because they are on fixed incomes. In addition, there is a “lack of apartments.”

What immigrants say about housing in Santa Clara County

“Housing is awfully expensive and is forcing many Latinos to live with other families or relatives. This is a kind of disguised homelessness in the Latino community”, “The minimal wages are not enough for rent and food and other basic needs of a family”.

“Our income is $500 per month and the average 1 bedroom apartment is $800 per month. What is the person going to do, if they don’t have enough to pay rent? When this happens, the only option is to live with your children, or other family members, and suffer.”

“The money from CalWORKs is not enough to live in on in this County. I only get $541 a month from CalWORKs. That is not even enough for me to pay for housing.”

Everyone in the Korean focus group agreed that Santa Clara County housing is too expensive and the rent is not controlled. One housewife said when she moved to Campbell from New York five years ago the landlord said he would not raise the rent for the time being, but the rent has gone up 100% a year and seems to be without a ceiling.
Mexican focus group participants also pointed out that due to the high cost of living in the County, immigrants and refugees lack a sense of belonging in the community. The participants from focus groups saw the housing crisis as a new form of segregation in the United States, where only rich people will be able to live in Santa Clara County while poorer people will eventually need to commute 2 to 4 hours to work here.

The random sample survey conducted for the Summit on Immigrant Needs indicates that immigrants have a 386% greater need for housing than the US-born. Of the people who answered the question saying they have a need for housing, 26.6% of immigrants answered affirmatively, versus only 6.9% of the US-born.

The immigrant groups with the highest percentage of housing needs are immigrants from Vietnam (42.4%), the Philippines (26.4%) and Mexico (23.9%). Immigrants from China (14.8%) and from India (15.4%) indicated a rate of need at more than double the rate of the US-born.

### The Needs of Major Immigrant Groups for Housing
(Random Sample)

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vietnam</td>
<td>42.4%</td>
</tr>
<tr>
<td>Philippines</td>
<td>26.4%</td>
</tr>
<tr>
<td>Mexico</td>
<td>23.9%</td>
</tr>
<tr>
<td>India</td>
<td>15.4%</td>
</tr>
<tr>
<td>China</td>
<td>14.8%</td>
</tr>
<tr>
<td>U.S.</td>
<td>6.9%</td>
</tr>
</tbody>
</table>

Of the people that answered the question asking for the total number of family members and the number of bedrooms, the US-born group has one or more bedrooms per household member whereas immigrant groups have one or less bedroom per household member.

The highest percentage of family members per bedroom takes place among the Mexican immigrant population, at over 2 persons per bedroom, followed by immigrant from Vietnam and China at 1.6 and 1.46 immigrants per bedroom, respectively.
Number of People per Bedroom
(Random Sample)

<table>
<thead>
<tr>
<th>Country</th>
<th>People per Bedroom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mexico</td>
<td>2.06</td>
</tr>
<tr>
<td>Vietnam</td>
<td>1.6</td>
</tr>
<tr>
<td>China</td>
<td>1.46</td>
</tr>
<tr>
<td>Philippines</td>
<td>1.42</td>
</tr>
<tr>
<td>India</td>
<td>1.33</td>
</tr>
<tr>
<td>U.S.</td>
<td>0.91</td>
</tr>
</tbody>
</table>

**Recommendations for Finding 1:**

- Policy changes are needed in Santa Clara County so that rental rates in existing housing do not exceed 30% of the total household income.
- Countywide rent control is necessary to prevent the great human suffering of immigrants who sometimes must choose between rent and food. Implementation should take place without regard to the year the building was erected.
- It is important to build more quality affordable housing where the rental rates are based upon household income and family size, as in tax credit housing.
- The HUD prohibition of access to Section 8 housing on non-qualified immigrants should end. There is a high percentage of mixed status families in Santa Clara County and the ability to have a home at all should not depend upon the immigration status of, for example, one family member.
- More affordable housing should be built for low-income people making less than 50% of the median income. For example, the median income in Santa Clara right now is $72,000 per year so housing should be provided for families that make under $36,000 per year. This type of assistance would help immigrants from around the world to meet one of the most basic human needs. Affordable housing would also help to alleviate the stresses caused by financial strain, the fear of significant rent increases, and eviction.
Finding 2: There is an immediate need for emergency transitional housing for immigrants in Santa Clara County. Emergency Transitional Housing as used here means 1, 2, or 3 bedroom units that are made available for immigrants for a six to twelve month period of time until they become established in the County.

According to a report in the August 11, 2000 issue of the San Jose/Silicon Valley Business Journal the vacancy ratio for housing ranges between 0% in Cupertino, Gilroy, Mountain View, North San Jose, West San Jose, and South San Jose to 1.72% in Campbell. In addition, recent reports in the San Jose Mercury News indicate that emergency housing is needed for victims of housing loss due to fires or other emergencies that are addressed by the American Red Cross. Many of the victims of these apartment fires are immigrants.

Newly arrived refugees and immigrants into the Santa Clara County are extremely vulnerable victims of the lack of transitional housing. The acquisition of transitional housing would strengthen refugee and immigrant families by providing affordable housing units for families for a six to twelve month span of time while they attain their first job in the United States and become accustomed to the economic system. The provision of transitional housing would keep families together and help families get on the road to economic self-sufficiency as they find, retain, and upgrade their employment. The rental or lease of 100 units would provide an important beginning to allow refugees and immigrants to stabilize their lives.

According to statistics from a local refugee employment program, income among many refugee and immigrant families is desperately low. There is no affordable housing for low-income working class newcomers. There are long waiting lists in the county for affordable housing. Meanwhile, highly reputable resettlement agencies have to delay the entrance of refugees and immigrants into the county due to this lack of affordable housing.

According to the random sample survey, of the people who answered the income question, 33.3% of people from Mexico and 28.2% from Vietnam have a total household income of $10-30,000 per year, versus 14.7% of persons born in the U.S. Meanwhile, immigrants from the Philippines, Vietnam, and Mexico pay more for rent or mortgage ($1,352, $1,152, and $1,146 respectively) than the rate the US-born group pays ($1,117 per month).

Additionally, 46.1% of immigrant respondents from Mexico, 31.9% from Vietnam, 60% from Russia, 22.5% from the Philippines, 63.3% from Cambodia, and 49.7% from China who are public benefits recipients make less than a total household income of $10,000 per year. Of immigrant respondents, 35.9% from India, 43.8% from Bosnia-Herzegovina,
45.8% from Iran, 43.5% from Korea, and 82.4% from Somalia who receive public benefits make a total family household income of $10-$30,000 per year.
Family HH Income for the Filipino Group (Random Sample)

- < $10K: 5.3%
- $10,001-$30K: 11.6%
- $30,001-$50K: 26.3%
- $50,001-$70K: 18.9%
- $70,001-$90K: 9.5%
- $90,001-$110K: 16.8%
- $110,001-$130K: 4.2%
- > $130K: 7.4%

Family HH Income for the US-Born Group (Random Sample)

- < $10K: 0.4%
- $10,001-$30K: 14.7%
- $30,001-$50K: 14.7%
- $50,001-$70K: 16.0%
- $70,001-$90K: 12.6%
- $90,001-$110K: 10.4%
- $110,001-$130K: 10.4%
- > $130K: 20.8%
Although immigrant groups from Mexico, Vietnam and the Philippines earn on average much less than the U.S.-born group, they are paying more for rent and mortgage.

**Rent or Mortgage (Random Sample)**

<table>
<thead>
<tr>
<th>Country</th>
<th>Rent or Mortgage</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>$1,117</td>
</tr>
<tr>
<td>Mexico</td>
<td>$1,146</td>
</tr>
<tr>
<td>Vietnam</td>
<td>$1,152</td>
</tr>
<tr>
<td>Philippines</td>
<td>$1,352</td>
</tr>
<tr>
<td>China</td>
<td>$1,398</td>
</tr>
<tr>
<td>India</td>
<td>$1,753</td>
</tr>
</tbody>
</table>

**Recommendations for Finding 2:**

- Santa Clara County should help seek at least 100 affordable rented or leased affordable housing units for refugees and immigrants and contract with reputable resettlement agencies to help manage and run these transitional units.

- This type of housing can house one-stop transitional services for recent arrivals, using existing service providers. The units could be used as a training area for clients. For example, a recreation room in a transitional housing unit could be used as an ESL classroom, or if a business were located in the unit or near the unit, the business could train and employ some of the clients living in the transitional units. One local agency houses a Computer Learning Center, Community Room, Teen Room, and on site Resident Service Coordinator. CBOs could also provide on-site caseworkers and counselors to help clients in their adjustment to life in Silicon Valley. These affordable transitional units would best be located close to reliable public transportation so clients could get to work and school. The units would strengthen the refugee and immigrant community by meeting the immediate and basic needs of families, lessening the large stresses and sometimes accompanying dysfunctional behavior which results from not having basic needs met. Transitional housing would empower clients to get on their feet and begin down the path toward economic self-sufficiency.
**Finding 3: Lower income immigrant households are finding it extremely difficult to purchase any housing due to lack of credit.**

Housing is a major concern for immigrants in the county, whether they are attempting to rent or buy a home. The Latino Immigrants Building Community (IBC) group stated that there are too many obstacles to becoming a homeowner in the valley. The Latina immigrant women’s focus group noted: “When immigrants try to rent or buy a low-income house, they are asked to include several persons or friends as co-signers in order to get credit. This requirement is only a source of later problems.”

Members of the Bosnian IBC group stated that they are not used to sharing apartments and houses with people they do not know, including other Bosnians. They have to pay more for housing than other immigrant groups that are more likely to accept shared housing. One person said that there is a “long and hopeless wait for low-income housing.”

**Recommendations for Finding 3:**

- Santa Clara County should help facilitate an easy and affordable loan process for immigrants so that immigrants can purchase their first home. The loan application process is currently very complex. It needs to be explained in readily accessible ways in immigrants’ first language.
- The County should also facilitate programs to lower the interest rate for first time homebuyers. The security of home ownership would put immigrants at ease to become effective contributors to the economy. The City of San Jose and Sunnyvale have collaborated with Cal-Fed to assist with a Below Market Rate for designated areas in our county to assist with a portion of the down payment. Only designated areas of the county, such as Burbank and areas in east San Jose are involved. This opportunity should be provided throughout Santa Clara County and not only in designated areas.

**Additional Recommendation**

Expand multilingual legal services for immigrants in the area of landlord/tenant law. Many immigrants are not aware of their legal rights and don’t know where to receive accurate information and legal assistance.