

A Strategy for Stopping Global Warming and Furthering Social Equity
Affordable Housing Near Transit

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Housing and transportation costs impose a heavy burden on working families. Bay Area working families earning between \$20,000 and \$50,000 spend an average of 35% of their income on housing and 27% for transportation. Combined cost burdens of housing and transportation in the Bay Area are the highest in the country, leaving working families with very little income for other household necessities such as food, education and health care.¹

By reducing parking requirements, resources spent to house cars can be used to house people. Every parking space for a given housing unit can increase the cost of that unit by up to \$25,000.² For a typical multifamily development in Santa Clara County with two spaces per unit, parking can account for more than 20% of total costs. This creates a serious impact on the potential supply of affordable and senior housing. Reducing parking provision to one space per unit can reduce these costs to 11%. Eliminating excess parking allows subsidies for affordable housing to stretch further. The subsidies needed to build just 8,600 below market rate units would cost \$1.2 billion. This \$1.2 billion could stretch nearly 18% further by reducing the average number of parking spaces from two per unit to one per unit.³

Low-income residents own fewer vehicles. Even controlling for other factors such as density and transit accessibility, lower-income households have lower vehicle ownership rates.⁴ The vast majority of car-free households earn less than \$25,000 per year (Figure 2-3). Figure 2-4 shows the relationship between income and vehicle ownership in Santa Clara County, segmented by household size. Rather than owning a car, which can cost more than \$7,000 a year to own and operate,⁵ some low-income residents get around by other means. A survey by the Santa Clara Valley Transportation Authority (VTA) found that 59% of VTA bus riders make less than \$35,000 per year, qualifying them for very low or low income housing, depending on family size.⁶

¹ Center for Housing Policy (2006). Background on 28 Metropolitan Areas. *A Heavy Load: The Combined Housing and Transportation Burdens of Working Families*. Washington D.C., 2006.

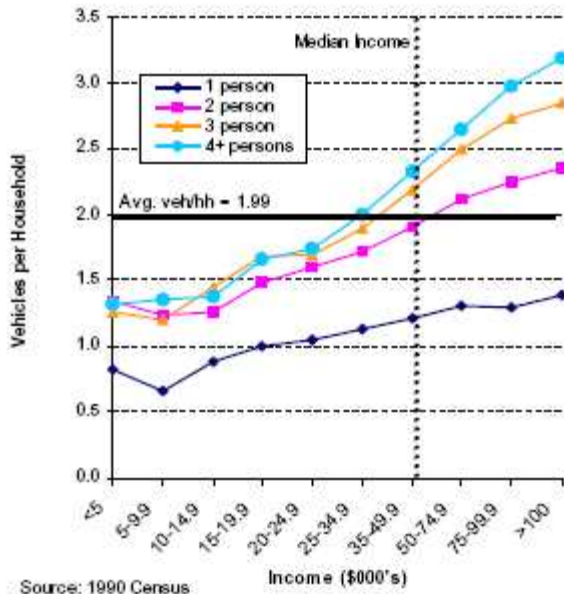
<http://www.nhc.org/index/heavyload>

² Non-Profit Housing Association (2001). *Planning for Residential Parking: A Guide for Developers and Planners*. San Francisco. www.nonprophousing.org

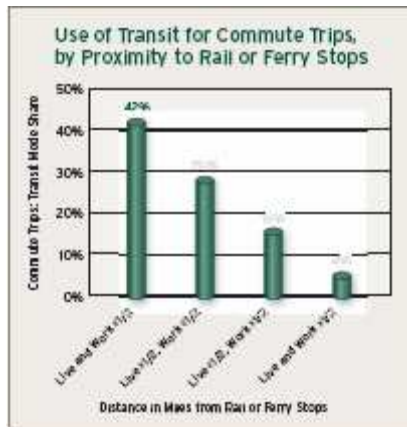
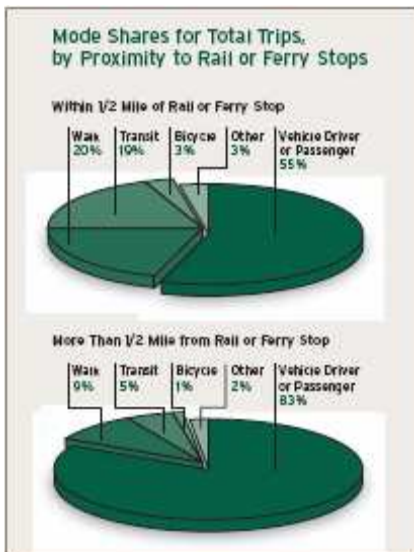
³ Transportation and Land Use Coalition (2006). Introduction. *Housing Shortage, Parking Surplus: Silicon Valley's opportunity to address housing needs and transportation problems with innovative parking policies*. Oakland. (1-6) http://transcoalition.org/reports/housing_s/housing_shortage_home.html

⁴ Ewing, Reid and Shi-Chiang Li (1998), *A Vehicle Ownership Model for FSUTMS*. Washington, D.C.: National Research Council, Transportation Research Board.

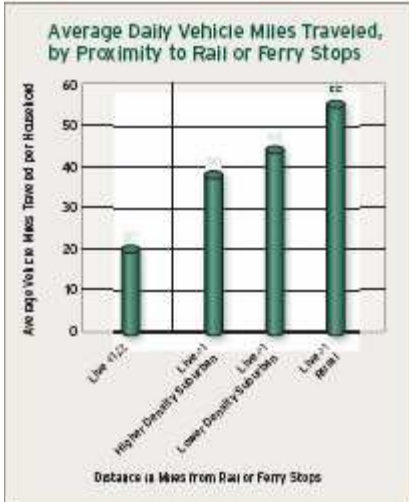
⁵ AAA (2001). Your driving costs. *Figuring it out*. Assuming a small car (2001 Chevrolet Cavalier) driven 20,000 miles. 6. Transportation and Land Use Coalition (2006). Tailoring Residential parking requirements. *Housing Shortage, parking surplus: Silicon Valley's opportunity to address housing needs and transportation problems with innovative parking policies*. (4)



Living and working close to transit increases individual's transit use, decreasing dependence on private cars. Bay area residents who live within a half-mile of rail or ferry stops are four times as likely to use transit, three times as likely to bike, and twice as likely to walk as those who live at greater distances. People who live and work within a half-mile of rail stations and ferry stations use transit for more than 42% of their work commute trips, while those who neither live nor work within a half-mile of transit use transit for only 4% of their work commute trips.⁶



⁶ *Transit Oriented Development: New Places, New Choices in the San Francisco Bay Area.* Metropolitan Transportation Commission. San Francisco, 2006. <http://www.mtc.ca.gov/library/TOD/index.html>



Source: MTC. New Places, New Choices, page 8