

**FOR IMMEDIATE RELEASE**

## **SAN DIEGO HOUSING TO BECOME EVEN LESS AFFORDABLE**

*New study released by the Chamber underscores region's housing crisis*

**SAN DIEGO (November 9, 2015)** San Diego has long been known as “America’s Finest City,” but in recent years our region has earned a less attractive title: “America’s Least Affordable City.”

In an effort to drive the conversation about the region’s ongoing housing shortage crisis, the San Diego Regional Chamber of Commerce has released a study authored by Gary London of The London Group on the implications of not meeting regional housing demand. The study confirms that the San Diego region is failing to develop the number of multifamily and single family homes needed by 2020 to accommodate population growth. Of the required annual growth, only 64 percent of single family homes and 44 percent of multifamily units have been added.

“In San Diego, we grapple with being one of the nation’s least affordable housing markets. Housing in San Diego is expensive because of undersupply,” said Jerry Sanders, Chamber President & CEO. “We have known for some time that a lack of housing is a major impediment to the region’s economic health. This new study is a validation as it quantifies just how much we need to do to meet the needs of our growing population.”

The key findings from the study include:

- The region’s substantial housing shortage is getting worse as post housing bubble development (since 2008) has produced a fraction of the housing units required. Multifamily building permits averaged at 3,153 units since 2008, which corresponds to only 44 percent of the units per year that SANDAG expects to be needed. With respect to single family permits, the figure averaged 2,272 units since 2008, or at 64 percent of the units required annually.

- Between 2010 and 2050, the San Diego region will experience a shortage of single family homes ranging from 43,388 to 118,602. In addition, in the North County, for every one home that is “moderately” priced in the \$600,000 range, there are two homes priced over \$1 million.
- Ever changing and highly difficult “regulatory” barriers to building homes in the San Diego region will challenge our ability to provide sufficient housing to accommodate population growth.
- Policy LU-1.2 of the County of San Diego General Plan, which allows new sustainable mixed-use villages, is a stop-gap to prevent people from traveling to/from Temecula – where an estimated 37 percent of Temecula workers commute outside of Riverside County for work.

These findings underscore the critical need to meet existing and future housing demand. The most serious risk: the region would not be able to grow, or even sustain, its employment base.

“Identifying the ways our region is underperforming in terms of housing creation is critical to the future growth and development of our region,” said Gary London, President, The London Group. “By issuing this study we are bringing to light the reality that we cannot depend on cities to accommodate growth just because they have it in their plans.”

The Chamber is a sponsor of the study and releasing the report to facilitate the community discussion around housing development, a key policy priority for the Chamber. The study’s author is a local expert with four decades of real estate development experience as an analyst and strategic advisor.

The full study can be downloaded from the Chamber [website here](#).

### **About the San Diego Regional Chamber of Commerce**

The San Diego Regional Chamber is the hub for connections and collaboration among the regional business community, and uses that clout to advocate for public policies and candidates that support economic growth and the creation of jobs for all businesses. As the largest local Chamber on the West Coast, representing approximately 2,500 businesses and an estimated 300,000 jobs, the San Diego Regional Chamber is fighting to make San Diego the most business-friendly region in California. For more information, please visit [SDChamber.org](http://SDChamber.org) or call 619-544-1300.

### **About The London Group**

Formed in 1991, The London Group is a full service real estate investment and development consulting, capital access and publishing firm. As the former West Region Director of the Price Waterhouse Real Estate Consulting Group, Gary H. London, President, brings acknowledged credentials and experience as an advisor and analyst to many successful projects and assignments throughout North America. For more information, visit [www.londongroup.com](http://www.londongroup.com).

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