WHAT DO WE MEAN BY JOBS/HOUSING FIT (JHFIT)?

The economic recovery has seen the number of low-income jobs increase, with a net loss of middle-income jobs, and cities are not building homes for the largest growing segment of workers – those earning between $19,700 to $55,700 annually.

Historically, jurisdictions have planned for housing needs using a jobs housing balance, a 1:1 ratio comparing the number of jobs created to the number of homes needed. Data collected over the past several years has shown that this measurement is flawed, as 1 high-income job (let’s say a computer engineer) creates the need for 3 or more low-income jobs (i.e. a shuttle-bus driver, coffee barista, janitor, etc.), which then creates the need for homes for all of these workers.

Jobs/Housing Fit (JHFit) is a newer metric that measures the imbalance between a city’s total number of low-wage workers and the quantity of homes affordable to them. JHFit is a step in creating a more accurate picture of the jobs-housing connection and will better prepare jurisdictions for the number of homes needed across the income spectrum.

JHFit is an EQUITY issue. By growing jobs without planning for homes for low-income workers, most cities in our region are failing to create inclusive communities and forcing low-income workers to choose between paying a disproportionate percentage of their income on housing, living in substandard and/or overcrowded conditions in order to afford housing, or enduring long commutes (and incurring costs for transportation) in order to find affordable housing in areas further away from job centers.

Data has shown that a better JHFit reduces Vehicle Miles Traveled (VMT) thereby reducing greenhouse gases emitted and mitigating the ENVIRONMENTAL IMPACTS associated with commuting. A better JHFit also has positive HEALTH IMPACTS on workers and their families. When employees live closer to their jobs and in suitable homes that are not overcrowded, they experience reduced stress, a better quality of life and have more time to spend with their families.

Shown above, RED areas indicate a severe shortage of affordable rental homes while BLUE areas indicate an excess of affordable rental homes in relation to available low-wage jobs.
SOLUTIONS AND NEXT STEPS

While non-profit developers struggle with limited financial resources to create affordable homes and compete with the market over scarce land, cities, counties, staff and advocates must seize the practical solutions available to solve our housing crisis.

PLAN REGIONALLY:

- Bay Area cities must work together! This will require carrots and sticks to incentivize more communities to create their fair share of affordable housing.
- Local governments must do more inter-agency collaboration across cities, coordinating between housing, planning, and community development departments.
- We must plan for both job and housing growth, particularly at the lower-income levels, instead of prioritizing one over the other.

LOCAL GOVERNMENTS CAN IMPROVE JHFit:

- Develop baseline goals and monitor through a county-wide task force on affordable housing and jobs.
- Create an inventory of publicly held parcels that are underutilized or vacant, and prioritize them for affordable housing.
- Adopt Housing Impact and Commercial Linkage fees.
- Secure adequate sites that are properly zoned for affordable housing.
- Streamline the entitlement process for affordable housing.
- Reduce parking requirements for transit-oriented affordable homes.
- Adopt inclusionary ordinances to generate new homes affordable to lower-income households.
- Develop anti-displacement strategies to promote community stability so that lower-income renters are not priced out of their homes.

ADVOCATES must better articulate the community benefits of equity and diversity to influence policymakers, business leaders and elected officials.

NPH is working with our partners to execute a regional strategy to improve JHFit values in key Bay Area jurisdictions. Become an NPH member, join a regional action team and advocate for a more balanced and equitable Bay Area by contacting Michael Lane at Michael@nonprofithousing.org.