

June 5, 2008 - FOCUS on Bay Area Housing

Conference Proceedings



Opening Presentation

Joseph Perkins, President & CEO

Home Builders Association of Northern California

In his candid remarks about the current housing market, Joseph Perkins called attention to the headline of the morning newspaper - "Housing Sector Deteriorates" - commenting that Bay Area housing is a very timely topic. He stated despite the dramatic decrease in home price, homes in the Bay Area are no more affordable due to lenders reluctance to give loans and that availability of loans, not inclusionary zoning policy, is the most significant determinant of affordability. He offered encouragement stating that he believes the housing market has reached near bottom – and that perhaps as soon as next year, home values will rise again. He believes in the foreseeable future property values in the Bay Area will increase over time as they have in the past. He concluded the key to the housing market recovery rests with the recovery of the lending market.



Dixie Baus

Director of Affordable Housing

The Core Companies

Dixie Baus illuminated the challenges of building affordable housing in the current market. She likened present conditions to "the perfect storm" pointing out that while California's economy is expanding and its population growing, the inventory of market rate and affordable multi-family housing is not keeping up. She stated that despite the current downturn in the housing market, affordable housing is still being constructed, but noted such projects are more expensive now because of fewer funding sources. Ms. Baus echoed Mr. Perkins sentiment regarding current lending issues stating that the market will improve when lenders resume regular lending practices.



Linda Wheaton
Assistant Deputy Director, Housing Policy Division
California Department of Housing and Community
Development

Linda Wheaton provided an overview of the current housing policy and legislation that is being implemented at the state level, including recent housing grant award programs, such as the Blueprint Planning Program and the HCD Housing Bonds (Proposition 46 and Proposition 1C funds). She emphasized the importance of land use in the development of strategies to help us reach GHG reduction goals set forth in AB 32.



Don Weden
Former Planner
Santa Clara County

Don Weden discussed the importance and urgency of thinking more deeply and creatively about the future of our communities than typically occurs in local land use dialogues related to density and traffic. He addressed major obstacles to the kinds of higher density development we will need in order to effectively meet the significant challenges rapidly heading our way.



ABAG Staff Christy Riviere presented the newly released **San Francisco Bay Area Housing Needs Plan, 2007-2014** and the results of the **Housing Production Survey**. The 2008 report is the third

annual housing report, building on **A Place to Call Home: Housing in the San Francisco Bay Area**. It includes targets for 2007-2014, established as part of the Regional Housing Needs Allocation process and provides in-depth explanation of the methodology used to determine housing allocations.

ABAG Staff Jennifer Krebs introduced the resource Housing Element Toolkit. Now available at www.abag.ca.gov/planning/toolkit, the toolkit offers a variety of tips and guidelines to jurisdictions updating their housing elements. It is designed to be a resource to help government staff as they work their way through the update process. The goal is to provide a single location for accessing existing resources.

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