

**Penta** Policy Insiders

# California Insights Review Series

Housing



# Executive Summary

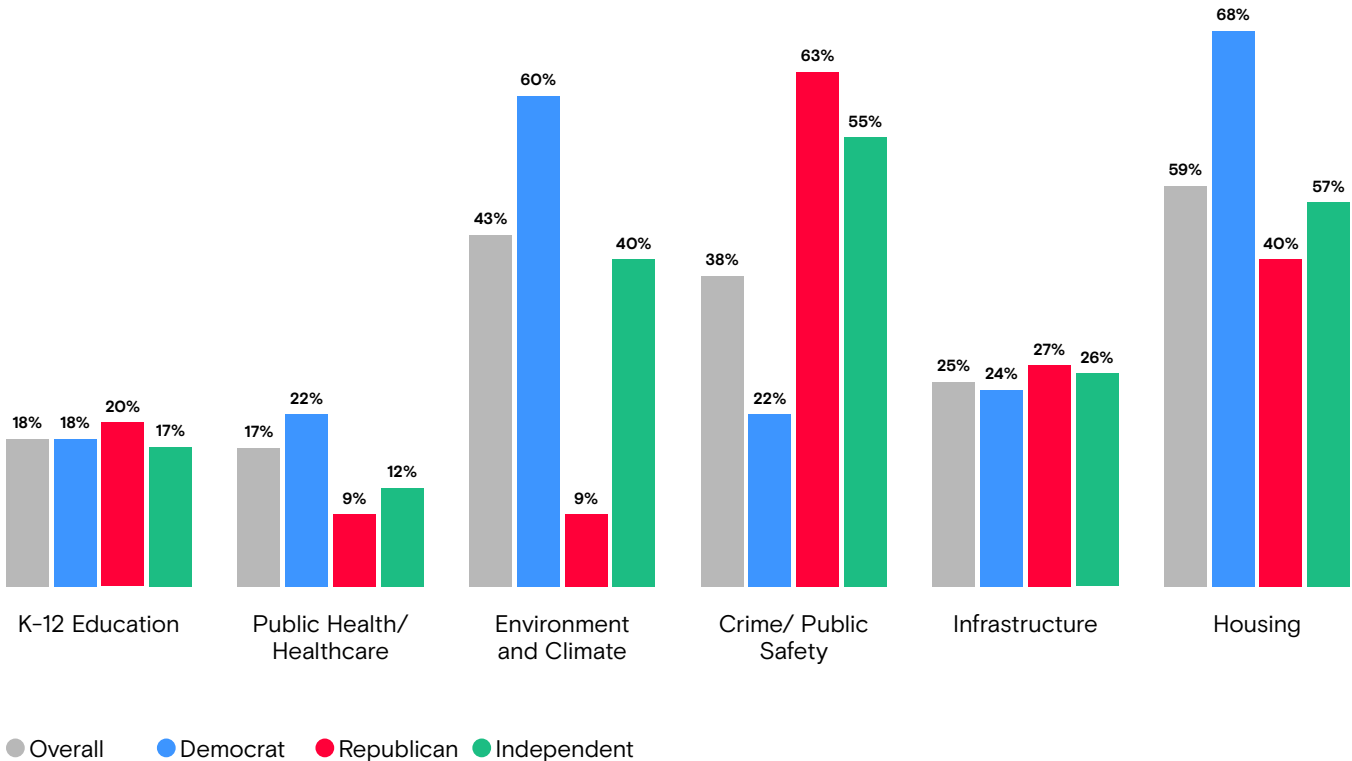
We are excited to share findings from our fourth annual California Insights Review. From April to July of 2022, we surveyed and spoke with over 371 state and local policymakers in California to understand policy priorities throughout the state and how the private and public sectors are engaging on those issues.

This year, our research revealed housing to be the top policy issue in California for the fourth consecutive year. The ongoing housing crisis has significantly impacted the state and contributed to other related issues, such as a growing homeless population. A wide range of factors

impede the development of affordable housing, with decision-makers notably commenting on government regulations. Policymakers also discuss how they would like to see more private and public sector collaboration to help solve some of these concerns, and note that this kind of engagement would be beneficial to both local communities and the state as a whole.

**This report is the second in a series that examines California policymakers' top policy priorities of 2022. This review examines Housing in the state.**

Which of the following do you view as the most pressing issues facing the state?



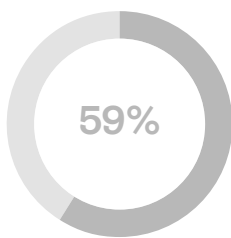
Qualitative n=49, Quantitative n=322

# Housing

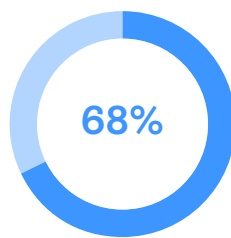
One of the most significant challenges in the state of California is housing, with 59 percent of survey respondents identifying it as a top policy priority. Policymakers are concerned about rising costs of homes and resulting impacts on the homeless population, economy, and other aspects of welfare in the state.

## Respondents who view housing as a top policy priority

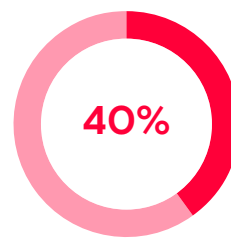
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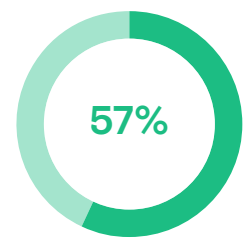
Overall



Democrat



Republican



Independent

## Insufficient Housing Options

As the cost of housing continues to rise, and the shortage of housing persists, individuals in a variety of income brackets are struggling to afford homes.



We have a lot of our children and grandchildren who are finding it very difficult to live in the communities that they grew up in. **It's very limited opportunities when it comes to housing. And it's becoming a real crisis here in California.**

Board Member, Municipal, D



**One of the big concerns we have is addressing the housing shortage in California.** Provide more flexible and more attainable housing for all income brackets...**you have to be a millionaire in order to buy a house in California.**

Capitol Director, Legislative, R

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## Private Sector Collaboration on Housing

About half of our survey respondents indicate that they want to see more private-public collaboration on creating affordable housing options. Policymakers feel that current government regulations are creating additional challenges and want to see a more productive conversation between the public and private sectors.



We've got the local government, which I don't think does a very good job to help facilitate affordable housing. And the private sector is not going to build private housing at a financial loss. And so there's got to be incentives, but **there's got to be a much higher level of cooperation between local government and the people that actually build the houses** and what it takes to build a house and make it affordable.

Board Member, Municipal, D

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People complain about affordable housing... **the reason why we don't have affordable housing is because of all the laws and all the regulations...** It just really drives up the cost.

Councilmember, Municipal, R

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## The Growing Homeless Population

Between 2014 and 2020, the homeless population in the state rose by 42 percent, despite rates decreasing across the entire country.<sup>1</sup> The most recent count estimated 161,000 homeless individuals in California, accounting for about 28 percent of the total homeless population in the United States.<sup>2</sup> Policymakers have specific concerns about youth homelessness as well as physical and mental health risks for unhoused individuals.

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### Adolescent Homelessness



The numbers around former foster youth who wind up without homes is staggering. It is a huge percentage.

Legislative Director, Legislative, D

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### Collaborating to Provide Resources



We're going to need to work collaboratively with agencies, nonprofits, and so forth to provide the services, food, and ongoing mental health drug treatment for years to come because a lot of these folks are living in these conditions for decades, and **we're not going to fix it overnight.**

Chief of Staff, Legislative, D

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## Homelessness and Public Health

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I think the most important priority is, number one, the mental health issue. **The homeless issue in California is out of control.** So that is an issue for cities trying to deal with the homeless, especially the homeless that don't want help or are mentally ill.

Councilmember, Municipal, R

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If people don't have a place to live, if they're living in the open air, then it's unhealthy for them...**The whole thing is just unhealthy. And then it impacts the community that lives around...**So it's a very complicated situation. But at the end of the day, I think that **it's a tremendous health risk for people that are unhoused.**

District Attorney, Municipal, D

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## Public Perception of Potential Solutions

Public apprehension towards the building of affordable housing and creating homeless shelters in certain areas is another challenge that policymakers acknowledge.



As you probably know, **you've got people that don't want any more development within their community...it's congested enough.** And so you're battling that problem at the same time.

Board Member, Municipal, D

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**One of the hardest parts is never-ending pushback because people don't want a homeless shelter built in their neighborhood.** I mean, at some point, it's like, "Do you want them in your neighborhood, or do you want them on the street at every intersection?" They're there. **They're already in the neighborhood. They're just not being sheltered right now.**

Chief of Staff, Legislative, D

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## Long-Term Impact of the Housing Crisis

Policymakers fear that the high cost of housing will negatively impact the economy and contribute to more inequity and inequality in homeownership.



**Housing is a policy priority because of the direct impact on our local economy...**having a place for our workforce to live is the main reason that we need to ensure we have housing.

Councilmember, Municipal, I

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One issue that concerns me is that our homeownership rate is declining and it is always lower for our populations of color in this country. And so I just feel like it solidifies that **the impacts of these housing laws will be generational.**

Councilmember, Municipal, D

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## Conclusion

The housing crisis in California remains a top concern for policymakers due to several factors including housing shortages, rising prices, and government regulations. Past efforts to solve this problem have not been substantial and policymakers want to see more strategic conversations between the public and private sectors. Policymakers hope that future efforts will address homelessness and other related challenges across the state.

## Penta Strategy

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Corporate Strategy

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Reputation & Brand  
Management / Tracking

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Product Strategy & Innovation

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Issue Management

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Customer Segmentation

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Executive Engagement & Positioning

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Messaging, Communications,  
& Go-To-Market

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Media Relations & Crisis Management

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Advertising & Digital Strategy

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## Penta Intelligence

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Momentum Measurement

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Reputational Analysis

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Policymaker Research

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Trend Forecasting: What's Next?

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Message Testing

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Media Monitoring & Analysis

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Risk Assessment

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ESG & DEI Analysis

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Custom Research & Predictive Analytics

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Public Opinion Polling

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Stakeholder Mapping & Research

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Penta provides direct feedback from policymakers to government relations professionals, improving advocates' ability to understand, validate, and improve the efficiency and effectiveness of their engagement.

## About Penta

Penta comprises over 200 professionals in New York, London, Washington, D.C., and San Francisco working to bring data-driven, tailored solutions to a majority of the Fortune 50 Companies and their associations.



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## Citations

1. [https://www.google.com/url?q=https://siepr.stanford.edu/publications/policy-brief/homelessness-california-causes-and-policy-considerations&sa=D&source=docs&ust=1664809550509576&usg=AOvVaw2daKzFpOkdVP1wB7fZP\\_Pi](https://www.google.com/url?q=https://siepr.stanford.edu/publications/policy-brief/homelessness-california-causes-and-policy-considerations&sa=D&source=docs&ust=1664809550509576&usg=AOvVaw2daKzFpOkdVP1wB7fZP_Pi)
2. <https://www.huduser.gov/portal/sites/default/files/pdf/2020-AHAR-Part-1.pdf>

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