

# COMMENTARY

Editorials, letters, columns and other opinions

## Housing Prices Could Destroy Thriving Economy



**COMMENTARY**

Mary Lydon

The San Diego region is not keeping up with our needed housing supply, which is starting to erode our thriving innovation economy. Before the great recession, from 1980 to 2010, we were building on average 15,000 new homes a year. Since then, we are at about 50 percent of that level. To keep up with our needs and fill the growing backlog, we should be building 21,375 new homes per year for the next eight years.



**COMMENTARY**

Erik Bruvold

We have major policy constraints driving this slowdown, including over-regulation, which is expensive and time consuming, and Proposition 13, which creates less incentive for cities to build housing. We increasingly face challenges in market conditions, such as higher costs for construction materials and a shortage in the labor market as during the recession many construction workers moved on to other professions.

We simply are not zoning enough houses for available land. We need planners and planning bodies to say “we need more units, not less.”

The problem is especially acute in North County, which is outpacing the

region in employment growth, exacerbating our jobs-housing imbalance.

Many economists suggest a healthy jobs-housing balance would be building 1 home for every 1.4 to 1.5 new jobs, a ratio San Diego County maintained from 1970 to 2000. According to the California Department of Finance, between 2010 and 2018 the nine North County cities added a net total of 8,941 new housing units. At the same time, North county employment increased by an estimated 30,000. That is a ratio of 1 new home for every 3.35 new jobs.

Given such imbalances, it should surprise no one that middle-priced homes are selling rapidly or that waiting lists for new single-family houses fill up within days.

### Burdens on Households

Where are these housing-challenged people going? In some cases they are doubling up, driving household size higher. This crowding overburdens our infrastructure, like roads, parks, and schools. In more instances, families are moving to Riverside County, which significantly increases traffic between Temecula and Highway 78 and makes that commute almost unbearable.

High housing costs also put burdens on our economy. In North County, approximately half of renters continue to spend more than 35 percent of their gross income on housing; this is a higher portion than some communities in the Bay Area. This is money that cannot be spent on local goods and services. It puts too many families into precarious financial situations – unable to save because all

their money is going toward increasing housing costs. We have become a region where far too many are “house poor.”

Housing costs are also impacting employer operations. Almost three-quarters of North County businesses say they are having great or some difficulty retaining valuable employees who want to purchase housing within a reasonable distance from work. Among eight issues surveyed on business climate, businesses were most dissatisfied with how difficult it was for their employees to find suitable housing.

### Higher Density Can Work

More solutions are needed and at a faster rate. On July 19, the **North County Economic Development Corp.**, in partnership with **Housing You Matters** and **San Diego North County Association of Realtors**, will host a housing summit. Economists, employers, employees and elected officials will try to find the nexus where sustainable solutions can be found to increase housing supply for all income levels. They will hear about innovative approaches in planning and design that can add density while preserving the character of our communities.

There is much alignment now around the fact that we do have a housing crisis. But will we be able to work together to unravel enough of the knot to move real solutions into action? That will be up to all of us. The health and well-being of our economy depends upon it.

*Mary Lydon is executive director of Housing You Matters. Erik Bruvold is CEO of the North County Economic Development Corp.*

## Business of Personal Data Has Major Implications



**COMMENTARY**

John M. Eger

NBC 7 reported that the **San Diego County Sheriff's Department** had stored photos of 8 million license plates, many of them multiple photos of the same vehicle in different locations, enabling law enforcement

to create a sort of digital road-map of one's whereabouts. All this data is routinely shared with more than 500 local, state and federal agencies.

While there was some concern, few people seemed to care. In fact, there was nothing illegal, at least in the U.S., to protect the privacy of individuals.

When **Facebook** and **Google** first released their new privacy rules, there was also considerable indifference. Some folks said at the time, “This is nothing new.”

Facebook and Google both use your private information to suggest other friends for you as they aggregate all the sites and services, your likes and dislikes, to make your search and your experience more meaningful. At least that's what they say.

All that is changing as Europe adopted a rule called the General Data Protection Regulation or **GDPR**, which restricts how personal data is collected and handled and focuses on ensuring that users know, understand, and consent to the data collected about them.

Now the world has awakened to

the privacy debate. The timing of the European rule is auspicious as more of our daily activities for work, for play and for everyday living involve the use of this network of networks, every aspect of our lives is suddenly open to surveillance and the misappropriation and misuse of personal information, including our habits and by extension our innermost thoughts.

Some time ago, **Scott McNealy**, then head of **Sun Microsystems**, said quite emphatically, “Privacy is dead. Get over it.” To people who routinely give up personal data for a 20 percent discount on something they purchase online or as part of a frequent buyer program, there is huge problem looming.

### Use of Personal Data

Now that we know about the **Cambridge Analytica** scandal, in which Facebook data on more than 70 million users was shared without their permission, it is beginning to dawn on consumers that they could be compromised as they never imagined.

After the Golden State killer was indicted as a result of matching DNA found in a genealogy website called **GEDmatch**, there is a growing fear is that one's “genetic profile” may be used by advertisers as personal data was allegedly used by Cambridge Analytica to fashion messages to influence an election.

Could “Big Data” analysis spell the virtual end of personal privacy? And as big data is more commonplace will it

affect credit ratings? Job openings? Insurance? Travel? Health care premiums? And if so, is there a public concern deserving of a policy response?

### China's Trust Score

This has happened in China. According to **Rachel Botsman** of **Wired** magazine, “the State Council of China published an ominous-sounding document called ‘Planning Outline for the Construction of a Social Credit System.’” That document contained a radical idea: What if there was a national trust score that rated the kind of citizen you were?

**CBS News** recently reported that journalist **Liu Hu** was assigned a social credit score that banned him from flying “because he was on the list of untrustworthy people.” Liu told CBS, “I can't buy property. My child can't go to a private school ... You feel you're being controlled by the list all the time.”

Companies now have to specify not only why the data is being collected and whether it will be used to create profiles of people's actions and habits. Importantly, consumers have the right to access any data about them and the right to correct inaccurate information.

One hopes the **GDPR** will change the game and shift more power to citizens, in San Diego, in the US, everywhere, thereby keeping the privacy debate alive.

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