

\$106,000 median sales price of county homes close to state figure, report says

By JAMIE MARKS

Sentinel Staff Writer

SANTA CRUZ — What was the median price of a home sold in Santa Cruz County in 1982?

That answer — \$106,000 — and many more are contained in a 100-page report on the status of housing in the county that's to be presented to the Board of Supervisors Tuesday afternoon.

A public hearing on the "County Housing Element" is scheduled as the third item of the 1:30 p.m. agenda. The hearing will take place in the board's chamber, Fifth floor, County Government Center.

The median sales price — that point at which there are an equal number of homes selling at a higher and lower cost — compares nearly equally with the state's median sales price of \$110,000. Nationwide, however, the median price of a home was approximately \$66,000 in 1982.

The report, written by the county Planning Department staff, states, "In order to purchase their own home, many young households have become financially over-committed."

A comparison between 1970 and 1980 shows: The median sales price of a home jumped from \$20,000 to \$99,950. Interest rates on home mortgages soared from 8 ½ percent to 13 percent. Down payments rose from \$4,000 to \$19,990. Mortgages skyrocketed from \$16,000 to \$79,960, meaning that average monthly mortgage payments rose from \$124 to \$884.

In order to purchase these homes, families had to have a combined annual income of \$35,374, up from the 1970 yearly income of \$4,979.

The report says the dramatic rise in home prices in the 1970s permanently

changed the housing picture in the county, state and nation.

The county median price rise from 1970 to 1980 exceeded the national average by a "whopping \$37,730 or 61 percent in 1980," the report said.

"Despite a lessening of home price increase in the last few years, the increases in the 1970s permanently changed the ability of the average resident to afford home ownership," the report states.

In 1975, according to the report, elderly and young Californians paid 27 percent of their income for housing expenses, adhering to the old rule of thumb that no more than one-quarter of a family's income should be spent on housing.

However, by 1980, that had changed. For the elderly the proportion of income to housing costs dropped to 21 percent. But for homeowners, the percentage had risen to 34 percent, according to the report.

Over the 20-year period from 1960 to 1980, the number of housing units increased in the county from 40,939 to 79,506.

The report states that the rapid increase in housing units from 1970 (51,215) to 1980 (79,506) reflects the increasing young adult population and the declining size of households. It also indicates that the population at large was becoming more affluent.

By far and away, single-family houses are the largest type of housing stock in the county, taking 68.5 percent of the entire housing stock. Duplexes and four-plexes (two- and four-unit apartments) represented 9.6 percent of the entire housing stock. Larger apartment buildings took in 15 percent of the available housing units and mobile homes represented about 7 percent of the available housing.

As Santa Cruz County continues to become more urban, more multiple-unit developments are going up. This, according to the study, can be seen in the percentage increase of multiple units in the county in 1960, 10.6 percent, and 1980, when 24.6 percent of the housing units were multiple-unit dwellings.

Countywide, some 59.5 percent of the entire housing stock in 1980 was owner-occupied. That compares with the California figure of 55.9 percent of the population living in the homes they own.

The number of owner-occupied units in the county has dropped over the 20-year period ending in 1980, from a high of 62.2

percent in 1960 to the 59.5 percent figure. According to the report, the change confirms the rising trend of more multiple-unit developments going up.

The report will be used as a "game plan for achieving housing action," according to the report. It's designed as a blueprint for county supervisors to use in making policy decisions on land use and related issues.

State law requires each county and city to prepare and adopt general plans which guide in the community's development. The housing element is one of the nine general plan elements mandated to be studied by state law.