

<https://news.yahoo.com/>

Apple commits \$2.5B to combat California housing crisis

MATT O'BRIEN

Associated Press • November 4, 2019

Apple on Monday said it will put up \$2.5 billion toward easing California's housing crisis.

The sum from Apple eclipses pledges by fellow Silicon Valley giants Google and Facebook for addressing the lack of affordable housing in a region where affluent tech workers have helped drive up the cost of homes.

Apple's commitment Monday includes a \$1 billion statewide fund creating an "open line of credit" for the state to build new homes for households with low to moderate incomes. Another \$1 billion is a mortgage assistance fund for first-time homebuyers. "It's a recognition that the San Francisco Bay Area is in a major housing crisis," said David Shulman, a senior economist with the Anderson Forecast at the University of California, Los Angeles.

Shulman said it's a good step but might not make much difference if it's just creating "cheap financing" for development and down payment relief for people who earn enough to be able to buy a home in the expensive region.

The company's promise also includes \$300 million to make Apple-owned land in San Jose available for affordable housing — a strategy that Shulman said is more effective because sky-high land prices are at the root of the housing crisis. Apple's roughly 40-acre (16-hectare) San Jose property is expected to be able to accommodate about 3,600 new housing units.

"If they make the land available for free or very cheap, then you can do something," Shulman said.

Apple is also investing in a \$150 million partnership with a Bay Area nonprofit to support new affordable housing projects with long-term forgivable loans and grants; and \$50 million to address homelessness in the region.

Lisa Jackson, Apple's vice president of environment, policy and social initiatives, said in a statement that the company worked closely with experts to craft a plan "that confronts this challenge on all fronts, from the critical need to increase housing supply, to support for first-time homebuyers and young families, to essential philanthropy to assist those at greatest risk." Story continues at: <https://news.yahoo.com/apple-commits-2-5b-combat-145602599.html>