With the Annual Median Income (AMI) of $87,701 in San Francisco (ACS 2016; 5-Year Estimates), it’s easy to overlook low-wage workers who struggle to make ends meet. The average San Franciscan has a seemingly high AMI and from a cursory perspective it obscures the financial struggles of families earning lower wages.

Diving deeper into the data uncovers the number of families struggling while earning less $35,000 per year is staggering. While examining data from our Neighborhood Survey (2016) findings show that 57% earn less than $24,999 per year. Considering minimum wage is $14.00 per hour it’s surprising to find that families are making $4,681 less than a full-time minimum wage.

A MEDA Financial Capabilities Coach reports that clients are challenged with securing full-time employment in the service industry. When business is slow, workers report being asked to leave early, thus not completing a full day’s work. Families with two-parent households report that only one adult is able to join the workforce due to soaring childcare costs. According to a MEDA Business Development Coach, placing a child in a home-based Family Child Care Quality Network (FCCQN) facility will cost at a minimum $1,500 per month without a waitlisted subsidy. It’s more economical for a parent to stay home and care for the children rather than pay for childcare. These conditions contribute to underemployment and low wage households.

An additional stressor is market rate rental prices. According to Rent Jungle, since 2011, two-bedroom rental unit costs have risen by $1,400. If a family is faced with a no-fault owner-move-in-eviction they can expect to pay a staggering $4,563 a month for a two-bedroom unit. It would take nearly 7 families earning $25,000 per year to afford a market rate two-bedroom unit in San Francisco without spending more than a third of their income on housing. These rental costs coupled with low wages make San Francisco unaffordable for most working class families. The need for affordable housing, childcare, and job opportunities is dire for families earning lower wages.

The Stressors of Families Earning Less Than $35,000 Annually

The following graph shows a sharp increase for one- and two-bedroom dwellings. Since 2011, two-bedroom rental unit costs have risen by $1,420. If a family is faced with the common owner-move-in-eviction today, they can expect to pay a staggering $4,563 for a two-bedroom unit. The annual rent of $54,756 is well above a yearly income of $24,000 or $35,000.