

I. Needs Assessment

A. Housing Needs

The data for the housing needs assessment is taken primarily from the 2000 Census. A summary table of housing need can be found on page 8. More detailed discussion and analysis of housing needs is also contained in the City's 2004 Housing Element.

http://www.oaklandnet.com/government/hcd/policy/housing_element.html

The purpose of this section is to summarize available data on the most significant housing needs of extremely low, low and middle income households, as well as homeless persons and others with special needs and to project those needs over the five year Consolidated Plan period (July 2005-June 2010). The information in this section is based on the 2000 Census, the most recent data available, including special Census tables made available from HUD.

According to the 2000 Census, 22.8 percent of Oakland's households are extremely low income (earning 30% of median income or less), 14.6 percent are very low income (incomes between 31% and 50% of the area median), 14.9 percent are low income (between 51% and 80% of area median) and 47.6 percent are middle income (above 80% of area median).

Housing problems fall into three general categories: cost burden, physical defects, and overcrowding.

Cost burden refers to a total housing cost (including utilities) in excess of 30 percent of household income, while severe cost burden refers to a total housing cost in excess of 50 percent of household income. While this is the accepted definition, many analysts have noted that for low and moderate income households, a housing payment of 30 percent of income may leave the household with insufficient resources for food, clothing and other necessities.

Physical defects refers to the lack of either complete plumbing facilities or complete kitchen facilities. This is a minimal definition of inadequate housing condition. For example, violations of local housing code, including lack of adequate heat and hot water, broken or inoperable windows that fail to protect against the elements, or presence of rats and other vermin, all would fall outside the definition of physical defects. Although not measured by the census, these problems are nonetheless serious and widespread, as reported by the City's Code Compliance Division.

Overcrowding is said to occur when a housing unit contains more than one person per room, and severe overcrowding exists when a housing unit contains more than 1.50 persons per room. This definition is different from the occupancy standards that may be applied under local housing codes or under rules governing programs for housing assistance, which generally look only at rooms suitable for sleeping, and seek to provide separate sleeping rooms for older children of different sexes, for example.

1. Housing Needs by Income Group and Tenure

a. Extremely Low Income Households (0 to 30 percent of median income)

There are 34,653 households that qualify as extremely low income under HUD guidelines, over 22 percent of all Oakland households. These are households living near or below the Federal poverty level. This group is by far the most vulnerable to housing problems, and at greatest risk of becoming homeless. The majority of these households are renters, and they have very high rates of housing problems.

Renters

Nearly 80 percent of all household types except seniors have housing problems. For seniors, the rate is 66 percent. Severe cost burden (rent in excess of half the household's income) is especially high for this group, affecting over 56 percent. In other words, over 15,300 extremely low income renter households are reported to be devoting over half their limited incomes to rent. Extremely low income renters also experience high rates of overcrowding.

Owners

Among this relatively smaller group, three-quarters experience housing problems – primarily cost burden. The combination of low incomes and high cost ratios makes it extremely difficult for this group to secure financing for maintenance and rehabilitation of their housing units. Low income homeowners, especially seniors, are particularly vulnerable to predatory lending scams that promise to provide financing while actually saddling the homeowner with unmanageable debt service payments.

b. Low Income Households (31 to 50 percent of median income)

There are 21,617 low income households in Oakland, constituting over 14 percent of all Oakland households. Of these, 15,858 (73 percent) are renters, and 5,759 (27 percent) are owners.

Renters

For low income renters, affordability is clearly the most significant problem, affecting approximately 60 percent of these households. Overcrowding is reported for approximately 29 percent of low income renters. However, among large families, the overcrowding rate is over 82 percent, reflecting the severe lack of affordable housing with 3 or more bedrooms.

Owners

Among low income owners, the incidence of housing problems is still relatively high, affecting 66 percent of all owners in this group. Affordability is by far the most common problem, but even among owners at this income level, overcrowding is 20 percent. Non-elderly owners are far more likely to suffer from housing problems than are elderly owners.

c. Moderate Income Households (51 to 80 percent of median income)

Over 22,077 households (nearly 15 percent of all households) qualify as "moderate income," with incomes between 51 and 80 percent of the area median income. Nearly two-thirds of these households (14,578) are renters. The incidence of housing problems is greater for owners than renters.

Renters

Among moderate income renters, 47 percent have some kind of housing problem, with an incidence of 89 percent for large families. Affordability affects over 24 percent of these households, and is a particular problem for seniors, who report excessive cost burden at the rate of 41 percent. Although the rate of housing problems is high among seniors, it should be noted that there are six times as many families as seniors in this income group, and thus in absolute numbers housing problems are more heavily concentrated among families. Overcrowding is again concentrated among large families, affecting 24 percent of this income group as a whole, but affecting nearly 85 percent of the large families, many of whom report overcrowding problems even in the absence of any excessive cost burden.

Owners

For the 7,499 moderate income owners, some 60 percent have some kind of housing problem, with 46 percent reporting excessive cost burdens, and 18 percent reporting severe cost burdens. Overcrowding is reported by 8 percent of these households. The incidence of problems among this group is twice as high for non-elderly households than for elderly households.

d. Middle Income Households (higher than 80 percent of median income)

There are 70,362 households that qualify as middle income under the Consolidated Plan definition of this term. Of these, 28,878 (41 percent) are renters, and 41,484 (59 percent) are owners.

Renters

Not surprisingly, this group has lower rates of housing problems than is true for low and moderate income households. Less than 20 percent of middle income renters experience any housing problems, and only 5.5 percent have excess cost burdens. Cost burden is more of a problem among elderly households at this income level (20 percent have excess cost burden, and 0.8 percent have severe cost burdens). Most significant, however, is that even

at this income level, large families have a 73 percent rate for housing problems, yet only one percent have excessive cost burdens. This suggests that even for middle income large families, overcrowding is a serious problem, again underscoring the need for an expansion of the supply of affordable 3 and 4 bedroom apartments and homes.

Owners

Middle income owners face more housing problems than middle income renters (26 percent for owners as compared to 19 percent for renters). In particular, 20 percent of all non-elderly middle income owners have excessive cost burdens, far higher than any non-elderly group of middle income renters. This is likely an indication of the degree to which middle income households have had to extend themselves in order to achieve homeownership. Among elderly homeowners, the rate is only 12 percent, a clear indication of the benefit they receive as a result of having purchased homes many years ago. The figures on housing cost burden do not factor in the tax savings associated with ownership so overpayment problems are somewhat overstated.

2. Housing Needs of the Elderly

According to the 2000 Census, elderly households make up fourteen percent of the rental households. Of the elderly renter households, 57 percent are extremely low income and 66 percent of those have housing problems with 41 percent paying over 50 percent of their income on housing. Sixteen percent of elderly rental households are low income with 63 percent with housing problems and 58 percent paying over 30 percent of their income on housing. Ten percent of the elderly rental households are moderate income and 47 percent have housing problems and 40 percent paying over 30 percent of their income on housing. This illustrates a significant need for affordable rental housing.

According to the 2000 Census, elderly households make up 24 percent of the owner households. Of the elderly owner households, 38 percent are extremely low income and 71 percent of those have housing problems with 50 percent paying over 50 percent of their income on housing. Seventeen percent of elderly owner households are low income with 45 percent with housing problems and 29 percent paying over 30 percent of their income on housing. Forty-seven percent of the elderly owner households are moderate income and 13 percent have housing problems and 13 percent paying over 30 percent of their income on housing.

Many seniors have limited financial resources resulting in a great demand for affordable housing. The median household income for seniors from 65 to 74 years was \$29,479 and for seniors 75 years and older was \$23,574. In Oakland the need for affordable housing resources is particularly acute due to the high cost of housing. For those able to live independently, housing facilities need to be affordable and safe. Independent living can be sustained through services which update existing housing units with safety equipment such as hand rails.

3. Housing Needs of Persons with Disabilities

According to the 2000 Census, nearly 21 percent of the population age five and older (84,542 individuals) who live in Oakland reported a disability. The Census also reported 29,428

households with mobility and self care limitations. Of these households, 69 percent are very low income and 81 percent are low income as compared to 50 percent and 67 percent of all renters. Fifty percent of households with a member who has mobility and/or self care limitations are extremely low income.

4. Large Families

Overcrowding rates are especially severe for large families regardless of income. This is due to an acute shortage of housing units with four or more bedrooms, especially rental units. The 2000 Census identified 11,365 renter households with five or more persons, but only 2,341 rental units with four or more bedrooms. Despite the fact that there is a much better relationship between the number of large homeowner families and large owner-occupied units, overcrowding rates are still very high for lower income large families, which suggests that more affluent families are able to occupy homes larger than they might need, while low and moderate income large families can achieve homeownership only by buying units smaller than what they might need.

5. Single Persons

Households that are not categorized as either families or elderly one and two person households, are predominately single person households. These households do not have significantly higher rates of cost burden for renter households but do have significantly higher cost burden for homeowners. This suggests that single persons extend themselves to own a home to a greater extent than family households or elderly households that may have owned their homes longer. Not surprisingly, single persons have significantly lower rates of overcrowding than do family households.

6. Housing Conditions

A significant amount of Oakland's substandard housing is rental housing affordable to lower income households. For many low income renters, substandard housing is the only housing available at an affordable price.

According to the 2000 Census, approximately 2,200 dwelling units had no heating systems, over 1,600 dwelling units lacked complete plumbing, and nearly 2,650 dwelling units lacked complete kitchen facilities. It should be noted that a significant percentage of these housing units are in single-room occupancy buildings that do not have private bath and kitchen facilities for individual dwelling units.

Health hazards, such as presence of asbestos or lead-based paint, can also be an indicator of housing condition. The City estimates up to two-thirds of the housing units in Oakland could contain lead based paint. The large percentage of homes constructed before the 1970s increases the probability of lead paint contamination since this type of paint was commonly used up to that time.

Housing conditions in the City's oldest, poorest neighborhoods with the highest proportion of renters are likely to suffer the most from substandard housing conditions.

There are a significant number of low-income and elderly homeowners whose homes have problems of deterioration coupled with the presence of toxic materials such as lead based paint and asbestos. These owners are often unable to finance repairs without assisted rehabilitation programs.

7. Racial/Ethnic Difference in Incidence of Housing Problems

Significant information is available in the City of Oakland's Analysis of Impediments to Fair Housing (<http://www.oaklandnet.com/government/hcd/policy/policy.html#conplan>).

This document is required by HUD to provide an overview of demographic and housing market conditions in the City. It includes a profile of fair housing in the City, the number and status of any fair housing complaints in the City, a description and discussion of various market and public policy impediments to fair housing choice and a summary of actions to remove any identified impediments.

Because minorities make up nearly 80 of low income households it is likely that minority households would experience higher rates of housing problems. However, even when the analysis is restricted to low income households, minority households have more housing problems than non-minority households.

Data provided by HUD from the 2000 Census (the "CHAS Data Set") shows that Hispanic and Asian households tend to have significantly higher rates of housing problems in every category of household types and incomes except elderly renters. Hispanics make up 47.3 percent of overcrowded households in the City and 63.3 percent of the severely overcrowded households, yet they make up less than 14 percent of the total households. Over a third of all the Hispanic households in the city live in overcrowded conditions as opposed to 10.3 percent of the population as a whole, 1.5% for Whites, 5.5 percent for Blacks and 19.8 percent for Asians. Asian renters have significantly higher rates of housing problems at very low, low and middle income. Even though a lower proportion of low income Blacks have housing problems than low income Whites, in absolute terms, there are more low income Blacks with housing problems than low income Whites.

B. Lead-based Paint Hazards

Lead poisoning is a serious issue in Alameda County with significant numbers of older homes occupied by low-income families with children. These older homes are most likely to contain lead hazards.

Lead-based hazards are defined as any condition that causes exposure to lead from lead-contaminated dust, soil, or paint that is deteriorated or present in accessible surfaces, frictional surfaces, or impact surfaces that would result in adverse human health effects. The U.S. Environmental Protection Agency has established lead hazard standards under 40 CFR Part 745. The most common sources of lead poisoning are lead-based paint hazards from dust, deteriorated paint, and soil.

Older housing is more likely to contain lead-based paint because lead paint was discontinued in 1978. According to 2000 Census data, the City of Oakland has 141,991 housing units that were

built prior to 1980 or 90% of the housing stock. In addition, older housing inhabited by low income households is often in poor physical condition, which increases the risk of exposure to lead hazards for children in those homes. An analysis of the City of Oakland housing stock and its occupancy by income group reveals that many low income households, particularly renter households, occupy the much older housing stock in the City, units which potentially contain lead-based paint.

The Alameda County Lead Poisoning Prevention Program (ACLPPP) is responsible for case management of lead-poisoned children in Alameda County. Lead-poisoning is a serious problem in Alameda County with 3,572 cases over the last ten years, of which 2,138 were in the City of Oakland. Housing-related hazards are considered a factor in the majority of these cases.

Table 1
Housing Needs by Income, Tenure and Household Type
(HUD Comprehensive Housing Affordability Strategy Data Table)

Household by Type, Income, & Housing Problem	Renter Households (HHs) by Type and Number of Persons					Owner Households (HHs) by Type and Number of Persons					Total HHs
	Elderly (1 & 2)	Small Related (2 to 4)	Large Related (5 or more)	All Other HHs	Total Renters	Elderly (1 & 2)	Small Related (2 to 4)	Large Related (5 or more)	All Other HHs	Total Owners	
1. Very Low Income(Household Income <=50% MFI)	8,671	15,293	6,433	13,000	43,397	5,332	3,211	1,648	1,802	11,993	55,390
2. Household Income <=30% MFI	6,842	9,014	3,853	7,830	27,539	3,076	1,490	586	1,082	6,234	33,773
3. % with any housing problems	65.8	85.6	94.3	77.7	79.7	71.4	80.7	92.2	71.8	75.7	78.9
4. % Cost Burden >50% with other housing problems	3.8	17.6	38.2	3.9	13.1	0.8	8.6	43	0.4	6.6	11.9
5. % Cost Burden >30% to <=50% with other housing problems	2.1	8.7	19.9	1.9	6.7	0.7	2	8.9	0	1.6	5.8
6. % Cost Burden <=30% with other housing problems	2.6	6.1	18.4	2	5.8	1.2	2.3	15	0	2.6	5.2
7. % Cost Burden >50% only	37.4	43.2	13	61.4	42.7	50.8	63.1	21.5	64.2	53.3	44.7
8. % Cost Burden >30% to <=50% only	19.9	10	4.8	8.6	11.3	18	4.7	3.8	7.2	11.6	11.4
9. Household Income >30% to <=50% MFI	1,829	6,279	2,580	5,170	15,858	2,256	1,721	1,062	720	5,759	21,617
10. % with any housing problems	62.8	76.6	93.5	78.2	78.3	43.7	73.2	92.1	76.8	65.6	74.9
11. % Cost Burden >50% with other housing problems	4.4	1.6	2.5	0.3	1.6	0.4	6.1	11.4	2.5	4.4	2.4
12. % Cost Burden >30% to <=50% with other housing problems	1.3	11.5	20.4	2.8	9	0.4	6.9	30.8	0	7.9	8.7
13. % Cost Burden <=30% with other housing problems	4.6	17.6	59.3	3.1	18.1	0	7.2	27.5	0	7.2	15.2
14. % Cost Burden >50% only	19.9	10.4	2.7	22.2	14.1	27.7	35.3	8.4	60.6	30.5	18.5
15. % Cost Burden >30% to <=50% only	32.6	35.5	8.6	49.7	35.4	15.2	17.7	14	13.8	15.6	30.1
16. Household Income >50 to <=80% MFI	1,213	5,170	2,008	6,187	14,578	2,141	2,521	1,492	1,345	7,499	22,077
17. % with any housing problems	47.1	45.1	88.7	34.2	46.6	30.5	64.6	87.6	65.9	59.7	51.1
18. % Cost Burden >50% with other housing problems	2.1	0.2	0	0	0.2	0	1.9	4.1	0.3	1.5	0.7
18. % Cost Burden >30% to <=50% with other housing problems	0	1.3	3	0.8	1.2	0	2.3	17	1.5	4.4	2.3
19. % Cost Burden <=30% with other housing problems	6.3	25	81.6	4.2	22.4	0.5	10	50.1	0.7	13.6	19.4
20. % Cost Burden >50% only	11.9	1.1	0.5	2.1	2.4	14.3	17.1	4.2	31.8	16.4	7.1
21. % Cost Burden >30% to <=50% only	26.9	17.6	3.6	27	20.4	15.7	33.3	12.2	31.6	23.8	21.6
22. Household Income >80% MFI	1,938	9,529	2,368	15,043	28,878	6,773	20,563	4,907	9,241	41,484	70,362
23. % with any housing problems	23.1	21	72.9	9.4	19.4	12.5	21.8	54.4	30	26	23.3
24. % Cost Burden >50% with other housing problems	2.3	0	0	0	0.2	0	0	0.4	0	0.1	0.1
25. % Cost Burden >30% to <=50% with other housing problems	1.2	0.2	0.2	0.2	0.2	0	0.5	2.2	0.1	0.5	0.4
26. % Cost Burden <=30% with other housing problems	2.7	17.3	72	4	13.9	5.4	7.8	22.2	13.8	5.2	2.6
27. % Cost Burden >50% only	4.7	0.3	0	0.4	0.6	3.3	3	1.9	4.2	3.2	2.1
28. % Cost Burden >30% to <=50% only	12.1	3.2	0.8	4.9	4.5	8.7	14	8.5	24.9	14.9	10.6
29. Total Households	11,822	29,992	10,809	34,230	86,853	14,246	26,295	8,047	12,388	60,976	147,829
30. % with any housing problems	56.4	56.2	88.4	39.9	53.8	32.9	32.6	68.3	40.3	38.9	47.7