

# Section Two:

## Needs Assessments Housing Needs Market Analysis

2011-2016 Consolidated Plan



## Housing Needs Assessment

This section provides data snapshots of the people who call Multnomah County home. Whenever possible, data is presented using the most recent 2010 U.S. Census data; however, other data, such as the Comprehensive Housing Affordability Strategy (CHAS) has not yet been updated. This section will be updated as new data becomes available.

### INCLUDED:

- Population Characteristics of the Region
- Racial and Ethnicity Composition of the Region
- Housing Problems and Affordability for Low- and Moderate-Income Households
- Need for Housing Assistance by Race and Income Level
- Housing Needs for Low-Income Renters
- Housing Needs for People in Poverty
- Persons with Special Needs
- Homeless and Housing Inventory:
  - Continuum of Care Housing Activity Chart

## Introduction

# Housing Needs Assessment

## Population Characteristics of the Region

### POPULATION CHARACTERISTICS OF THE REGION

#### Population Growth Over Time

A recently published report, Population Dynamics of the Portland-Vancouver MSA, uses 2009 American Community Survey data and population estimates to trace population dynamics in Portland and its surrounding counties. Since the 1930s, the Portland-Vancouver metropolitan area has grown at least as fast as the United States, sometimes growing at double the speed of the nation. Oregon has long been a destination for migrants seeking opportunities and lifestyle amenities. The Portland region's growth rate has tended to mirror the state of Oregon's growth rate, partly because the region is home to a large share of the state population.

#### Effects of Recession on Population Growth

Population levels are sensitive to fluctuations in the economy. When the economy falters in the Portland-Vancouver MSA, there is a decrease in in-migration.

In the 1980s, the economic downturn affected the Oregon's population, which grew at a slower pace over the decade (7.9%) than the population of the USA as a whole (10.4%). However, the Portland-Vancouver region's population still grew faster than the overall US population during the 1980s.

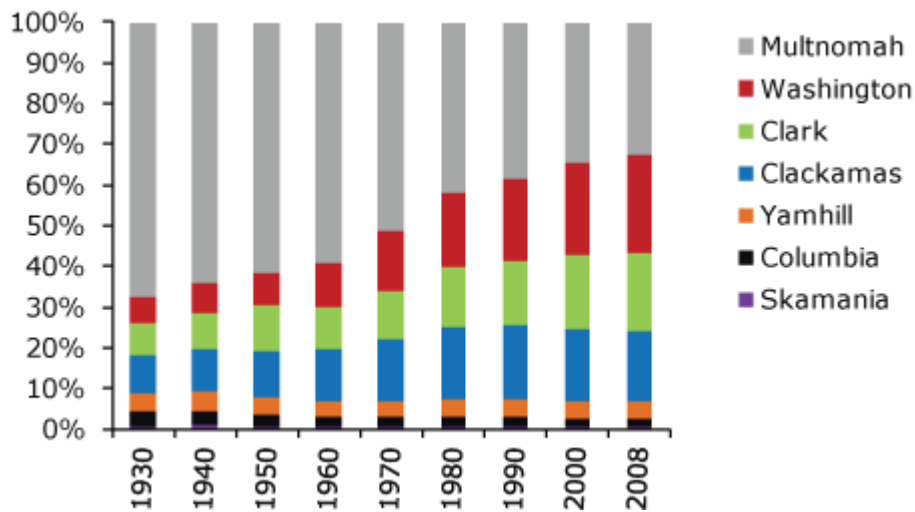
Between 1990 and 2000, Oregon's population grew by 20% and the Portland-Vancouver region's population grew by 27%, which greatly outpaced US population growth of 13% over the same decade. During the 1990s, Clark and Washington counties experienced the greatest population increase among the regional counties, at 45% and 43% respectively, outpacing the region dramatically.

Clark and Washington counties continued to outpace the rest of the Portland-Vancouver region from 2000 to 2010. Since 2000, population growth has slowed in all of metropolitan Portland-Vancouver to 1.6% per year from 2000 to 2010, in contrast to the annualized rate of 2.1% per year from 1990 to 2000. One of the most important drivers of migration for adults is job availability. Thus, given the current economic climate in Oregon, population growth is unlikely to increase in the next census in 2010. Population will likely continue to grow, but at a lower rate per year. Official State of Oregon population forecasts reflect the new assumptions about a decline in migration due to lower employment.

# Housing Needs Assessment

## Proportion of Population Growth by County

The share of population growth in the Portland-Vancouver MSA has shifted to different counties over the course of the region’s history. The population within the Portland-Vancouver MSA has spread from the urban core Chart 1 shows each county’s proportion of the total Portland-Vancouver regional population.



Source: Portland State Population Research Center, US Census Bureau, and Washington State Office of Financial Management in *Population Dynamics of the Portland-Vancouver MSA*.

A large percentage of the Portland-Vancouver MSA’s population has gradually shifted from Multnomah County to the outlying counties in the past 80 years. In 2008, only about 33% of the population lived in Multnomah County, down from 59% in 1960. Washington County has experienced dramatic growth over the past few decades, growing from 10% of the region’s population in 1960 to 24% of the population of the Portland-Vancouver MSA in 2008.

## International and Domestic Migration

Some Portland-Vancouver counties have large numbers of people moving to the county from within the United States (“domestic migration”), while some counties have large numbers of people settling in the county after relocating from outside the USA (“international migration”). Multnomah County has traditionally lost population due to domestic migration—people moving from Multnomah to other counties—while it has made up for the loss

# Housing Needs Assessment

## Racial and Ethnic Composition of the Region

by gaining international population. Washington County has large numbers of international migrants, while most of the people moving into Clackamas County were moving from somewhere in the USA.

### RACIAL AND ETHNIC COMPOSITION OF THE REGION

Oregon is one of only a dozen states where the majority of its residents aren't from there. Each year thousands of people move to Portland. The city's entire population is growing, but Portland is still about 80 percent white, making it one of the most homogeneous metropolitan cities in the country.

However, the minority population has increased in every county in the Portland-Vancouver MSA in the last 30 years. The overall minority population increased from 360,000 people in 2000 to 507,202 people in 2008, an increase of 40.7%. This figure includes Asian Americans, Hawaiians and Pacific Islanders, Hispanics, African Americans, American Indians, and persons reporting two or more races. During this period, minority populations grew more than seven times faster than the overall population of the Portland-Vancouver MSA, which grew by 5.4% during the same period.

**Table 1: Multnomah County and Jurisdictions: Population by Race and Ethnicity**

	White Non Hispanic	Hispanic	White	Black or African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Total Population
County	556,266	80,138	592,276	52,090	18,041	60,147	6,797	43,450	735,334
Fairview	6,392	1,463	6,899	544	233	618	145	954	8,920
Gresham	75,930	19,984	86,922	6,777	4,353	7,115	1,713	11,763	105,594
Maywood Park	651	30	671	37	11	58	6	7	752
Portland	442,951	54,840	468,194	45,545	14,271	51,854	5,238	28,996	583,776
Troutdale	13,010	1,692	13,926	497	340	947	140	811	15,952
Wood Village	2,196	1,433	2,566	123	138	170	17	1,038	3,878

Source: 2010 Decennial Census

# Housing Needs Assessment

**Table 2: Multnomah County Jurisdictions: Population Percentages by Race and Ethnicity**

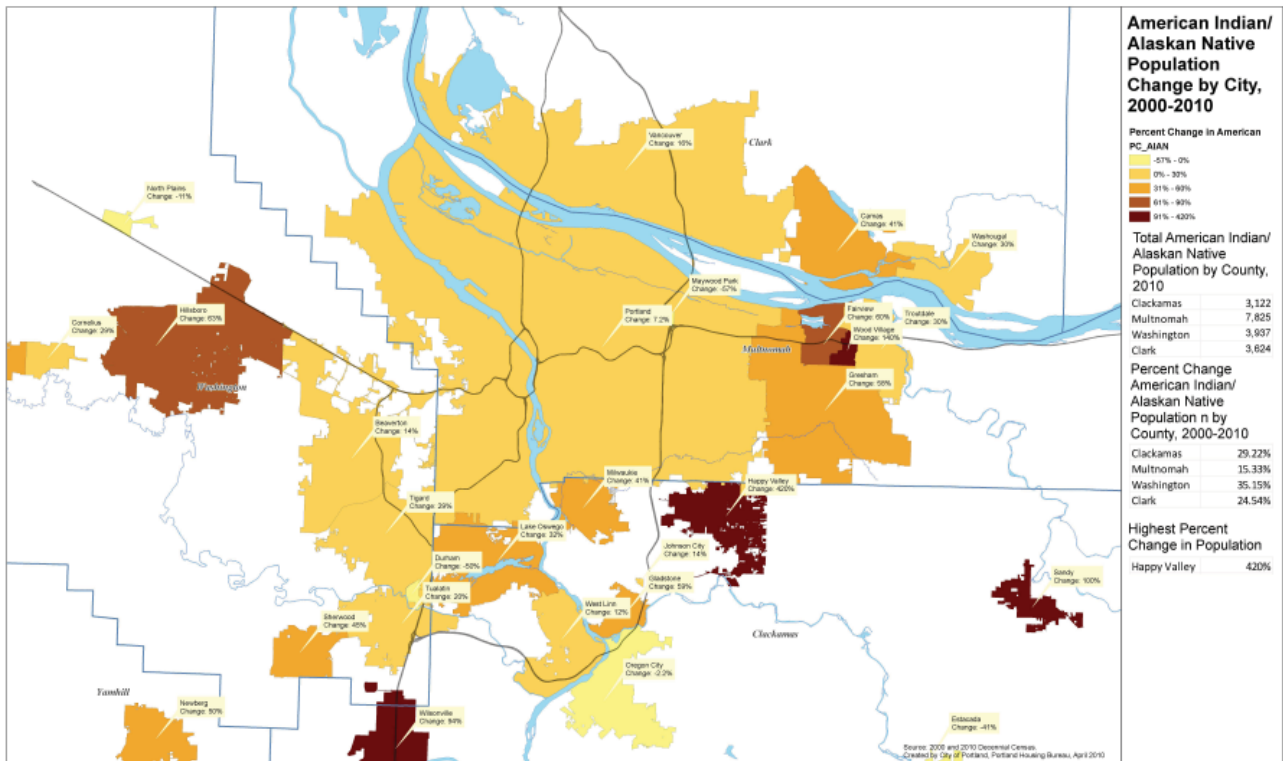
	White Non Hispanic	Hispanic	White	Black or African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Total Population
County	76%	11%	81%	7%	2%	8%	1%	6%	100%
Fairview	72%	16%	77%	6%	3%	7%	2%	11%	100%
Gresham	72%	19%	82%	6%	4%	7%	2%	11%	100%
Maywood Park	87%	4%	89%	5%	1%	8%	1%	1%	100%
Portland	76%	9%	80%	8%	2%	9%	1%	5%	100%
Troutdale	82%	11%	87%	3%	2%	6%	1%	5%	100%
Wood Village	57%	37%	66%	3%	4%	4%	0%	27%	100%

Source: 2010 Decennial Census

Latinos are the fastest growing minority population in the Portland metropolitan area. Asian Americans are the second-largest minority population in the metropolitan area. The region receives immigrants from Vietnam, Hong Kong, Taiwan, Korea, Philippines, and Japan as well as Asian Americans who move here from other states. American Indians have remained a small but important minority in the Portland-Vancouver region. African Americans are the third largest minority population in the metropolitan area.

# Housing Needs Assessment

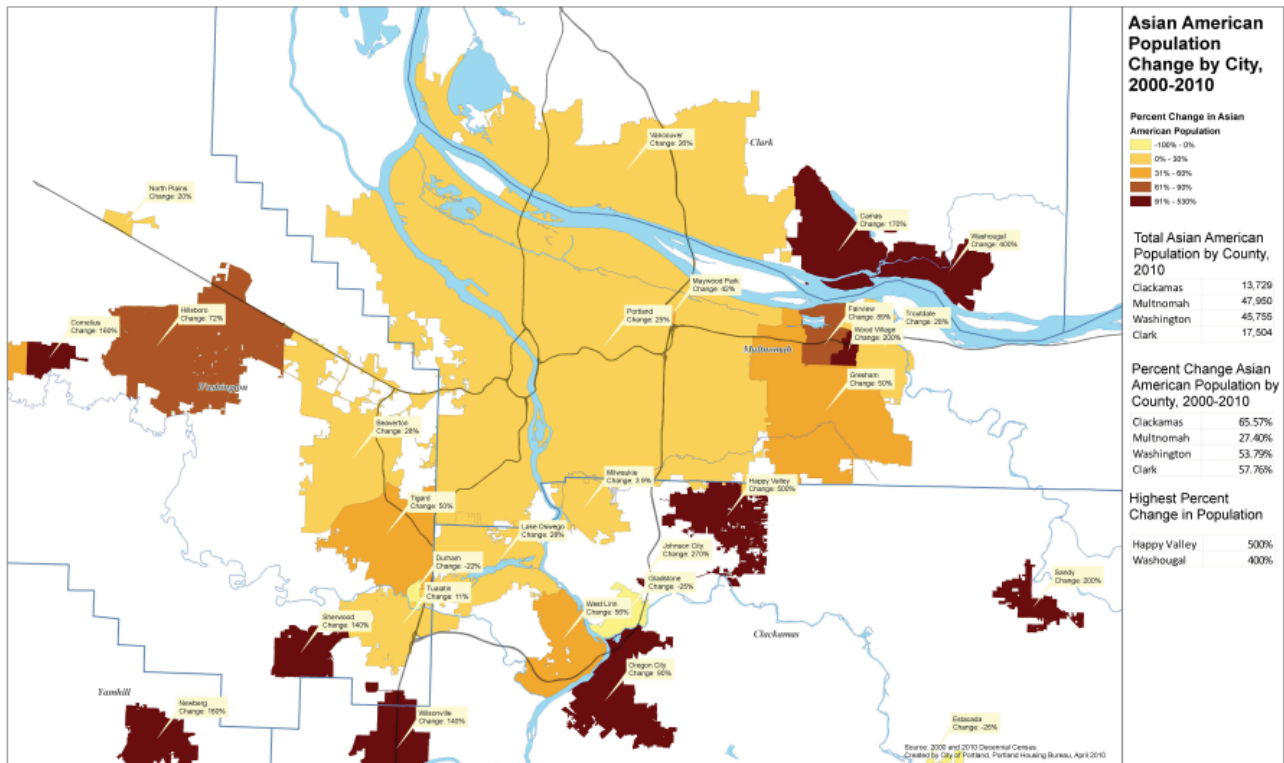
**Map 1: American Indian/Alaskan Native Population Change by City 2000 - 2010**





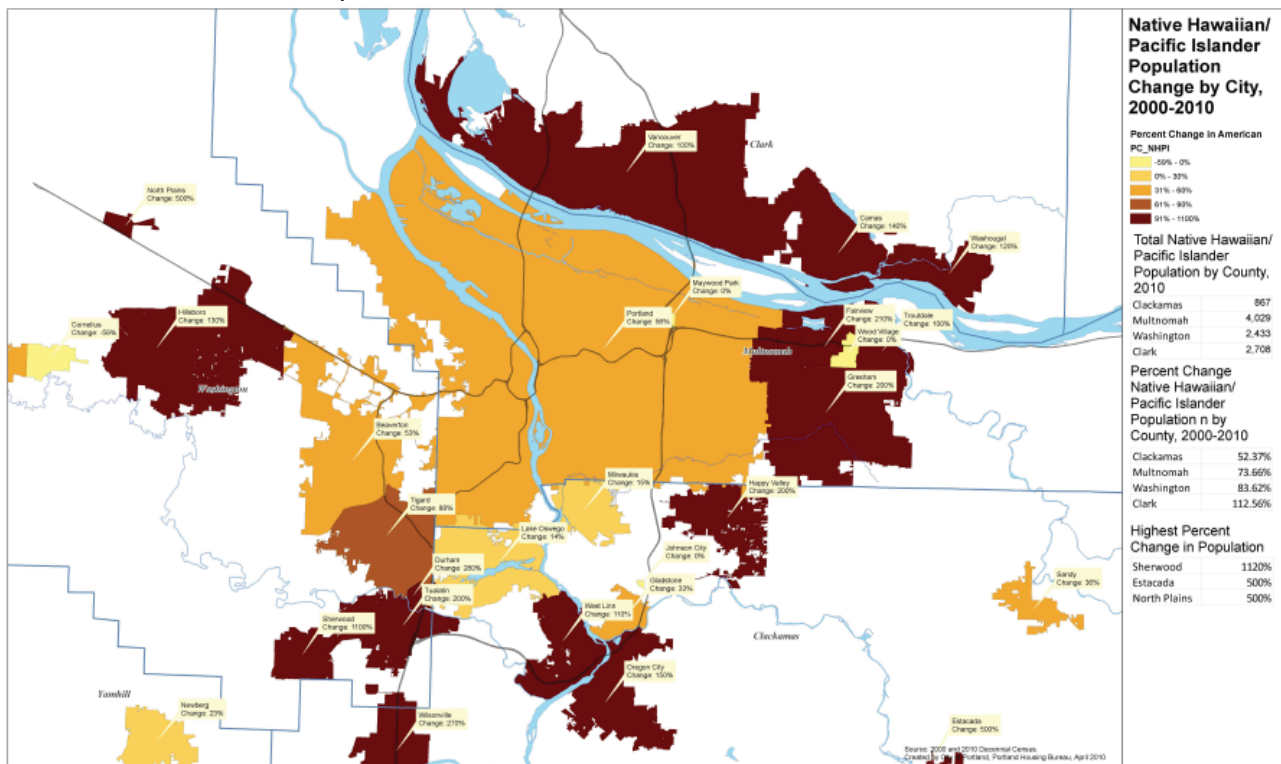
# Housing Needs Assessment

## Map 2: Asian Population Change by City 2000 - 2010



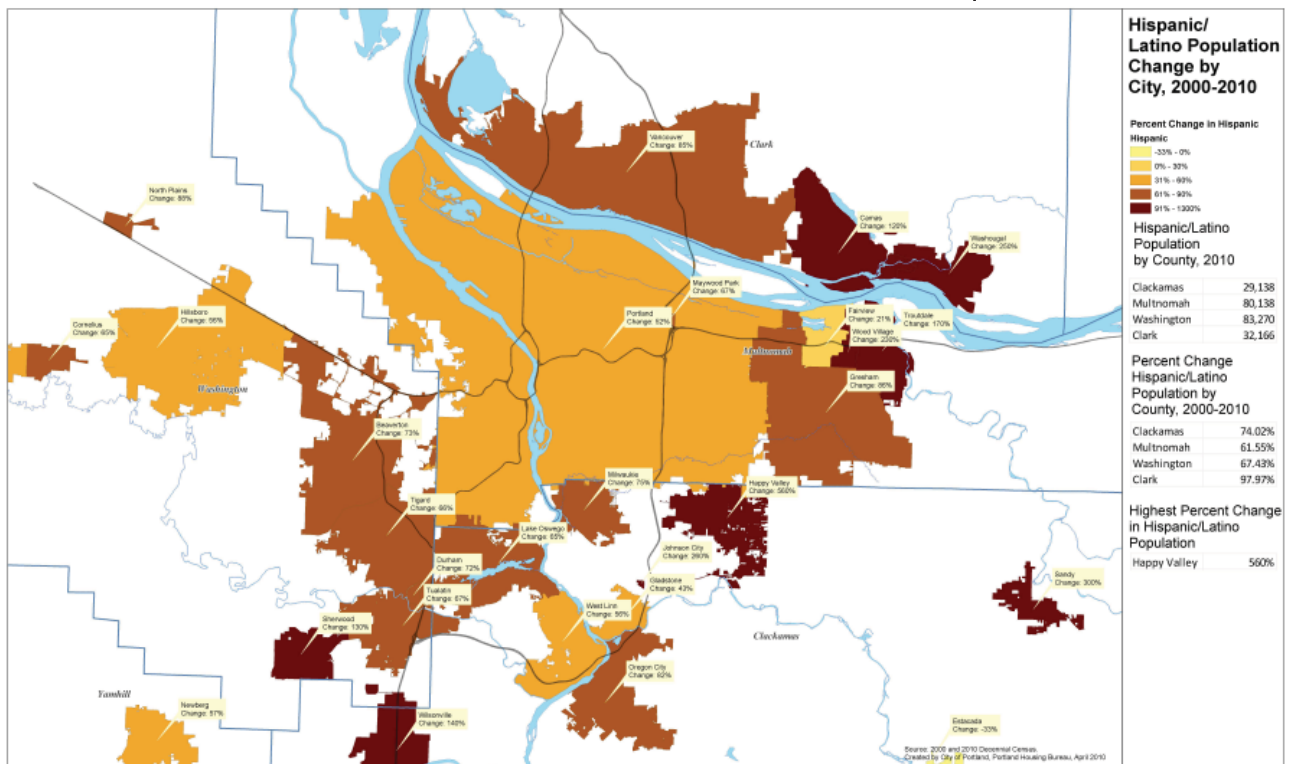
# Housing Needs Assessment

**Map 3: Native Hawaiian/Pacific Islander Population Change by City 2000 - 2010**



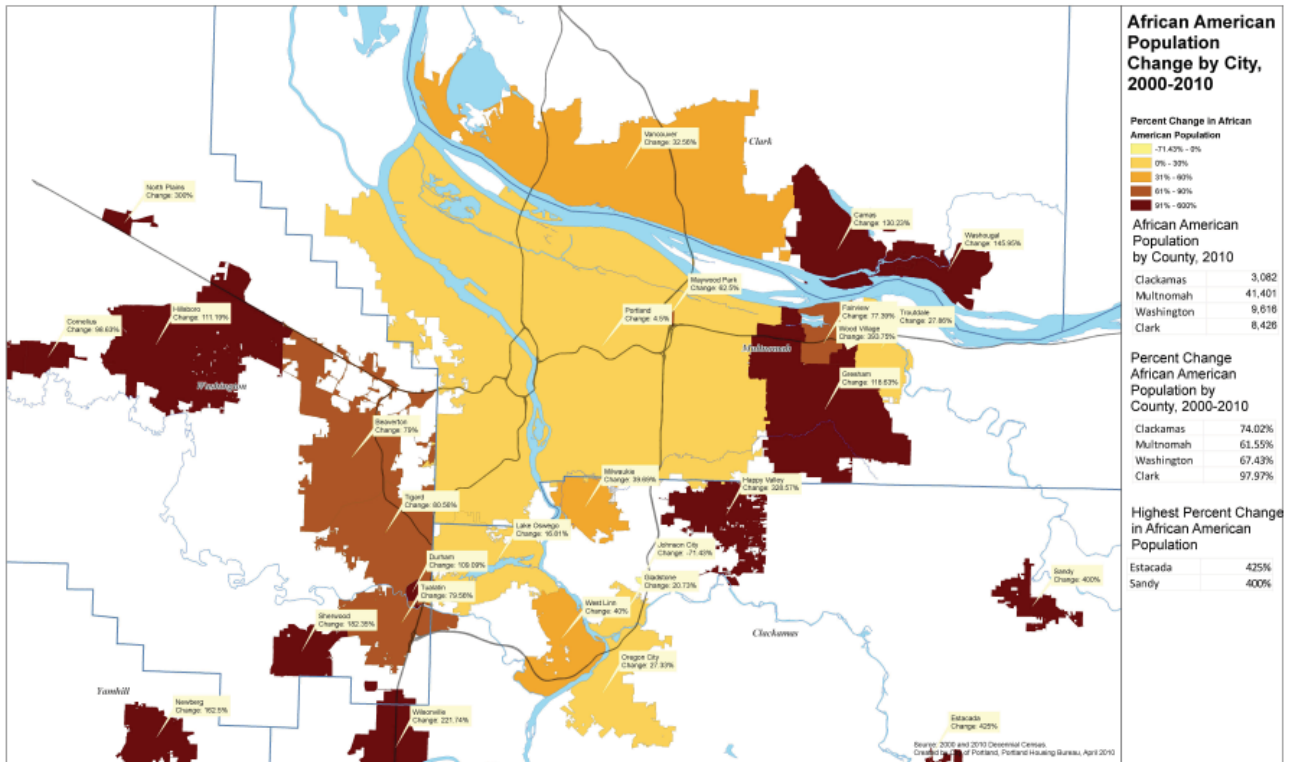
# Housing Needs Assessment

## Map 4: Hispanic Population Change by City 2000 - 2010



# Housing Needs Assessment

**Map 5: African American Population Change by City 2000 - 2010**

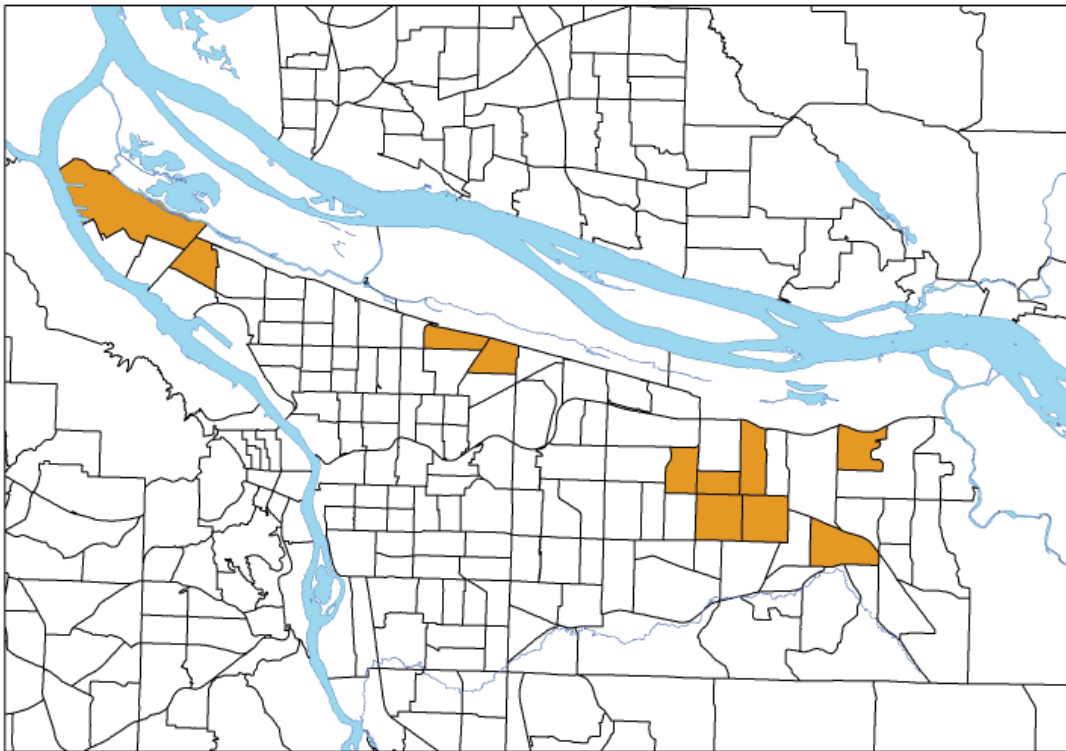


## Housing Needs Assessment

Concentrations of ethnic groups by census tracts have been depicted in the following maps 6 - 10. A concentration is defined as any tract having a greater ethnic population than twice the County average. There are fewer tracts with concentrations of African-Americans than in 2000, this could be attributed to the patterns of migration from Multnomah County to neighboring counties discussed earlier.

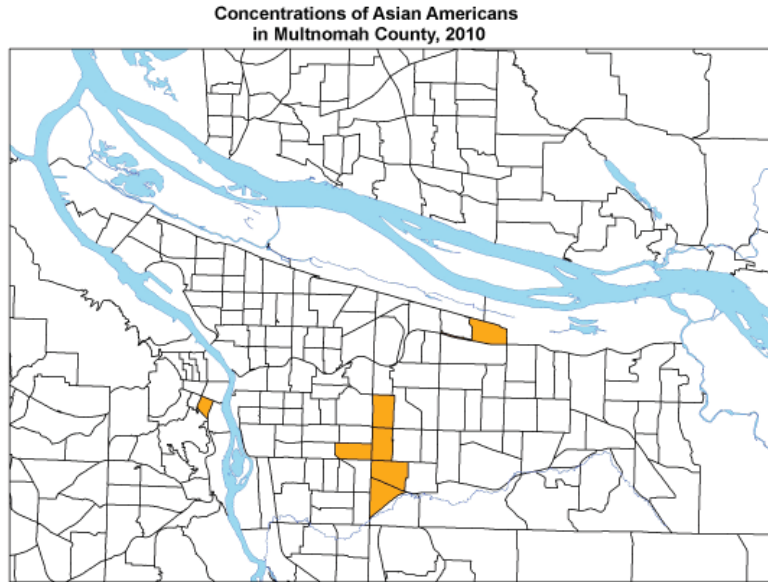
### Map 6 : Concentrations of Hispanic Americans in Multnomah County, 2010

Concentrations of Hispanic Americans  
in Multnomah County, 2010

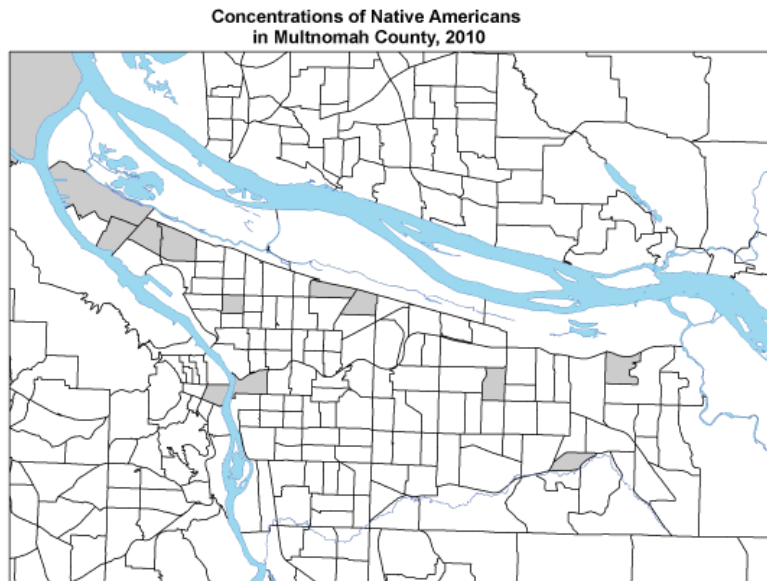


# Housing Needs Assessment

**Map 7 : Concentrations of Asian Americans in Multnomah County, 2010**



**Map 8 : Concentrations of Native Americans in Multnomah County, 2010**



# Housing Needs Assessment

**Map 9: Concentrations of African Americans in Multnomah County, 2010**



## **HOUSING PROBLEMS FOR LOW- AND MODERATE-INCOME HOUSEHOLDS**

The U.S. Department of Housing and Urban Development (HUD) periodically receives “custom tabulations” of Census data from the U.S. Census Bureau that are largely not available through standard Census products. These data, known as the “CHAS” data (Comprehensive Housing Affordability Strategy), demonstrate the extent of housing problems and housing needs, particularly for low income households. Table three breaks down the number and race of all households in Multnomah County within each income level, as well as the percentage of those with “housing problems” and excessive housing cost burden. One of the key factors behind homelessness is housing cost burden or “rent burden.”

## **Housing Needs for Low- and Moderate- Income Households**

# Housing Needs Assessment

**Table 3: Housing Needs in Multnomah County Based on 2009 CHAS DATA**

	Renters							Total Renters
	White	Black	Asian	American Indian	Pacific Islander	Hispanic	Other	
Below 50% MFI	39060	6445	2190	640	275	6230	2095	56935
Below 30% MFI	23790	4500	1390	440	135	3005	1260	34515
% with housing problems	81.42%	83.11%	70.50%	75.00%	92.59%	89.68%	86.51%	82.08%
% with cost burden over 30%	N/A*							79.65%
% with cost burden over 50%	N/A*							67.90%
30 to 50% MFI	15270	1945	800	200	140	3225	835	22420
% with housing problems	83.10%	89.46%	76.25%	75.00%	89.29%	86.82%	81.44%	83.83%
% with cost burden over 30%	N/A*							79.50%
% with cost burden over 50%	N/A*							24.64%
50 to 80% MFI	21620	2065	710	85	220	3195	455	28355
% with housing problems	42.32%	44.79%	28.17%	11.76%	79.55%	46.48%	32.97%	42.66%
% with cost burden over 30%	N/A*							38.35%
% with cost burden over 50%	N/A*							6.51%
Above 80% MFI	27725	1575	1685	260	195	2300	820	34555
% with housing problems	10.23%	3.17%	15.43%	5.77%	48.72%	18.91%	10.37%	10.92%
% with cost burden over 30%	N/A*							7.84%
% with cost burden over 50%	N/A*							0.67%
Total Households	88405	10085	4585	985	690	11725	3370	119845
% with housing problems	49.82%	64.01%	44.71%	51.27%	75.36%	63.24%	59.50%	52.56%
% with cost burden over 30%	47.61%	61.08%	39.59%	47.72%	44.20%	52.28%	57.12%	49.15%
% with cost burden over 50%	24.28%	40.60%	25.30%	28.43%	23.19%	23.84%	31.90%	25.90%

\*Data not available in 2009 CHAS update



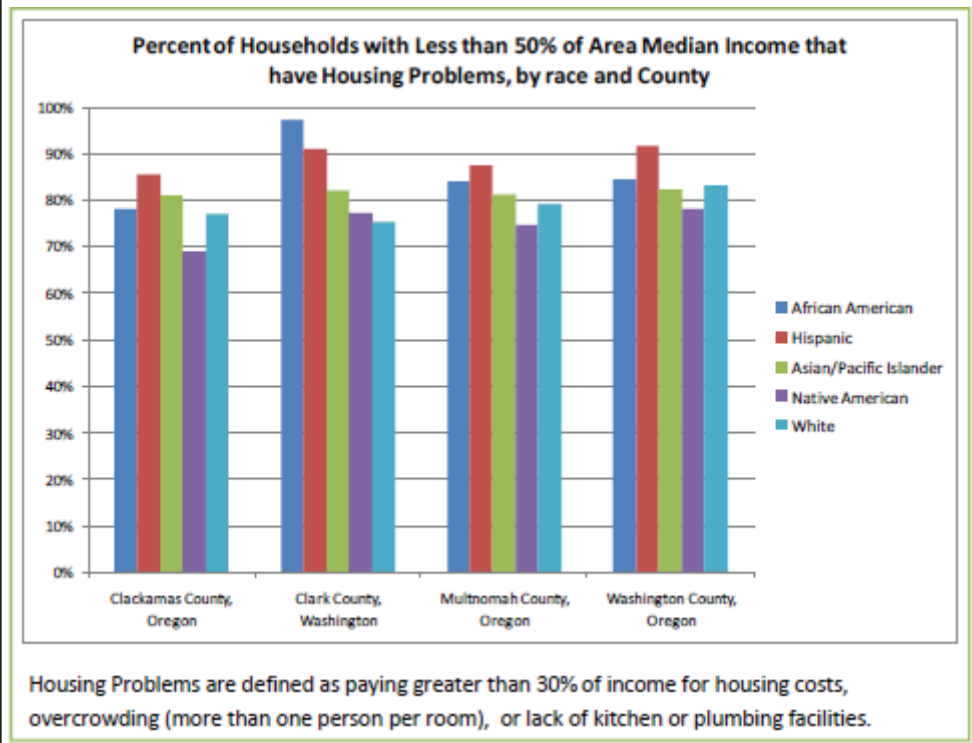
# Housing Needs Assessment

Table 3 (Continued): Housing Needs in Multnomah County Based on 2009 CHAS DATA								
Owners								
White	Black	Asian	American Indian	Pacific Islander	Hispanic	Other	Total Owners	Total Households
18290	1135	2060	55	20	1220	430	23225	80160
8115	740	950	25	0	600	165	10600	45115
79.11%	91.89%	94.74%	100.00%	0.00%	83.33%	75.76%	81.65%	81.98%
N/A*							81.46%	80.07%
N/A*							66.18%	67.49%
10175	395	1110	30	20	620	265	12625	35045
69.29%	54.43%	84.23%	50.00%	100.00%	86.29%	83.02%	71.21%	79.28%
N/A*							70.61%	76.30%
N/A*							44.36%	31.74%
19875	1270	1385	125	25	1540	545	24760	53115
56.68%	59.84%	72.92%	60.00%	100.00%	74.03%	81.65%	59.45%	50.48%
N/A*							57.79%	47.42%
N/A*							24.72%	15.00%
105245	2490	5605	585	115	3620	1465	119130	153685
21.16%	34.74%	25.96%	34.19%	39.13%	38.54%	29.69%	22.38%	19.81%
N/A*							18.75%	18.35%
N/A*							2.65%	2.21%
143410	4895	9050	765	160	6380	2440	167115	286960
32.77%	51.48%	47.51%	41.18%	56.25%	55.96%	50.20%	35.32%	42.52%
32.11%	51.48%	44.70%	41.83%	40.63%	49.92%	47.75%	34.32%	40.51%
11.61%	28.19%	21.33%	7.84%	0.00%	22.02%	19.47%	13.10%	18.45%

# Housing Needs Assessment

Forty-nine percent (49%) of Multnomah County renter households and 35% owner households are considered cost burdened, meaning they pay more than 30 % of their gross income for rent/mortgage and utilities. Furthermore, 18% of Multnomah County households pay more than 50% of their gross income for rent/mortgage and utilities. Federal policy is that a household should not pay more than 30 % of its gross income on housing costs. Households with housing costs that exceed this affordability standard frequently have to choose between paying rent/mortgage and purchasing other necessities like food and health care. Any crisis, from a medical emergency to job loss, can put a household with an extreme rent burden at risk of homelessness. As is evident in Table 3, households of color are disproportionately affected by cost burden, having a higher percentage of “housing problems” across racial and ethnic groups (chart 2).

**Chart 2: Housing Problems by Race and County**

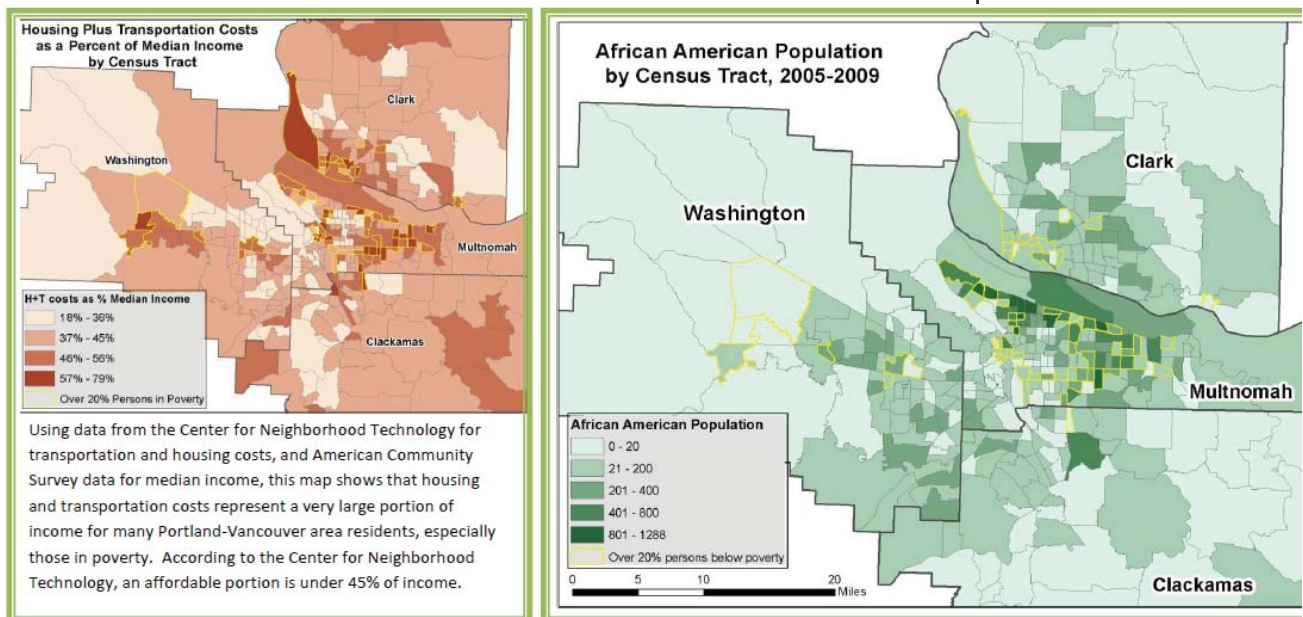


# Housing Needs Assessment

As discussed, housing costs factored as a percent of income has widely been utilized as a measure of affordability. Traditionally, a home is considered affordable when the costs consume no more than 30% of household income. The measure of Housing + Transportation costs has been developed as a more complete measure of affordability beyond the standard method of assessing only housing costs. By taking into account both the cost of housing as well as the cost of transportation associated with the location of the home, Housing + Transportation provides a more complete understanding of affordability. Dividing these costs by representative regional incomes illustrates the cost burden place on a typical household by Housing + Transportation expenses. While housing alone is traditionally deemed affordable when consuming no more than 30% of income, an affordable range for Housing + Transportation as the combined costs consuming no more than 45% of income. As was demonstrated with the cost burden data in chart two, households of color are disproportionately affected by Housing + Transportation costs in the Portland metropolitan region.

Current patterns of housing development create real and consequential inequities along lines of race/ethnicity, income, tenure, and disability. The availability of affordable housing determines how you can get around, whether you live near work, who is in your neighborhood, and what opportunities you can access.

### Map 6: Housing Plus Transportation Costs



## Housing Needs Assessment

### Need for Housing Assistance by Race and Income Level

#### **NEED FOR HOUSING ASSISTANCE BY RACE AND INCOME LEVEL**

Federal regulations require an analysis to determine if any racial or ethnic group has disproportionately greater need, in comparison to the need of the population as a whole. See 24 CFR Section 91.205(b) (2). A “disproportionately greater need” exists when the percentage of people in an income category who are members of a particular racial or ethnic group is at least 10 percentage points higher than the percentage of people in the category as a whole.

HUD provides a special tabulation of 2009 American Community Survey data that includes cross tabulations by Housing Type, Income and Housing Problem. Race and ethnicity information was provided for African American, Asian American, Pacific Islander, Native American, and Hispanic households. All information is provided at the household level. The 2009 American Community Survey information available for Native American, Asian American, and Pacific Islander households is very limited, even though Multnomah County has significant Native American, Pacific Islander, and Asian American populations. Supplemental data on Native American households is described below. No comparable information is available for Pacific Islander and Asian American households.

An analysis of the HUD data shows that African Americans are disproportionately represented among households with incomes between 0-30% MFI. There were 18% more African American households in this category than there were households in this category as a whole. African American households did not show “disproportionately greater need” in any other income category. Asian American, Pacific Islander, Native American and Hispanic households did not show “disproportionately greater need” in any income category.

The HUD data indicates that 74% of Portland’s low-income households are white. Eight percent (8%) of Portland’s low-income households are African American.

Seventy-eight percent (78%) of Portland’s low-income African American population rents housing. Seventy-seven percent (77%) of Portland’s low-income Hispanic population rents housing. Sixty-one percent (61%) of Portland’s low-income white population rent housing.

#### **HOUSING NEEDS FOR LOW-INCOME RENTERS**

### Housing Needs for Low-Income Renters

## Housing Needs Assessment

Since 1998, the National Low Income Housing Coalition (NLIHC) has been issuing an annual report comparing wages in comparison to rents. This analysis uses the NLIHC methodology to gauge the ability of low-income households to rent at prevailing fair market rents (FMR) established by HUD, in the Portland-Vancouver metropolitan area:

- In the Portland-Vancouver Metropolitan Statistical Area (MSA) in 2010, the FMR for a two-bedroom unit was \$839.
- The generally accepted standard of affordability endorsed by HUD is that a unit is considered affordable if the cost of rent and utilities totals no more than 30 percent of the renter's income.
- The estimated renter household income is lower than the area median family income. In 2009, the estimated renter household income for the Portland-Vancouver MS was \$38,945 annually, compared with a median income for a family of four of \$71,200.
- Using the estimated renter household median income, the monthly wage for a renter household was \$3,245. An affordable unit should cost no more than 30 percent of that (\$974). Of all the low-income renter households in the Portland-Vancouver metropolitan area, 43% cannot afford the two-bedroom FMR.
- A worker earning the Oregon minimum wage (\$8.40 per hour) would have to work 77 hours per week in order to afford a two-bedroom unit at the area's FMR.
- The Housing Wage in the Portland-Vancouver MSA is \$16.13. This is the amount a full time (40 hours per week) worker must earn per hour in order to afford a two-bedroom unit at the area's FMR. This is 192% of the minimum wage (\$8.40 per hour).

In short, using the NLIHC analysis, we find an affordability gap for renters whose income is roughly 86% or less of the 2010 estimated renter median family income. These renters are unable to afford a two-bedroom apartment at the prevailing FMR of \$839.

Tables 4 and 5 below are presented in the form used in the NLIHC

# Housing Needs Assessment

**Table 4: Income Needed to Afford Fair Market Rent (FMR) in Portland-Vancouver MSA, 2010**

Amount			Percent of 2010 MFI for a household of Four		
Zero Bedroom	One Bedroom	Two Bedroom	Zero Bedrooms	One Bedroom	Two Bedroom
\$25,040	\$29,040	\$33,560	35%	41%	47%

**Table 5: Estimated Housing Wage Needed to Afford FMR's In the Portland-Vancouver MSA, 2010**

Housing Wage						Work Hours per Week to Afford a Unit If Person Earns Oregon Minimum Wage	
Hourly Wage Needed (40 hrs/wk)			As Percentage of Minimum Wage (OR= \$8.40)				
Zero Bedroom	One Bedroom	Two Bedroom	Zero Bedrooms	One Bedroom	Two Bedroom	One Bedroom FMR	Two Bedroom FMR
\$12.04	\$13.96	\$16.13	143%	166%	192%	66	77

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## Housing Needs for People in Poverty

### HOUSING NEEDS FOR PEOPLE IN POVERTY: HIGH POVERTY POCKETS

An estimated 30 percent or more of the population lives at or below the federal poverty level in 20 metropolitan Portland census tracts, including some amid outlying suburbs, according to recently published U.S. Census Bureau data. The federal poverty level for a family of four is income of \$22,050 annually for all states, except Alaska and Hawaii, according to U.S. Department of Health and Human Services guidelines. The federal poverty rate for an individual is \$10,830 annually. The American Community Survey (ACS) population and housing data were collected by the U.S. Census Bureau between Jan. 1, 2005, and Dec. 31, 2009. The estimated poverty rate for the

## Housing Needs Assessment

Portland metro area — which includes Washington, Multnomah, Yamhill, Clackamas and Columbia counties in Oregon and Clark and Skamania counties in Washington — was 11.7 percent, with a margin of error of plus or minus 0.3 percent. For these 20 high-poverty tracts, the margins of error ranged from 5 to 15 percentage points.

As discussed in the recent article “New Census Data Show Portland’s High-poverty Pockets” concentrations of poverty continue to be an issue in Portland and perhaps surprisingly, some of its surrounding cities. The data reveals high poverty tracts are clustered in downtown Portland, as well as North and Northeast Portland neighborhoods with comparatively high minority populations. Surprisingly, the cities of Forest Grove and McMinnville, as well as North Portland’s University Park neighborhood, include tracts with similarly high poverty rates. These tracts include concentrations of college students, who typically have low incomes.

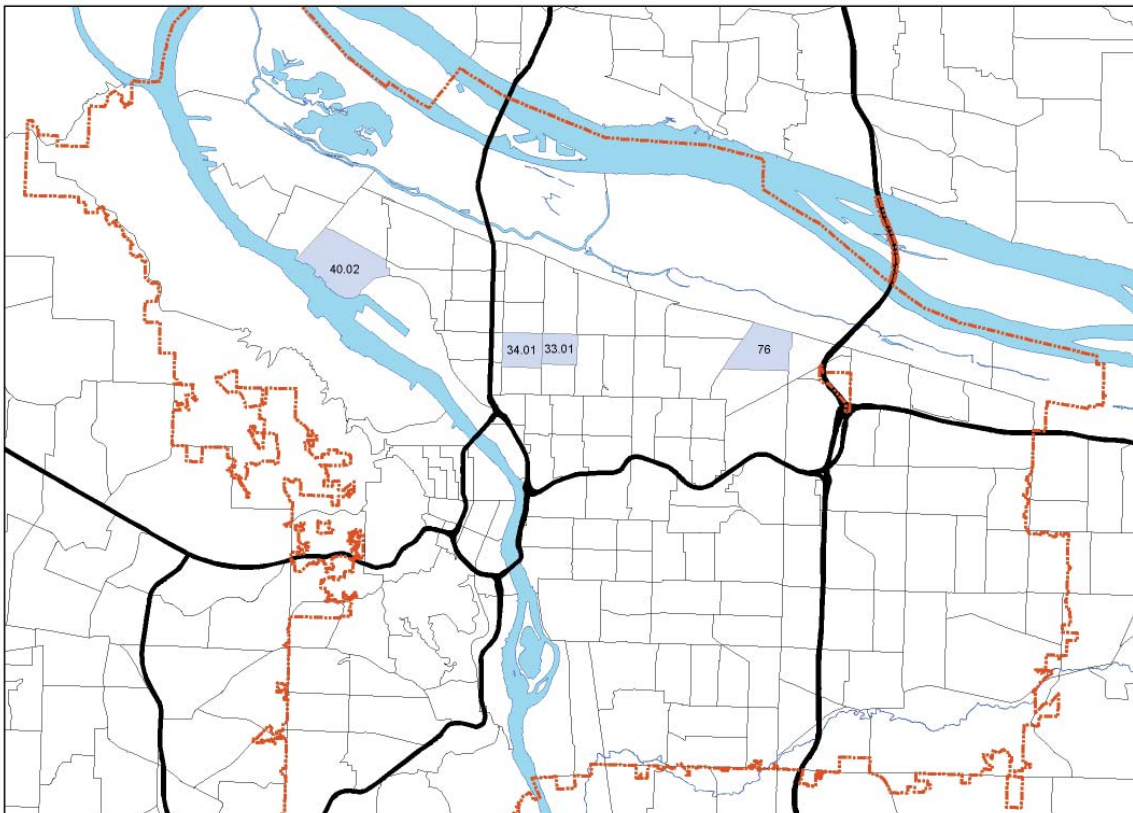
Tracts 33.01 and 34.01, which overlay parts of Portland’s Humboldt and King neighborhoods, marked a notable concentration of poverty. More than a third of individuals within these tracts lived at or below the poverty line. Non-whites constituted about half of the population, including persons identifying as African-American, who represented about one third of the population of each tract; roughly half of the households in each tract were renters.

Tract 76, which is part of Northeast Portland’s Cully neighborhood, was another notable poverty pocket. More than 38 percent of individuals here lived at or below the federal poverty level. Nearly half of the tract’s residents were non-white; about 40 percent of the tract’s residents were renters. The data underscore that poverty is not just an urban problem. Indeed, more than a third of individuals lived at or below the poverty line in four census tracts clustered around Portland’s eastern border with Gresham. These tracts also had a comparatively high percentage of renters.

Census tract 40.02 in North Portland’s University Park neighborhood, which includes the University of Portland, also had a high poverty rate compared to other parts of the metropolitan area. Nearly 34 percent of individuals lived at or below the federal poverty level. The tract had slightly higher shares of white residents and homeowners than the metro area overall, but about 41 percent of its residents were college students.

# Housing Needs Assessment

## High Poverty Census Tracts



**Map 7: Portland High Poverty Tracts**

## Persons with Special Needs

### PERSONS WITH SPECIAL NEEDS

Many persons in each of the special needs categories, regardless of their specific disability, share certain characteristics. Many have permanent conditions that affect their self-care capacity and may limit their mobility. Large numbers are extremely low-income individuals. Due to poverty and disability, individuals without a strong support system and subsidized housing are extremely vulnerable to homelessness, and some are at risk of institutionalization. Many with special needs require support services to both access and maintain



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## Number Of Persons With Disabilities

According to the 2005-2007 3-year American Community Survey, 14.3% (90,958) of the total population of Multnomah County are people who have a significant physical or mental disability. There are 39,935 people with only one disability and 50,711 people who have 2 or more disabilities. These disabilities fall in six categories:

- Sensory disability 22,113
- Physical disability 54,209
- Mental disability 39,485
- Disability makes it difficult to care for self 18,045
- Disability makes it difficult to go out alone 27,442
- Disability prevents person from working 33,432

(These amounts of people include those people with one and multiple disabilities.)

## Poverty: Income And Housing Costs

Unless they have another source of income, most individuals with a disability rely on support from programs administered by the Social Security Administration, such as Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI). According to the Social Security demographic information, there are approximately 16,499 recipients in Multnomah County as of December 2008, an increase of 7.4% over 2005.

In 2009, the SSI benefit for a household of one is \$674 monthly (\$8,088 annually) or just over 17% MFI. The average SSDI benefit, based on previous earnings, is higher (\$10,944), but is still under 30% MFI for a household of one.

Under the HUD standard of affordability, housing and utilities together should cost no more than 30% of a household's income. Affordable rent for a person receiving SSI is approximately \$202 per month. Given that the 2009 fair market rent for a studio unit in the Portland-Vancouver Metropolitan Statistical Area (MSA) is \$626, a renter with a disability who is unable to secure a Section 8 voucher or other

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subsidized housing can expect to have to pay to over 90% of his or her income on housing.

### Housing Challenges for Seniors in Multnomah County

Persons in Multnomah County living on Supplemental Security Income (SSI) live on a low fixed income. Data shows that the average monthly SSI benefit is far below the Fair Market Rent for a one-bedroom apartment in Multnomah County. Table 57 shows the difference in dollars between the benefit received and the market rent. This does not take into account additional costs such as utilities, transportation, food, and other necessities. This population is particularly vulnerable as the SSI program is designed to help the elderly, blind, and disabled.

<b>Table 6: SSI Monthly Benefit Compared to One-Bedroom Fair Market Rent Cost, Multnomah County</b>				
	<b>December 2007</b>	<b>December 2008</b>	<b>December 2009</b>	<b>December 2010</b>
<b>Average Annual Benefit<sup>1</sup></b>	\$5,864	\$5,984	\$6,484	\$8,088
<b>Average Monthly Benefit</b>	\$489	\$498	\$540	\$674
<b>Market Rate Rent – One Bedroom<sup>2</sup></b>	\$638	\$655	\$700	\$726
<b>Difference</b>	(\$149)	(\$157)	(\$160)	(\$52)
<sup>1</sup> Social Security Administration, SSI Recipients by State and County (Annual Reports).				
<sup>2</sup> U.S. Department of Housing & Urban Development Fair Market Rents (Annual Reports).				

# Housing Needs Assessment

## Data Sources:

- National Low-Income Housing Coalition, Out of Reach, 2010.
- Michael Burnham, Institute of Metropolitan Studies, Portland State University, New Census Data Show Portland's High-poverty Pockets, December 2010.
- Webb Sprague, Emily Picha, Institute of Metropolitan Studies, Portland State University, Population Dynamics of the Portland-Vancouver MSA , May 2010.
- U.S. Census Bureau, American Community Survey Data, 2005-2009.
- U.S. Census Bureau, 2010 Decennial Census
- U.S. Department of Housing and Urban Development's Comprehensive Housing Affordability Strategy (CHAS) data.
- U.S. Department of Housing and Urban Development, Office of Policy

# Homeless and Housing Inventory

## Homeless and Housing Inventory: Continuum of Care Activity Chart

**Applicant:** Portland/Gresham/Multnomah County CoC  
**Project:** OR-501 CoC Registration 2010

OR-501  
COC\_REG\_2010\_019717

### 3A. Continuum of Care (CoC) Strategic Planning Objectives

#### **Objective 1: Create new permanent housing beds for chronically homeless persons.**

##### **Instructions:**

Ending chronic homelessness continues to be a HUD priority. CoCs can do this by creating new permanent housing beds that are specifically designated for this population. In the 2010 NOFA, a chronically homeless person is defined as an unaccompanied homeless individual with a disabling condition or a family with at least one adult member who has a disabling condition who has either been continuously homeless for at least a year OR has had at least four episodes of homelessness in the past three (3) years.

On this section, CoCs are to describe their short-term and long-term plans for creating new permanent housing beds for chronically homeless persons that meet the definition in the 2010 CoC NOFA. In addition, CoCs will indicate the current number of permanent housing beds designated for chronically homeless persons. This number should match the number of beds reported in the 2010 Housing Inventory Count (HIC) and entered onto the Homeless Data Exchange (HDX). CoCs will then enter number of permanent housing beds they expect to have in place in 12-months, 5-years, and 10-years. These future estimates should be based on the definition of chronically homeless in the 2010 CoC NOFA.

For additional instructions, refer to the 'Exhibit 1 Detailed Instructions' which can be accessed on the left-hand menu bar.

#### **Describe the CoCs short-term (12-month) plan to create new permanent housing beds for persons that meet HUD's definition of chronically homeless (limit 1000 characters).**

The City, County, and the Housing Authority collaborate extensively with community stakeholders on an ambitious affordable housing agenda, including units set aside for chronically homeless persons. The 10-Year Plan goal to create 1,600 new permanent supportive housing units for chronically homeless individuals is also included in the community's Consolidated Plan. The City Council and County Commission endorsed this goal and committed staff resources to achieve it. Hundreds of units (40% of goal) have opened or are in the multi-year development process. Within the next twelve months, at least two new projects will come online, adding approximately 150 new units of PSH for chronically homeless individuals.

#### **Describe the CoCs long-term (10-year) plan to create new permanent housing beds for persons that meet HUD's definition of chronically homeless (limit 1000 characters).**

# Homeless and Housing Inventory

**Applicant:** Portland/Gresham/Multnomah County CoC  
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The City, County, and Housing Authority of Portland will continue to collaborate extensively with community stakeholders on the affordable housing agenda, including units specifically set aside for chronically homeless persons. The City will continue to staff the work of the CoC planning group, including convening stakeholders when permanent supportive housing (PSH) funding opportunities are announced.

Hundreds of PSH units for chronically homeless persons have already opened or are in the multi-year development process. A signature project, the City's Resource Access Center, opens in 7 months and will include 130 PSH units devoted 100% for chronically homeless. If chronic homelessness is not ended by 2015, the City, County and Housing Authority will work to increase the supply of permanent supportive housing through partnerships with the Veterans Administration, County Health Department, State Offices of Housing & Human Services and other public and private entities.

<b>How many permanent housing beds do you currently have in place for chronically homeless persons?</b>	563
<b>In 12-months, how many permanent housing beds designated for the chronically homeless do you plan to have in place and available for occupancy?</b>	639
<b>In 5-years, how many permanent housing beds designated for the chronically homeless do you plan to have in place and available for occupancy?</b>	1,600
<b>In 10-years, how many permanent housing beds designated for the chronically homeless do you plan to have in place and available for occupancy?</b>	2,000

# Homeless and Housing Inventory

Applicant: Portland/Gresham/Multnomah County CoC  
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## 3A. Continuum of Care (CoC) Strategic Planning Objectives

**Objective 2: Increase the percentage of participants remaining in CoC funded permanent housing projects for at least six months to 77 percent or more.**

### Instructions:

Increasing the self-sufficiency and stability of permanent housing program participants is an important outcome measurement of HUD's homeless assistance programs. Each SHP-PH and S+C project is expected to report the percentage of participants remaining in permanent housing for more than six months on its Annual Progress Report (APR). CoCs then use this data from all of its permanent housing projects to report on the overall CoC performance on form 4C. Continuum of Care (CoC) Housing Performance.

On this section, CoCs are to describe short-term and long-term plans for increasing the percentage of participants remaining in all of its CoC funded permanent housing projects (SHP-PH or S+C) to at least 77 percent. In addition, CoCs will indicate the current percentage of participants remaining in these projects, as indicated on form 4C, as well as the expected percentage in 12-months, 5-years, and 10-years. CoCs that do not have any CoC funded permanent housing projects (SHP-PH or S+C) for which an APR was required, should indicate this in both of the narratives below and enter 0 in the first numeric field below.

For additional instructions, refer to the [Exhibit 1 Detailed Instructions](#) which can be accessed on the left-hand menu bar.

**Describe the CoCs short-term (12-month) plan to increase the percentage of participants remaining in CoC funded permanent housing projects for at least six months to 77 percent or higher (limit 1000 characters).**

The CoC emphasizes housing retention in the 10-Year Plan, including the use of shared retention outcomes across programs. Targeted investment of flexible local and federal short-term rent assistance funds will continue to improve CoC-wide outcomes. For example, the local Short-Term Rent Assistance program has an ambitious goal of 80% retention at 6 months after the end of rent assistance. Community nonprofits commonly leverage other private and public resources to provide supportive services to ensure that this occurs. With HUD SHP-funded programs, providers generally offer case management, resident services, and direct client assistance funds. Homeless youth providers continue to leverage a recently-awarded SAMHSA grant to provide supportive services for homeless youth placed in permanent housing. The Evaluation Committee will continue to evaluate obstacles to achieving retention goals and take active steps with poorly performing projects to develop improved retention rates.

**Describe the CoCs long-term (10-year) plan to increase the percentage of participants remaining in CoC funded permanent housing for at least six months to 77 percent or higher (limit 1000 characters).**

# Homeless and Housing Inventory

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The CoC will continue working toward exceeding this objective by continuing the strategies listed above -- including 10-Year Plan and STRA annual goals on permanent housing retention. If housing retention goals are not improved, the STRA funders will evaluate the obstacles and work with providers to overcome them. The Coordinating Committee to End Homelessness will continue sharing best practices at monthly meetings and offer trainings to improve housing retention, including presentations by agencies with high retention rates.

The CoC's ability to continue to meet or exceed its target of an 80% retention goal within 10 years will partly depend on how quickly the economy and job market stabilize. Service providers report that maintaining current retention levels, let alone improving them, has become increasingly challenging as the people they have housed struggle to secure and retain employment along with the services and supports they need to enable them to remain stable.

**What is the current percentage of participants remaining in CoC funded permanent housing projects for at least six months?** 89

**In 12-months, what percentage of participants will have remained in CoC funded permanent housing projects for at least six months?** 80

**In 5-years, what percentage of participants will have remained in CoC funded permanent housing projects for at least six months?** 80

**In 10-years, what percentage of participants will have remained in CoC funded permanent housing projects for at least six months?** 80

# Homeless and Housing Inventory

Applicant: Portland/Gresham/Multnomah County CoC  
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## 3A. Continuum of Care (CoC) Strategic Planning Objectives

**Objective 3: Increase the percentage of participants in CoC funded transitional housing that move into permanent housing to 65 percent or more.**

### Instructions:

The ultimate objective of transitional housing is to help homeless families and individuals obtain permanent housing and self-sufficiency. Each SHP-TH project is expected to report the percentage of participants moving to permanent housing on its Annual Progress Report (APR). CoCs then use this data from all of its CoC funded transitional housing projects to report on the overall CoC performance on form 4C. Continuum of Care (CoC) Housing Performance.

On this section, CoCs are to describe short-term and long-term plans for increasing the percentage of transitional housing participants moving from its SHP-TH projects into permanent housing to at least 65 percent. In addition, CoCs will indicate the current percentage of SHP-TH project participants moving into permanent housing as indicated on form 4C, as well as the expected percentage in 12-months, 5-years, and 10-years. CoCs that do not have any CoC funded transitional housing projects (SHP-TH) for which an APR was required, should indicate this in both of the narratives below and enter 0 in the first numeric field below.

For additional instructions, refer to the [Exhibit 1 Detailed Instructions](#) which can be accessed on the left-hand menu bar.

### **Describe the CoCs short-term (12-month) plan to increase the percentage of participants in CoC funded transitional housing projects that move to permanent housing to 65 percent or more (limit 1000 characters).**

The extent to which Portland exceeded this threshold is due to the focus on developing affordable housing. Furthermore, approximately 35% of the SHP-funded transitional housing units allow households to "transition in place." Programs assist individuals and families in finding private market, scattered-site units and provide up to two years of assistance to support housing retention. At the end of that time, households either transition to a permanent subsidy or have increased household income to continue paying rent on their own.

The CoC's success at meeting this goal is dependent upon available permanent housing and employment. The City, County, and Housing Authority will continue to collaborate with community stakeholders on affordable housing goals, including units set aside for homeless households. If the percentage begins to decrease over time, the CoC will evaluate causes and take steps to correct it.

### **Describe the CoCs long-term (10-year) plan to increase the percentage of participants in CoC funded transitional housing projects that move to permanent housing to 65 percent or more (limit 1000 characters).**



# Homeless and Housing Inventory

**Applicant:** Portland/Gresham/Multnomah County CoC  
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The McKinney Evaluation Committee will continue to review Annual Progress Reports to ensure that all renewing projects meet or exceed HUD's national objectives. If projects are below this threshold, the committee will meet with key project staff to determine the obstacles and strategize solutions. If the project is not making sincere efforts to improve outcomes, the committee may determine to recommend reassignment of SHP funds to another provider that can meet the threshold. As part of the regional 10-Year Plan, the CoC will continue activities to increase employment and other income opportunities for homeless persons and to develop permanent supportive and affordable housing units throughout the region.

- What is the current percentage of participants in CoC funded transitional housing projects will have moved to permanent housing?** 73
- In 12-months, what percentage of participants in CoC funded transitional housing projects will have moved to permanent housing?** 73
- In 5-years, what percentage of participants in CoC funded transitional housing projects will have moved to permanent housing?** 75
- In 10-years, what percentage of participants in CoC funded transitional housing projects will have moved to permanent housing?** 77

# Homeless and Housing Inventory

**Applicant:** Portland/Gresham/Multnomah County CoC  
**Project:** OR-501 CoC Registration 2010

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## 3A. Continuum of Care (CoC) Strategic Planning Objectives

### **Objective 4: Increase percentage of participants in all CoC funded projects that are employed at program exit to 20 percent or more.**

#### **Instructions:**

Employment is a critical step for homeless persons to achieve greater self-sufficiency, which represents an important outcome that is reflected both in participants' lives and the health of the community. Each CoC funded project (excluding HMIS dedicated projects only) is expected to report the percentage of participants employed at exit on its Annual Progress Report (APR). CoCs then use this data from all of its non-HMIS projects to report on the overall CoC performance on form 4D. Continuum of Care (CoC) Enrollment in Mainstream Programs and Employment Information.

On this section, CoCs are to describe short-term and long-term plans for increasing the percentage of all CoC funded program participants that are employed at exit to at least 20 percent. In addition, CoCs will indicate the current percentage of project participants that are employed at exit, as reported on 4D, as well as the expected percentage in 12-months, 5-years, and 10-years. CoCs that do not have any CoC funded non-HMIS projects (SHP-PH, SHP-TH, SHP-SH, SHP-SSO, or S+C TRA/SRA/PRA/SRO) which an APR was required, should indicate this in both of the narratives below and enter 0 in the first numeric field below.

For additional instructions, refer to the Exhibit 1 Detailed Instructions which can be accessed on the left-hand menu bar.

#### **Describe the CoCs short-term (12-month) plan to increase the percentage of participants in all CoC funded projects that are employed at program exit to 20 percent or more (limit 1000 characters).**

Portland's 10-Year Plan includes goals regarding increasing economic opportunity for homeless persons. In recent years, the CoC has set specific numeric goals on numbers of homeless persons to receive job training, as well as numbers of homeless persons employed. One SHP project, Central City Concern's Employment Recovery Project, focuses on connecting adults with jobs at program exit. The Portland Development Commission's Economic Opportunity Initiative increases job training and placement, including supported employment programs. Our CoC will work to maintain funding for these successful programs.

In the next year, the Coordinating Committee to End Homelessness plans to convene a workgroup focused on supported employment and job placement programming.

#### **Describe the CoCs long-term (10-year) plan to increase the percentage of participants in all CoC funded projects that are employed at program exit to 20 percent or more (limit 1000 characters).**

# Homeless and Housing Inventory

**Applicant:** Portland/Gresham/Multnomah County CoC  
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Oregon is currently in the top five in the nation in unemployment. Projections are that the state will not experience job growth until about 2012. Therefore, the job market will be tighter than ever. People with special needs or with inconsistent employment will continue to be especially challenged. In this context, the work of PDC's Economic Opportunity Initiative will be increasingly important. This initiative is integrated into the work of the City's broader economic development commission, ensuring that the focus on employment opportunities for homeless individuals will be reflected in the broader economic development agenda.

The CoC is well aware of these challenges and will continue to endorse Portland's 10-Year Plan goals regarding economic opportunity. The CoC will continue to support existing successful employment programs and work to increase capacity not just for recently employed persons, but especially for those who need supported employment opportunities.

- What is the current percentage of participants in all CoC funded projects that are employed at program exit?** 23
- In 12-months, what percentage of participants in all CoC funded projects will be employed at program exit?** 23
- In 5-years, what percentage of participants in all CoC funded projects will be employed at program exit?** 24
- In 10-years, what percentage of participants in all CoC funded projects will be employed at program exit?** 25

# Homeless and Housing Inventory

**Applicant:** Portland/Gresham/Multnomah County CoC  
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## 3A. Continuum of Care (CoC) Strategic Planning Objectives

### **Objective 5: Decrease the number of homeless households with children.**

#### **Instructions:**

Ending homelessness among households with children, particularly for those households living on the streets or other places not meant for human habitation, is an important HUD priority. CoCs can accomplish this goal by creating new beds and/or providing additional supportive services for this population.

On this section, CoCs are to describe short-term and long-term plans for decreasing the number of homeless households with children, particularly those households that are living on the streets or other places not meant for human habitation. In addition, CoCs will indicate the current total number of households with children that was reported on their most recent point-in-time count. CoCs will also enter the total number of homeless households with children that they expect to be able to report in 12-months, 5-years, and 10-years.

For additional instructions, refer to the [Exhibit 1 Detailed Instructions](#), which can be accessed on the left-hand menu bar.

#### **Describe the CoCs short-term (12-month) plan to decrease the number of homeless households with children. (limit 1000 characters)**

Over the past several years, the CoC began several initiatives to strengthen our ability to reduce homelessness among households with children. Despite these initiatives, family homelessness still increased over the past two years due to the economic recession -- a pattern experienced by communities across the country. In the next 12 months we will continue to intensify our efforts by: using HPRP funds to double the capacity of the Short Term Rent Assistance program, which prevents or ends homelessness of thousands of families each year; continuing a HUD-funded Rapid Re-Housing for Families Demonstration Program to fund leasing and services for at least 40 families with moderate barriers to housing stability; continuing the successful School Stabilization Fund to assure housing and school stability for homeless families; and continuing the Bridges to Housing program, which provides housing and services to 130 families with multiple barriers to housing placement and retention.

#### **Describe the CoCs long-term (10-year) plan to decrease the number of homeless households with children. (limit 1000 characters)**

# Homeless and Housing Inventory

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Two rapid re-housing programs -- 2008's SHP demonstration program as well as HPRP -- will help to stem the tide of rising family homelessness. We hope to make the Rapid Re-Housing demonstration program permanent through renewable funding.

The community's 10-Year Plan includes a goal to create 600 new PSH units for homeless families with special needs, including 350 units via new construction or acquisition/rehab and 250 units through rent and operating subsidies. The creation of this new PSH for families will significantly reduce the number of homeless families by 2015.

The City, County, and Housing Authority will continue to work together with other partners to increase the supply of permanent housing for families, including PSH, through partnerships with the VA, County Health Department, State and more. We expect these efforts to align with increased federal resources and system alignment anticipated in the new Federal Strategic Plan to End Homelessness.

<b>What is the current total number of homeless households with children, as reported on the most recent point-in-time count?</b>	398
<b>In 12-months, what will be the total number of homeless households with children?</b>	388
<b>In 5-years, what will be the total number of homeless households with children?</b>	200
<b>In 10-years, what will be the total number of homeless households with children?</b>	0

# Housing Needs Assessment

# Housing Market Analysis

## THE ECONOMIC CONTEXT

The great recession that began in the late 2000's was felt most acutely here in Oregon. A recent report by the Oregon Employment Department "Why Oregon Trails the Nation: An Analysis of Per Capita Personal Income," found that in the past decade, the state's inflation-adjusted PCPI grew by 7 % compared to 12 % for the nation. The report also found that the PCPI in the state's metropolitan areas is far below the average for all metropolitan areas in the nation. In contrast, the PCPI in Oregon's non-metropolitan areas is similar to non-metropolitan areas across the nation.

A second report by the Brookings Institute and the London School of Economics studied 150 major metropolitan-area economies around the world. The report found that the recession has hit Portland harder than just about anywhere else in the world. It concluded that Portland fell from a pre-recession economic rating of 45th to 139th in 2009 and 102nd in 2010. The study said one reason for the dramatic fall was an over-reliance on the residential real estate industry that was especially hard hit by the collapse of the housing market.

The Oregon Employment Department cites several other reasons the state's PCPI lags so far behind the rest of the nation. They include:

- Lower industry wages.
- Lower earnings by proprietors.
- A fast-growing population.
- Lower wages in high-paying occupational groups.
- A net outflow of commuter wages.
- Higher unemployment rate and lower employment-to-population ratio.
- Shorter average workweek and more part-time work.

The report concludes by saying there are no simple solutions that would quickly raise Oregon's PCPI to the national average. It is the result of thousands of individual and business choices that are beyond government control.

In 2011, Oregon's economy is beginning to edge upward. In February, seasonally adjusted payroll employment grew by 9,800, Oregon's

## Economic Context

## Housing Market Analysis

largest one-month gain since November 1996 when 10,600 jobs were added. Oregon's unemployment rate continued its consistent downward trend. Since reaching a high of 11.6 % in June 2009 it has trended downward, reaching 10.2 % in February.

In February, five of the ten major industries saw significant gains in employment. Construction added 1,200 jobs in February, when a loss of 800 is the normal seasonal movement. Most of the gains came from specialty trade contractors, which added 1,000. Building foundation and exterior contracts added 500 jobs, and have added 1,800 since February 2010. Building equipment contractors, such as electricians and plumbers, added 300 jobs. Construction employment appears to have turned the corner and headed upward. The past three months have each seen seasonally adjusted job gains. The sector bottomed at close to 67,000 jobs during June through November, but has since grown to 70,300 by February.

### **Impact of the Recession on Low-And-Moderate Income Oregonians**

Although Portland is one of the most affordable major West Coast cities, decreasing housing affordability has become the most significant housing issue in the Portland metro area over the last decade. Cost burdens for both owners and renters have been increasing due to high housing prices, rising rents and relatively flat income growth. Although housing prices have fallen from their 2008 high, the average price of a home is still higher than a family with income at the median can afford.

### **RENTAL HOUSING AFFORDABILITY**

While the supply of housing in Portland has kept up with population growth, housing affordability is a major issue in the Portland metropolitan area. Table 1 compares rents affordable to households at 30 %, 50 % and 80 % of median family income in the metropolitan area with the fair market rent for units.

## Rental Housing Affordability



# Housing Market Analysis

**Table 1: Affordable Rental Housing in Portland Metropolitan Area**

## What is Affordable Housing in the Metro Area?

(Clackamas, Multnomah, Washington Counties)

Fair Market Rent: 1 BR/\$726, 2 BR/\$839, 3BR/\$1,222, 4 BR/\$1,467

Median Family Income	One Person Household			Four Person Household		
	Annual Income	Hourly Wage	Affordable Cost	Annual Income	Hourly Wage	Affordable Cost
30% MFI	\$14,950	\$7.18	\$373	\$21,350	\$10.26	\$555
				4/5 time fast food or child care worker Home health aide, short order cook		
50% MFI	\$24,950	\$11.99	\$623	\$35,600	\$17.11	\$925
				Retail salesperson, taxi driver Medical assistant, construction laborer		
80% MFI	\$39,900	\$19.18	\$997	\$56,950	\$27.38	\$1,481
				Dental assistant, credit analyst 911 dispatcher, drywall installer		
100% MFI	\$49,840	\$23.96	\$1,246	\$71,200	\$34.23	\$1,851
				Mental health counselor, Clergy member Occupational therapist, software engineer		

Sources: 2010 HUD MFI levels, Oregon Employment Department wage information, 2010

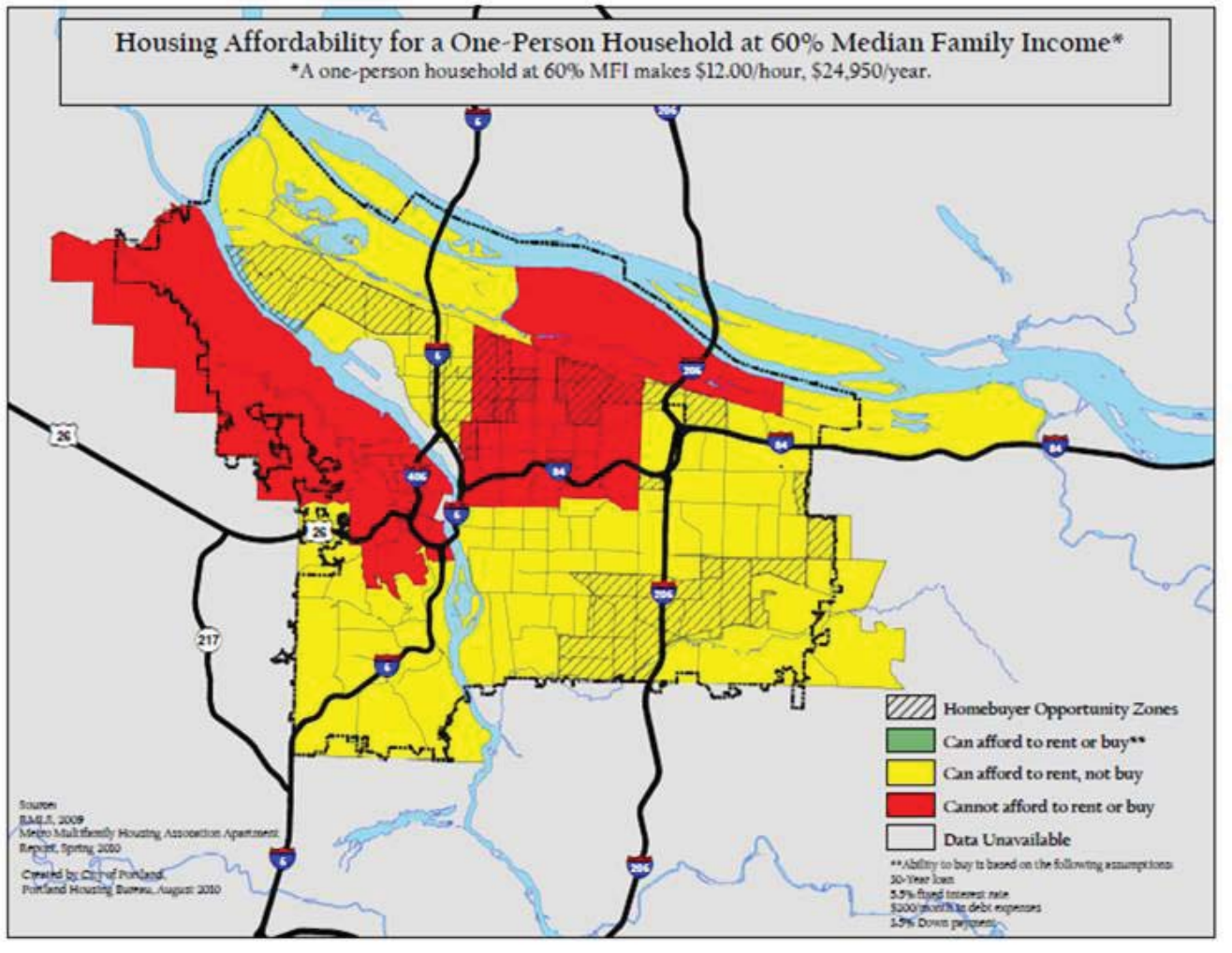
Hourly wage assumes 40 hours/week, 52 weeks/year.

Affordable Cost is 30% of total income (rent or mortgage plus utilities), the standard of affordability used by HUD.

Home prices and rents tend to be higher in the urban core, and lower on the edges of the Metro area, Map 1 shows where a one-person household at 60% median income can afford to rent or buy.

# Housing Market Analysis

**Map 1: Housing Affordability for a One-Person Household at 60% Median Family Income**



Households with lower incomes can no longer afford market rate units in neighborhoods that were affordable a decade ago, prompting many residents of close-in neighborhoods to move further out. Recently released census data suggests this dynamic has had a disproportionately large impact on households of color. Many of Portland's close in census tracts have become more white over the last ten years.

For sound policy development, it is important to understand the

## Housing Market Analysis

income distribution of the population. Table 2 gives the number of households and percentage of renter and homeowner households within identified income ranges for Multnomah County.

**Table 2: Income Distribution of Households, Multnomah County, 2009**

Household Income Range	Number of Renters	Percent of Total Renters	Number of Owners	Percent of Total Owners	Number of Households in Range	Percent of Total Households in Range
Below 30% MFI	34,515	29%	10,600	6%	45,115	16%
30.1% to 50% MFI	22,420	19%	12,625	8%	35,045	12%
50.1% to 80% MFI	28,355	24%	24,760	15%	53,115	19%
Above 80% MFI	34,555	29%	119,130	71%	153,685	54%
Total Households	119,845	100%	167,115	100%	286,960	100%

*Source: US Department of Housing and Urban Development's Comprehensive Affordability Strategy (CHAS) data.*

One way to measure the need for housing assistance is to compare the number of households that fall in a given income range, with the number of rental units affordable to households within that income range. Table 3 below was derived using HUD's Comprehensive Affordability Strategy (CHAS) data from the 2000 Census. While HUD expects to post new CHAS tabs reflecting more recent years of ACS data on housing supply, it has not yet made these data available to users. When these data are available, we will update this table.

Income Range	Renter Households (all sizes)	Affordable Renter Units Available	Percent of Need Met by Existing Stock	Surplus/ Shortage Units
Below 30% MFI	26,319	13,270	50%	-13,049
30.1% to 50% MFI	19,624	33,966	173%	14,342
50.1% to 80% MFI	28,604	58,699	205%	30,095
Above 80% MFI	40,050	10,394	26%	- 29,656
Total Households	114,597	116,329	102%	1,732

## Housing Market Analysis

The local shortage of units affordable to very low-income and extremely low-income households is mirrored at the state level. The National Low Income Housing Coalition recently completed a statewide analysis of the deficit of affordable and available rental units using the 2009 American Community Survey PUMS housing file. The results of the analysis are shown in Table 4.

**Table 4: Statewide Deficit of Affordable and Available Rental Units (2009)**

Income Range	Deficit/Surplus of Affordable Rental Units	Deficit/Surplus of Affordable and Available Rental Units	Affordable and Available Rental Units Per 100 Households
Extremely Low Income	-65,541	-94,031	21
Very Low Income	-52,854	-114,659	48

Source: 2009 American Community Survey PUMS housing file

## Housing Stock

### HOUSING STOCK

The overall condition of housing stock in Multnomah County is measured through an analysis of physical stock characteristics and fitness characteristics. Evidence of the physical stock characteristics may be found in tax appraisal assessments of houses, demand for services to clean up derelict buildings, people’s perceptions of the condition of housing in their neighborhood, and the age of the housing stock. Fitness housing stock is typically assessed by measuring overcrowding, affordability, and lack of complete plumbing facilities (although this criterion is rarely an issue in most cities today).

Although there is an older housing stock in Portland and Multnomah County, the overall quality tends to be adequate or better. On average, 65 percent of Portland residents and 75 percent of Gresham residents said that they thought the quality of housing in their neighborhood was good or very good.

The State of Oregon requires county tax assessors to rank the physical condition of single family homes. These classifications, ranging from 1-8, are meant to give an indication of the quality of the construction of the house. Of the housing stock rates, most houses ranks as class 3

## Housing Market Analysis

or better; that is, they meet the minimum code standards. Data were available on about 60 % of the single-family houses in Multnomah County. Out of that 60 %, close to one fifth of the single-family housing stock was not at acceptable building standards; about 70 % of all units rated were “Fair,” “Average” or “Good;” and about 3 % were classified as “Better or “Best.” These findings are within an acceptable level, given the age of the inner city housing stock. Older homes generally do not meet all of the standards of current building and housing codes.

**Table 5: Condition of Single-Family Units: Multnomah County**

Condition	Percent of Total
Classes 1 and 2 – Does not meet building codes	12.02%
Class 3 – Meets standard building codes – “Minimum”	19.18%
Class 4 – Meets standard building codes – “Fair”	14.58%
Class 5 – Meets standard building codes – “Average”	8.70%
Class 6 – Meets standard building codes – “Good”	4.60%
Class 7 – Meets standard building codes – “Better”	1.15%
Class 8 – Meets standard building codes – “Best”	.90%
Not Rated	38.87%
<b>Total</b>	<b>100%</b>

The age of housing stock is often used to gauge physical condition.

**Table 6: Age of Housing Stock: Multnomah County**

Year Constructed	Estimate	Percent of All Units	Margin of Error
Built 2005 or later	7,267	2%	+/-562
Built 2000 to 2004	22,915	7%	+/-876
Built 1990 to 1999	32,874	11%	+/-1,105
Built 1980 to 1989	23,117	7%	+/-1,008
Built 1970 to 1979	43,759	14%	+/-1,267
Built 1960 to 1969	31,246	10%	+/-979
Built 1950 to 1959	37,506	12%	+/-1,017
Built 1940 to 1949	25,840	8%	+/-1,010
Built 1939 or earlier	85,885	28%	+/-1,302
<b>Total</b>	<b>310,409</b>	<b>100%</b>	<b>+/-741</b>

Source: 2005–2009 American Community Survey

## Housing Market Analysis

### Housing Condition

The number of housing units built before 1940 is used in some federal programs as an indicator of poorer quality housing, but this rule of thumb is not applicable in all locations.

#### **HOUSING CONDITION**

##### **Overcrowding**

A final measure of housing availability is the rate of overcrowding in existing housing units. "Overcrowding" is defined by the US Census Bureau as "a situation in which a housing unit is occupied by more than one person per room." According to the 2005-2009 American Community Survey, there are 7,435 (3%) households in Multnomah County meeting this definition. The Housing Authority of Portland has revised its occupancy standard from one person per bedroom to two people per bedroom. This is likely to increase the rate of overcrowding as defined by the Census Bureau. Although the Census is a useful benchmark, determining when a unit is, in fact, overcrowded requires additional information about the size of the rooms in relation to the age of occupants. A large room may be able to accommodate two adults or three children comfortably. In addition, we must be aware that not all cultures consider one person per room to be optimum.

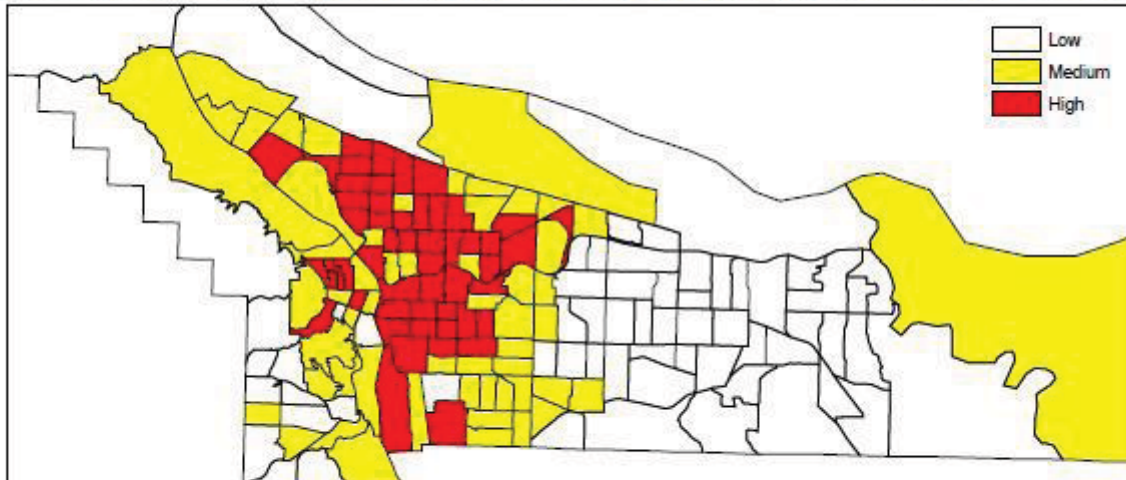
##### **Lead Based Paint**

Lead hazards in homes are serious problems that affect every community. Indoor lead dust is a major cause of lead poisoning in children. The Oregon Health Division requires the reporting of children under the ages of 18 years of age with elevated blood levels over 10g/dl. Childhood lead screening has been conducted in Oregon on a regular basis since 1992. Multnomah County reports an average of 120 blood lead cases per year. The following map shows the percentage of extremely low income households with children living in housing built before 1950 at risk of lead poisoning. Maps 2 and 3 are based on 2000 CHAS data. As the data is updated from HUD, we will update our analysis. Map 4 shows census tracts with low- to moderate-income. HUD has defined certain tracts where more than 51% of the households are low- or moderate-income as Low-Moderate income tracts. HUD will release additional low and moderate income summary data based on the 2010 census in the fall of 2011.

# Housing Market Analysis

## Map 2: Pre-1950 Housing by Tract

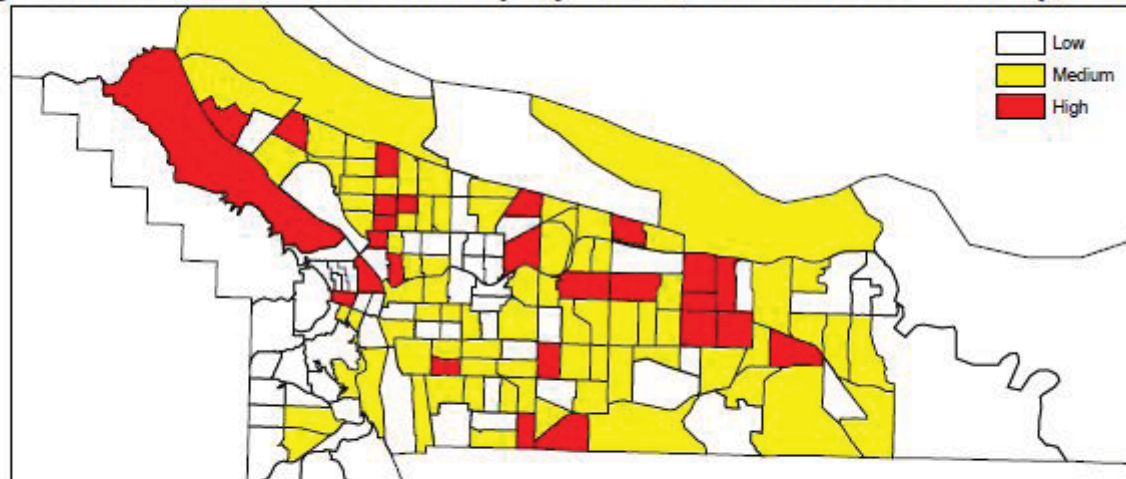
### Percentage of Pre-1950 Housing by Tract, Multnomah County, Oregon



Note: The percentage is derived by dividing the number of pre-1950 units by total units in tract.  
Low = between 0% and 28%; Medium = between 29% and 58%; High = between 59% and 97%.  
Average = 41.5%.

## Map 3: Kids Under 6 in Poverty by Tract

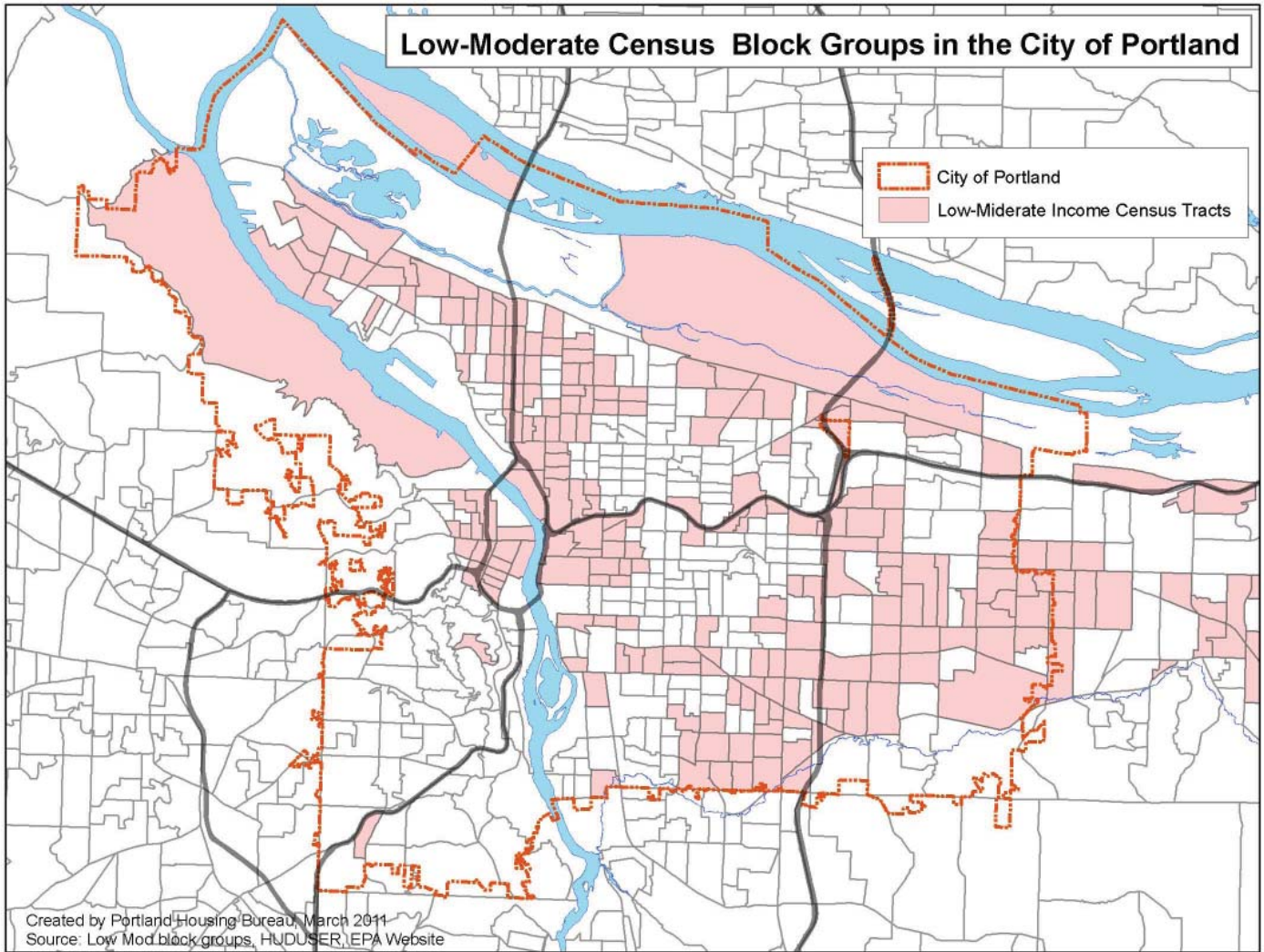
### Percentage of Kids Under 6 in Poverty by Tract, Multnomah County, Oregon



Note: The percentage is derived by dividing the number of kids under 6 in poverty by total number of kids under 6 in tract.  
Low = between 0% and 11%; Medium = between 12% and 29%; High = between 30% and 52%.  
Average = 15.7%.

# Housing Market Analysis

**Map 4: Portland Low and Moderate Income Census Block Groups**







### Housing Affordability for Homeowners

#### **HOUSING AFFORDABILITY FOR HOMEOWNERS**

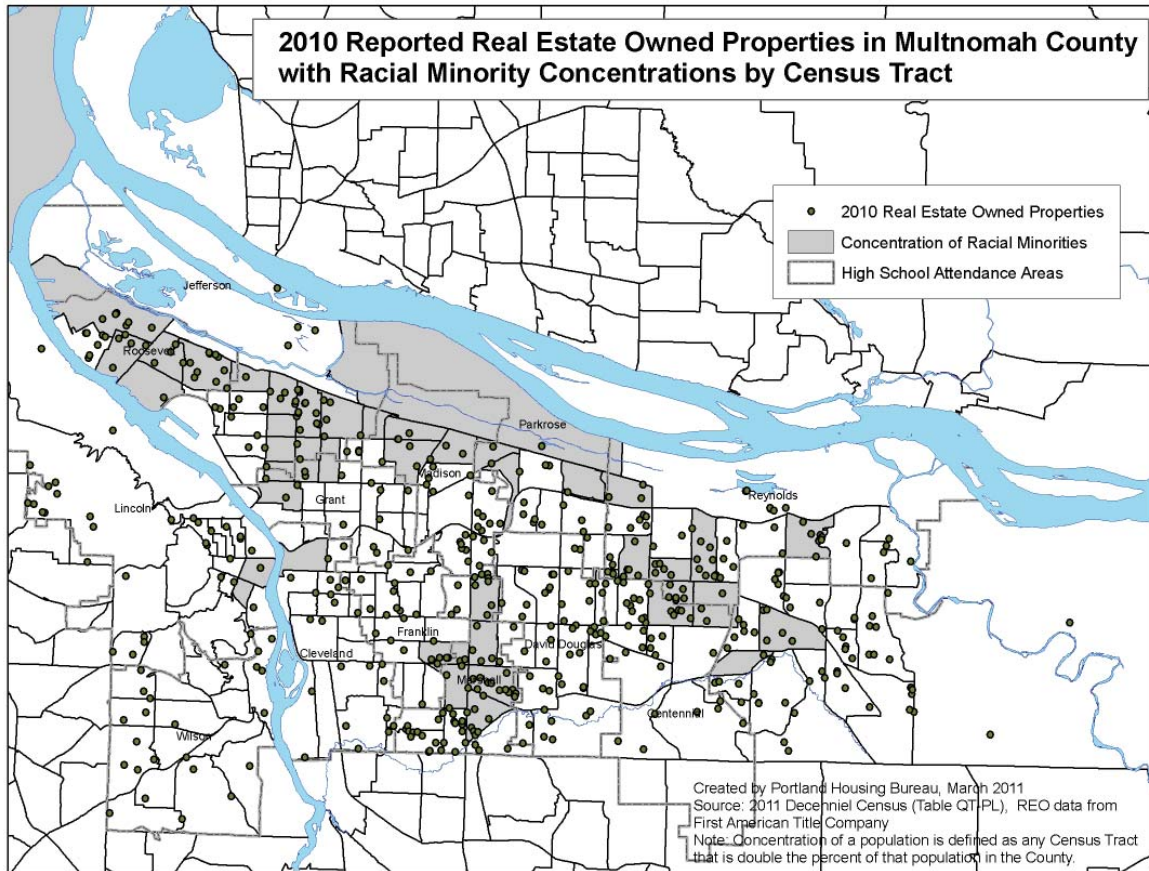
##### **Foreclosures**

Although housing prices overall rose at a considerably faster rate than incomes in the last five years, many households were able to purchase homes through the use of nontraditional mortgage products, including subprime mortgages as well as adjustable rate, interest only and payment option loans. These homebuyers risked default if they were unable to make payments when their loans reset at higher rates, or were unable to sell their homes for as much as they owed on their loans. In the Portland area, as is in the rest of the country, housing price appreciation has reversed, the delinquency and foreclosure rates have risen and the inventory of unsold homes has increased dramatically. Of course, even those households that used traditional mortgages are in danger of losing their homes as a consequence of recession-related job loss.

Within the Portland metro area foreclosure activity varies considerably. Map 5 illustrates the reported real-estate owned properties in Multnomah County in 2010.

# Housing Market Analysis

## Map 6: Reported Real-Estate Owned Properties in Multnomah County



### High Cost Loans

One of the underlying indicators of future foreclosure activity is the number of high cost loans that are made to area households. High cost loans have high interest rates and the assumption is that households with high cost loans (such as subprime loans) are at greater risk for foreclosure.

## Housing Market Analysis

**Table 7: Conventional Home Purchase Loans by Subprime Lenders by Race and Hispanic Status, Multnomah County**

**Table 7: Conventional Home Purchase Loans by Subprime Lenders by Race and Hispanic Status, Multnomah County**

	2005		2006		2007		2008		2009	
	No.	Pct	No	Pct	No	Pct	No	Pct	No	Pct
Pct to Whites	4063	25.0%	3184	22.5%	1080	10.1%	153	3.3%	59	2.1%
Pct to Blacks	296	51.8%	183	40.9%	56	19.1%	8	7.5%	3	0.0%
Pct to Asians	278	18.3%	358	24.4%	103	9.4%	9	1.9%	2	0.6%
Pct to Native Americans	88	47.1%	62	36.7%	19	18.3%	0	0.0%	0	0.0%
Pct to Native Hawaiian or Other Pacific Islanders	85	49.4%	47	33.1%	11	12.4%	2	4.7%	0	0.0%
Pct to Hispanics	762	55.2%	688	52.9%	209	28.5%	13	6.1%	2	2.1%
Total	5495	27.4%	4046	23.5%	1373	10.5%	186	3.3%	70	1.9%

**Table 8: Home Refinancing Loans by Subprime Lenders by Race and Hispanic Status, Multnomah County**

**Table 8: Home Refinancing Loans by Subprime Lenders by Race and Hispanic Status, Multnomah County**

	2005		2006		2007		2008		2009	
	No.	Pct	No	Pct	No	Pct	No	Pct	No	Pct
Pct to Whites	2824	19.8%	2977	23.9%	1574	15.0%	345	4.7%	115	0.8%
Pct to Blacks	284	40.9%	284	42.5%	132	26.4%	26	10.1%	3	1.1%
Pct to Asians	118	15.1%	180	24.2%	76	12.3%	24	5.0%	7	0.7%
Pct to Native Americans	49	28.7%	59	36.9%	19	18.1%	10	12.0%	0	0.0%
Pct to Native Hawaiian or Other Pacific Islanders	36	29.5%	43	31.6%	27	21.6%	3	4.2%	1	1.2%
Pct to Hispanics	234	32.4%	304	39.1%	175	26.9%	38	10.3%	7	1.5%
Total	3612	20.8%	3880	25.3%	2043	15.8%	460	5.1%	148	0.8%

# Housing Market Analysis

## ASSISTED HOUSING INVENTORY AND SERVICES

### Subsidized Housing Supply

As cited in the Portland Plan, a 2007 draft of Metro's Regional Affordable Rental Housing Unit Inventory indicated that Portland had about 21,430 rental housing units developed with public subsidy that were affordable to households at or below 80 percent of area median income. Almost all of these units were regulated (92 percent, or about 19,780 units). The Inventory did not include ownership units, market-rate rental units, Section 8 rental voucher units, dorms, homeless shelters and transitional housing units. There are about 6,600 Section 8 rental voucher units in Portland. Some of these vouchers are used to rent housing in projects that receive other subsidies, so it is difficult to determine how much larger the total number of subsidized units would be if the Section 8 vouchers were added in. It should be noted that subsidized units only provide a small fraction of the City's supply of housing units affordable to low and moderate income households. The affordable housing supply includes many privately owned market-rate units, particularly in older buildings and manufactured home parks.

The largest source of funding for subsidized low-income housing in the County is the federal government. In addition to funding the Housing Authority of Portland, HUD provides funds for local housing programs through the Community Development Block Grant Program (CBDG), HOME and Housing for People with AIDS (HOPWA) programs. It also distributes Low Income Housing Tax Credits (LIHTC) through the State of Oregon Department of Housing and Community Services. The State of Oregon and the City of Portland also provide financial assistance for low income housing development out of General Fund, and require sponsors to execute affordability agreements as a condition of receiving assistance.

### Housing Authority of Portland

The Housing Authority of Portland (HAP) is the largest nonprofit provider, operator and developer of low-income housing in Multnomah County. HAP assists about 13,000 households with either housing or Section 8 vouchers. (HAP's service area includes all of Multnomah County.) As of March 2009, HAP had 4,960 housing units in the City of Portland, about 2,380 in its Public Housing portfolio and about 2,580 in its Affordable Housing portfolio. HAP has about 6,600 Section 8 rental housing vouchers in use .. These vouchers are given

## Assisted Housing Inventory & Services

## Housing Market Analysis

to tenants to rent housing on the open market; HAP also distributes 1,630 project-based vouchers that are assigned to particular housing projects. Both the rental and project-based vouchers may be used in buildings that have other housing subsidies. While HAP may serve households with incomes up to 80 percent of the area median most households it serves are extremely low income. The average household income for a Public Housing tenant is \$10,219, and for a Section 8 voucher holder is \$10,306. Demand for public housing and Section 8 far exceeds the supply. Almost 7,000 households were on the waiting list for low income housing assistance in March, 2009, including about 3,665 for public housing and 3,261 for Section 8 vouchers. This is some indication of the pressing need.

### Properties at Risk

The following properties have Project-based Section 8 contracts that are due to expire within the term of the Consolidated Plan. Under Portland’s Preservation Ordinance, the City may purchase the properties to preserve affordability of the units. Unless funding is identified for these purchases, these affordable rental units may be converted into condominiums, see dramatic rent increases or be demolished to make room for more lucrative development.

**Table 9: Properties at Risk Within the Assisted Housing Inventory, 2011 – 2016**

Project name	Project Street Address	Expiration Date	Total Units	Contract Units
Chaucer Court	1019 Southwest 10th Avenue	10/21/11	83	83
Hawthorn East	1420 Southeast 16th Avenue	12/20/11	71	71
Lexington	1125 SW 12th Avenue	11/22/12	54	54
Park Tower	731 SW Salmon Street	12/15/12	162	162
Bronaugh Building	1434 SW Morrison Street	02/09/13	51	51
1200 Building	1220 Southwest 12th Avenue	05/26/13	89	89
Uptown Tower	712 Southwest Saint Clair Avenue	07/18/13	71	71
<b>Total</b>			581	581

# Housing Market Analysis

## Low Income Housing Provided by Nonprofits

In addition to subsidizing the development of low-income housing, the City has a tax exemption program for nonprofit low income housing providers. This program exempts the residential portion of buildings reserved for low income households owned by nonprofit owners from property taxes. Most participants in the program are local community development corporations (CDCs). The total number of units in the program provides a good estimate of the units provided by nonprofit housing providers. (HAP, student, and privately-owned rent-restricted low income housing units and homeless shelters are not included in this program.) In 2010, more than 8,500 units owned by more than 40 organizations were assisted by the program. Some organizations own only one property but others own numerous properties with hundreds of units. The City tax exemption is only one of a number of subsidies that support the housing owned and/or managed by these organizations.

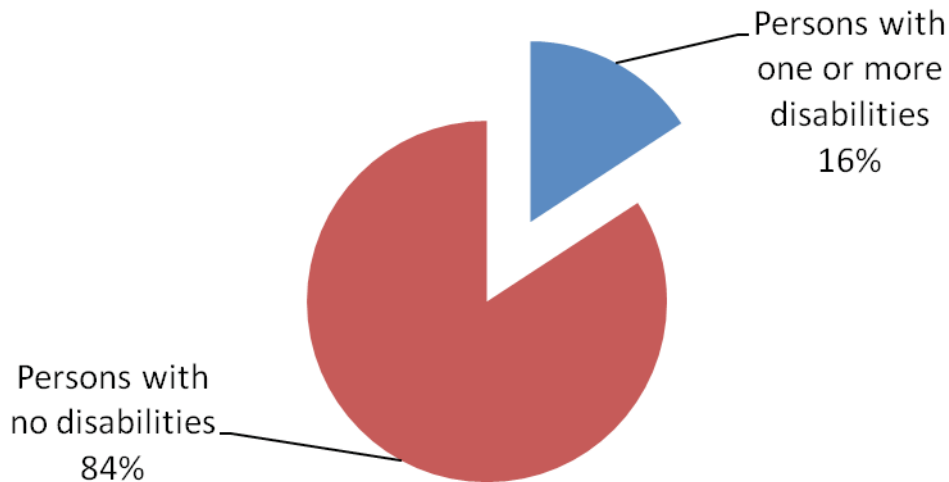
To be eligible for the tax exemption, the City requires that the household income of the occupants not exceed 60 percent MFI . The City does not collect any other information about the households served.

## Special Needs

According to the 2005-09 American Community Survey, 16% of the total population of Multnomah County had one or more physical or mental disabilities. See Chart 1.

**Chart 1: Percentage of Persons with Disabilities, Multnomah County**

**Percentage of Persons with Disabilities in Multnomah County  
U.S. Census 2005-2009 American Community Survey**



Thirty percent of people with disabilities have household incomes below the poverty level, compared with twelve percent of the non-disabled population. Poverty contributes to the fact that people with disabilities are at greater risk of homelessness than the general population. However, people with dual diagnosis (mental illness and substance abuse disorders) are the most likely to experience homelessness. Programs that offer subsidized housing or a combination of subsidized housing and support services are of significant benefit to this population.

Many people with disabilities live in market rate housing and receive few or no services to support their continued independence.



# Housing Market Analysis

## Data Sources:

Brookings Institute and the London School of Economics, Global MetroMonitor: The Path to Economic Recovery, November 2010.

City of Portland, Portland Plan, Housing Affordability, 2009.

National Low-Income Housing Coalition, Housing Affordability by Congressional District, 2010.

Oregon Employment Department, Why Oregon Trails the Nation: An Analysis of Per Capita Personal Income, November 2010.

U.S. Census Bureau, American Community Survey Data, 2005-2009.

U.S. Department of Housing and Urban Development's Comprehensive Housing Affordability Strategy (CHAS) data.

U.S. Department of Housing and Urban Development, Office of Policy

