

Needs Assessment and Housing Market Analysis Updates

Updated Analysis of Affordability for Low-Income Renters

The major challenge facing low-income renters in the Portland-Vancouver Metropolitan Service Area (MSA) was a continuing tightening of the market. The most noteworthy indication of this has been the extremely low rental housing vacancy rate which the U.S. Census Bureau places at 3.4%. Other realtor surveys¹ place apartment vacancy rates at just 2.5%. Low vacancy rates have led to increased rents and limited rental availability. Strains on the rental market affect all households but disproportionately affect extremely low-income households.

In 2012 the fair market rent (FMR) for a two bedroom apartment in the Portland-Vancouver MSA increased from \$839 to \$891. The general 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% of the renter's income. Thus to afford rent at \$891, the hourly wage a worker would have to earn to meet the HUD standard of affordability rose from \$16.13 to \$16.70. This is 189% of the minimum wage (\$8.80 per hour).

The housing wage was created by the National Low Income Housing Coalition (NLIHC) to show the hourly wage needed to afford the FMR. Since 1998, NLIHC has been issuing an annual report, "Out of Reach" comparing wages to rents. The recently published Out of Reach 2012 illustrates the tremendous growth of renter households in the wake of the worst economic downturn since the Great Depression. The report finds that nationally, renter households have increased by nearly 4 million between 2005 and 2012. This increase has created "the perfect storm of growing need and rising costs, and illustrates why it is more important than ever that we provide a supply of affordable rental homes at the scale that families require in the places that need them²."

In the Portland-Vancouver Metropolitan Service Area, the supply of affordable housing is inadequate to address the growing needs of low-income renters. Metro's recent Regional Inventory of Regulated Affordable Housing places the current four-county inventory of regulated affordable housing at 38,089 units. This constitutes 4.5 percent of the total housing stock (861,640 total housing units the four-county area³). There are currently 15,039 Housing Choice Vouchers (Section 8 Vouchers) in use in the four-county area.

¹ National Association of Realtors

² National Low Income Housing Coalition, Out of Reach 2012.

³ Metro, 2011 Regional Inventory of Regulated Affordable Housing

Table 1. Regulated Affordable Housing by County (2011)⁴

County	Number of Sites	Total Units	Unregulated Units	Regulated Units	Share of four-county regulated units	Total Housing Stock (2010 Census)	Regulated units as share of total housing stock
Clackamas	285	3,735	16	3,719	9.6%	156,945	2.4%
Clark	150	5,975	769	5206	13.4%	167,413	3.1%
Multnomah	783	24,333	1,338	22,990	59.1%	324,832	7.1%
Washington	256	7,030	40	6,975	17.9%	212,450	3.3%
	1,474	41,073	2,163	38,890		861,140	4.5%

In Multnomah County alone, HUD estimates there are 85,290 low-income renter households⁵. Thirty-five thousand of these households are estimated to be extremely low-income (ELI) renters. This means that for every 100 ELI household in Multnomah County in search of an apartment, there are roughly 50 apartments available. We estimate that an additional 11,500 rental units are needed to overcome this shortage.

Table 2 shows a snapshot from Metro's Regional Housing Inventory of the number of vouchers in each of the four counties. Voucher numbers are not added to the total inventory of affordable units as in many cases vouchers are used in regulated affordable units (not increasing the total affordable inventory available).

Table 2: Snapshot of Housing Choice Vouchers by County (2011)

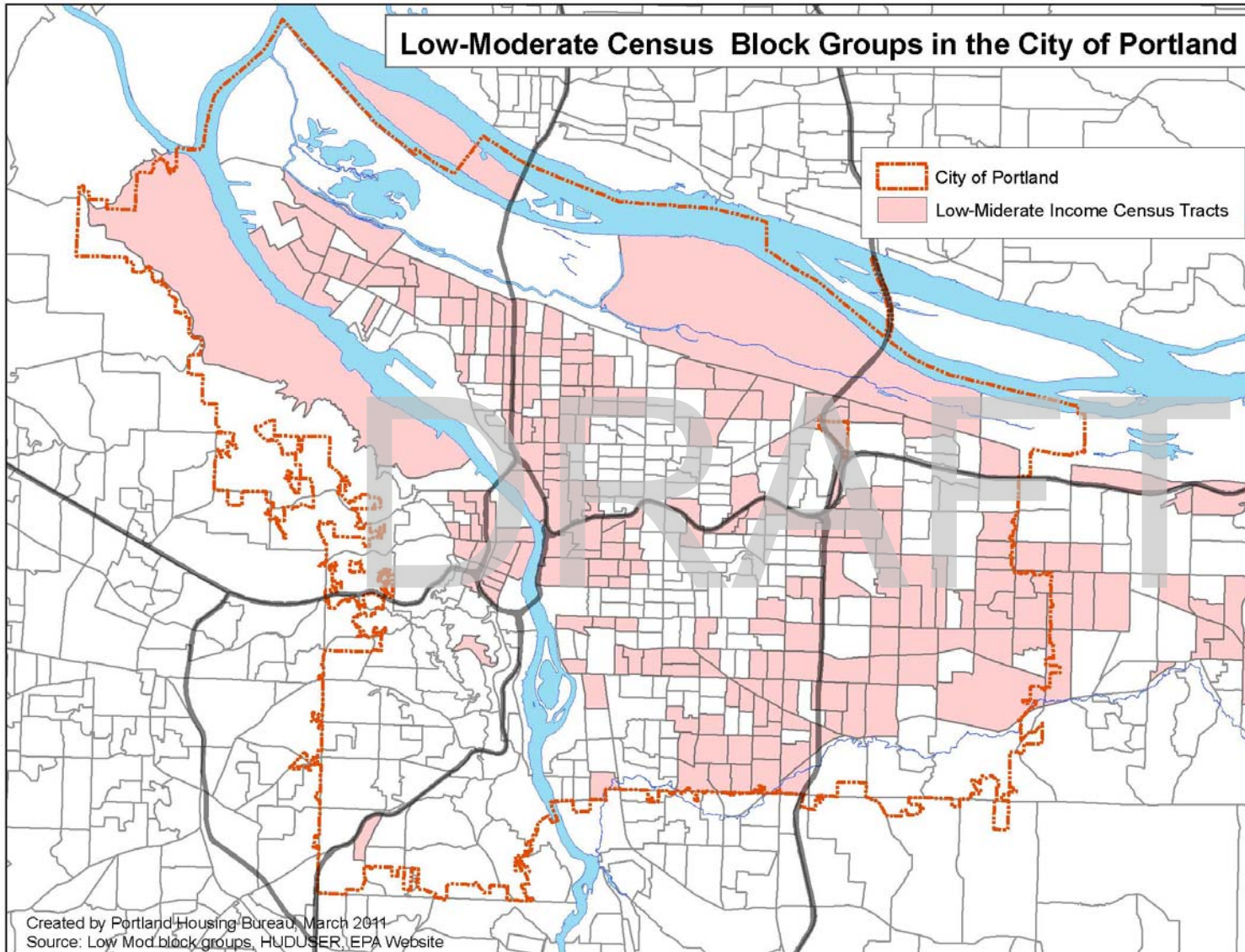
County	Number of Housing Choice Vouchers (Snapshot)
Clackamas	1,569
Clark	2,523
Multnomah	8,510
Washington	2,437
Total	15,039

⁴ 2011 Regional Inventory of Regulated Affordable Housing

⁵ HUD 2009 Consolidated Planning CHAS data

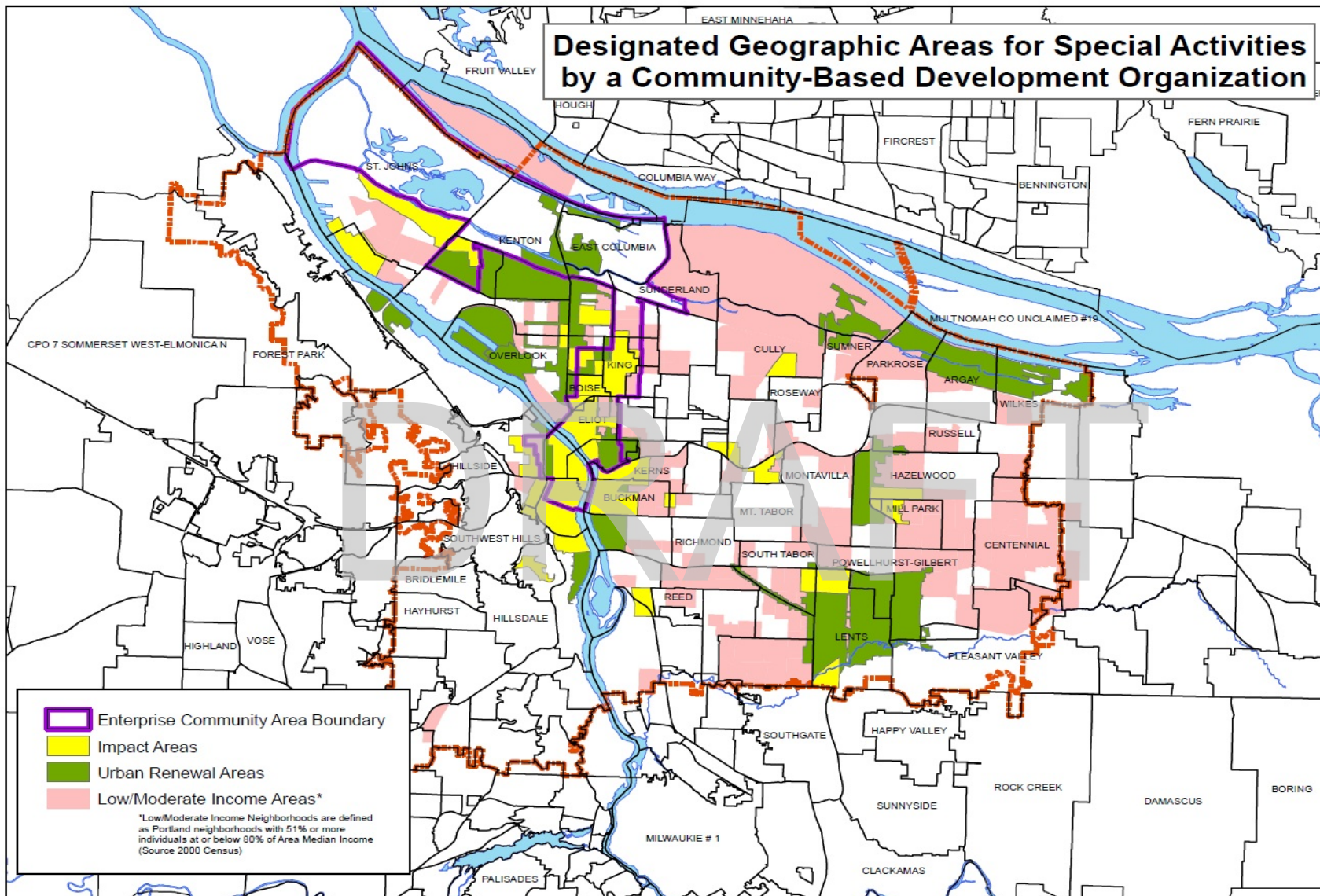
Multnomah County's low-income census tracts are depicted in Map 1. The majority of the jurisdictions' federal resources are dedicated toward serving low-income households and individuals.

Map 1.



Map 2 illustrates designated areas for special activities by a Community-Based Development Organization.

Map 2.



Created by City of Portland, Portland Housing Bureau May 2011

Concentrations of ethnic groups based by census tracts have been depicted in the following maps 3 - 6. A concentration is defined as any tract having a greater ethnic population than twice the County average. As noted in prior analysis, there are fewer tracts with concentrations of African-Americans than in 2000.

Maps 3-6 are based on 2010 Census data, and contain an acknowledged undercount of communities of color. To address these undercounts the Coalition of Communities of Color(CoCC) and Portland State University (PSU) have conducted research to establish more accurate numbers through “community-validated population counts.”⁶ The CoCC and PSU have administered counts in the following communities: African American, Native American, Latino, Asian and Pacific Islander, African immigrants and refugee, and Slavic.

Table 3 summarizes the size of the undercount of each community.

Table 3: Community Verified Undercounts⁶

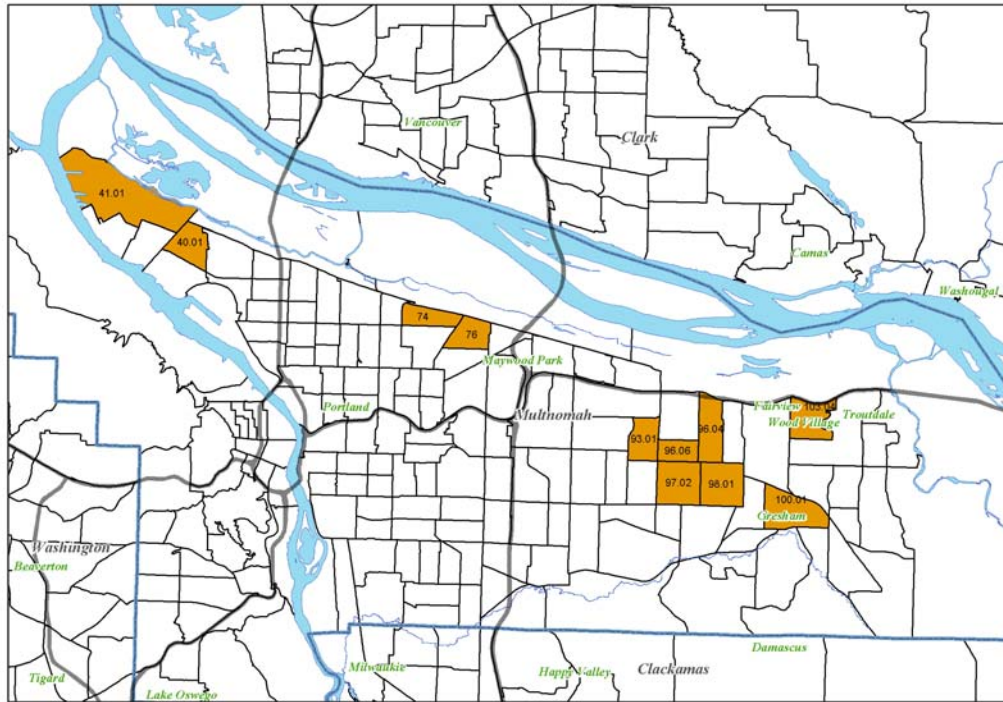
Community	Percentage Undercount
Native American	47.2%
Latino	12.2%
Asian & Pacific Islander	6.5%
Slavic	31.6%
African American	18%
African Immigrant & Refugee	64.7%

The CoCC and PSU have published a series of “Unsettling Profile” reports that contains the details of the method used to establish the undercount for each community.

⁶ Ann Curry-Stevens, Summary of Undercount Issues & Introducing “Community Validated Population Counts” in Multnomah County, March 2, 2012

Map 3 : Concentrations of Hispanic Americans in Multnomah County, 2010

**Concentrations of Hispanic/Latino Americans
in Multnomah County, 2010**



Map 4 : Concentrations of Asian Americans in Multnomah County, 2010

**Concentrations of Asian Americans
in Multnomah County, 2010**



Map 4 : Concentrations of Native Americans in Multnomah County, 2010



Map 4: Concentrations of African Americans in Multnomah County, 2010

