

**HOUSING NEEDS ASSESSMENT
OVERCROWDING AND OVERPAYMENT
SAMPLE 1**

Overcrowding

Overcrowding is typically defined as more than one person per room, based on the Census Bureau's definition of "room," which excludes bathrooms, porches, balconies, foyers, halls, or half-rooms. Severe overcrowding occurs when there are more than 1.5 persons per room. Overcrowding can result when there are not enough adequately sized units within a community, or when high housing costs relative to income force too many individuals or families to share housing. Overcrowding can also accelerate deterioration of the housing stock.

In 2000, overcrowded households represented 9.3 percent of the total households or 4,080 households, a significant need that disproportionately affects renter households. Of the 4,080 overcrowded households in 2000, approximately 72.9 percent were renters. Even more so, renter households make up 78.7 percent of the 2,245 severely overcrowded households in Model City. This disproportionate impact on renter households emphasizes the need to establish priority in policies and programs to increase a variety of housing types and proactively assist in the development of affordable housing.

To address overcrowding, the element includes programs to relax development standards in the City's second unit ordinance, increase the supply of multifamily units with three or more bedrooms in Model City's downtown specific plan, facilitate single room occupancy units through zoning code revisions, and expand affordability by working with nonprofits to assemble land and write down costs.

Table 8: Household Overcrowding

	Owner	Renter	Total
Occupied Units	27,518	16,431	43,949
Overcrowded Units	1,104	2,976	4,080
Severely Overcrowded	478	1,767	2,245
Source: 2000 Census, STF3 (H20)			

Overpayment

A household is considered to be overpaying for housing (or cost burdened) if it spends more than 30 percent of its gross income on housing. Severe housing cost burden occurs when a household pays more than 50 percent of its income on housing. The prevalence of overpayment varies significantly by income, tenure, household type, and household size. The Comprehensive Housing Affordability Strategy (CHAS) provides detailed information on housing needs by income level for different types of households. Detailed CHAS data based on the 2000 Census is displayed in the tables below.

In 2000, 32.7 percent of all households overpaid for housing with significant proportions of renter households overpaying, 40.2 percent.

Table 9: Total Households Overpaying (2000)

Households	Renters	Owners	TOTAL
All Households	16,414	27,493	43,907
Number of Households Overpaying	6,598	7,753	14,351
Percent of All Households Overpaying	40.2%	28.2%	32.7%

Source: State of the Cities Data Systems: Comprehensive Housing Affordability Strategy (CHAS) Data

Of the 14,351 households overpaying in the City, 5,182 households or 36.1 percent were severely overpaying. For renter households overpaying, this figure is even more daunting with almost half severely overpaying (41 percent).

Table 10: Total Households Severely Overpaying (2000)

Households	Renters	Owners	TOTAL
Number of Households Overpaying	6,598	7,753	14,351
Number of Households Severely Overpaying*	2,708	2,474	5,182
Percent of Households Severely Overpaying*	41.0%	31.9%	36.1%

* Severely Overpaying is a subset of Overpaying Households

Source: State of the Cities Data Systems: Comprehensive Housing Affordability Strategy (CHAS) Data

In general, overpayment disproportionately effects lower income households which represent 71 percent of overpayment situations in Model City. Further, lower income renter households comprised 93.7 percent of the overpayment situations for renter households. This emphasizes the affordability gap between market rents and affordable housing costs for lower income households. For example, current market rents of \$1,600 for a two-bedroom unit are out of reach for lower income households who can only afford approximately \$1,300. The situation for very low-income households is even worse. These families can only afford \$800 a month for rent.

Table 11: Lower Income Households Overpaying (2000)

Households	Renters	Owners	TOTAL
Total Households Overpaying	6,598	7,753	14,351
LOWER INCOME HOUSEHOLDS			
Total Lower Income Households	9,391	6,854	16,245
Lower Income Households Overpaying (30% of Income)	6,184	4,059	10,243
Lower Income Households Overpaying (50% of Income)	2,006	2,144	4,150

Source: State of the Cities Data Systems: Comprehensive Housing Affordability Strategy (CHAS) Data.

Overpayment also fluctuates by household size in Model City. For example, 40.3 percent of smaller renter households (2-4 person) were overpaying, while only 15.5 percent of smaller elderly renter households were overpaying.

Table 12: Overpaying Households by Household Size (2000)

Household Type	Renter	Owner
Elderly 1&2	15.5%	24.4%
Small 2-4	40.3%	42.4%
Large	13.1%	10.3%
Other	31.1%	23.3%
Total	100%	100%

Source: State of the Cities Data Systems: Comprehensive Housing Affordability Strategy (CHAS) Data.

To address overpayment, Model City will pursue a variety of programs to expand affordability. With a strong prevalence of overpayment in 2-4 person and large family renter households, the City will focus its redevelopment set-aside and local trust fund on new construction of multifamily units for families and leverage these resources with existing State resources. Other Strategies include proactive outreach to nonprofits to utilize the Model City’s land assemblage and write down programs and support for funding applications. At the same time, Model City will continue its downpayment assistance and single-family rehabilitation programs to help address overpayment in owner households. See Programs 3, 7, and 10 in Section IV of the element.

Note: Sample analysis includes excerpts from the City of Concord’s Housing Element