

**HOUSING NEEDS ASSESSMENT EXTREMELY LOW INCOME HOUSEHOLDS
SAMPLE ANALYSIS
SAMPLE 1**

Extremely low-income is defined as households with income less than 30 percent of area median income. The area median income in the County is \$70,200. For extremely low-income households, this results in an income of \$21,000 or less for a four-person household or \$12,050 or less for a one-person household. Households with extremely low-income have a variety of housing situations and needs. For example, most families and individuals receiving public assistance, such as social security insurance (SSI) or disability insurance are considered extremely low-income households. At the same time, a minimum wage worker could be considered an extremely low-income household with an annual income of approximately \$17,000 or less. The following are examples of occupations with wages that could qualify as extremely low income households.

Occupation Title	Median Hourly Wage
Hotel and Resort Clerk	\$9.72
Child Care Workers	\$9.51
Housekeepers	\$8.62
Manicurists and Pedicurists	\$8.33
Hosts and Hostesses	\$8.21
Education, Training and Library Workers	\$8.16
Agricultural Graders and Sorters	\$8.10
Waiters and Waitresses	\$8.05
Food Preparation and Serving Related Workers	\$7.97

Source: Employment Development Department, Occupational Employment Projections

Existing Needs

In 2000, approximately 3,272 extremely low-income households resided in the City, representing 21.8 percent of the total households. Most (88.5 percent) extremely low-income households are renters and experience a high incidence of housing problems. For example, 82.9 percent of extremely low-income households faced housing problems (defined as cost burden greater than 30 percent of income and/or overcrowding and/or without complete kitchen or plumbing facilities) and 78.3 percent were in overpayment situations. Even further, 59.2 percent of extremely low-income households paid more than 50 percent of their income toward housing costs, compared to 17 percent for all households.

Table 12: Housing Needs for Extremely Low-Income Households

	Renters	Owners	Total
Total Number of ELI Households	2,896	376	3,272
Percent with Any Housing Problems	83.9%	74.7%	82.9%
Percent with Cost Burden (30% of income)	79.5%	69.4%	78.3%
Percent with Severe Cost Burden (50% of income)	59.2%	59.0%	59.2%
Total Number of Households	9,766	5,251	15,017

Source: HUD Comprehensive Housing Affordability Strategy (CHAS) May 2004

Projected Needs

To calculate the projected housing needs, the City assumed 50 percent of its very low-income regional housing need are extremely low-income households. As a result, from the very low-income need of 120 units, the City has a projected need of 60 units for extremely low-income households. Many extremely low-income households will be seeking rental housing and most likely facing an overpayment, overcrowding or substandard housing condition. Some extremely low-income households could be with mental or other disabilities and special needs. To address the range of needs, the City will employ a detailed housing strategy including promoting a variety of housing types, such as single-room occupancy (SRO) units.

With respect to single-room occupancy units, the City has adopted provisions in its Zoning Code (Section XX.39) to encourage the development of SRO uses in its R4 multifamily district. Provisions for the City’s SRO ordinance include: (1) requirements for a management plan outlining objective policies and procedures that do not deter the use, (2) on site management and a minimum unit size of 250 square feet. For a more detailed analysis of these standards and decision-making criteria for approval and examination of different housing types to address the housing needs of extremely low-income households (see page 42 of the element (Variety of Housing Types)).

Supportive housing is generally defined as permanent, affordable housing with on-site services that help residents transition into stable, more productive lives. Services may include childcare, after-school tutoring, career counseling, etc. Most transitional housing includes a supportive services component. The City regulates supportive housing as a residential use, provided supportive services are subordinate to the residential use.

To address the housing needs of extremely low-income households, the City will identify and meet with nonprofit builders who specialize in building housing for extremely low-income households and supportive housing. This effort is designed to:

- build a long-term partnership in development,
- gain access to specialized funding sources, including applying for funding sources that support deeper targeting,
- identify the range of local resources and assistance needed to facilitate the development of housing for extremely low-income households, and

- promote a variety of housing types, including higher density, multifamily supportive, single room occupancy and shared housing.

As part of this effort, the City will develop an action plan with its nonprofit partners to develop housing for extremely low-income households. Activities include assisting with site identification and acquisition, local financial resources, assisting and streamlining entitlements and providing concessions and incentives (see Program 4, page 65 for more details on this strategy).