



CHAPTER 9 SNAPSHOT

CURRENT AND PROJECTED HOUSING NEEDS

Purpose:

- Provide a single point for accessing the critical housing needs estimates provided throughout the report.

Content:

- The primary focus is on existing needs that can be quantified. Where possible, we project quantitative needs data for future years or provide a qualitative discussion of how present needs are likely to change in the future.
- Estimate of total housing need through 2030.
- Estimate of existing housing need related to affordability (all households, owners, and renters) by income and price range.
- Estimate current and future need for elderly housing (overall and affordable).
- Estimate of current and future need for housing for persons with disabilities.
- Discussion of needs estimates for persons with HIV/AIDS, large families, and the homeless.

Major Findings:

Overall Need

- ***Oakland County will need to add an estimated 95,700 housing units by 2030 to accommodate projected growth.*** Approximately 34,000 will need to be added by 2010 with another 34,000 by 2020 and an additional 28,000 by 2030.
- To maintain existing ratios, ***about 24,000 rental units would need to be added (via new units or conversion of existing owner units). About 18,000 new multifamily units would need to be created.***
- ***Need for new units will vary drastically by community.*** Five communities are expected to account for 43% of the growth in households by 2030.
- ***Countywide there is sufficient land and delivery system capacity to meet the overall projected need, but substantial deficiencies are projected in some communities.*** This includes ***a capacity shortage of 26,000 units in the six communities projected to accommodate 47% of growth.***

Affordable Housing Needs

- ***As many as 103,000 households have needs related to affordability.*** About 103,000 existing residents pay more than 30% of their income on housing. About 40,500 pay more than 50% of their income on housing.
- ***At least 36,935 existing households have immediate affordability needs. Most of these households earn less than \$20,000 annually.*** 36,935 households earn low-incomes or less and pay more than 50% of their income on housing. Of these, ***20,903 (those with extremely low-incomes) have the most urgent need.***
- If we expand our definition of immediate affordability need to include all households earning a low-income or less that pay more than 30% of their income on housing (i.e. basic cost burden) ***the number of households with immediate affordability needs rises to 73,503, with 26,215 households facing the most urgent need.***
- ***46 percent (16,835) of the existing households with immediate affordability needs are renters, while 54 percent (20,046) are owners (if based only on severe cost burden).*** However, more of those with the most urgent needs (i.e. extremely low-income households) are renters (11,223) than owners (9,433). Under the broader definition of immediate need (cost burden), 34,483 (46%) are renters and 39,671 (54%) are owners. Here too, more renters have the most urgent needs (14,307) than owners (11,901).
- ***Oakland County has a clear shortage of rental units (about 7,800) affordable to extremely low-income households.*** The shortage is so great that it overwhelms the surplus of units to households earning just above extremely low-income, as renters unable to find lower cost units seek units in this higher price range. There is a cumulative shortage of about 5,800 rental units for households earning less than \$20,000.

Elderly Housing Needs

- ***As many as 27,000 elderly households residents have needs related to affordability. Almost 13,000 have immediate affordability needs.*** 29 percent of elderly households (27,085) face cost burden and 14 percent (12,748) face severe cost burdens. Only Wayne County has a higher percentage of elderly facing cost burden. No Michigan county has a higher percentage of elderly facing severe cost burden.
- ***Most of the elderly households with affordability needs are owners.*** Twenty-two percent of elderly owners (15,571 households) face cost burden. Nine percent (6,779) face severe cost burden. A total of 51% of elderly renters (11,514 households) face cost burden. Twenty-six percent of elderly renters (5,969 households) face severe cost burden.
- ***Elderly housing needs will grow dramatically in the coming decades.*** The elderly population is expected to explode over the next three decades growing by 104% and accounting for about 21% of the county's population by 2030. A considerable share of this population will have modest incomes and need low-cost housing. Minimally, many of the elderly will have needs for a different type of housing to accommodate changing lifestyle, family size, or physical capabilities.
- ***Single-person elderly households would grow by 23,294 households (58%) from 2000 to 2020. By 2030, the total would grow another 18,324 to 81,528.*** The elderly living in group

quarters would grow by 2,662 through 2020 and another 2,786 by 2030, reaching a total of 12,396. Clearly, these changes would call for considerable changes in the housing options available to the elderly. Most of the remaining elderly population would live with their spouses.

- ***Subsidized housing units for the elderly would need to grow by 42% (about 3,300 units) by 2020, just to keep pace with current service levels for the elderly.*** It would need to grow by another 3,200 units from 2020 to 2030 to keep pace with the growth in elderly households over the decade.

Housing Needs of Persons with Disabilities

- ***The growth in the elderly population will also increase the need for housing and support services for the physically and mentally disabled in two ways.*** First, as the population of the county ages, the disabilities among that population will grow. Second, more and more of the disabled children that currently live with their parents or other relatives will need to find alternative housing. These two trends will compound the pressures that already exist for the disabled segment of the housing market.
- ***At least 18,000 elderly people have special housing needs related to disabilities.*** This is a very conservative estimate, however, because it includes only a small segment of all elderly with disabilities—those with disabilities that prevent them from completely caring for themselves and inhibit their ability to go outside their homes.
- ***A minimum of about 37,000 elderly people will have special housing needs by 2030.*** Conservatively we could estimate the number of disabled elderly who will have housing needs at 21,000 in 2010; 29,000 in 2020; and 37,000 in 2030.
- ***An estimated 53,100 disabled people 21 to 64 years old have special housing needs.*** Presently, most of this population lives with parents or other family members. We have no estimate of how many non-elderly people will be disabled in future decades, but we know that ***many of these disabled people who live with family members will need new housing arrangements as their family members age.***
- ***Subsidies to enable the disabled to live independently fall significantly short of need.*** If we assume that 10% of all subsidized units (except for public housing which is not set-aside for the disabled) and 5% of all nursing home beds were set-aside for the disabled (both admittedly over-optimistic assumptions), we would find that almost 1,500 units were set-aside for the disabled. Income subsidies for the disabled (i.e. SSI or SSDI) are grossly inadequate to cover housing and other living costs.
- ***Oakland County had an estimated 1,740 persons living with HIV/AIDS.*** This population faces special challenges related to discrimination, medical regimens, and support services. Currently, this population is not directly served by housing developed specifically to serve its needs, though some support services are available and people with HIV/AIDS can qualify for disabled and low-income subsidized housing.
- ***The need for housing and support services for the homeless population outstrips the available supply.*** In January 2005, there was an estimated minimum of 1,293 homeless people in the county. As of early 2005, agencies serving the homeless in Oakland County had almost 950 beds in emergency shelters, transitional housing, or permanent supportive

housing available to serve the homeless. From May 2004 through May 2005, emergency shelters were over capacity and turning people away an average of 103 days during the year. They were over 90 percent capacity during the rest of the year. Transitional and permanent supportive housing slots remain 100% leased with people on waiting lists.

Conclusions:

- ***There is a high level of existing housing needs that are unmet in the county***, particularly needs related to affordable housing for low-income families and special needs populations (especially people with disabilities). ***The level of need is expected to grow substantially*** in the future, especially needs related to elderly households and persons with disabilities. The county is also projected to face housing capacity deficits in communities that are expected to account for a large portion of the county's total household growth over the next few decades.
- It is unlikely that the housing market will take care of all these needs on its own. ***Actions will be necessary from public, private, and nonprofit stakeholders to alleviate both existing and future housing needs*** if Oakland County is to retain its status as a residential destination of choice in Michigan. If not addressed, these needs could pose considerable problems for future growth in the county.
- To address existing and projected housing needs, ***county stakeholders must pay special attention to the following:***
 - ***Adjusting zoning and planned land use in high growth communities and enacting complementary measures to encourage development in areas with existing infrastructure and surplus housing capacity.*** This can help the county avoid projected capacity deficits and avoid excessive infrastructure and other costs to accommodate housing growth.
 - ***Increasing the availability of affordable housing in growing communities.*** Very little housing for lower-income groups is available in the portions of the county experiencing high growth. Absent a concentrated effort, it is unlikely that the market will provide the affordable housing needed in these areas for lower-income groups.
 - ***Increasing the availability of supply of both traditional elderly housing and new, alternative housing arrangements to serve the growing and increasingly diverse elderly population and enable it to age in place.*** Support services to enhance the quality of life for those elderly who choose to remain in their existing housing will also need to be enhanced. The county should also consider how the county's housing market will be impacted as many elderly homeowners decide to sell their homes for smaller, more manageable units.
 - ***Increasing the availability of affordable housing for persons with disabilities and ensuring that such housing is available throughout the county***, not concentrated in a few communities.