Housing Policy Workgroup:  
Background Information
Housing Vision Statement
This vision statement was created using the data from our needs assessment, as well as the information presented by the organizations, agencies, and other groups we have talked to thus far.

Housing is a human right! An adequate supply of housing is constructed and preserved in proportion to demand and maintains cultural, racial, and class diversity of the community. There are no uninhabitable conditions or overcrowding. No one is homeless, displaced or spends more than 30% of their income on housing costs. No one experiences redlining or unfair lending practices. Everyone has equal opportunities to receive prime loans. All people have housing that is safe, habitable, and supports good health. Housing is a human right!

Economics Problem Statements
These problem statements were created using the data from our needs assessment, as well as the information presented by the organizations, agencies, and other groups we have talked to thus far.

1. Access to Affordable Housing

Problem Statement
Oakland residents pay too much for housing as compared to Alameda County residents in general, and people across California. Low income people of color are the most likely to be living in unaffordable housing conditions. A lack of affordable housing forces people to accept uninhabitable conditions, overcrowding, displacement and homelessness.

Narrative
Spending 30% of household income on housing related costs is considered affordable, according to federal guidelines and anything over 30% is considered unaffordable. Households spending 30-50% of household income on housing are considered to be “cost burdened” and households spending over 50% of household income on housing are considered to be under “severe cost burden.”

Among Oakland households, 38% are in unaffordable housing, as compared to 24% of Alameda County households, 36% of California households, and 24% of households across the nation. The amount of household income a household dedicates to housing rises as income drops. In 2006, 50% of Oakland households making $50,000 a year or less paid over 30% of their income for housing.* Households earning between $20,000 and $35,000, spent an average of 39% of total income on housing costs. Households earning $20,000 or less, spent an average of 65% of income on housing. People of color in Oakland are especially likely to experience cost burden, or paying more than 30% of household income on housing, as people of color are disproportionately represented among Oakland’s low-income residents. Those who are unable to locate affordable housing are often forced to live in uninhabitable or overcrowded conditions, are displaced, or are homelessness. For instance, in 2003, the number one reason for homelessness given by Alameda County residents was “total income not enough to afford housing.” When people cannot afford the rising housing costs, they are forced to moved, a situation known as displacement. To avoid displacement or homelessness, many low-income households accept substandard living conditions or double up, resulting in overcrowded conditions. According to the 2003 California Health Interview Survey, 1 in 4 Alameda County households is overcrowded.
Examples of health implications of a lack of affordable housing:

- Overpayment (spending more than 30% of income on housing) is linked to households making unhealthy trade-offs, like paying for housing or buying food, as well as increased stress.
- Homelessness is linked to higher rates of mortality and increased morbidity caused by respiratory infections, activation of tuberculosis, and poor nutrition.
- Displacement can result in the breaking of health protective social connection, posing a treat to health; such as higher rates of stress and mental illness.
- Over-crowding is linked to the spread of tuberculosis, respiratory infections, poorer self-rated health status, and increased stress, which has negative physiological and mental health impacts.
- Substandard housing is linked to: asthma, tuberculosis, and other respiratory problems; headache, fever, nausea, skin disease, and sore throats.

2. Low Homeownership/High Foreclosure Rates

Problem Statement
The homeownership rate is considerably low in Oakland, especially for African Americans and Latinos. African Americans and Latinos of all income categories experience discrimination when applying for home mortgage loans in Alameda County. Additionally, African American and Latinos were targeted for sub-prime loans* and are experiencing foreclosures at very high rates.

Narrative
Only 41.4% of Oakland housing is owner-occupied. In 2000, home-ownership was significantly lower for African Americans at 39% and Latinos at 46%, when compared to Asians at 63% and Caucasians at 65%. This disparity exists across all levels of income. African Americans and Latinos experience discriminatory lending practices in which they are consistently denied home-purchase loans at higher rates than Caucasians, but are targeted for sub-prime loans. In 2006, 34% of African American loan applicants in the highest income category were denied, while only 29% of Caucasian applicants in the lowest income category were denied. Sub-prime lenders specifically targeted low-income minorities, accounting for 52.9% of loans to African American, 47.3% of Latinos, 24.3% Asians, and only 17% of loans to Caucasians. Additionally high income African Americans were very likely to receive sub-prime loans even though they qualified for loans at better rates. Households with sub-prime loans are at high risk for going into foreclosure. In Oakland between January 2007 and April 2009, 5,677 homes fell into foreclosure. The number of foreclosures is high in Oakland’s communities of color, specifically in the flatlands. Homeownership is the primary way to transfer wealth from generation to generation and the loss of homeownership due to foreclosure represents a significant loss of wealth for people of color. Foreclosures due to sub-prime loans are expected to result in loss of wealth for people of color amounting to between $164 billion and $213 billion nationally.

*Sub-prime loans are those offered at a higher interest rate or with more unfavorable terms than regular (prime) loans. Sub-prime loans are more likely than prime loans to end in foreclosure.

Examples of health implications of a lack of home ownership/high foreclosure:

- Homeownership is associated with better physical health outcomes, lower child unintentional injury rates, higher self-esteem and lower levels of distress, and more
positive mental health, which is associated with lower blood pressure, as compared to renters. Children of homeowners are more likely to graduate from high school and score higher on standardized tests.

- The benefits of homeownership are tempered by where the house is located. The legacy of segregation has resulted in higher rates of homeownership among people of color in neighborhoods that lack access to grocery stores, parks, quality schools, and other health-promoting resources.

- Large mortgages are associated with stress and deferred maintenance, which is linked to uninhabitable conditions.

- Wealth is strongly linked to better health. Wealth provides a buffer during hard times so that a family can still meet its basic need for housing, food, and transportation, even when income is temporarily disrupted, such as with the loss of a job.

- Discrimination is associated with stress, which can contribute to mental health issues, high blood pressure and heart disease.

- Foreclosures are associated with stress, which can contribute to mental health issues, high blood pressure and heart disease.

- Foreclosures displace households, exposing them to the same health risks as those described above.
List of “Experts” and Relevant Reports

In addition to reviewing the local data on the economic conditions in Oakland and the research on the pathways by which health and housing are linked, we spoke with “experts” in the field. We defined “experts” as people who have experience in the area of housing, through personal experience, academic research, job focus or any other way that gave them exposure to housing issues. We also reviewed local reports and policy agendas that included policy recommendations related to housing. This list covers both.

“Experts” we spoke with:

- Oakland Community Organizations – Amy Fitzgerald
- City of Oakland Code Enforcement – Jon Stewart
- City of Oakland City Attorney’s Office – Alex Nguyen
- East Bay Community Law Center – Marc Janowitz
- Oakland Housing Authority – Sean Heron
- EveryOne Home/Behavioral Healthcare Services – Robert Ratner
- Oakland Community Land Trust – Anne Griffith
- Resources for Community Development – Eric Knecht
- Housing and Economic Rights Advocates – Maeve Elise-Brown
- Just Cause Oakland – Robbie Clark
- East Bay Housing Organizations – Shawn Rowland

Local reports we referenced:

- Dellums Task Force Report
- Blue Ribbon Commission on Housing – 2006 (City of Oakland)
- EveryOne Home and PATH Plan (East Bay Alliance for a Sustainable Economy)
- Code Enforcement and Healthy Homes: An Analysis of Practices in Four Bay Area Counties (Medical-Legal Bay Area Coalition of the San Francisco Bay Area)

Agendas we referenced:

- People’s Housing Coalition

We were forwarded these agendas through The California Endowment’s East Oakland Building Health Communities project.

- ACCE (formerly ACORN)
- Oakland Community Organizations
- Communities for a Better Environment