City of Royal Oak, Michigan

Community Development Block Grant Program

2010-2015

Program Year

Consolidated Plan

5 Year Strategic Plan (PY 2010 – PY 2015)

This document includes Narrative Responses to specific questions that grantees of the Community Development Block Grant, HOME Investment Partnership, Housing Opportunities for People with AIDS and Emergency Shelter Grants Programs must respond to in order to be compliant with the Consolidated Planning Regulations.

GENERAL – COMMUNITY PRIORITIES, PROCESS AND PARTICIPATION

Strategic Plan

Due every three, four, or five years (length of period is at the grantee's discretion) no less than 45 days prior to the start of the grantee's program year start date. HUD does not accept plans between August 15 and November 15.

EXECUTIVE SUMMARY

The City of Royal Oak's CDBG objective is to address the housing and community needs of the extremely low-, very low-, and low-income residents by taking advantage of opportunities to ensure decent and affordable housing, a suitable living environment and where applicable expand economic opportunities.

The City of Royal Oak has developed the following community needs priorities:

Housing/Homeless Community Priorities:

- Increase the supply of affordable housing through rehabilitation and limited construction.
- Provide rental assistance to lower income families and individuals.
- Meet the housing needs of elderly persons and special populations.
- Provide referrals to support the reduction of homelessness.

Community Development Community Priorities:

- Preserve and improve the community's infrastructure.
- Revitalize and sustain neighborhoods in target areas.
- Removal of slum, blighted and contaminated properties.
- Provide adequate recreation and leisure opportunities for all citizens.
- Preserve the historic character of the community.
- Expand the City's business tax base and employment opportunities.

This document will govern the CDBG program years from 2010 through 2015 (five year period).

Summary of Objective and Outcomes, 2010-2015 Consolidated Plan				
proposed activity	HUD matrix code	national objective	CDBG 5 year funding	proposed accomplishments
senior services	05A	LMC	$1,080,000	25,000 seniors will be given recreational and educational opportunities, hot meals, in-home chores, and transportation services
handicapped services	05B	LMC	$26,500	45 handicapped children and youth will be provided special transportation to a regional recreational/social summer camp
battered & abused spouses	05G	LMC	$26,500	1,000 persons will be stabilized through domestic violence and sexual assault shelter and counseling
mental health services	05O	LMC	$26,500	500 mentally challenged persons will gain life skills training
single-family residential rehab	14A	LMC	$3,900,000	175 low-to moderate-income owner occupied households will be assisted through low-interest & deferred home improvement financing. All dwellings will be made lead safe
acquisition of real property & clean-up of contaminated sites	01, 02, 04, 04A	SBS	$245,000	2 slum / blighted properties within the E 11 Mile Rd Improvement District will be acquired, demolished, and marketed for redevelopment OR 5 contaminated sites will funded for site clean-up via brownfield redevelopment
parks & recreational facilities	03F	LMA	$50,000	10 parks / facilities located in Target Areas will receive new equipment
street improvements	03K	LMA	$525,000	100,000 sq ft of existing roadways in Target Areas will be resurfaced
ADA sidewalks	03L	LMA	$25,000	25 ADA compliant down curbs will be installed in Target Areas thought city
non-residential historic preservation	14A	SBS	$50,000	2 sites will receive funds to prevent the further deterioration of non-residential historic facilities within the city
code enforcement	15	LMA	$225,000	code enforcement violations in Target Areas
program administration	21A	-	$1,545,000	General oversight, management, and coordination of the CDBG program, including studies, plans, and reports.
fair housing activities	21D	-		Funding ($20,000) for a fair housing analysis is included in funding for program administration.
rental housing assistance			$6,000,000*	1,110 housing vouchers (Section 8) will be distributed to income-eligible persons. All residential units will be HQS certified.

Note: Numeric figures related to proposed accomplishments are approximates. Dollars estimates are based on no change in allocation funds and $200,000 of PI annually. * based on Housing Voucher allocation.
Source: City of Royal Oak, Michigan

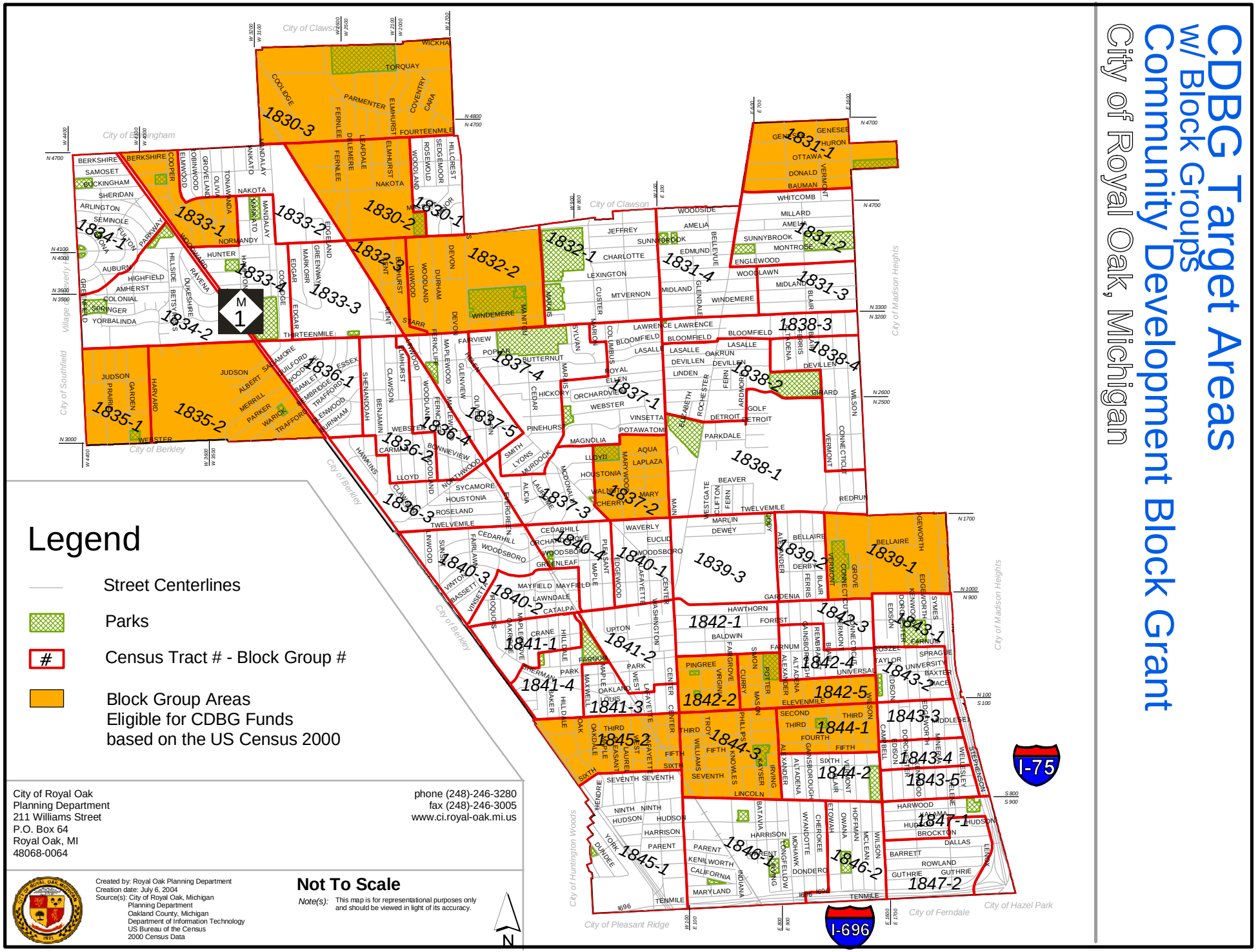
General Questions

c) **Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed.**

The City of Royal Oak covers an approximately 11.8 square mile area in southern Oakland County – southeast Michigan. The City's irregular boundaries can generally be described as extending from I-696 on the south, Woodward Avenue on the west, I-75 on the east and Fourteen Mile on the north. The total population, according to the U.S. Census Bureau in 2000 was 60,062 persons.

The low- to moderate-income households in the City are dispersed throughout the community and are not located in one specific geographic area. This is reflected on the following map. The City's objective is to provide services to low- and moderate-income residents throughout the City through public services, infrastructure improvements (where applicable), improvements at public facilities, and the removal of slum, blighted and contaminated properties in an effort to maintain the economic and social diversity of the City of Royal Oak.

CDBG Target Areas
w/ Block Groups
Community Development Block Grant
City of Royal Oak, Michigan



2. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a)(1)) and the basis for assigning the priority (including the relative priority, where required) given to each category of priority needs (91.215(a)(2). Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.

The general priorities for allocating Federal, State, local and private resources reasonably expected to be available over the coming five-year period is to develop programs and funding levels to address assistance to the most affected households and geographic areas of the community. The allocation of investments is further described as part of the housing, homeless, non-special needs and community development needs.

d) **Identify any obstacles to meeting underserved needs (91.215(a)(3)).**

There are no apparent obstacles to allocating investments geographically within the jurisdiction.

Managing the Process (91.200 (b))

1. Lead Agency. Identify the lead agency or entity for overseeing the development of the plan and the major public and private agencies responsible for administering programs covered by the consolidated plan.

The City of Royal Oak Planning Department is the lead department responsible for overseeing the development of the Consolidated Plan and administering the development process of the Consolidated Plan. The City of Royal Oak Planning Department has utilized several community planning initiatives to develop the various components of the Consolidated Plan, including work with the City of Royal Oak's Rehabilitation Board of Appeals and City Commission, meetings with various county and local government representatives and social service agencies. The City of Royal Oak also works with community organizations and various city departments to provide public services and facilities to address the City's objectives in carrying out the Consolidated Plan.

2. **Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.**

The City of Royal Oak Planning Department in cooperation with other government, nonprofit and private agencies has developed the Five-Year Consolidated Plan. The consultation included presentations to the Royal Oak City Commission and the City's Rehabilitation Board of Appeals, public hearings, meetings, and an online survey, mailed to those without Internet access. The following agencies, groups, organizations and others participated in the process or were provided with the opportunity to participate in the process:

Oakland Livingston Human Service Agency
345 E Nine Mile Road
Ferndale, MI 48220

South Oakland Citizens for the Homeless
Berkley Community Church
2855 Wiltsire
Berkley, MI 48072

Habitat for Humanity of Oakland County
150 Osmun Street
Pontiac, MI 48342

The Royal Oak Salvation Army
3015 N Main Street
Royal Oak, MI 48073

OLHSA Oakland
196 Cesar E Chavez Avenue
PO Box 430598
Pontiac, MI 48343-0598

Open Door Outreach Center
7170 Cooley Lake Road
Waterford, MI 48327

Dreams Unlimited Clubhouse
1222 Catalpa Dr
Royal Oak, MI 48067

Forgotten Harvest
21800 Greenfield Road
Oak Park, MI 48237

South Oakland Shelter
431 N Main Street
Royal Oak, MI 48067

United Way for Southeastern Michigan
50 Wayne St
Pontiac, MI 48342

The Society of St Vincet de Paul
3000 Gratiot Avenue
Detroit, MI 48207

HAVEN
PO Box 431045
Pontiac, MI 48343

Community Housing Network
570 Kirts Boulevard
Suite 231
Troy, MI 48084

Common Ground
1410 S Telegraph Road
Bloomfield Hills, MI 48302

Steppin' Out / Aids Walk Detroit
307 W Sixth Street Suite 204
Royal Oak, MI 48067-3882

Special Olymics Michigan
12900 Hall Road
Suite 390
Sterling Heights, MI 48313

Training & Treatment Innovations, Inc
1410 E 14 Mile Road
Madison Heights, MI 48071

Barton Towers Co-op
333 N Troy Street
Royal Oak, MI 48067-1863

City of Royal Oak
Housing Division /
Section 8 Program
211 Williams St
Royal Oak, MI 48067

City of Royal Oak
Engineering Department
211 Williams St
Royal Oak, MI 48087

The Damone Group
850 Stephenson Highway
Suite 200
Troy, MI 48083

Gleaners Oakland Distribution Center
120 E Columbia Avenue
Pontiac, MI 48340

Community Living Services Oakland County
3270 Greenfield Road
Berkley, MI 48072

Catholic Social Service of Oakland County
1424 E 11 Mile Road
Royal Oak, MI 48067

Oakland County Library for the Visually & Physically
Impaired (LVPI)
1200 North Telegraph Road
Building 14 East
Pontiac, MI 48341-0482

South Oakland Family YMCA
1016 W 11 Mile Road
Royal Oak, MI 48067

Oakland County Children's Village
1200 N Telegraph Road
63 West
Pontiac, MI 48341-0444

Lighthouse
46156 Woodward Avenue
PO Box 430508
Pontiac, MI 48342

StageCrafters Community Theater
415 S Lafayette
Royal Oak MI 48067

Judson Center
Oakland County Regional Office
4410 W 13 Mile Road
Royal Oak, MI 48073

SCAMP day camp
Disabled Children
Royal Oak coordinator

Oakland Technical Center
5055 Delemere Street
Royal Oak, MI 48073

Royal Oak Manor Co-op
606 Williams Street
Royal Oak, MI 48067-2652

City of Royal Oak
Housing Division
Housing Rehab Program
211 Williams St
Royal Oak, MI 48067

City of Royal Oak
Recreation Department
211 Williams St
Royal Oak, MI 48067

City of Royal Oak
Senior Center
3500 Marais
Royal Oak, MI 48073

City of Royal Oak
Fire Department
215 E 6th St
Royal Oak, MI 48067

Royal Oak Fire Department
215 E 6th St
Royal Oak, MI 48067

Royal Oak Ice Arena Oversight Committee

Royal Oak Historical Commission

Royal Oak Planning Commission chairperson

Leader Dogs for the Blind
1039 S Rochester Road
Rochester Hills, MI 48307-3115

Gateway Counseling
1463 E 12 Mile Road
Madison Heights MI 48071

Boys & Girls Club of South Oakland County
1545 E Lincoln Avenue
Royal Oak, MI 48067

Woodward Avenue Shul
25595 Woodward Avenue
Royal Oak, MI 48067

First United Methodist Church
320 W 7th St
Royal Oak, MI 48067

St Paul Lutheran Church
202 E 5th St
Royal Oak, MI 48067

First Baptist Church of Royal Oak
309 N Main St
Royal Oak, MI 48067

Royal Oak Lions Club
PO Box 473
Royal Oak, MI 48068

Royal Oak Jaycees
PO Box 1603
Royal Oak, MI 48068-1603

Royal Oak
Knights of Columbus # 12408
2100 W 12 Mile Road
Royal Oak, MI 48073

City of Royal Oak
Police Department
211 E 3rd St
Royal Oak, MI 48067

Royal Oak Public Library
222 E 11 Mile Rd
Royal Oak, MI 48067

City of Royal Oak
Department of Public Service
1600 N Campbell Rd
Royal Oak, MI 48067

Royal Oak Nature Society

Royal Oak City Commission members

Royal Oak Rehab Board of Appeals members

DeafCAN
2111 Orchard Lake Road, Ste. 101
Sylvan Lake MI 48320

Legal Aid & Defender Association, Inc
613 Abbott
Detroit, MI 48226

World Foundation Agape House
26677 W Twelve Mile Road
Southfield, MI 48034

National Shrine of the Little Flower
Roman Catholic Church
2100 W 12 Mile Rd
Royal Oak, MI 48073

Woodlawn Church
3620 Rochester Rd
Royal Oak, MI 48073

Unity Church of Royal Oak
2500 Crooks Rd
Royal Oak, MI 48073

The Royal Oak Optimist Club
PO Box 1914
Royal Oak, MI 48068

The Royal Oak Kiwanis Club
First Congregational Church
1314 Northwood Boulevard
Royal Oak, MI 48073

Royal Oak Women's Club
404 S Pleasant Street
Royal Oak, MI 48067

Royal Oak Elks Lodge # 1523
2401 E Fourth Street
Royal Oak, MI 48067

Royal Oak Veterans of Foreign Wars
Acorn Post
214 E Fourth St
Royal Oak, MI 48067

City of Southfield
Planning Department
26000 Evergreen Road
Southfield, MI 48076

City of Birmingham
Planning Department
151 Martin Street
Birmingham, MI 48012

City of Oak Park
Planning & Building Department
13700 Oak Park Boulevard
Oak Park, MI 48237

City of Hazel Park
Planning Department
111 E Nine Mile Road
Hazel Park, MI 48030

City of Southfield
Housing Program / Section 8
26000 Evergreen Road
Southfield, MI 48076

The Road Commission for Oakland County
31001 Lahser Road
Beverly Hills, MI 48025

SEMCOG
535 Griswold St
Suite 300
Detroit, MI 48226

Beaumont Hospital
Community Affairs & Advocacy
3601 W 13 Mile Rd
Royal Oak, MI 48073

Oakland County Historic Commision
1200 N Telegraph Road
Pontiac, MI 48341

Oakland County Health Division
Senior Citizens Services Coordinator
1200 N Telegraph Road
Pontiac, MI 48341-0439

Oakland County
Workforce Development Division
1200 N Telegraph Road
Pontiac, MI 48342

Oakland County Health Division
County Service Center
1200 N Telegraph Road
Building 36 East
Pontiac, MI 48341

School District of the
City of Royal Oak
1123 Lexington Blvd
Royal Oak, MI 48073

Royal Oak Chamber of Commerce
200 S Washington Ave
Royal Oak, MI 48067-3821

City of Huntington Woods
Planning Department
26815 Scotia Road
Huntington Woods, MI 48070

City of Troy
Planning Department
500 W Big Beaver Road
Troy, MI 48084

City of Madison Heights
Community Development Department
300 W 13 Mile Road
Madison Heights, MI 48071

City of Berkley
Planning Department
3338 Coolidge Hwy
Berkley, MI 48072

Oakland County Community Corrections
1151 Crooks Road
Troy, MI 48084

MSU Extension – Oakland
1200 N Telegraph Road
Building 26 East
Pontiac, MI 48341-0416

Oakland County Emergency Response & Preparedness
County Service Center
Building 47 West
1200 North Telegraph Road
Pontiac, MI 48341-0410

Oakland County
Community & Home Improvement Division
Oakland Pointe, Ste 1900 250 Elizabeth Lake Rd
Pontiac, MI 48341-0414

Oakland County Veteran's Services
North Office Building
1200 N Telegraph Road
Pontiac, MI 48341-0468

Oakland County Community Mental Health Authority
2011 Executive Hills Blvd
Auburn Hills, MI 48326

Oakland Schools
2111 Pontiac Lake Road
Waterford, MI 48328-2736

3. Describe the jurisdiction's consultations with housing, social service agencies, and other entities, including those focusing on services to children, elderly persons, persons with disabilities, persons with HIV/AIDS and their families, and homeless persons.

During the development of the Consolidated Plan, efforts were made to consult with a variety of housing and social service agencies and other entities with the goal of improving the exchange of information, coordination of services, and collaboration of efforts to meet the needs of the affected population. Representatives from those agencies were invited to participate in an online community needs survey to identify their agency needs and goals for providing services to the affected population. The Planning Department, in conjunction with the City's Information Systems Department, worked to develop the online survey for a convenient method for agencies to respond. The online survey was made available from October 6, 2009 through December 1, 2009. Those agencies without Internet access were provided with a paper copy of the survey via mail.

It's important to note that the results of the survey are intended to enhance the overall process and development of the Consolidated Plan. The survey results are not the only factors in determining the future funding levels for the City's housing and community development needs. Staff has compiled the results and other factors in determining the estimated dollar amount needed to address the identified needs. Other factors may include the City's immediate required compliance with federal regulations. Such an example may include the timely replacement of existing non-compliant ADA downcurbs. The results of the survey may also indicate a high need response to a regional issue versus a local or City-wide issue. Such an example may include regional transportation or alternative transportation. Other funding agencies or sources may be more appropriate to implement the overall goal and infrastructure related to the regional need. The use of the City's CDBG funds may be appropriate to implement a local element of such a regional need. Until local elements of the regional need are identified, staff may not find it appropriate to allocate CDBG funds.

Because the City of Royal Oak is within an urban region, it shares many of the same issues and services with its surrounding communities. In order to get a comprehensive view of the needs and strategies required to address the social, economic and physical barriers present for the low- to moderate-income citizens, the City of Royal Oak has established on-going communications with Oakland County, local jurisdictions, social service agencies and housing organizations.

Citizen Participation (91.200 (b))

1. Provide a summary of the citizen participation process.

Public participation is an important part of the development process of the Consolidated Plan and Annual Action Plan. To this end, the City of Royal Oak has utilized a wide array of tools and methods to gather input into the planning process.

Over the past program year, the Royal Oak Planning Department recognized that the City's Citizen Participation Plan (CPP) was outdated and required amendments to clarify the stages of the Consolidated Plan process, including Substantial Amendments, eliminate reference to the former Citizens Advisory Committee, allow the public access to CDBG program related documents via the

City's website, identify the City's efforts to accommodate all citizens, including minorities, disabled persons and non-English speaking persons, and amendments to the CPP. Amendments were necessary for the City's CDBG program to remain in compliance with HUD regulations.

At its October 5, 2009 meeting, the Royal Oak City Commission approved proposed amendments to the CPP. Since the amendment, the Planning Department has actively taken steps to implement the City's revised CPP. The Planning Department, in conjunction with the City's Information Systems Department, created a comprehensive CDBG program webpage. The webpage includes "standard documents" as identified in the CPP, notice of meetings, applications for CDBG funds, and online surveys.

In prior years, the City disbursed paper applications for funding to organizations that retained a strong historical connection to the City's community needs efforts. While all organizations were encouraged to apply, notification of the availability of applications was fairly inadequate. Planning Department staff has taken the initiative to create an electronic application for funding for the 2010-2011 CDBG program year. The application was e-mailed to identify organizations. More importantly, the application was posted on the City's website for a two month period. The website posting makes the application more accessible to interested organizations.

As previously discussed under "Managing the Process", city staff worked to develop the online housing and community needs survey for a convenient method for agencies to respond. The online survey was made available from October 6, 2009 through December 1, 2009. Those agencies without Internet access were provided with a paper copy of the survey via mail. All of the agencies identified on pages 5-8 were provided the opportunity to complete the needs survey. Approximately 28 percent of those individuals, service agencies, religious institutions, adjacent communities, city departments notified of the survey responded to the needs survey.

Since 2005, the City's Rehabilitation Board of Appeals has been advising the City Commission on all community development needs and priorities. The Board's intent in the appointment process is to insure representation of all citizens to the largest extent possible.

The Rehabilitation Board of Appeals held a public hearing on September 22, 2009, at 7:00 p.m. at City Hall to inform the community about the Consolidated Plan development process and offer opportunities for public input into formulation of the plan. The Board also held a public hearing regarding the proposed amendments to the City's CPP. The public hearing was advertised on September 4, 2009 in The Daily Tribune, a local newspaper, which is widely distributed to households in the City of Royal Oak and greater southeast Michigan. All meetings of the Rehabilitation Board of Appeals were also posted on the City's website (ci.royal-oak.mi.us), at City Hall, the Royal Oak Public Library, and the City's senior / community centers. Although public comment was encouraged, there was no public comment at the meeting.

Additionally, the Rehabilitation Board of Appeals, in its advisory role for the Community Development Block Grant Program, held its public hearing on March 23, 2010, at 7:00 p.m. at City Hall to hear public comment pertaining to 1) the City's community development needs for the PY 2010-2015 Consolidated Plan; 2) community development needs for the PY 2010-2011 Annual Action Plan and; 3) updates to the Analysis of Impediments to Fair Housing. Public comment was provided by an applicant seeking PY 2010-2011 CDBG funds to renovate a non-historic structure. The public comment discussion focused on the scope of work associated with the application.

At its April 19, 2010 meeting, the Royal Oak City Commission heard public comment regarding the PY 2010-2015 Consolidated Plan and PY 2010-2011 Annual Action Plan. Members of the newly

formed business alliance, 11 Mile Has It All, urged the City Commission to consider funding improvements along E Eleven Mile Road. The Annual Action Plan was referred back to the Rehabilitation Board of Appeals for further consideration with regard to potential funding for eligible activities within the East Eleven Mile Road Improvement District – Slum and Blight Area Plan.

The Rehabilitation Board of Appeals further discussed the item and the overall budget at its regularly scheduled April 27th meeting. Members of 11 Mile Has It All participated in open dialogue with Board members. After discussion, the Rehabilitation Board of Appeals recommended the reallocation of funds from the proposed Curry Avenue resurfacing project and the contingency fund to two eligible activities, a façade improvement program and a nonconforming sign purchase and removal program, within the East Eleven Mile Road Improvement District.

At its May 3, 2010 meeting, the Royal Oak City Commission concurred with the recommendation of the City's Rehabilitation Board of Appeals to approve the submission of the PY 2010-2015 Consolidated Plan and PY 2010-2011 Annual Action Plan to HUD. The City Commission is not required to conduct a public hearing, however all City Commission meetings allow public comment.

2. Provide a summary of citizen comments or views on the plan.

The Rehabilitation Board of Appeals, the City's advisory committee on community development needs, held a Public Hearing September 22, 2009 and again on March 23, 2010 to gather public input on community needs and the Consolidated Plan. A draft copy of the Consolidated Plan, Annual Action Plan, and Analysis of Impediments to Fair Housing were available for review at the Planning Department and on the City's website (ci.royal-oak.mi.us).

The City of Royal Oak considers all comments from citizens, non-profit agencies and organizations and City departments received in writing or verbally at public hearings and through the development process in preparing the final Consolidated Plan, amendments and subsequent performance reports (CAPER). As required by the Federal Statute, the City of Royal Oak has a thirty (30) day comment period after publication of the draft Consolidated Plan.

3. Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.

The Consolidated Plan process and the subsequent development of the Annual Action Plan are open to the public and notice is provided as required by Federal Statute. Public hearings are identified approximately 10 to 15 days in advance of the meeting. The facility is accessible to the disabled and special need assistance was offered.

In the development of the Consolidated Plan, the City of Royal Oak encouraged public participation through:

- ✓ *Public Hearings (2 public hearings)*
- ✓ *2009 Housing and Community Development Needs Survey*
- ✓ *Outreach to public service agencies and other public/quasi-public agencies*

4. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.

All comments were accepted that pertain to the Consolidated Plan development.

Institutional Structure (91.215 (i))

1. Explain the institutional structure through which the jurisdiction will carry out its consolidated plan, including private industry, non-profit organizations, and public institutions.

The Planning Department administers the Community Development Block Grant program and assists the organizations and departments with meeting the reporting requirements set forth by HUD. The following lists the institutional structure through which the Consolidated Plan will be implemented.

PUBLIC INSTITUTIONS

a) Royal Oak Mayor and City Commission
The Mayor and City Commission act as the legislative or policy making body which approves the general policies and specific directives of the Consolidated Plan strategy.

b) Royal Oak Planning Department
The Planning Department is composed of the divisions of Planning and Housing. The Planning Department administers the Community Development Block Grant Program. The Director of Planning will oversee the implementation of the Consolidated Plan.

c) Royal Oak City Departments
These departments are composed of various divisions including City Manager, Building Inspection, Engineering, Recreation, Public Services, Police and Fire, Senior Services, Library, Finance and Treasurer. The departments have various roles and responsibilities in the development of the Consolidated Plan, implementation and monitoring of projects.

d) Royal Oak Housing Commission
The Housing Commission contracts with the Department of Housing & Urban Development and operates the Rental Housing Assistance Program.

e) Royal Oak Senior Citizens Advisory Committee
This committee advises the City Commission and City Manager on all matters relating to senior citizen services.

f) Royal Oak Rehabilitation Board of Appeals
This group assesses the housing and community development needs of the City and recommends both long term and annual programs to the City Commission.

g) Oakland County
The county publishes a county-wide Consolidated Plan containing policies for housing development. They also provide social services for persons with housing needs and statistical reports to help cities identify their housing needs.

h) State of Michigan
The state oversees the Michigan Housing Coordinating Council, which publishes a state-wide Consolidated Plan documenting housing needs and strategies. The Michigan State Housing

Development Authority administers a number of ownership, homeowner assistance and rental programs.

i) Federal Government
The Federal government enacts legislation regarding national housing policies. It also allocates funding for federal, state and local governments, and oversees the Department of Housing & Urban Development (HUD), which is responsible for administering and monitoring the major housing programs in the United States.

NONPROFIT ORGANIZATIONS

Royal Oak partners with numerous nonprofit and social service agencies to provide community-wide services. Many of these agencies are listed on pages 5 through 8.

PRIVATE INSTITUTIONS

Financial institutions such as banks and savings and loan agencies set the minimum down payments for mortgages. The varying rates determine the ability of most households to purchase homes. Financial institutions also are required by federal regulators to provide for reinvestment in the communities they serve.

2. Assess the strengths and gaps in the delivery system.

The City of Royal Oak coordinates the delivery of housing and services to low- to moderate-income residents through its City Commission, Rehabilitation Board of Appeals, Park and Recreation Board, Senior Advisory Committee and the Housing Commission, and other such boards and committees. All of these community members have input into the Community Development Block Grant program.

The City of Royal Oak will continue to work with the county, state and federal government agencies to strengthen current ties and to identify gaps in the delivery of services. Providing information regarding the menu of community development services available to Royal Oak residents is an area that has been reviewed and improved. It includes programs available through Oakland County and the State of Michigan. The City will continue to reevaluate its notice of services.

The City of Royal Oak will also continue to work with social service and enforcement agencies to explain governmental housing policies and programs and to better document the City's overall housing needs. One such organization is the Fair Housing Legal Aid and Defender.

3. Assess the strengths and gaps in the delivery system for public housing, including a description of the organizational relationship between the jurisdiction and the public housing agency, including the appointing authority for the commissioners or board of housing agency, relationship regarding hiring, contracting and procurement; provision of services funded by the jurisdiction; review by the jurisdiction of proposed capital improvements as well as proposed development, demolition or disposition of public housing developments.

The City of Royal Oak administers the tenant-based Housing Choice Voucher Program for up to 222 individuals and families. The City does not own any public housing units. The Housing Commission is appointed by the Royal Oak City Commission. The City of Royal Oak, through the Planning Department, hires all staff and coordinates the administration of the program. The City will

continue to evaluate opportunities to expand housing developments through the Housing Commission.

Monitoring (91.230)

1. Describe the standards and procedures the jurisdiction will use to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.

The City of Royal Oak Planning Department is responsible for managing the day-to-day operations of the Community Development Block Grant program and the Housing Choice Voucher program. The Planning Department has developed a quarterly reporting mechanism for all program participants, and information is provided throughout the year on federal labor requirements, including Davis-Bacon compliance, Section 3 data collection, women and minority business data collection, contractor disbarment, expenditures, etc. Monitoring of the program is the responsibility of the City of Royal Oak Planning Department. Financial audits are performed annually by a private auditing firm.

Priority Needs Analysis and Strategies (91.215 (a))

1. Describe the basis for assigning the priority given to each category of priority needs.

The general priorities for allocating Federal, State and local and private resources reasonably expected to be available over the coming five-year period were developed with the highest priority being assistance to the most affected.

2. Identify any obstacles to meeting underserved needs.

Affordable housing continues to be an obstacle in the City of Royal Oak. From the mid 1990s through the early 2000s, this was largely attributable to the rising housing costs and increasing demand for property. While the national and regional housing market collapse of the past several years has reduced the cost of housing, housing prices in the City of Royal Oak still remains higher than surrounding communities. As outlined later in this document, existing residents are experiencing a unique housing burden. The City has a well established Homeowner Rehabilitation Program that assists in maintaining housing for low- to moderate-income households but new homeownership is difficult to implement. The City will continue to review various programs that may assist in this area of need, i.e. first-time homeownership down payment assistance, etc., and distribute the materials through the Housing Division and local website and publications.

More recently, the City of Royal Oak has implemented its Neighborhood Stabilization Program (NSP). The City's NSP allows the staff to identify and acquire foreclosed single-family dwellings for rehabilitation and resale. Under the federal guidelines, the City must sell the rehabilitated single-family houses to income qualified households. Federal guidelines require that at least 25% of the allocated funds ($1,000,000) must be used to purchase and redevelop abandoned or foreclosed-upon homes or residential properties for housing individuals or families whose incomes do not exceed 50% of area median income (AMI). The City's approved NSP program includes up to $15,000 in down payment assistance. The City's willingness to conduct the federal program illustrates its commitment to implementing programs aimed at affordable, owner-occupied housing.

The City will continue to administer the Housing Choice Voucher program which provides a maximum of 222 rental subsidy vouchers to income-qualifying participants. The Housing Commission currently maintains a waiting list with priority for individuals and families who live and/or work within the City of Royal Oak.

With the enactment of the American Recovery and Reinvestment Act of 2009, the City of Royal Oak is working in conjunction with HUD to implement its Homeless Prevention and Rapid Re-Housing Program (HPRP). The City has entered into service agreements with the South Oakland Shelter and The Royal Oak Salvation Army to provide financial assistance and services to prevent individuals and families from becoming homeless and to help those who are experiencing homelessness to be quickly re-housed and stabilized. HPRP is not a mortgage assistance program. It provides housing solutions for non-property owner residents of the City of Royal Oak. City staff may use HPRP funds to assist those currently receiving a housing voucher and those on the City's voucher "waiting list". HPRP funds may provide individuals or families currently receiving a voucher with the opportunity to graduate from the program. It may allow those on the "waiting list" to move forward or no longer seek the need for support.

The City of Royal Oak is a participant in the Oakland County Task Force on Homelessness Continuum of Care project. The City of Royal Oak through various providers supports a wide array of services for the homeless. The City will continue to support these efforts.

In addition the City of Royal Oak meets its funding limit for public service based programming on an annual basis. The need and cost for public services continues to increase; however, the funding level is anticipated to decrease over the next five years. These activities have included social service based programming for senior citizens, physically and emotionally disabled and low-income youth. The City will continue to evaluate and seek other funding sources in an effort to maintain the same level of programming.

Lead-based Paint (91.215 (g))

1. Estimate the number of housing units that contain lead-based paint hazards, as defined in section 1004 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, and are occupied by extremely low-income, low-income, and moderate-income families.

The Census Bureau's 2000 data identifies 29,942 housing units in the City of Royal Oak (20,179 of which are single-family detached homes.) The City of Royal Oak Master Plan indicates that 97.3% of the City's housing stock was built before 1980. Taking an estimate of 95% to account for the homes built before 1978, the effective year for homes that could have lead-based paint, and for homes built in the City between 1990 and 2005, the City of Royal Oak is estimated to have 28,446 housing units built before 1978. A factor of 33% is commonly used for the number of homes in need of substantial repair and could have lead-based hazards. This results in a total of 9,387 housing units. Of the lead-based paint risk assessments conducted by the City's rehab program of homes in need of repair that were built before 1978, 91% have identified lead-based paint hazards. Based on this assessment, it is estimated that there are approximately 8,500 housing units with lead-based paint hazards.

Data as of 2000 shows 6.7% of all City households have incomes less than 30% of the median income or extremely low-income, 8.4% with income between 30% and 50% of the median income or low-income, and 16.7% with income between 50% and 80% the median income, or moderate-income. Applying these factors to the homes estimated to have lead paint hazards gives 572

occupied by extremely low-income families, 718 occupied by low-income families and 1,427 occupied by moderate-income families.

2. Outline actions proposed or being taken to evaluate and reduce lead-based paint hazards and describe how lead-based paint hazards will be integrated into housing policies and programs, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards.

The City's two housing programs, Home Rehabilitation Program and Housing Choice Voucher – Section 8 rental assistance, address lead-based paint. The Home Rehabilitation Program evaluates and addresses lead-based paint hazards with interim controls or abatement for all properties, throughout the property, that receive more than $5,000. Properties that receive less than $5,000 have the paint assessed in the area where work is taking place. Clearance testing is conducted to make sure no lead hazards remain.

The Housing Choice Voucher Assistance Program uses a visual examination of paint condition at the units requiring inspections, at least annually. Paint stabilization is required when necessary.

GENERAL DEMOGRAPHICS

This section provides an overview of the demographic trends in Royal Oak and a description of the City's housing market. It focuses on two areas: Part 1) Community Description, and Part 2) Market and Inventory Conditions.

1. COMMUNITY DESCRIPTION

a) Background and Trends

The City of Royal Oak contains 7,610.4 acres (11.8 square miles) and is located in the southeast corner of Oakland County – two miles north of the City of Detroit. The City was originally established in the early 1800's as a small trading center and railroad town. Since its incorporation in 1921, Royal Oak has developed as a bedroom community comprised predominantly of single family homes with the majority of the population working outside the City. It is regarded as an inner-ring suburb, or first tier suburb, of the City of Detroit. As an inner-ring suburb, Royal Oak is a mature, built-out community.

Royal Oak's current land use pattern, as of 1999 inventory, is broken down as follows: 69% residential; 21% public (including right-of-way); 6% commercial; and 3% industrial. The City is characterized by a central business district surrounded by older residential areas surrounded by newer residential development. On the average, the housing stock is older, with 95.07% of the housing units were built prior to 1980. Besides the downtown development, other commercial activity is located along major thoroughfares running throughout the City. One of the most notable commercial corridors is along Woodward Avenue, a six lane state highway running from the south to the north end of the City. The largest light industrial areas are located at the northwest and southwest corners of the City adjacent to the railroad.

Royal Oak's housing stock contains an appropriate mix of high-, middle- and low-income neighborhoods. Over the last two decades, the City has enjoyed a strong housing market. While pockets of inadequate housing exist throughout the City, there is no large scale blight or abandonment. Also, the City has experienced an increase in the number of renovations and additions to all types of housing. With no large tracts of vacant land available for new housing

development, the City has encountered an increase in lot split requests in order to create new lots for additional housing.

It should be noted that several large tracts of vacant land have become available for redevelopment in the past five years due to the consolidation of school district facilities and services. Former school sites have been demolished and sold or placed on the real estate market for redevelopment. Unfortunately, the timing of these events coincides with the demise of the regional, state and national housing and employment market. Many approved redevelopments, nearly all containing a significant housing component, have been delayed or abandoned due to the recent financial collapse.
The mid 2000s were flush with prosperity brought about by low mortgage interest rates and consumer confidence in real estate. Since approximately 2005, the State of Michigan and the communities that compromise metropolitan Detroit have experienced a significant decline in housing prices and staggering unemployment rates.

With exodus of manufacturing industries in the Midwest, southeast Michigan's economy has lagged behind other regions having more diversified economies. This economic decline has been partially offset by growth in non-manufacturing industries, especially in Oakland County. As shown in the following table, a significant percent of Royal Oak's labor force is employed in managerial, technical, sales, and professional and administration support occupations.

Occupations of Royal Oak Residents, 2007	
occupation type	percentage
management, professional, & related occupations	50.0%
sales and office occupations	27.7%
service occupations	7.1%
production, transport, & material moving occupations	8.8%
construction, extraction, and maintenance occupations	6.3%
farming, fishing, and forestry occupations	0%
Sources: U.S. Census Bureau, 2005-2007 American Community Survey	

By contrast to the above reference table, according to the results of the 1990 Census occupations of Royal Oak residents were as follows: management, professional (33.7%), technical, sales and administrative (36.2%), service (10.9%), production (9.6%).

According to the Michigan Department of Labor & Economic Growth, in 2008, the City of Royal Oak had a labor force of 34,259 persons (not seasonally adjusted). Historically, the City of Royal Oak and Oakland County have retained an unemployment rate of approximately half comparative to the State of Michigan as well as marginally lower that Oakland County. The following table shows historic unemployment rates.

Unemployment Rate Comparison				
year	Royal Oak	Oakland County	MSA	Michigan
2009	9.2%*	14.4%**	17.1%**	15.4%**
2008	4.4%	7.1%	9.0%	8.4%
2007	3.8%	6.1%	8.0%	7.1%

2006	3.5%	5.8%	7.4%	6.9%
2005	3.5%	5.7%	7.6%	6.8%
2004	3.5%	5.6%	7.6%	7.1%
2003	3.4%	5.5%	8.0%	7.1%
2002	3.2%	5.2%	6.7%	6.2%
2001	2.7%	4.4%	5.3%	5.2%
2000	1.7%	2.9%	3.6%	3.7%

not seasonally adjusted * June 2009 **October 2009

Source: MI Dept of Labor & Economic Growth, Office of Labor Market Info

Some of the City's largest employers include William Beaumont Hospital, Consumers Power Company and Meijer's (general merchandise retailer / grocery). With the completion of the I-696 Freeway linking the east and west sides of metro Detroit in 1989, the City is expected to continue attracting an increase in commercial and residential development. Since 2000, the City has continued to experience growth in both the commercial and residential land uses. This trend is expected to continue despite the economic downturn.

The region and state continue to lag behind recent national indicators that housing prices and employment levels are on the rise. However, with its tree-lined streets, stable government, low crime rate, central location, viable traditional downtown, and a highly educated and skilled workforce, the City of Royal Oak, along with its housing market, is poised to return to prosperity faster than many surrounding communities.

b) Demographics/Low-Income and Racial/Ethnic Concentrations

Population

As reflected in the table below, the City grew rapidly in the 1920's, 1940's and 1950's. The population peaked in 1970 at 86,238 and has since declined to an estimated 54,260 in 2009.

Total Population, 1900-2009			
year	total pop.	Pop. Diff.	% change
2009*	54,260	-5,802	-9.66%
2000	60,062	-5,348	-8.18%
1990	65,410	-5,483	-7.73%
1980	70,893	-15,345	-17.79%
1970	86,238	5,626	6.98%
1960	80,612	33,714	71.89%
1950	46,898	21,801	86.87%
1940	25,097	2,193	9.57%
1930	22,904	16,897	281.29%
1920	6,007	4,936	460.88%
1910	1,071	603	128.85%
1900	468		

Sources: U.S. Census Bureau, 2000 Census &
* Southeast Michigan Council of Governments, July 2009 estimate

Over the last forty years, many older, "inner-ring" suburbs of the City of Detroit have lost population, while outlying suburbs gained residents. However, it appears the decline in Royal Oak's population is due to smaller households with fewer children, more single-member households and more elderly households, rather than the City having a high housing vacancy rate. Also, the current population does not have a large concentration of any unique groups, such as students, military personnel, or migrant workers.

Average Household Size		
	2000	2009
City of Royal Oak	2.06	1.88 *
State of Michigan	2.56	2.55**
United States	2.59	2.61**

Sources: U.S. Census Bureau, 2000 Census &
c) Southeast Michigan Council of Governments, July 2009 estimate
** U.S. Census Bureau, December 2008 estimate

Age

The age profile of Royal Oak has changed over the last thirty years as shown in the table below.

Age Percentages, 1960-2000					
age cohort	1960	1970	1980	1990	2000
under 25	46.8%	45.0%	35.2%	28.5%	25.3%
25-44	30.2%	24.5%	29.0%	38.1%	38.8%
45-54	10.4%	13.2%	10.9%	8.9%	13.6%
55-59	4.0%	4.9%	6.9%	4.0%	4.3%
60-64	3.0%	4.0%	5.6%	4.8%	3.1%
65-74	4.0%	5.3%	7.4%	9.3%	6.7%
75 and older	1.6%	3.1%	5.0%	6.4%	8.3%
	100.0%	100.0%	100.0%	100.0%	100.0%

Source: U.S. Census Bureau

Those in the 25-44 year old bracket, which often contains a high percentage of renters and first-time home buyers, experienced the largest growth since 1970 from 24.5% to 38.8%. The largest decrease occurred among those persons under 25 years of age. Royal Oak's population continues to experience a growing percentage of persons 75 years of age or older. U.S. Census 2008 population data indicate approximately 13.7% of the City's population is 65 years of age or older. This is considerably higher than the State of Michigan and the U.S. It also estimates a slight decrease from the previous two decades of 15% or higher.

Age Percentages, 2008 Estimates			
age cohort	City of Royal Oak	State of Michigan	United States
under 5 years	5.5%	6.3%	6.9%
18 years & over	84.3%	75.7%	75.5%
65 years & over	13.7%	12.8%	12.6%
Source: U.S. Census Bureau, December 2008 estimate			

Minority Population

According to the 2000 Census, the number of minorities (which includes Blacks/African Americans, Hispanics, Native Americans, and Pacific Islanders) make up a small percentage (5.2%) of Royal Oak's total population.

In the year 2000, the overwhelming majority of the surrounding communities had similar minority percentages: Birmingham (3.9%), Clawson (3.9%), Ferndale (8.5%), Madison Heights (10.4%), Southfield (12.3%), and Troy (17.7%).

According to U.S. Census Bureau 2008 population estimates, each of the surrounding communities is estimated to now have a more diverse population (non-white): Ferndale (13.3%), Madison Heights (14.2%), Southfield (69.0%), and Troy (23.9%). Royal Oak is estimated to have a minority population of approximately 6.7%.

Disabled Population

No historical statistics are retained with regard to the City's disabled population.

Marital Status

The table below demonstrates that the City's Black/African American population retains a noticeable higher divorce and widowed rate when compared the remaining racial make of the martial status of the City's population.

Martial Status						
subject	now married	divorced	widowed	separated	never married	% of population
pop. 15 years and over	43.5%	12.8%	7.1%	0.6%	36.0%	
males	45.4%	11.3%	3.7%	0.9%	38.7%	49.8%
females	41.7%	14.2%	17.2%	0.0%	33.4%	50.2%
White	44.5%	11.8%	7.2%	0.4%	36.1%	93.3%
Black	7.2%	48.9%	11.8%	2.4%	29.7%	2.3%
Amer. Indian	n/a	n/a	n/a	n/a	n/a	0.2%
Asian	51.6%	8.8%	3.1%	0%	36.6%	2.3%
Hawaiian	n/a	n/a	n/a	n/a	n/a	0.1%
other	n/a	n/a	n/a	n/a	n/a	0.4%
2 or more races	27.7%	18.6%	n/a	0%	53.7%	
Hispanic	42.2%	10.2%	14.1%	0%	33.6%	1.5%
White, non-Hispanic	44.6%	11.8%	7.1%	0.4%	36.1%	
Source: U.S. Census Bureau, 2006-2008 American Community Survey						

Household Population

Contrary to the decline in population, the number of households has increased.

It should be noted that 2009 CHAS data estimates 27,755 housing units within the City. This figure is considerably lower than the SEMCOG estimate of 30,288. However, the policies established from this document will be based on data release immediately after the Census 2000 data (28,880 households).

Number of Housing Unit / Total Population				
City of Royal Oak, 1930-2000				
year	total units	% change	total pop.	% change
1930	5,261		22,904	
1940	6,722	27.8%	25,097	9.6%
1950	13,893	106.7%	46,898	86.9%
1960	25,537	69.4%	80,612	71.9%
1970	28,287	20.2%	86,238	7.0%
1980	28,782	1.7%	70,893	-17.8%
1990	29,163	1.3%	65,410	-7.7%
2000	29,942	2.7%	60,062	-8.2%
2009*	30,288	1.0%	54,260	-9.7%

Sources: U.S. Census Bureau, 2000 Census &
* Southeast Michigan Council of Governments, July 2009 estimate

The number of persons living per household has decreased over the last thirty years (3.09 in 1970, 2.5 in 1980, 2.29 in 1990, 2.06 in 2000, and an estimated 1.88 in 2009) which is consistent with national trends.

The percentage of families has decreased over the last thirty years from 80.8% in 1970 to an estimated 50% in 2000.

Household Type			
type	1980	1990	2000
families	68.2%	60.8%	50.0%
married	84.2%	80.5%	79.7%
female HOH	12.5%	15.2%	15.0%
male HOH	3.2%	4.3%	n/a
non-families	31.8%	39.2%	50.0%

Sources: U.S. Census Bureau, 2000 Census

Families can further be divided into three subgroups: married households, female households (no husband, with other family present), and male households (no wife, with other family present).

Also, the number of non-families (non-related individuals living as a household or persons living alone) has risen dramatically in the last twenty years from 19.2% (5,270 households) in 1970 to 50% (14,433 households) in 2000. This trend is also evident on the national level where non-family households have almost tripled in the last twenty years – 11.9 million households in 1970, 21.2 million households in 1980, and 33.7 million (31.9%) in 2000. The majority of this group is made up of renters and persons living alone.

The Consolidated Plan defines elderly households as one- and two-person households in which the head of the household or spouse is at least 62 years of age. However, the U.S. Census only provides data for households 65 years and over. Since 1970, the number of elderly households (65 years and over) has steadily increased: 4,293 households in 1970, 5,716 households in 1980, and 6,609 households in 2000. It is estimated that the 2010 Census will reveal an increasing percentage of elderly persons 75 years of age or older.

Group Quarters

Group quarters are defined as facilities providing living quarters that are not classified as housing units. The City has no group quarters, such as prisons, dormitories, military barracks, or mental health facilities, but does have nursing homes and shelters. The number of persons in group quarters may continue to increase due to the construction of congregate care facilities to meet the healthcare needs of a rising in percentage of persons 75 years or older.

Household Income

In 2000, the median household income for Royal Oak was $52,252 (median means half of the households fall above and half fall below). In 2008, the U.S. Census Bureau estimated an increase in household income. Royal Oak's estimated median household income remains below Oakland County's average. The adjacent communities to the north (Birmingham and Troy) have historically maintained significantly higher median household incomes.

Median Household Income, Surrounding Communities		
community	1999*	2008**
Birmingham	$80,861	n/a
Clawson	$50,929	n/a
Ferndale	$45,629	$49,286
Madison Heights	$42,326	$62,861
Royal Oak	$52,252	$61,690
Southfield	$51,802	$71,974
Troy	$77,538	$89,840
Oakland County	$61,907	$69,152
State of Michigan	$44,667	$49,694
U.S.	$41,994	$52,175

Source:
* U.S. Census Bureau, 2000 Census data based on 1999 income
** U.S. Census Bureau, 2006-2008 American Community Survey in 2008 inflation-adjusted dollars

Royal Oak's income categories are all less than Oakland County and all greater than both the State of Michigan and the United States. The table below highlights that in all four areas family incomes are greater than non-family incomes.

Income in Past 12 Months (In 2008 Inflation-Adjusted Dollars)				
total	household	families	married-couple families	non-family households
less than $10,000	5.2%	1.6%	0.8%	9.2%
$10,000 - $14,999	2.8%	1.0%	0.4%	4.4%
$15,000 - $24,999	8.0%	4.4%	2.2%	11.6%
$25,000 - $34,900	9.0%	5.6%	3.9%	12.2%
$35,000 - $49,999	14.1%	11.6%	10.6%	16.6%
$50,000 - $74,999	**20.6%**	18.8%	17.0%	**21.9%**
$75,000 - $99,999	15.0%	19.3%	20.9%	10.7%
$100,000 - $149,999	16.1%	**23.5%**	**26.9%**	8.9%
$150,000 – $199,999	5.8%	9.0%	10.5%	2.7%
$200,000 or more	3.4%	5.3%	6.7%	1.6%

Source: U.S. Census Bureau, 2006-2008 American Community Survey, in 2008 inflation-adjusted dollars

The Five Year Plan focuses on three income categories:

1. Extremely Low-Income (at or below 30% of jurisdiction's median family income (MFI))
2. Very Low Income (between 31-50% of MFI)
3. Low-Income (between 51% and 80% of MFI),

The income categories for Royal Oak's households are shown in the following table.

Housing Output for All Households, 2000			
		# of households	percentage
(<=30% MFI)	**Extremely Low-Income**	1,876	**6.7%**
(30.1-50% MFI)	**Very Low-income**	2,363	**8.4%**
(50.1-80% MFI)	**Low-income**	4,702	**16.7%**
(80.1-95% MFI)		19,180	68.2%
	total	28,126	100%

Sources: U.S. Census Bureau, 2000 Census

The table below highlights the 2008 median household and family income.

Household & Family Income, 2008	
Type	Dollars
Household Income	$61,690
Family Income	$87,009

Sources: U.S. Census Bureau, 2000 Census

Areas of Racial Concentration

Areas of minority concentration are defined as census tracts where the total percentage of minority households is 20% greater than the percentage of minority households for the City as a whole. The City of Royal Oak has no areas of minority concentration.

The concentration of Blacks, Native Americans, Asian and Pacific Islanders, and other racial groups was analyzed for each of Royal Oak's 18 census tracts. None of these groups accounted for more than 6% of the total households in any tract, according to the results of the 2000 Census. It should be noted that, according to 2008 U.S. Census Bureaus estimates, the City's non-white population is only 6.7% of the City's total population.

Race Characteristics by Tract, 2000

Tract	Pop	White	African American	American Indian / Alaskan Native	Asian	Native Hawaiian & Pacific Islander	Some other race alone
1830	3,622	3,290 / **90.83%**	99 / **2.73%**	3 / **0.08%**	129 / **3.56%**	1 / **0.03%**	14 / **0.39%**
1831	4,597	4,461 / **97.04%**	22 / **0.48%**	8 / **0.17%**	38 / **0.83%**	4 / **0.09%**	10 / **0.22%**
1832	3,205	3,054 / **95.29%**	46 / **0.16%**	5 / **0.16%**	64 / **2.00%**	0 / **0.00%**	9 / **0.28%**
1833	2,965	2,872 / **96.86%**	20 / **0.67%**	4 / **0.13%**	36 / **1.21%**	0 / **0.00%**	6 / **0.20%**
1834	2,768	2,550 / **92.12%**	85 / **3.07%**	3 / **0.11%**	70 / **2.53**	0 / **0.00%**	2 / **0.07%**
1835	2,415	2,040 / **84.47%**	142 / **5.88%**	8 / **0.33%**	138 / **5.71%**	16 / **0.66%**	14 / **0.58%**
1836	4,573	4,308 / **94.21%**	99 / **0.22%**	10 / **0.22%**	90 / **1.97%**	2 / **0.04%**	16 / **0.35%**
1837	5,826	5,573 / **95.66%**	74 / **1.27%**	21 / **0.36%**	60 / **1.03%**	1 / **0.02%**	16 / **0.27%**
1838	4,780	4,602 / **96.28%**	51 / **1.07%**	14 / **0.29%**	44 / **0.92%**	0 / **0.00%**	32 / **0.67%**
1839	2,617	2,500 / **95.53%**	55 / **0.42%**	11 / **0.42%**	20 / **0.76%**	0 / **0.00%**	5 / **0.19%**
1840	2,934	2,821 / **96.15%**	26 / **0.89%**	19 / **0.65%**	20 / **0.68%**	0 / **0.00%**	6 / **0.20%**
1841	2,897	2,732 / **94.30%**	52 / **1.79%**	13 / **0.45%**	44 / **1.52%**	0 / **0.00%**	15 / **0.52%**
1842	4,055	3,901 / **96.20%**	36 / **0.89%**	9 / **0.22%**	39 / **0.96%**	0 / **0.00%**	6 / **0.15%**
1843	3,016	2,880 / **95.49%**	26 / **0.86%**	9 / **0.30%**	39 / **1.29%**	6 / **0.02%**	10 / **0.33%**
1844	2,694	2,590 / **96.14%**	25 / **0.93%**	5 / **0.19%**	21 / **0.78%**	0 / **0.00%**	16 / **0.59%**
1845	2,356	2,202 / **93.46%**	36 / **1.53%**	4 / **1.87%**	44 / **1.87%**	0 / **0.00%**	21 / **0.89%**
1846	2,950	2,833 / **96.03%**	23 / **0.78%**	10 / **0.34%**	28 / **0.95%**	0 / **0.00%**	21 / **0.71%**
1847	1,792	1,732 / **96.65%**	10 / **0.56%**	1 / **0.06%**	15 / **0.84%**	1 / **0.06%**	9 / **0.50%**
	60,062	56,941 / **94.80%**	927 / **1.54%**	157 / **0.26%**	939 / **1.56%**	32 / **0.05%**	228 / **0.38%**

Source: U.S. Census Bureau, 2000 Census

Areas of Low- and Moderate-Income Concentration

Areas of low- and moderate-income concentration are defined as block groups where the total percentage of persons with incomes equal to or less than 80% of median income is equal to or greater than 36.01% of the block group population.

The map on page 5 shows the concentrations of low- and moderate-income block groups (CDBG target areas) in Royal Oak. The map was derived from HUD data regarding the percent of low- and moderate-income persons by block group and census tract. Low- and moderate-income is defined as equal to or less than 80% of median income. The shaded areas on the map show those block groups with a percentage of low- to moderate-income persons equal to or greater than 36.01% of the block group population.

As indicated on the map, the concentration of low- and moderate-income persons is situated primarily in the southern end of the City with a few pockets in the northeast and northwest sections. The largest concentrations are in Census Tract 1842 Block Group 6, Census Tract 1841 Block Group 3 and Census Tract 1845 Block Group 4.

HOUSING

Housing Needs (91.205)

The City of Royal Oak will utilize all available data from but not limited to the following sources: the U.S. Department of Census Bureau, City records, community surveys, Southeast Michigan Council of Government, Oakland County, and other organizational studies and reports. It should be noted that the U.S. Census Bureau has continually changed and added to the data available to local governmental units. Not all data can be compared to the data from prior years due to the change in the way data was collected and/or availability.

Homeowner Need

According to the U.S. Census Bureau, in 2000 the City of Royal Oak's median home value of new and pre-owned homes was approximately $150,900. In comparison, in 1990 it was reported that the median home value was $75,600. However, the collapse of the housing market over the past several years (2005-2009) has reduced the purchase price of single-family dwellings significantly. Determining current (Q1 2010) housing values for the City of Royal Oak is difficult. The current estimate is approximately $115,000. The following paragraphs address the factors leading to the price reduction and why the cost burden of owning a home has risen and how it may affect future homeownership rates.

For the past three or four years, home sales, housing starts, and home price appreciation all hit, or were close to, record lows; the inventory of unsold homes and mortgage delinquency rates were nearing record highs; and the credit market turmoil sparked by the sub prime crisis made for daily press.

The downturn in home prices began at the regional market in late 2005 when home prices began peaking in the Boston, Detroit and San Diego markets. The national level did not peak until the summer of 2006. Standard & Poor's S&P/ Case-Shiller 20-City Composite Home Price Indices reveals that the Detroit Metropolitan Statistical Area (MSA) is the only market currently (October 2008) below its 2000 index level, down 13.9%. According to the September 2009 S&P/ Case-Shiller 20-City Composite Home Price Indices data, the Detroit MSA has seen some positive movement in recent months however, the market is still at only 73% of its 2000 value.

While the purchase price of a house has dropped significantly, other factors play a significant role in determining the affordability of homeownership.

According to the research firm First American CoreLogic, as of September 2009, nearly 23% of U.S. homeowners owe more on their outstanding mortgage than their homes are worth in the free market. This calculation often times has a direct correlation to increasing foreclosure rates. First American CoreLogic estimated that 45% of the mortgages within the State of Michigan exceed the sale value of the property. As home prices stabilize or go up in value, fewer mortgage holders will find themselves owing more than their house is worth according to estimated free market values.

The State of Michigan and metropolitan Detroit's unemployment rate continues to increase. Unemployed homeowners are not capable of sustaining monthly mortgage payments which often times results in mortgage foreclosure. The unemployed lack the financial stability needed to become

homeowners. A high unemployment rate equates to a lower homeownership rate. Mortgage foreclosed properties have saturated the housing market contributed to reduced value and equity for existing homeowners.

A high percentage of mortgages issued in recent years to subprime borrowers were adjustable-rate mortgages. As housing prices peaked, refinancing adjustable-rate mortgages to a more manageable monthly payment became more difficult. As adjustable-rate mortgages began to reset at higher rates, the cost burden of owning a home has increased and mortgage delinquencies have soared. Securities backed with subprime mortgages, widely held by financial firms, lost most of their value. This has resulted in a large decline in world capital and tightened assess to credit. Restricted assess to credit and higher mortgage loan rates have reduced the number of individuals and households capable of sustaining homeownership status. It has also reduced the potential for first time home buyers. Recent first time home buyer tax credits have assisted in providing temporary relief to a long-term problem.

In the past five years, the region and state have experienced soaring unemployment rates and sparse economic and population growth. The disastrous economic situation has caused people to leave the state to find work elsewhere. The state's net loss of population to out migration – the number of people leaving the state minus those moving in from other states – has skyrocketed since 2001. Data from the U.S. Internal Revenue Service revealed that the number of Michigan residents leaving the state rose 25 percent between 2001 and 2007, while the number of new residents moving in plummeted by nearly one-third. This discrepancy results in more housing than is necessary to accommodate the population's needs. It is a factor in the continued decline of property value, a barrier to gain housing value and need for additional housing units.

As previously presented, the City of Royal Oak home values have continued to decrease. In prior CDBG program years, housing problems appeared to be directly attributable to a greater cost burden (spending more than 30%) of their income on housing due to skyrocketing housing prices. As of 2007 U. S. Census Bureau estimates indicate that 21.4% Royal Oak mortgage holders spend 35% or greater of their monthly income on mortgage related costs. The cost burden associated with monthly mortgage payments is less than the state (26.8%) and national (28.4%) average. Today, the single largest factor contributing to the outstanding cost burden is the continued rise of adjustable mortgage rates. Other factors such as restricted access to credit, soaring unemployment rates, and declining property values, combine to create obstacles to affordable housing.

Current homeowner needs remain very high but retain an entirely different set of characteristics from prior CBDG program years.

Rental Need

The table below indicates that in 2008 the median rent in the City was $777. More interesting, 27.3% of all Royal Oak rental households were paying more than $1,000 in rent per month. Also, 29.2% of all rental households were spending more than 35% of their monthly income on housing. This is a lower percentage when compared to the State of Michigan (43.3%) and the national average (40.5%).

Gross rent	
less than 200	1.3%
$200 - $299	1.0%
$300 - $499	6.3%
$500 - $749	37.7%
$750 - $999	26.3%
$1,000 - $1,499	21.0%
$1,500 +	6.3%
median (dollars)	**$777**

Sources: U.S. Census Bureau, 2006-2008 American Community Survey

The current average rental rate within the City varies based on many factors, including age of structure, condition of structure, structure type such as single-family dwelling, duplex and apartment style, square footage, number of bedrooms, location, etc.

The following rental housing estimates are derived from the Comparable Units Report (01-22-2010) from the Royal Oak Housing Commission. The figures are estimates based on data collected from various local resources (print and electronic media) regarding rental housing within the City. The table below highlights the City's estimated current rental housing market rates based on City gathered statistics.

Rental Estimates			
type	~ Sq Ft	~ Rent	~ Price per Sq Ft
3 bedroom, single-family dwelling	1,150	$1,300	$1.13
2 bedroom, duplex		$1,000	
1 bedroom, older model apartment complex		$550-$725	
2 bedroom, older model apartment complex		$750-$1,000	

Source: City of Royal Oak Planning Department

It should be noted that since approximately 2005, numerous older model apartment complexes within the City have undergone extensive remodeling. City research demonstrates that renovated apartment complexes rent for considerably higher dollar amount when compared to their older counterparts. It is estimated that a newly renovated 1 bedroom apartment rents for approximately $675 to $850 per month. A newly renovated 2 bedroom apartment complex rents for approximately $850 to $1,000 per month. During the same time frame, several new apartment complexes have been constructed. It is estimated that 1 and 2 bedrooms rent for approximately $800 to $1,000 and $1,200 to $1,500 respectively.

This document will highlight the cost burden associated with current rental rates.

1. ***Describe the estimated housing needs projected for the next five year period for the following categories of persons: extremely low-income, low-income, moderate-income, and middle-income families, renters and owners, elderly persons, persons with disabilities, including persons with HIV/AIDS and their families, single persons, large families, public housing residents, families on the public housing and Section 8 tenant-based waiting list, and discuss specific housing problems, including: cost-burden, severe cost-burden, substandard housing, and overcrowding (especially large families).***

The Federal government has placed a priority on identifying and assisting those households with "worst case" needs for housing assistance. This group includes unassisted extremely low-income renter households who pay more than half of their income for rent, live in seriously substandard housing (which includes homeless people), or have been involuntarily displaced. Currently, the City recognizes this policy in its housing programs.

Following are definitions used by the U.S. Department of Census Bureau in the development of the Comprehensive Housing Affordability Strategy (CHAS):

Overcrowding – Definition:
The condition of having more than one person per room per residence.

Rent or Cost Burden – Definition:
Ratio between payments for housing (including utilities) and reported household income.
This calculation is based on gross income. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance and utilities.

Moderate Rent or Cost Burden – Definition:
Housing costs between 31 and 50 percent of reported income.

Severe Rent or Cost Burden – Definition:
Housing costs exceeding 51 percent of reported income.

Housing Problems – Definition:
Cost burden greater than 30% of income and/or overcrowding and/or without complete kitchen or plumbing facilities.

Other Housing Problems – Definition:
Overcrowding (1.01 or more persons per room) and/or without complete kitchen or plumbing facilities.

Elderly Households – Definition:
1 or 2 person household, either person 62 years old or older.

1.1) Current Estimate/Five Year Projection

While the majority of persons in Royal Oak live in adequate, safe housing, some do not have the resources to maintain or afford decent housing. These households are experiencing housing problems, such as physical defects (substandard), overcrowding, and excessive cost burden.

Many Royal Oak homeowners seek low and no-interest rehabilitation loans from the City to correct substandard housing problems such as repairs and replacements to furnaces, roofs, windows, basements, etc. Currently, the City's housing rehabilitation program has a list containing 80 interested homeowners. Historically, the City has issued approximately 35-40 loans per year.

Currently, the City's housing voucher rental assistance program is at funding capacity. There have been a total of 59 persons on the waiting list since 2002. It is estimated that it will take approximately two and half additional years to provide vouchers to those on the waiting list.

In addition, many area social service agencies are experiencing an increase in requests for housing aid and a decrease in available funding. It is believed that the recent housing crisis has resulted in many individuals and families that are threatened with homelessness for the first time. While the City's HPRP is not a mortgage assistance program, it is expected to prevent homelessness and rapidly re-house those that may be homeless.

Households by Type, Income & Housing Problem

	Renters					Owners					Total households
	Elderly	Small related	Large related	All other households	Total renters	Elderly	Small related	Large related	All other households	Total owners	
	1 & 2	2 to 4	5 +			1 & 2	2 to 4	5 +			
	member households					member households					
total # of households	1,210	1,640	105	5,329	8,284	**5,098**	8,604	1,170	4,970	19,842	28,126
w/ housing problem	38.1%	25.2%	55.2%	25.1%	27.4%	16.3%	10.2%	19.9%	21.2%	15.1%	18.7%
cost burden > 30%	37.8%	19.9%	17.1%	24.0%	25.1%	16.2%	10.0%	14.1%	21.0%	14.6%	17.7%
cost burden > 50%	15.8%	8.7%	3.8%	9.5%	10.2%	7.3%	2.7%	2.4%	6.8%	4.9%	6.4%

Source: CHAS 2000

The following sections will address the severity of the current housing problem in the City and how the large majority is centered about cost burden.

a) Extremely Low-Income (Income less than 30% of median family income)

Extremely low-income households are defined as households whose incomes are less than 30 percent of the median family income for the area, as determined by HUD, with adjustments for smaller and larger families and for areas with unusually high or low incomes or where needed because of prevailing levels of construction costs for fair market rents. According to the U.S. Department of Housing and Urban Development (HUD) in 2009, the Median Family Income (MFI) for Royal Oak was calculated at

$71,000, although the income limits provided by HUD for the City of Royal Oak (located in Detroit-Warren-Livonia MSA) are lower than the actual percentage of median family income as defined by the U.S. Census Bureau's 2007 estimate median households income of $81,080. In 2009, the income limits for a one person extremely low-income household earned $14,900.

Of the 28,126 households in Royal Oak, 1,876 households (6.6% of the total) are considered extremely low-income.

A high percentage of the extremely low-income households have housing problems. Housing problems are defined as households that: 1) occupy units that lack a complete kitchen or bathroom; 2) meet the definition of overcrowded; and 3) meet the definition of housing cost burden greater than 30% of MFI. In the City of Royal Oak 72.7% of the 1,876 extremely low-income households have housing problems.

Tenure/Family Type

Overall, 27.4% of all rental households and 18.7% of all owner occupied households experienced housing problems. For extremely low-income households who rent, approximately 80.2% have housing problems. For extremely low-income households who own, about 69.9% have housing problems. This is an increase of 6.2% for renters and a decrease of 23.3% for homeowners from the CHAS data provided in 1990.

Other Housing Problems

As presented earlier, 81.3% of Royal Oak's total housing units are standard and 18.7% have housing problems. This is a slight decrease (1.4%) in the number of households experiencing housing problems from the 1990 CHAS data. As previously presented, the City of Royal Oak home values have continued to increase. Housing problems appear to be directly attributable to a greater cost burden (spending more than 30%) of their income on housing. Currently, no data is available to estimate the number of extremely low-income households with substandard housing at the local jurisdiction level.

b) Very Low-Income (Income between 30.1-50% of median income)

Very low-income households are defined as households whose incomes are between 30.1-50 percent of the median area income, as determined by HUD, with adjustments for smaller and larger families and for areas with unusually high or low incomes or where needed because of prevailing levels of construction costs for fair market rents. According to the U.S. Department of Housing and Urban Development (HUD) in 2009, the Median Family Income (MFI) for Royal Oak was calculated at $71,000, although the income limits provided by HUD for the City of Royal Oak (located in Detroit-Warren-Livonia MSA) are lower than the actual percentage of median family income as defined by the U.S. Census Bureau's 2007 estimate median households income of $81,080. In 2009, the income limits for a one person very low-income household earned $24,850.

Of the 28,126 households in Royal Oak, approximately 2,368 (8.4% of the total) are very low-income.

As compared to the total number of households, the very low-income households have a higher percentage of housing problems (18.7% as compared to 55.6%). Housing problems are defined as households that: 1) occupy units that lack a complete kitchen or bathroom; 2) meet the definition of overcrowded; and 3) meet the definition of housing cost burden greater than 30% of MFI.

Tenure/Family Type

Overall, 27.4% of all rental households and 18.7% of all owner occupied households in the City of Royal Oak experienced housing problems. For very low-income households who rent approximately 77.2% have housing problems. For very low-income households who own, about 55.6% have housing problems. This is a decrease of 1.9% for renters and a decrease of 4.3% for homeowners from the CHAS data provided in 1990.

Very low-income large family renters have the highest incidence of housing problems – 100%, with small families following at 82.2%.

Cost Burden

Of the 2,368 very low-income households, 55.3% have a cost burden greater than 30% and 21.5% have a cost burden of greater than 50%. There was a 4.1% decrease in the percentage of households that had a cost burden over 30% from 1990 and an insignificant change (increase of .8%) in the total percentage from 1990 for homeowners.

Other Housing Problems

As presented earlier, 81.3% of Royal Oak's total housing units are standard and 18.7% have housing problems. The total number of households within the low-income category has increased by approximately 79 households from CHAS data in 1990. As previously presented, the City of Royal Oak home values have continued to increase. The other housing problems may be attributable to a greater cost burden (spending more than 30%) of their income. Currently, no data is available to estimate the number of low-income households with substandard housing.

c) Low-Income (Income between 50.1-80% of median income)

Low-income households are defined as households whose incomes are between 50.1-80 percent of the median area income, as determined by HUD, with adjustments for smaller and larger families and for areas with unusually high or low incomes or where needed because of prevailing levels of construction costs for fair market rents. According to the U.S. Department of Housing and Urban Development (HUD) in 2009, the Median Family Income (MFI) for Royal Oak was calculated at $71,000, although the income limits provided by HUD for the City of Royal Oak (located in Detroit-Warren-Livonia MSA) are lower than the actual percentage of median family income as defined by the U.S. Census Bureau's 2007 estimate median households income of $81,080. In 2009, the income limits for a one person low-income household earned $39,750.

Of the 28,126 households in Royal Oak, approximately 4,702 (16.7% of the total) are low-income.

As compared to the total number of households, the low-income households have a higher percentage of housing problems (18.7% as compared to 30.7%). Housing problems are defined as households that: 1) occupy units that lack a complete kitchen or bathroom; 2) meet the definition of overcrowded; and 3) meet the definition of housing cost burden greater than 30% of MFI.

Tenure/Family Type

Overall, 27.4% of all rental households and 18.7% of all owner occupied households in the City of Royal Oak experienced housing problems. For low-income households who rent, approximately 29.4% have housing problems. For low-income households who own, about 30.7% have housing problems. This is a decrease of 14.2% for renters and a decrease of 2.3% for homeowners from the CHAS data provided in 1990.

Cost Burden

The degree of cost burden decreases from very low-income households to low-income households. For low-income households, the percentage of cost burden greater than 30% is 25.1% for renters and 28.2% for owners. The percentage of cost burden greater than 50% is 1.1% for renters and 4.3% for owners.

Other Housing Problems

As presented earlier, 81.3% of Royal Oak's total housing units are standard and 18.7% have housing problems. The total number of households within the low-income category has increased by approximately 97 households from CHAS data in 1990. As previously presented, the City of Royal Oak home values have continued to increase. The other housing problems may be attributable to a greater cost burden (spending more than 30%) of their income. Currently, no data is available to estimate the number of low-income households with substandard housing.

d) Moderate-Income (Income between 80%-95% of median income

Moderate-income households are defined as households whose incomes are between 80.1% and 95% of the median family income for the area.

The CHAS data identified income levels greater than 80% of the median family income. Of the 28,126 households in Royal Oak, 19,180 (68%) are moderate-income.

Tenure/Family Type

Of the 2,797 moderate-income households, 913 are renters and 1,884 are owners. Of the renters, about 9% of the 913 households have housing problems. For owners, about 18% have housing problems. Of the moderate-income large family renters, 30% have housing problems, with small families following with 16%.

Cost Burden

For moderate-income households, severe cost burden is virtually nonexistent. However, 8% of renters and 16% of owners have a cost burden of greater than 30%.

e) Elderly and Extra-Elderly Households Needs

The tables below provide a historical overview of the City's age cohorts. The bolded percentages demonstrate that the City's elderly population continues to become a larger cohort of the City's overall population over time.

Age Percentages, City of Royal Oak, 1960-2000					
age cohort	1960	1970	1980	1990	2000
under 25	46.8%	45.0%	35.2%	28.5%	25.3%
25-44	30.2%	24.5%	29.0%	38.1%	38.8%
45-54	10.4%	13.2%	10.9%	8.9%	13.6%
55-59	4.0%	4.9%	6.9%	4.0%	4.3%
60-64	3.0%	4.0%	**5.6%**	4.8%	3.1%
65-74	4.0%	5.3%	7.4%	**9.3%**	6.7%
75 and older	1.6%	3.1%	5.0%	6.4%	**8.3%**
	100.0%	100.0%	100.0%	100.0%	100.0%
Source: U.S. Census Bureau					

The table below demonstrates that 2008 population estimates illustrate that Royal Oak's population contains a higher percentage of persons over 65 years of age when compared to the State of Michigan and the United States as a whole.

Age Percentages, City of Royal Oak, 2008 Estimates			
age cohort	City of Royal Oak	State of Michigan	United States
under 5 years	5.5%	6.3%	6.9%
18 years & over	84.3%	75.7%	75.5%
65 years & over	13.7%	12.8%	12.6%
Source: U.S. Census Bureau, December 2008 estimate			

Elderly households are defined as a one or two person household in which the head of the household or spouse is at least 62 years of age and no older than 74 years of age. Extra-elderly households contain persons 75 years of age or older and are defined by the special care often associated with persons in this cohort.

The elderly needs for housing assistance can be attributed to several factors: inadequate income, health problems, rising maintenance fees and rising ownership costs. For homeowner elderly households with low, fixed incomes, many can not afford to remain in or maintain their homes.

There are a total of 2,178 low-income elderly households (677 renters and 1,501 owners) whose household income is less or equal to 50% of the HUD median family income. Of these, 62.5% of the owners and 65.9% of the renters are experiencing housing problems.

Elderly with mobility and self care limitations include those households with one or more persons who have (1) a long lasting condition that substantially limits one or more basic physical activity, such as walking, climbing stairs, reaching, lifting or carrying, and/or (2) a physical, mental or emotional condition lasting more than 6 months that creates difficulty with dressing, bathing or getting around inside the home. There are an estimated 1,680 low-income elderly households (526 renters and 628 owners) that have mobility and self-care limitations. Of those households with mobility and self-care limitations, 66.9% owners and 71.3% households are experiencing housing problems.

f) Households for Persons with Disabilities, inc. persons with HIV/AIDS and their families

Households with mobility and self care limitations that are not elderly include those with one or more persons who have (1) a long lasting condition that substantially limits one or more basic physical activity, such as walking, climbing stairs, reaching, lifting or carrying, and/or (2) a physical, mental or emotional condition lasting more than 6 months that creates difficulty with dressing, bathing or getting around inside the home.

There are an estimated 1,541 households in the City of Royal Oak that meet this definition, of which 17.8% of the owners and 39.9% of the renters have housing problems. Households with extremely low- and low-incomes compromise approximately 312 of those households or approximately 20%. A large percentage of the extremely low-income and low-income households (80% for owners and 86% for renters) have identified housing problems.

The need for housing assistance can be attributed to several factors: inadequate income, health problems, rising maintenance fees and rising ownership costs. For low-income homeowners and renters with physical limitations the challenges of maintaining a household often become problematic.

g) Small Related (2-4 members) and Large Related (5-plus members) Households

Households with 2 to 4 related members make up the majority of households in the City of Royal Oak, with approximately 8,604 reporting owning and 1,640 reporting renting their households. In comparison, households with 5 or more related members make up a much smaller number with 1,170 reporting owning and 105 reporting renting their households.

Cost Burden – Small Related

For owners, which comprise 8,640 households, approximately 10.2% of the households have housing problems and approximately 10% report a cost burden exceeding 30% of their income, and 2.7% report a cost burden over 50% of their income. For renters, which comprise 1,640 households, approximately 25% of the households have housing

problems and approximately 20% report a cost burden over 30% of their income, and 8.7% report a cost burden over 50% of their income.

Cost Burden – Large Related

For owners, which comprise 1,170 households, approximately 20% of the households have housing problems and approximately 14% report a cost burden exceeding 30% of their income, and 2.4% report a cost burden over 50% of their income. For renters which comprise 105 households, approximately 55% of the households have housing problems and approximately 17% report a cost burden exceeding 30% of their income, and 3.8% report a cost burden exceeding 50% of their income.

Other Housing Problems

It is apparent from the data that the extremely low-income large related renter households have a greater percentage of housing problems. This is also apparent in the Housing Choice Voucher Program where participants require a longer lead time to locate housing and frequently they are seeking more affordable units outside the City boundaries.

h) Families on the Section 8 Tenant Based Waiting List:

There are currently 59 individuals or families on the waiting list with an average family size of 1. There are a total of 54 non-elderly households and 5 elderly households on the waiting list as of 03/02/2010. In addition there are 17 head of household applicants that are disabled.

There are 48 applicants that report an extremely low-income, 11 that report a very low-income, and none that report a low-income.

2. To the extent that any racial or ethnic group has a disproportionately greater need for any income category in comparison to the needs of that category as a whole, the jurisdiction must complete an assessment of that specific need. For this purpose, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least ten percentage points higher than the percentage of persons in the category as a whole.

Based on the 2000 CHAS data for housing problems for racial or ethnic groups, the City of Royal Oak does not have any one group that demonstrates a disproportionately greater need for any income category in comparison to the need of that category as a whole. The only data that demonstrates a disproportionately greater need is for Other Households for Renter Households where the percentage between the total households with housing problems and the housing problems for black non-Hispanic households (13 points). The 2000 CHAS data does not provide a distinction between small related families and large related families. However, based on the percentage of housing problems for all households, it may be attributed to the difficulties in locating housing for large related families (5 or more related members).

Households by Type, Income & Housing Problem

	Renters					Owners					Total households
	Elderly 1 & 2 member households	Small related 2 to 4 member households	Large related 5 + member households	All other households	Total renters	Elderly 1 & 2 member households	Small related 2 to 4 member households	Large related 5 + member households	All other households	Total owners	
total # of households	1,210	1,640	105	5,329	8,284	**5,098**	8,604	1,170	4,970	19,842	28,126
w/ housing problem	38.1%	25.2%	55.2%	25.1%	27.4%	16.3%	10.2%	19.9%	21.2%	15.1%	18.7%
total # of Black, Non-Hispanic households	38	123		169	330	0	18		24	42	372
w/ housing problem	10.5%	22.8%		38.5%	29.4%	0%	0%		0%	0%	26.1%
total # of Hispanic households	8	48		72	128	30	89		38	157	285
w/ housing problem	50%	16.7%		33.3%	28.1%	0%	22.5%		21.1%	17.8%	22.5%

Source: CHAS 2000

Priority Housing Needs (91.215 (b))

1. Identify the priority housing needs in accordance with the categories specified in the Housing Needs Table (formerly Table 2A). These categories correspond with special tabulations of U.S. census data provided by HUD for the preparation of the Consolidated Plan.

2. Provide an analysis of how the characteristics of the housing market and the severity of housing problems and needs of each category of residents provided the basis for determining the relative priority of each priority housing need category.

3. *Describe the basis for assigning the priority given to each category of priority needs.*

Priority Five (5) Year Needs Summary Table							
Household Type			Priority Need Level **H**igh, **M**edium, **L**ow, **N**o Such Need			Estimated Units	Estimated $ needed to address
			0-30%	30.1-50%	50.1-80%		
Renter	Small	cost burden > 30%	H	M	L	1,585	$2,637,055
		cost burden > 50%	H	M	L	660	inc. above
		physical defects	N	N	N	0	$0
		overcrowded	N	N	N	0	$0
	Large	cost burden > 30%	H	M	L	90	$248,203
		cost burden > 50%	H	M	L	20	inc. above
		physical defects	N	N	N	0	$0
		overcrowded	N	N	N	0	$0
	Elderly	cost burden > 30%	H	M	L	2,265	$3,114,742
		cost burden > 50%	H	M	L	935	inc. above
		physical defects	N	N	M	0	$0
		overcrowded	N	N	N	0	$0
Owner		cost burden > 30%	H	M	L	4,850	$4,000,000
		cost burden > 50%	H	M	M	3,585	inc. above
		physical defects	N	M	M	inc. above	inc. above
		overcrowded	N	N	N	0	$0

f) Rental Need is based on contract rent for Housing Choice Voucher Program – 30% for Family Participation and the number identified through the CHAS report. The City does not have a program to address cost burden for owner occupied units. The Rehabilitation Program is anticipated to provide approximately $4,500,000 to assist homeowners in maintaining the existing housing.

Source: CHAS 2000

This section lists Royal Oak's general priorities for allocating Federal, State, local and private resources reasonably expected to be available over the coming five-year period. The different priorities are ranked as follows: 1 (First Priority); 2 (Second Priority); 3 (Third Priority); and 0 (No Priority). See the table above for a list of priority needs.

1. RENTERS

a) Elderly One- and Two-Member Households

PRIORITY #1: Provide rental assistance and new construction for extremely low-income (0-30% MFI) elderly one- and two-member renter households.

PRIORITY #2: Provide rental assistance and new construction for very low-income (31-50% MFI) elderly one- and two-member renter households.

PRIORITY #3: Provide renter assistance and new construction for low- to moderate-income (51-80% MFI) elderly one- and two-member renter households.

Analysis

From 1960 to 1990, Royal Oak's 65-and-older population increased from 4,438 to 10,280 and then reduced in 2000 to 8,958. It is estimated that 7,434 persons are 65 years of age or older, as of 2008. The cost burden to elderly and extra-elderly persons is expected to increase as an increasing amount of households are receiving fewer pensions, health care and other benefits and as housing costs continuing to rise. Of those elderly and extra-elderly households that rent, 290 are extremely low-income and 95 are low-income.

Elderly Household Renters			
	<=30%	>30 to <=50%	> 50 to <=80%
# of households	378	299	213
% w/ housing problem	65.9%	52.8%	23.5%
% cost burden > 30%	65.9%	51.5%	23.5%
% cost burden > 50%	32.0%	19.4%	3.8%
Source: CHAS 2000			

Investment Plan

Rental assistance through HUD's Housing Choice Voucher – Section 8 Program allows extremely low-income elderly households to address the cost burden associated with their housing. Rental assistance will typically enhance housing opportunities and allow additional income to assist with supportive services to maintain an independent lifestyle.

In addition, the program also requires annual inspections of the housing unit to ensure that it meets or exceeds housing quality standards.

There has been a significant decrease in the number of elderly renters staying within the City of Royal Oak over the past decade. This may indicate that elderly renters are leaving the City of Royal Oak for other living arrangements. There has been recent approval of a large scale senior living facility within the City which demonstrates a market for subsidies senior living facilities. The City showed its commitment to the project by approving a PILOT ordinance and providing financial assistance from its additional CDBG funds provided from The American Recovery and Reinvestment Act.

The City of Royal Oak has limited options for continuum of care facilities for the elderly. Support services may be contracted privately or through the programs offered jointly through the Senior Services Program and Beaumont Hospital. However, long-term assisted living arrangements are limited and costly. The City should continue to look for additional opportunities for new senior housing that would offer affordable living with some provisions for continuum of care.

Excess funds leftover after addressing the first priority for extremely low income elderly renter households should then be used for Priority #2 and Priority #3 households.

b) Small Related Households

PRIORITY #1: Provide rental assistance and new construction for extremely low-income (0-30% MFI) small related renter households.

PRIORITY #2: Provide rental assistance and new construction for low-income (31-50% MFI) small related renter households.

PRIORITY #3: Provide renter assistance and new construction for low- to moderate-income (51-80% MFI) small related renter households.

Analysis

Small related households make up the largest percentage of households in Royal Oak. While married families still make up the largest percentage of this category, female headed households have increased significantly in the last twenty years.

About 27.6% of Royal Oak's stock is made up of rental family units. While there appears to be an adequate supply of rental units in reasonable condition, finding affordable units can be an issue. As the City's real estate market continues to attract home buyers, rental rates are driven upward or units are converted to private ownership (condominiums).

Of those small related households that rent there are 115 extremely low-income, 185 low-income and 375 low- to moderate-income. A significant percentage of the extremely low- and low-income households are experiencing housing problems, especially excessive cost burden.

Small Related Household Renters			
	<=30%	>30 to <=50%	> 50 to <=80%
# of households	115	185	375
% w/ housing problem	79.1%	82.2%	35.2%
% cost burden > 30%	79.1%	80.0%	20.8%
% cost burden > 50%	68.7%	29.7%	2.1%
Source: CHAS 2000			

Investment Plan

Rental assistance through the rental voucher program allows extremely low and very low-income small related families that rent to meet their housing needs. Rental assistance allows small families to remain in the City and provides an opportunity to find secure housing and deters the threat of homelessness.

While the City does have a number of multiple family units and small single-family homes, the City should continue to look for additional opportunities for new housing

construction for small related renter households. Such assistance would most likely involve a project(s) supported through the State Housing Authority (MSHDA).

The City should seek to assist Priority #2 (31-50% MFI) and Priority #3 (51-80% MFI) small related renter households once the extremely low-income households have been assisted.

c) Large Related Households

PRIORITY #1: Provide rental assistance for extremely low-income (0-30% MFI) large related renter households.

PRIORITY #2: Provide rental assistance for very low-income (31-50% MFI) large related renter households.

PRIORITY #3: Provide renter assistance for low-income (51-80% MFI) large related renter households.

Analysis

There is a significantly smaller number of large related renter households than small related renter households. However, of the extremely low-income large related renter households that do exist, there is a greater percentage of housing problems. Of the 10 low-income large related renter households, 100% have housing problems and cost burdens greater than 30%.

The supply of rental units for large families is smaller than the supply for small families due to the older housing stock (typically bungalows and ranches), and the availability of smaller homes and apartment units in Royal Oak. One of the trends in the past five years is an increase in the number / percentage of renters and a decrease in owners as the cost burden of homeownership and access to credit decreases.

Large Related Household Renters			
	<=30%	>30 to <=50%	> 50 to <=80%
# of households	12	10	8
% w/ housing problem	66.7%	100%	50%
% cost burden > 30%	66.7%	100%	0%
% cost burden > 50%	33.3%	0%	0%
Source: CHAS 2000			

Investment Plan

Rental assistance through the HUD's Housing Choice Voucher – Section 8 Program allows low-income large related families the opportunity to meet their housing needs. An ongoing issue is the insufficient supply of large rental units. One of the trends in Royal Oak is for developers to purchase homes, divide lots and build new homes. The cost of land and

development hinders the City from participating in homeownership programs that would have a significant impact on the large family renter households.

If and when the needs of the Priority #1 extremely low-income (0-30% MFI) are met, any excess funds should be used to assist Priority #2 and Priority #3 large related renter households.

d) All Other Households

PRIORITY #1: Provide rental assistance for extremely low-income (0-30% MFI) "all other" renter households.

PRIORITY #2: Provide rental assistance for very low-income (31-50% MFI) "all other" renter households.

PRIORITY #3: Provide renter assistance for low-income (51-80% MFI) "all other" renter households.

Analysis

"All other" households includes elderly households with three or more members, non-elderly single member households, and non-elderly unrelated two-member or more households. The number of elderly households with three or more members in Royal Oak is thought to be rather small. The other two groups are defined as non-family households.

Of Royal Oak's 28,126 households in 1990, 10,299 were non-family households. Since 1980 the number of non-family households has increased by 825 non-family households. This trend is also evident on the national level. Non-family households have almost tripled in the last twenty years – 11.9 million in 1970, 21.2 million in 1980, and 27 million in 1989. The majority of non-family households are renters and persons living alone; of the 8,952 non-family households in 1980, 7,668 or 86%had only one person.

Other Household Renters			
	<=30%	>30 to <=50%	> 50 to <=80%
# of households	556	543	1,256
% w/ housing problem	80.2%	88.6%	28.6%
% cost burden > 30%	80.2%	88.6%	26.8%
% cost burden > 50%	76.3%	14.4%	0.3%

Source: CHAS 2000

Investment Plan

Rental assistance through the Housing Choice Voucher – Section 8 Programs allows low-income "all other" households to meet their housing needs. Rental assistance provides opportunities for families to find housing and deters the threat of homelessness.

If and when the needs of the extremely low-income (0-30% MFI) are met, any excess funds should be used to assist Priority #2 and Priority #3 "all other" households.

2. OWNERS

a) Existing Homeowners

PRIORITY #1: Provide rehabilitation for extremely low-income (0-30% MFI) existing homeowners.

PRIORITY #2: Provide rehabilitation for very low-income (31-50% MFI) existing homeowners.

PRIORITY #3: Provide rehabilitation for low-income (51-80% MFI) existing homeowners.

Analysis

According to 2000 Census data, the majority (70%) of households in Royal Oak are owner occupied. About 90.8% of the housing stock was built before 1970, with 18.7% built before 1939. As the housing stock ages, the need for housing repairs and rehabilitation increases. This includes minor changes such as replacing roofs, plumbing, windows, or major rehabilitation of the structure. As housing costs escalate, many existing low-income households can not afford housing maintenance. Elderly households which include mostly homeowners (76%) are hit especially hard because their incomes remain fixed.

Of existing homeowners, there are 815 extremely low-income, 1,331 very low-income and 2,850 low-income. A significant percentage of the extremely very low and low-income households are experiencing housing problems, especially excessive cost burden, as shown in the table below.

Existing Homeowners			
	<=30%	>30 to <=50%	> 50 to <=80%
# of households	815	1,331	2,850
% w/ housing problem	69.9%	38.8%	31.5%
% cost burden > 30%	69.9%	38.8%	30.3%
% cost burden > 50%	49.1%	23.9%	6.4%

Source: CHAS 2000

Investment Plan

The City of Royal Oak will continue to provide a deferred and low-interest rate loan (based on income) program to assist existing homeowners with moderate rehabilitation of their dwelling units. The City of Royal Oak will continue to invest funding through the Community Development Block Grant program. The Housing Rehabilitation program will explore opportunities to promote and possibly incorporate energy efficiency improvements into its guidelines and requirements.

The City should seek to assist the Priority #2 very low-income (31-50% MFI) and Priority #3 low-income (51-80% MFI) once the Priority #1 extremely low-income (0-30% MFI) have been assisted.

b) First Time Homebuyers

PRIORITY #3: Provide homebuyers' assistance to all first time homebuyers.

Analysis

As a result of the circumstances identified on pages 25 and 26, lending institutions have revised lending practices which have often restricted first-time home buyers access to down payment funds. Currently, interest rates remain at historic lows. However, they are on the rise. Many extremely low-income households still cannot afford to purchase a house. Our affordability model reveals that purchasing an estimated median priced home of $115,000 in Royal Oak would require a median income between approximately $30,437 and $38,556, depending on the interest rate, to be affordable.

Michigan property tax limit has made housing more affordable to a larger segment of the population. However, housing in this price range will still place single family homes beyond the reach of some first time homebuyers.

Investment Plan

The City should promote homebuyers assistance by cooperating with local financial institutions to aid first time homebuyers. Also, the City should continue to work with the Michigan State Housing Development Authority (MSHDA) and Oakland County to provide home ownership programs to its future and current residents.

Providing new construction of substantial numbers of affordable housing units is unlikely due to the high demand for land, limited availability of property, lack of funding and current excess of housing stock.

Housing Market Analysis (91.210)

1. Based on information available to the jurisdiction, describe the significant characteristics of the housing market in terms of supply, demand, condition, and the cost of housing; the housing stock available to serve persons with disabilities; and to serve persons with HIV/AIDS and their families.

a) Supply:

Royal Oak has enjoyed a very strong home sales, renovation and new construction market for nearly 20 years. Limited vacant residential land, higher construction material and labor costs along with Royal Oak's reemerging regional appeal, are evident in the City's housing market.

The housing market in Royal Oak throughout the 1990's and mid 2000's had been very active. Despite the lack of land, the number of new housing units has continued to grow as evident in the below table.

Residential Building Permits For New Construction							
year	single family	two family	attached condo	multi family	total units	total demos	net total
2009	3	0	0	0	3	15	-7
2008	20	0	0	0	20	8	5
2007	22	0	0	0	22	14	11
2006	26	4	19	0	49	20	19
2005	97	0	0	0	97	31	59
2004	43	0	89	88	220	38	189
2003	37	0	5	8	50	30	30
2002	18	0	7	0	25	11	11
2001	17	0	6	0	23	15	15
2000	12	0	0	0	12	10	-3

Source: SEMCOG, 2009 data through July

Number of Units

Despite the drop in population, there has been an increase in the number of housing units. As shown in the table below, the number of units has grown steadily, but has leveled off at approximately 29,000-plus units.

Number of Housing Unit / Total Population, 1930-2009				
year	total units	% change	total pop.	% change
1930	5,261		22,904	
1940	6,722	27.8%	25,097	9.6%
1950	13,893	106.7%	46,898	86.9%
1960	25,537	69.4%	80,612	71.9%
1970	28,287	20.2%	86,238	7.0%
1980	28,782	1.7%	70,893	-17.8%
1990	29,163	1.3%	65,410	-7.7%
2000	29,942	2.7%	60,062	-8.2%
2009*	30,288	1.0%	54,260	-9.7%

Sources: U.S. Census Bureau, 2000 Census &
* Southeast Michigan Council of Governments, July 2009 estimate

The City's total number of housing units has continued to increase each decade despite 25 years of continued population decline. The combination of an increase in total housing units and a decrease in total population is clearly reflected in the continued decrease in the number of persons per household.

Average Household Size		
	2000	2009
City of Royal Oak	2.06	1.88 *
State of Michigan	2.56	2.55**
United States	2.59	2.61**

Sources: U.S. Census Bureau, 2000 Census &
b) Southeast Michigan Council of Governments, July 2009 estimate
** U.S. Census Bureau, December 2008 estimate

Large scale condominium projects have added housing units to the City's housing stock. The area south of the central business district has experienced an increase in the number of housing units via attached condominium projects. New construction has increased the number of housing units through the construction of residential condominium projects. Since 2004, numerous condominium development projects have been completed and have added 545 residential units to the City's housing stock. Since approximately 1997, a grand total of approximately 1,570 residential units have been added to the City's housing stock as a result of the development of multiple-family condominium projects.

The condominium development projects range in size from 900 square feet to greater than 2,800 square feet. They also range in style from traditional, attached row housing to stacked "soft loft".

Housing Type

The City's occupied housing types are separated into five categories.

Occupied Housing Types						
type of structure	1980	%	1990	%	2000	%
1 unit, detached	19,694	68.4%	20,013	68.6%	19,782	68.5%
1 unit, attached	965	3.4%	1,103	3.8%	1,159	4.0%
2-4 units	2,052	7.1%	1,870	6.4%	2,055	7.1%
5 or more units	6,074	21.1%	6,005	20.6%	5,836	20.2%
mobile homes, other	0	0.0%	172	0.6%	48	0.2%
total	28,785		29,163		28,880	

Source: U.S. Census Bureau, 2000 Census

The majority (68.5%) of the City's occupied housing stock is one unit detached dwellings. The second largest component (20.2%) is residential dwellings with five or more units. The housing stock's variety of dwellings has continued to remain consistent over the past three decades. As stated in the previous paragraph, the City has and continues to be a strong market for attached single-family condominium developments. It is anticipated that the percentage of one unit, attached dwellings will rise in the near future.

Housing Unit Size

Royal Oak has a wide mix of different size housing units. The greatest percentage are between 3 and 7 room units, with 5 room units being the most common, as shown in the following table:

Rooms in Occupied Housing Unit, 2000		
# of rooms	total	%
1	412	1.43%
2	1,100	3.81%
3	3,075	10.65%
4	3,861	13.37%
5	7,258	25.13%
6	6,656	23.05%
7	3,658	12.67%
8	1,907	6.60%
9	953	3.30%
total:	28,880	
Source: U.S. Census Bureau, 2000 Census		

As shown in the table below, the City's housing stock is made up primarily of two and three bedroom units which account for 72% of all units.

Bedrooms in Occupied Housing Unit, 2000		
# of bedrooms	total	%
0	517	1.8%
1	4,599	15.9%
2	7,447	25.8%
3	13,335	46.2%
4	2,657	9.2%
5 or more	325	1.1%
total:	28,880	100.0%
Source: U.S. Census Bureau, 2000 Census		

Housing Age

The table below reveals the age of the City's housing stock. The age of various neighborhoods throughout the City varies based on historical events like population growth, local/regional economic conditions, home mortgage rates and infrastructure expansion.

Royal Oak's housing stock is older with 84.3% of the stock built before 1970 and 18.4% built before 1939.

Age of Housing, Occupied & Unoccupied (2008)		
year built	total	%
2005 or later	343	1.2%
2000-2004	392	1.3%
1990-1999	889	3.0%
1980-1989	845	2.9%
1970-1979	2,165	7.3%
1960-1969	4,327	14.7%
1950-1959	9,157	31.0%
1940-1949	5,966	20.2%
1939 or earlier	5,439	18.4%
total:	29,523	100.0%

Source: U.S. Census Bureau, 2006-2008 American Community Survey

As the housing stock continues to age, the need for rehabilitation will continue to increase. This includes minor changes such as replacing roofs, plumbing and windows, or major rehabilitation of the structure.

Year Household Moved Into Unit			
year range	City of Royal Oak	State of Michigan	United States
1969 or earlier	9.6%	7.1%	5.7%
1970 to 1979	9.6%	7.8%	6.5%
1980 to 1989	10.3%	10.9%	9.8%
1990 to 1999	17.0%	24.1%	22.2%
2000 to 2004	26.1%	25.2%	26.3%
2005 or later	27.3%	24.9%	29.5%

Source: U.S. Census Bureau, 2006-2008 American Community Survey

The above table demonstrates that, according to the results of the 2000 Census, many Royal Oak residents have lived in their existing household for numerous years when compared to the state and national average. It is believed that many long time Royal Oak residents remain within the City due to such factors as: relatively low property taxes, low crime rate, strong public schools, tight network of community organizations, rejuvenated housing stock, increased education and affluence of its residents. The state property tax structure, as developed under the State of Michigan constitution, provides strong financial incentive for residents of homestead single-family property to remain at their current place of residence. It is believed that many Royal Oak single-family residential property owners continue to remain within the City based on the aforementioned property tax structure and the City's ability to continue a relatively low crime rate, strong public schools, redevelopment and financial investment, strong housing demand, stable civic leadership, network of social and community organizations, traditional urban setting including a vibrant downtown, and

increase in the education and affluence of new residents. It is believed that together these factors and more, increase peoples willingness to remain within the City.

An aging population will undoubtedly change the community's overall need for additional health and social services. Recent commercial developments have included a wide range of elder care facilities and services from geriatric physicians to home health care retailers.

b) Demand

Vacancy Rate

According to the U.S. Census Bureau's 2006-2008 American Community Survey, the vacancy rate for all housing types in the City was 7.5%, which is much lower than the national rate of 12.0%. Royal Oak homeowner vacant rate (3.1%) was higher than the national average (2.5%). However, the City's rental vacancy rate (6.8%) was lower than the national average (7.8%). A low rental vacancy rate is a testament to the City's appeal. Higher than average homeowner vacancy rates may be tied to the high unemployment rate in the metropolitan area.

Housing Tenure

Household types are divided into two categories; owners and renters. The below table illustrates that that majority of households within the City are owner occupied. Between 1960 and 1970, Royal Oak had a significant increase in the number of renter occupied housing units. This was brought about with the construction of many multiple family apartment developments. Since approximately 1970, Royal Oak has been considered a mature, "built-out" community with very little addition land for large new developments. Royal Oak has gained owner occupied housing units since the 2000 Census. Adjustable rate mortgages, increasing unemployment and loss of equity threaten the percent of owner occupied housing units. Also, it is widely believed that owners of single-family dwellings may be unwilling to sell at a loss or unable to sell given the current market conditions. Many owners are turning to renting out single-family dwellings. This event would result in a higher percentage of renter occupied housing units.

Housing Tenure		
	owner occupied	renter occupied
2008*	73.2%	26.8%
2000	70.1%	29.9%
1990	70.0%	30.0%
1980	71.6%	28.4%
1970	72.3%	27.7%
1960	80.5%	19.5%

Sources: U.S. Census Bureau, 2000 Census &
* U.S. Census Bureau,
2006-2008 American Community Survey

Based on 2000 Census data, the percent of homeowners among all minority groups is lower than the City's average.

Minority Tenure, Occupied Housing Minority Tenure (2000)				
ethnicity	owner occupied	%	rental occupied	%
White	19,836	97.92%	7,793	90.37%
Black	58	0.29%	357	4.14%
Native American & Alaskan Native	28	0.14%	23	0.27%
Asian	181	0.89%	226	2.62%
Native Hawaiian / Pacific Islander	6	0.03%	0	0%
other	148	0.73%	224	2.60%
total:	20,257	100%	8,623	100%

Sources: U.S. Census Bureau, 2000 Census

No minority represents greater than one percent of the owner-occupied households. Asian decent represents the highest homeownership at 0.89%. Black/African American households are the highest percentage (4.14%) of minority renters.

c) Structural Condition

A substandard unit is defined under the 1984 edition of the Building Code – Property Maintenance Code as "one which all or part thereof is found to be dangerous to life, health, property, or the safety of the public or its occupants because it is so damaged, decayed, dilapidated, structurally unsafe, or of such faulty construction or unstable foundation that it is likely to partially or completely collapse."

Substandard units which are suitable for rehabilitation are defined as "dwelling units where the structure contains unsafe equipment or is so damaged, decayed or dilapidated that it structurally unsafe or is of such faulty construction or unstable foundation that collapse is likely or does not provide minimum safeguards for protection of fire and where the estimated cost of repairs is 50% or less of the market value of the structure as determined by the City Assessor."

Housing stock conditions are summarized in the following table.

Housing Stock Conditions			
	owner	rental	total
# of households	20,979	8,544	29,523
standard units	19,434	7,965	27,399
substandard units	1,545	579	2,123
not suitable for rehab	45	21	67
suitable for rehab	1,501	557	2,056

Source: Royal Oak Planning Department, Housing Division

Of the total units, 92.8% are standard and 7.2% are substandard. Of the 2,061 substandard units, 96.8% or 1,996 units are suitable for rehabilitation.

As shown earlier, the age of the housing stock also provides clues about the condition of the stock. As stated earlier, 84.3% of the City's housing was built prior to 1970 and 18.4% built prior to 1939. These older units tend to be more costly to repair and could increase the likelihood of housing problems. Arguably rental housing conditions are far worse than owner occupied conditions.

d) Cost

Housing Price

Like many other communities, the price of housing in Royal Oak rapidly increasing from approximately 1995 through 2005. Data regarding housing prices has been collected from two sources: the U.S. Census and Oakland County Equalization Department. No data was available for the cost of housing by unit size and type.

According to the U.S. Census, the median housing value for Royal Oak nearly doubled from $75,600 in 1990 to $150,900 in 2000. The 2010 Census may reveal surprising values for the City of Royal Oak. For the past two or three years, home sales, housing starts, and home price appreciation all hit, or were close to, record lows; inventories of unsold homes and mortgage delinquency rates were nearing record highs; and the credit market turmoil sparked by the sub prime crisis made for daily press. While housing prices may have dropped in value, the several of the above mentioned factors contribute to an increasing cost burden and access to homebuyer funds making the purchase of a house more difficult for a greater number of residents.

Rental Price

Similar to housing values, rental prices have been rapidly increasing. From 1980 to 1990, median contract rent increased from $268 to $465 and median gross rent increased from $292 to $497 (U.S. Census). As shown in the table below, the average 2008 rental prices ($777) is considerably higher than in previous years.

Gross Rent	
Less than 200	1.3%
$200 - $299	1.0%
$300 - $499	6.3%
$500 - $749	37.7%
$750 - $999	26.3%
$1,000 - $1,499	21.0%
$1,500 +	6.3%
median (dollars)	**$777**

Sources: U.S. Census Bureau, 2006-2008 American Community

The City's 2008 median rent is below Oakland County ($859), City of Troy ($953), City of Southfield ($900), but higher than the City of Madison Heights ($685).

Census tracts with comparatively low gross rental costs are not concentrated within the City. The Census tracts with the lowest gross rental costs contain groups of multiple family rental units. Interestingly, the highest rental costs by far are found at the southeast portion of the City, directly adjacent to the Interstate 75 and Intestate 696 interchange.

Housing Affordability

Affordable housing is defined as housing where the owner is paying no more than 30% of gross income for gross housing costs, including utility costs.

Homeowner

To examine the relationship between housing costs and income in Royal Oak, an affordability model, adopted from the "Housing in Washtenaw County Report" by Denise M. Flynn, is utilized. This model presents the cost of housing which includes sales price, property taxes, insurance and down payment. It then calculates the estimated income needed in order to pay no more than 30% of gross income for gross housing costs. The model includes a 30-year mortgage and 10% down payment. Also, the model presents a range of possible interest rates from 5.5% to 8%. As of the last week in January 2010, a 30-year fixed mortgage rate for an applicant with a fair credit score was approximately between 5.5% and 6.0%, up considerably from the single digit numbers of the late 1990s and early 2000s. The affordability model is shown in the following two tables below.

Affordability Model	
median housing value	$115,000*
minimum down payment	10%
millage rate (2010)	34.5233
maximum % of salary on housing	30%

Source: City of Royal Oak Planning Department
* zillow.com 01-26-2010 estimate

Affordability Analysis							
30 year interest rate	**5.0%**	**5.5%**	**6.0%**	**6.5%**	**7.0%**	**7.5%**	**8.0%**
housing price	$115,000	$115,000	$115,000	$115,000	$115,000	$115,000	$115,000
10% down payment	$11,500	$11,500	$11,500	$11,500	$11,500	$11,500	$11,500
loan amount	$103,500	$103,500	$103,500	$103,500	$103,500	$103,500	$103,500
base monthly mortgage payment	$556	$588	$620	$654	$689	$724	$759
S.E.V.	$57,500	$57,500	$57,500	$57,500	$57,500	$57,500	$57,500
millage rate (2010)	34.5233	34.5233	34.5233	34.5233	34.5233	34.5233	34.5233
annual taxes	$1,985.08	$1,985.08	$1,985.08	$1,985.08	$1,985.08	$1,985.08	$1,985.08
monthly taxes	$165.42	$165.42	$165.42	$165.42	$165.42	$165.42	$165.42
estimated monthly insurance	40	40	40	40	40	40	40
total monthly payment	$761	$793	$825	$859	$894	$929	$964
estimated monthly income	$2,536	$2,643	$2,750	$2,863	$2,980	$3,096	$3,213
estimated annual income needed	$30,437	$31,717	$32,997	$34,357	$35,756	$37,156	$38,556

Source: City of Royal Oak Planning Department

The table below highlights the 2008 estimated income of households and families in the City.

Income in Past 12 Months (In 2008 Inflation-Adjusted Dollars)				
total	household	families	married-couple families	non-family households
less than $10,000	5.2%	1.6%	0.8%	9.2%
$10,000 - $14,999	2.8%	1.0%	0.4%	4.4%
$15,000 - $24,999	8.0%	4.4%	2.2%	11.6%
$25,000 - $34,900	9.0%	5.6%	3.9%	12.2%
$35,000 - $49,999	14.1%	11.6%	10.6%	16.6%
$50,000 - $74,999	**20.6%**	18.8%	17.0%	**21.9%**
$75,000 - $99,999	15.0%	19.3%	20.9%	10.7%
$100,000 - $149,999	16.1%	**23.5%**	**26.9%**	8.9%
$150,000 – $199,999	5.8%	9.0%	10.5%	2.7%
$200,000 or more	3.4%	5.3%	6.7%	1.6%

Source: U.S. Census Bureau, 2006-2008 American Community Survey, in 2008 inflation-adjusted dollars

In 2008, Royal Oak had an estimated average household income of $61,690 with a monthly maximum (30%) affordable housing cost up to $1,542. The estimated average family income was $87,009 with an affordable housing maximum of up to $2,175.

In 2008, the median monthly mortgage for a Royal Oak household was $1,545. This dollar figure is precisely the maximum (30%) affordable payment for the average household. This may be attributed to rising adjustable mortgage rates that have resulted in larger monthly payments when compared to prior years.

As the table above illustrates, based on income data for 2008, a large percentage of households, families, married-couple families and non-family households would be capable of meeting the standards of affordability. However, as revealed in the paragraph above, the typical, outstanding monthly mortgage payment compromises 30% of a household's average monthly budget, arguably due to adjustable mortgages resetting at higher rates. This is quite contrary to the results of the model.

Today, rising adjustable mortgage rates have resulted in an increasing cost burden of homeownership. As of 2007 U. S. Census Bureau estimates indicate that 21.4% Royal Oak mortgage holders spend 35% or greater of their monthly income on mortgage related costs. The cost burden associated with monthly mortgage payments is less than the state (26.8%) and national (28.4%) average.

Renter

The City's 2008 median gross rental rate ($777) falls well below the recommended 30% maximum for households ($1,542) and families ($2,175). However, analyzing the affordability gap for owners and renters based on median income data does not adequately reveal the housing problems faced by low- and very low-income households.

Gross Rent as % of Household Income	
> 15%	13.1%
15 – 19.9%	25.6%
20 – 24.9%	14.2%
25 – 29.9%	11.3%
30 – 34.9%	6.6%
35% +	29.2%
Sources: U.S. Census Bureau, 2006-2008 American Community	

Non-family households have far less income ($46,601) when compared to families and married-couple families. It is believed that many non-family households are comprised of elderly and single residents that may have a higher likelihood of being renters. The income levels of male ($62,842) and female ($45,179) full-time, year-round workers in non-family households vary considerably. The recommended 30% maximum for affordability for male and female non-family households would be $1,571 and $1,129 respectively.

An elderly household with a median income comprised of the City's current, average social security ($17,076) and retirement ($18,798) income would have a monthly maximum affordability of $897. The monthly maximum affordability of an elderly household with only social security income would be $427. As demonstrated, the cost burden for a low-income elderly household can be excessive.

It is widely believed that many rental units below the median ($777) are older in age. Quite often older units have accessibility issues which present physical challenges for the elderly and disabled. Older rental buildings are often not as energy efficient as newer models. Inefficiencies result in higher monthly utility payments, additional expenses that add to the cost burden.

Unit Appropriateness

The Royal Oak housing market contains a wide variety of housing which is suitable for occupancy by elderly families, disabled families, and families with children. The housing stock includes a variety of different size single family houses and multiple family units at a range of prices.

Besides smaller single family houses, elderly households are served by a number of one-bedroom multiple family units built prior to 1960. The City also has two high-rise elderly family developments in the City's Central Business District.

Families with children are served by the wide variety of single- and two-family homes built on lots ranging from 4,000 square feet to 13,000 square feet. They are also served by some of the larger multiple units built since the 1960's.

Lastly, the housing stock is suitable for occupancy by disabled households. A number of the multiple-family complexes include handicap-accessible units. However, many do not have the amenities found in units built since the 1980's.

e) Number and Targeting of Subsidized Units

The total number of Housing Voucher Program subsidized units is 222. In addition to these units, there are two senior citizen high-rise complexes with 247 and 211 units, respectively. Several assisted living units receive a subsidy through the Michigan State Housing Development Authority (MSHDA).

f) Potential for Units Lost from Assisted Housing Inventory

The senior citizen high-rise units are secure and will not be lost in the near future.

As Housing Voucher – Section 8 units are not site-specific; the potential for units lost is unknown. The City has had an increase in proposals to convert apartment complexes to privately owned condominiums. This in conjunction with the increase in housing values will continue to impact affordable rental units within the City's boundaries. In response to this trend, the City has expanded its jurisdiction, allowing voucher holders to seek housing within the City and the adjacent communities. The City will continue to monitor this situation.

2. Describe the number and targeting (income level and type of household served) of units currently assisted by local, state, or federally funded programs, and an assessment of whether any such units are expected to be lost from the assisted housing inventory for any reason, (i.e. expiration of Section 8 contracts).

The City provides housing rehabilitation loans to extremely low-, low- and low- to moderate-income residents. The City will continue to offer the housing rehabilitation loans based on funding availability. The housing rehabilitation program addresses homeowner housing needs. For over 30 years it has offered opportunities for income qualifying residents to maintain their homes thereby allowing affordable housing for those families to remain within the City's boundaries. The City does not anticipate reducing the program as long as funding continues through the Community Development Block Grant program.

The City also administers the Housing Choice Voucher Program – Section 8 Rental Assistance Program. The funding level for the Housing Choice Voucher Program has been reduced and it is anticipated that approximately 20 vouchers will remain unfilled due to budget constraints.

3. Indicate how the characteristics of the housing market will influence the use of funds made available for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units. Please note, the goal of affordable housing is not met by beds in nursing homes.

The City of Royal Oak will continue to evaluate the housing market and identify ways to increase and or enhance affordable housing units. The private housing market continues to drive the process. The City does not qualify for HOME funds and thereby does not qualify for other funding sources. The combination of the existing cost of housing and scarcity of land make the exiting homeowner-based Rehabilitation Program and the Housing Choice Voucher Program key tools in providing affordable housing in the City of Royal Oak.

Needs of Public Housing (91.210 (b))

In cooperation with the public housing agency or agencies located within its boundaries, describe the needs of public housing, including the number of public housing units in the jurisdiction, the physical condition of such units, the restoration and revitalization needs of public housing projects within the jurisdiction, and other factors, including the number of families on public housing and tenant-based waiting lists and results from the Section 504 needs assessment of public housing projects located within its boundaries (i.e. assessment of needs of tenants and applicants on waiting list for accessible units as required by 24 CFR 8.25). The public housing agency and jurisdiction can use the optional Priority Public Housing Needs Table (formerly Table 4) of the Consolidated Plan to identify priority public housing needs to assist in this process.

The City of Royal Oak does not have any public housing units located within its boundaries. The City of Royal Oak Housing Commission does administer the Housing Choice Voucher– Section 8 Program to a maximum of 222 voucher holders. There are currently 59 applicants on the waiting list.

Public Housing Strategy (91.210)

1. Describe the public housing agency's strategy to serve the needs of extremely low-income, low-income, and moderate-income families residing in the jurisdiction served by the public housing agency (including families on the public housing and Section 8 tenant-based waiting list), the public housing agency's strategy for addressing the revitalization and restoration needs of public housing projects within the jurisdiction and improving the management and operation of such public housing, and the public housing agency's strategy for improving the living environment of extremely low-income, low-income, and moderate families residing in public housing.

The intent of the Royal Oak Housing Commission (ROHC) is to raise the standard of living of applicants and the quality of neighborhoods by assuring all units considered for entry into the program are in compliance with Housing Quality Standards as set for by HUD. These standards will be applied to all units to insure compliance on the part of both landlords and tenants. Through outreach strategies, landlords in many communities will be encouraged to join the efforts of the ROHC; thus eliminating restrictions to or confinement of Section 8 tenants to particular areas. ROHC will participate in the Consolidated Plan development process to ensure coordination with broader community strategies. ROHC will monitor its jurisdictions affordable housing through rent reasonableness data collection and the success rate of voucher holders in finding a unit. The City of Royal Oak Housing Commission will conduct outreach efforts to voucher holders to inform them of community programs related to employment, homeownership, etc.

2. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake to encourage public housing residents to become more involved in management and participate in homeownership. (NAHA Sec. 105 (b)(11) and (91.215 (k))

The Section 8 tenants will be informed of community programs related to employment, home ownership, and other services that may encourage participation on the Resident Advisory Board, and inform the Housing Commission of their interest. The Section 8 tenants may learn the skills to improve their quality of life and have less focus on using the Section 8 program, but focus on home ownership. Their input may assist the Housing Commission with identifying other ways to support those with low income by offering programs to improve credit, finance options and savings programs.

3. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation. (NAHA Sec. 105 (g))

The Royal Oak Housing Commission is a standard performing agency and not considered "troubled" by HUD.

Barriers to Affordable Housing (91.210 (e) and 91.215 (f))

1. Explain whether the cost of housing or the incentives to develop, maintain, or improve affordable housing are affected by public policies, particularly those of the local jurisdiction. Such policies include tax policy affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on residential investment.

The City of Royal Oak is a centrally located, mature, stable suburb. Over the past twenty years, the City has experienced resurgence as a popular dining, shopping and entertainment destination in metropolitan Detroit. The City's location, variety of housing prices and types, low crime rate, relatively low unemployment rate, good schools and amenities, and historically low mortgage rates have contributed to strong housing market. With the exception of several former school facilities, the City contains no large tracts of vacant land for residential development. The overwhelming majority of new single family construction frequently requires that existing housing units be demolished for new development.

The City's dynamic has and continues to change considerably. While the vast majority of residents are of Caucasian decent, the City is slowly becoming more ethnically and racially diverse. Once a predominately 'blue collar' town, the education level of the City's residents has increased dramatically. This has correlated to an increase in average household income.

While the City has greatly benefited from the results a strong housing market, housing affordability has become a larger concern.

The public policies (programs, activities and regulations) of the City are continually reviewed. There is no existing local public policy that creates impediments to fair housing. However, the cost burden for existing homeowners and increases in the cost of rental housing have continued to hinder economic diversity within the community. In response to this the City of Royal Oak reviews its policies for the Housing Rehabilitation Program and Housing Choice Voucher Program to assist in counteracting the market and allowing existing homeowners to maintain their residence and encourage renters to seek housing throughout the City.

In order to encourage affordable senior living, in 2008 the Royal Oak City Commission adopted an ordinance that would provide a payment in lieu of taxes (PILOT) in conjunction with a new, affordable senior residential project. The project is slated to begin construction in the summer of 2010. In addition, the City also provided $120,285 in infrastructure assistance to the project from its American Recovery and Reinvestment Act allocation.

The City considers information and education a key factor in the furtherance of fair and open housing. In support of this objective, the City provides the following:

- Refers inquiries to appropriate housing organizations;
- Supports organizations, such as Oakland County Center for Open Housing, which provides information on housing related matters;
- Informs residents about housing through the distribution of fair housing brochure materials;
- Continually evaluates public policies to ensure conformance with Federal and State requirements;
- Maintains regular contact with community groups with regard to fair housing issues;
- Continues to work toward the goals and objectives set for in the Comprehensive Housing Affordability Strategy.

In an effort to define affirmatively furthering fair housing, the City must conduct an analysis to identify impediments to fair housing choice. The analysis must identify impediments or obstacles, highlight proposed actions to be taken to eliminate the impediments, and demonstrate how records of the actions will be maintained and reported to HUD. The City of Royal Oak is required to conduct an update to its Analysis of Impediments to Fair Housing Choice in conjunction with the updates to its Consolidated Plan. The analysis identifies the proposed fair housing actions to be taken during the upcoming program years covered by the lifespan (5 years – PY 2010 through PY 2015) of the Consolidated Plan.

The City has identified various impediments. Each impediment is followed by a recommendation. The status of action taken to resolve the impediments will be reported by the City in its subsequent CAPERs.

HOMELESS

Homeless Needs (91.205 (b) and 91.215 (c))

1) Homeless Needs — The jurisdiction must provide a concise summary of the nature and extent of homelessness in the jurisdiction, (including rural homelessness where applicable), addressing separately the need for facilities and services for homeless persons and homeless families with children, both sheltered and unsheltered, and homeless subpopulations, in accordance with Table 1A. The summary must include the characteristics and needs of low-income individuals and children, (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered. In addition, to the extent information is available, the plan must include a description of the nature and extent of homelessness by racial and ethnic group. A quantitative analysis is not required. If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates.

Royal Oak has a number of homeless persons who are visible throughout the City based on the strong network of supportive service found throughout the City. One reason for the higher concentration than in surrounding communities is the number of shelters and services within the City; of the six homeless shelters in Oakland County, two are in Royal Oak (Common Ground and The Sanctuary merged) and four are ten miles to the north in the City of Pontiac.

The U.S. Census Bureau does not produce counts of the population experiencing homelessness. In the 2000 Census, data was collected for people without conventional housing, who may be missed in the traditional enumeration of housing units and group quarters. According to the Census Bureau, these special procedures included counting people living at emergency and transitional shelters, receiving services at facilities providing free meals, as well as people staying at identifiable outdoor locations. Thus, these special procedures were designed to include in the overall population count people who might otherwise be missed during our regular enumeration. This has resulted in data collected under “other non-institutional group quarters.” According to the Census 2000, 283 persons were in “other non-institutional group quarters”. This number is consistent with that reported locally by South Oakland Shelter who provided shelter for 300 adult and 33 children through a rotating shelter program, and Common Ground Sanctuary who provided 14 youth with shelter in 2003 within the City of Royal Oak. Royal Oak has no reliable data for the number of unsheltered homeless.

Through the Oakland County Task Force on Homelessness and Affordable Housing the City participates in an annual “point-in-time” census for unsheltered persons. The City had a total of nine unsheltered persons during the 2004-2005 “point-in-time” census.

The “point in time” census is taken annually in an effort to assist service providers and funding agencies with the identification of services needed to support these individuals and families.

2. Homeless Inventory (91.210 I) – The jurisdiction shall provide a concise summary of the existing facilities and services (including a brief inventory) that assist homeless persons and families with children and subpopulations identified in Table 1A. These include outreach and assessment, emergency shelters and services, transitional

housing, permanent supportive housing, access to permanent housing, and activities to prevent low-income individuals and families with children (especially extremely low-income) from becoming homeless. The jurisdiction can use the optional Continuum of Care Housing Activity Chart and Service Activity Chart to meet this requirement.

a) Homeless Populations

The Oakland County Taskforce on Homelessness and Affordable Housing conducted a county-wide total bed count on January 28, 2010. The following table inventories all 1,081 types of beds.

Oakland County Housing Inventory Chart, January 28, 2010			
	family beds	individual beds	total beds available
emergency shelter / voucher	90	70	160
warming center / voucher	0	121	121
transitional housing	149	144	293
permanent supportive housing	196	311	507
TOTAL	435	646	1,081

Source: Oakland County Taskforce on Homelessness and Affordable Housing, January 28, 2010 inventory

The following highlights services provided by participating agencies at Royal Oak facilities.

1) Assistance to Homeless Persons – Shelters

South Oakland Shelter (S.O.S.)

The S.O.S. is a non-profit 501(c') 3 organization that provides emergency shelter and services, as well as a variety of programs to help individuals and families live independently. SOS's comprehensive programs are comprised in three areas which includes homeless prevention, emergency services, and rapid re-housing all of which consist of services such as case management, counseling, career counseling and job placement, financial literacy and budget management, and rental and utility assistance through the HPRP program. In addition, case managers provide ongoing assessment, referrals, tutoring and mentorship, assistance with HARP vouchers, 12 step recovery programs, transportation assistance, and life skills enrichment classes. In 2009, SOS worked in conjunction with 65 congregations located throughout Oakland County to provide shelter to 300 persons. Since its inception, SOS has provided shelter and supportive services to over 10,500 men and women and over 1,400 children.

In 2009, the City of Royal Oak entered into a service agreement with the South Oakland Shelter (SOS) and The Royal Oak Salvation Army to assist the City in its efforts to distribute HPRP funds. The HPRP funds will provide financial assistance and service to prevent individuals and families from becoming homeless and help those who are experiencing homelessness to be quickly re-housed and stabilized.

The Sanctuary for Runaways

Common Ground Sanctuary's – A Step Forward is a transitional living program for homeless or at-risk youth ages 16 to 20. It has 7 beds and is located in Royal Oak. The Graduated Apartment Program has three (3) scattered site apartments, which houses two (2) teens each. The program promotes self-sufficiency through a variety of residential and non-residential services such as a 24-hour crisis line; information and referrals; training; meals; individual, family, group, aftercare, and peer counseling; mentoring; substance abuse education and assessment; family preservation; and support groups for youth, parents, and families. Shelter is provided for a maximum of ten children for two weeks. A majority of youths are from Oakland County but from which particular cities is not known.

A Step Forward

A Step Forward program was initiated providing transitional housing for youth between the ages of 17 and 21. The program provided housing and support services for ten (10) individuals. The number of youths in this program from Royal Oak is unknown. The Planning Department recently (March 2010) worked with Common Ground and the State of Michigan to increase the number of beds in this facility from ten (10) to fifteen (15).

HAVEN (Help Against Violent Encounters Now)

HAVEN responds to issues surrounding domestic violence. The agency provides programming for victims and batterers and their families. They offer emergency shelter for battered families. In 2002 the Royal Oak City Commission entered into a $1 per year, five year lease with HAVEN to use a City-owned facility for its' START Program and counseling center. The START Program provides medical forensic examination for the treatment, diagnosis, and assessment of injury in sexual assault / domestic violence patients. The rehabilitation of the City-owned facility was funded with $32,000 of CDBG funds from the 2003 program year. At its July 5, 2007 meeting, the City Commission extended the lease for five additional years. Between 2002 and 2007, the facility provided service to 774 patients of which 44 survivors were residents of the City of Royal Oak. HAVEN also continues to receive annual CDBG public service funds.

2) Assistance to Homeless Persons on a Less Than Overnight Basis

Salvation Army, Royal Oak Citadel

This shelter is located two miles north of downtown and provides food, clothing, and referral services to the homeless and those at risk of homelessness.

In 2009, the City of Royal Oak entered into a service agreement with the South Oakland Shelter (SOS) and The Royal Oak Salvation Army to assist the City in its efforts to distribute HPRP funds. The HPRP funds will provide financial assistance and service to prevent individuals and families from becoming homeless and help those who are experiencing homelessness to be quickly re-housed and stabilized.

3) Social Service Programs to Assist Homeless Persons

Social Services of Oakland County

This agency is located three miles east of downtown Royal Oak in the City of Madison Heights and provides financial assistance for food and shelter for the homeless.

4) Homeless Prevention Programs – Non-Emergency

Community Services of Oakland County

Community Services of Oakland is completing a merger with the Oakland Livingston Service Agency (OLSHA) plans to expand their emergency assistance program to assist the growing number of families who have been impacted by the weak economic times and rising housing costs. The agencies provides financial assistance to prevent housing foreclosures and actions, and for first-month rent payment for those who qualify. It also provides clothing, counseling, referrals and other services to south Oakland clients.

A Step Forward

A Step Forward is operated by Common Ground – Sanctuary. A Step Forward offers 24-hour crisis counseling, short-term supervised shelter care, daily self-sufficiency skills training, group counseling, weekly individual counseling, financial subsidies, emergency funding, meals, referrals to needed community services, medical services, a mentoring program, limited job training, and assistance in securing a permanent home outside the program. A Step Forward's goal is to help homeless young people develop the skills, confidence and means to become self-supporting.

b) Subpopulations

The City of Royal Oak participates in the Oakland County Task Force on Homelessness and Affordable Housing. One of the charges is to gather and analyze data on the following homeless subpopulations: seriously mentally ill, chronic substance abusers, persons with HIV/AIDS, youth in transitional housing, developmentally disabled, etc. The Task Force is comprised of service agencies, municipalities and the county. Through the efforts of this group, the GAP Analysis for individuals and families was updated and has been incorporated into this report. The priority homeless / HIV / AIDS needs were also researched during the 2009 housing and community needs survey.

c) Needs of Persons Threatened with Homelessness

The GAP Analysis identifies the needs of persons in families with children and individuals that require supportive services. The City of Royal Oak continues to participate through the Oakland County Task Force on Homelessness and Affordable Housing to identify those individuals and families who are threatened with homelessness.

d) Support Services for Homeless Prevention

Supportive Services	
Type	Agency / Organization
Rent, mortgage, utility and housing assistance	Lighthouse Emergency Services Community Services of Oakland (CSO) Common Ground Salvation Army, Royal Oak Citadel Catholic Social Service of Oakland County OLHSA TTI public housing agencies
No cost housing counseling services	Royal Oak Rehabilitation Program
Security deposit assistance, emergency food and medical, employment training, minor home repair, home chore service, case management substance abuse, mental health and domestic violence counseling and literacy training	Lighthouse, CSO, Food Bank of Oakland County Forgotten Harvest Boys and Girls Club of south Oakland Cnty various religious institutions City of Royal Oak senior service programs
Sources: Oakland County	

3. Chronic homelessness—Describe the jurisdiction's strategy for eliminating chronic homelessness by 2012.

4. Homelessness Prevention—Describe the jurisdiction's strategy to help prevent homelessness for individuals and families with children who are at imminent risk of becoming homeless.

5. Institutional Structure—Briefly describe the institutional structure, including private industry, non-profit organizations, and public institutions, through which the jurisdiction will carry out its homelessness strategy.

According to the Oakland County Task Force on Homelessness and Affordable Housing's January 2009 count, an estimated 137 chronically homeless individuals stay in Oakland County (66 persons actually sheltered, and 71 persons estimated to be unsheltered). The City of Royal Oak participates in the Oakland County Task Force on Homelessness and Affordable Housing which is a collaborative of public and private sector agencies whose charge is to develop a strategy to end homelessness and increase the supply of sustainable affordable housing.

The Taskforce's 10 Year Plan to End Homelessness includes the following numeric goals:

- create new PH beds for chronically homeless persons,
- increase percentage of homeless persons staying in PH over 6 months to at least 71.5%
- increase percentage of homeless persons moving from TH to PH to at least 63.5%,
- increase percentage of homeless persons employed at exit to at least 19%,
- and decrease the number of homeless households with children.

The City of Royal Oak, through it's Housing Division, will continue to support the reduction of homelessness through a referral process that includes direct contact with the support agencies and

follow-up when appropriate. In addition, the City of Royal Oak Housing Commission will continue to provide the status of its Housing Choice Voucher Program Waiting List.

Oakland County reports that they will conduct a comprehensive needs assessment of the available affordable housing. The City of Royal Oak will maintain contact with the County in an effort to provide support and information from one of the largest urban communities within the County.

6. Discharge Coordination Policy—Every jurisdiction receiving McKinney-Vento Homeless Assistance Act Emergency Shelter Grant (ESG), Supportive Housing, Shelter Plus Care, or Section 8 SRO Program funds must develop and implement a Discharge Coordination Policy, to the maximum extent practicable. Such a policy should include "policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons." The jurisdiction should describe its planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how the community will move toward such a policy.

The City of Royal Oak does not receive McKinney-Vento Homeless Assistance Act Emergency Shelter Grant, Supportive Housing, Shelter Plus Care or Section 8 SRO funds. The U.S. Department of Housing and Urban Development provides funding through Targeted Homeless Assistance. Oakland County Taskforce on Homelessness and Affordable Housing is preparing an annual application for funding. The 2008 pro rata need share for the City of Royal Oak is $175,846.

The following table demonstrates the yearly increase in the number of Oakland County homeless.

Point-in-Time Comparison	
2010	1,005 persons
2009	1,094 "
2008	900 "
2007	1,365 "
2006	684 "

Sources: Oakland County Taskforce on Homeless (includes street count)

Continuum of Care: Homeless Population and Subpopulation Chart – January 24, 2007				
Part 1: Homeless Population	sheltered		unsheltered	total
	emergency	transitional		
households w/o children	0	0	0	0
households w/ children	18	32	1	51
total households	18	32	1	51
persons in household w/o children	152	50	602	804
persons in household w/ children	72	128	7	207
total homeless persons in household	224	178	609	1,011
Part 2: Homeless Subpopulation	sheltered		unsheltered	total
chronically homeless	167		23	190
seriously mentally ill	28		31	59
chronic substance abuse	24		61	85
veterans	23		11	34
persons w/ HIV / AIDS	0		1	1
victims of domestic violence	31		14	45
unaccompanied youth (under 18)	4		14	18

Source: Oakland County Taskforce on Homelessness and Affordable Housing, January 24, 2007 inventory

High priority: plan to use funds made available for activities that address this unmet need
Medium priority: if funds are available, activities to address this unmet need may be funded
Low priority: do not plan to use funds to address this unmet need
No such need: finds that there is no need or that the need is already substantially addressed

Priority Homeless Five (5) Year Need Summary Table				
	need level **H**igh, **M**edium, **L**ow, **N**o such need			estimated dollars needed to address
priority homeless needs	families	individuals	persons w/ special needs	
outreach assessment	L	L	H	$8,000
emergency shelters	L	L	L	
transitional shelters	M	M	L	$871,200
permanent supportive housing	L	L	H	
permanent housing	L	L	M	

Note: includes only those services anticipated to be provided directly or indirectly through the City of Royal Oak CDBG program. The City of Royal Oak will continue to support service programs in their application for funding HUD's alternative housing / homelessness programs.

e) Inventory of Supportive Housing for Non-Homeless Persons with Special Needs

Group Homes

The City of Royal Oak includes 10 adult foster care / homes for the aged facilities throughout the City. These homes are licensed by the Michigan Department of Human Services and have a total capacity of 160 persons. The largest facility, with a capacity of 105 persons, is Waltonwood of Royal Oak. The detailed map showing the location of these homes is kept on file at the Royal Oak Planning Department.

Facilities to Assist the Mentally Ill and Developmentally Disabled

Oakland County Regional Interagency Coordinating Committee for Developmental Disabilities provides community living support and living interventions for the developmentally disabled.

Oakland County Community Mental Health Department provides case management resident support, day treatment and outpatient treatment for the mentally ill.

Oakland County Council for Children and Adults With Psychiatric Disabilities provides community living support and living intervention for the developmentally disabled.

Efforts to Coordinate Service Programs

Efforts have been made with Oakland County and several communities to investigate ways that service agencies and municipalities can partner to provide a more seamless, integrated menu of services and avoid duplication. A service provider directory has been published. The City of Royal Oak through its Housing Division has developed a Royal Oak brochure that describes its

programs as well as community services provided by private non-profit agencies to Royal Oak residents.

Extent and Type of Programs to Reintegrate Persons Returning from Institutional Settings

Training & Treatment Innovations, Inc. is a private, not-for-profit corporation that provides services to persons with either a serious mental illness or developmental disability and their families in a variety of Michigan communities. Their home office is in Oakland County where it has provided services under contract to the Michigan Department of Mental Health, Department of Human Services and our CMH Board for over six years.

The community needs survey was distributed to the list of agencies providing services to residents of Oakland County. The list of agencies can be found in the beginning of this document. Many of these service providers are involved in the Task Force on Homelessness and/or special meetings through the Community and Home Improvement Division of Oakland County's Department of Planning and Economic Development.

COMMUNITY DEVELOPMENT

Community Development (91.215 (e))

1. **Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility category specified in the Community Development Needs Table (formerly Table 2B), – i.e., public facilities, public improvements, public services and economic development.**

2. **Describe the basis for assigning the priority given to each category of priority needs.**

3. **Identify any obstacles to meeting underserved needs.**

The City of Royal Oak recognizes the needs of the community's low- and moderate-income areas. In addition, the City of Royal Oak will continue with its strong commitment to provide public services to seniors, youth and special need populations. Many of the public service and community development improvements function together to provide the overall program, i.e. Senior Center provides the facility for the senior services.

The City of Royal Oak prioritizes projects that address community development needs by the need for the improvement and the funding available. The table below addresses the five-year priority community development needs for the City of Royal Oak. The City of Royal Oak has attempted to provide those most affected first, e.g. elderly and/or handicapped, low- to moderate-income residents, low- to moderate-income area facilities, slum, blight and contaminated properties, and historic building improvements.

The obstacle to meeting underserved needs continues to be related to funding levels. The City of Royal Oak has received reductions in the formula based entitlement for the past few years. It is anticipated that this trend will continue. Also, for the past several years, the City has experienced a drastic reduction in program income due to a host of reasons. Due to federal statutory requirements, the program allows a maximum of 15% of the funding level and program income to be allocated for public service based programs. It is estimated that these series of events will continue over the next five years and may have overwhelming detrimental effects on all of the City funded public service programs, including but not limited to the senior services, youth services, handicapped interpretive and transportation programs and abused and battered spouse/family assistance.

The City will continue to review other funding sources for these programs, however, it is anticipated that services as a result of funding loss will be reduced and/or eliminated in the next five years.

High priority: plan to use funds made available for activities that address this unmet need
Medium priority: if funds are available, activities to address this unmet need may be funded
Low priority: do not plan to use funds to address this unmet need
No such need: finds that there is no need or that the need is already substantially addressed

Priority Public Facility, Infrastructure and Economic Development Needs & Admin., 2010-2015			
HUD matrix code	HUD national objective / activity	need level **H**igh, **M**edium, **L**ow, **N**o such need	estimated CDBG $ needed to address
01	acquisition of real property	H	$245,000
02	disposition	H	included under 01
03F	parks, recreational facilities	M	$50,000
03K	street improvements	H	$525,000
03L	sidewalks	M	$25,000
04	clearance and demolition	H	included under 01
04A	clean-up of contaminated sites	M	included under 01
16B	non-residential historic preserve.	M	$50,000
14A	rehab: single-family residential	H	3,900,000
15	code enforcement	H	$225,000
		TOTAL:	$5,020,000
21A	general program administration	H	$1,525,000
21D	fair housing activities	H	$5,000 (5 yr total) $20,000 test
		(20% program admin cap) TOTAL:	$1,545,000
05A	senior services	H	$1,080,000
05D	youth services	H	included under 05A
05B	handicapped services	M	$26,250
05G	battered & abused spouses	M	$26,250
05O	mental health services	M	$26,250
05P	screening for lead-based paint	H	included under home rehabilitation
		(15% public service cap) TOTAL:	$1,128,750

Note: Numeric figures related to proposed accomplishments are approximates.
Dollars estimates are based on no change in allocation funds and $200,000 of PI annually.
Source: City of Royal Oak, Michigan

The City has identified the continued acquisition of properties for demolition and resale for redevelopment under its approved East Eleven Mile Road Improvement Plan (slum & blighted area). The City may also use its CDBG funds to assist in the remediation of “brownfield” sites. CDBG funds are commonly used to conduct the following remediation activities: soil treatment, asbestos removal, groundwater treatment, lead abatement, and often times Phase I & II determinations. Remediation activities may qualify under the following HUD matrix codes: 04, 04A, 21A. CDBG funds will be distributed to the low- to moderate-income target areas within the City.

The City has identified CDBG funding to create new parks and recreational facilities or opportunities such as the installation of new sport courts or ADA compliant equipment. The City will continue to implement its ADA downcurb sidewalk improvement program. Street resurfacing projects will continue to benefit residents in target areas of the City. The City continues to allocate funds for the enhancement and renovation of city-related non-residential historic properties under the Spot Slum and Blight / Historic Preservation eligibility categories. CDBG funds will be assigned to code efforts to prevent the decline of designated CDBG Target Areas. The City's Housing Rehabilitation Program will continue to provide between 30 – 35 low and no interest home improvement loans to the City's low- to moderate-income single family homeowners. The Housing Rehabilitation Program is an important element in the City's effort to provide affordable housing. Funding is provided for the administration of the CDBG program. Funding is subject to the statutory cap.

The City will continue its efforts to affirmatively further fair housing by allocating funds to hire a private firm to test for fair housing compliance. The use of testing may assist in the enforcement of fair housing laws, and in identifying the existence or extent of discriminatory housing practices in the City. Testing may include the use of testers to ensure that members of protected classes such as minorities, persons with disabilities, or families with children are not victims of housing discrimination and that there is full compliance with fair housing laws. Fair housing activities are subject to the maximum 20% planning and administration cap.

The lion's share of the anticipated public service dollars will be awarded to the City's senior service programs. The service programs provide the following benefit to the City's senior citizens: recreation and fitness, door-to-door accessible transportation, health screenings, on-site and homebound meals, home chore assistance including minor repairs and personal care, and other supportive services. The City intends to continue to provide CDBG funding so that disabled Royal Oak youth will have transportation to and from a regional, specialized day camp facility. Royal Oak will also continue its support of counseling and screening services for local victims of domestic violence. Royal Oak has allocated CDBG funds to financially assist mentally challenged residents. City research has demonstrated that the mentally challenged are a growing cohort. Screening for lead-based paint is incorporated into the City's housing rehabilitation and voucher programs.

2. Identify specific long-term and short-term community development objectives (including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low- and moderate-income persons.

The City of Royal Oak will provide for the following five year priorities for community development objectives to provide suitable living environment and expand economic opportunities principally for low- and moderate-income persons in coordination with the housing priorities.

- Preserve and improve the community's infrastructure.
- Revitalize and sustain neighborhoods in target areas.
- Removal of slum, blighted and contaminated properties.
- Provide adequate recreation and leisure opportunities for all citizens.
- Preserve the historic character of the community.
- Expand the City's business tax base and employment opportunities.

Antipoverty Strategy (91.215 (h))

1. Describe the jurisdiction's goals, programs, and policies for reducing the number of poverty level families (as defined by the Office of Management and Budget and revised annually). In consultation with other appropriate public and private agencies, (i.e. TANF agency) state how the jurisdiction's goals, programs, and policies for producing and preserving affordable housing set forth in the housing component of the consolidated plan will be coordinated with other programs and services for which the jurisdiction is responsible.

2. Identify the extent to which this strategy will reduce (or assist in reducing) the number of poverty level families, taking into consideration factors over which the jurisdiction has control.

The City of Royal Oak will continue its efforts to enhance local economic conditions, which produce jobs for residents of the community. These efforts include assisting existing businesses as well as solicitations of new business development.

The City of Royal Oak has numerous construction projects, new and existing small businesses, and several large employers, i.e. Beaumont Hospital, Consumers Energy, Metaldyne, etc. Many of these businesses will hire from the local pool of residents providing employment.

The City has a relatively low poverty level. The economic development of the community combined with the supportive programs offered through the City's rental assistance program and owner occupied housing rehabilitation program will help further reduce and maintain its currently low poverty level.

NON-HOMELESS SPECIAL NEEDS

Specific Special Needs Objectives (91.215)

1. **Describe the priorities and specific objectives the jurisdiction hopes to achieve over a specified time period.**

2. **Describe how Federal, State, local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the strategic plan.**

The priority of this five-year plan for persons who have special needs but are non-homeless is to provide support for facilities and services for the elderly, frail elderly, developmentally disabled and physically disabled citizens who are extremely low-income, low-income or low- and moderate--income and require supportive services.

High priority: plan to use funds made available for activities that address this unmet need
Medium priority: if funds are available, activities to address this unmet need may be funded
Low priority: do not plan to use funds to address this unmet need
No such need: finds that there is no need or that the need is already substantially addressed

Priority Public Service Needs, 2010-2015			
HUD matrix code	HUD national objective / activity	need level **H**igh, **M**edium, **L**ow, **N**o such need	estimated CDBG $ needed to address
05A	senior services	H	$1,046,250
05D	youth services	H	included under 05A
05B	handicapped services	H	$26,250
05G	battered & abused spouses	H	$26,250
05O	mental health services	H	$26,250
05P	screening for lead-based paint	H	included under home rehabilitation
		(15% public service cap) TOTAL:	$1,125,000

Non-homeless Special Needs (91.205 (d) and 91.210 (d)) Analysis

1. **Estimate, to the extent practicable, the number of persons in various subpopulations that are not homeless but may require housing or supportive services, including the elderly, frail elderly, persons with disabilities (mental, physical, developmental, persons with HIV/AIDS and their families), persons with alcohol or other drug addiction, and any other categories the jurisdiction may specify and describe their supportive housing needs**

2. **Identify the priority housing and supportive service needs of persons who are not homeless but require supportive housing, i.e., elderly, frail elderly, persons with disabilities (mental, physical, developmental, persons with HIV/AIDS and their families), persons with alcohol or other drug addiction by using the Non-homeless Special Needs Table.**

3. **Describe the basis for assigning the priority given to each category of priority needs.**

This section of the non-homeless special needs assessment provides insight into supportive housing for persons with special needs. Supportive housing is defined as housing, including housing units and group quarters that have a supportive environment and includes a planned services component.

a) Elderly and Frail Elderly

Many elderly households have supportive housing needs. Through the Royal Oak senior programs a comprehensive program of leisure, education, and social services is provided for residents over the age of sixty (60) and to eligible handicapped residents. The senior programs offer supportive housing and non-housing needs to the elderly.

Many low-income elderly households require a few basic services to remain independent and decrease the risk of unnecessary institutionalization. Services needed include home repair, property maintenance, meal preparation, bathing, transportation service, support groups, tax preparation, shopping, etc.

Royal Oak Senior Emergency Services (ROSES)

The City of Royal Oak through its senior programs provides supportive services for elderly households. These programs allow older adults to remain independent, shorten hospital stays, lower health care costs and decrease inappropriate institutionalization. ROSES provided home chore, personal home care, and home repair. In CDBG program year 2008-2009, the program completed home chore, repair and personal assistance to 2,542 participants.

Meals on Wheels

The Senior Center prepared and served 10,346 meals at the facility and delivered 22,845 meals to home-bound residents during the 2008-2009 program year.

Adjacent Generational Exchange (AGE)

The Senior Center facilitates the AGE Program which provides approximately 220 volunteers which support nearly 20,000 hours of service for the frail elderly in Royal Oak. The program is funded entirely by generosity of the City's largest corporate citizen, William Beaumont Hospital.

b) Mentally Ill Adults

Mentally ill adults are those diagnosed with a mental illness, such as schizophrenia or an affective disorder. It is widely believed that many are living in the following conditions:

- living in substandard housing, such as unlicensed boarding homes, simply because they cannot afford standard housing;
- living in standard housing as a result of rent subsidies;
- living in shelters for the homeless;
- in facilities, where they received a maximum benefit from hospitalization and are ready for discharge, but staff are reluctant to release them because there is no appropriate or affordable housing;
- living in licensed general adult foster care homes when movement to a less restrictive housing arrangement would be feasible, but there is no affordable housing available.

The Oakland County Community Mental Health Authority has identified that people with mental illness and/or developmental disabilities, because of their disabilities, may often live on low incomes and may need publicly subsidized housing.

At present, in Oakland County, there appears to be a lack of affordable housing resources for persons with disabilities and housing choices that reflect the countywide distribution of this population. In addition, discussions have occurred with various non-profit organizations regarding the case management of individuals with disabilities and the need for a comprehensive and coordinated treatment approach.

c) Developmentally Disabled Adults

Developmentally disabled adults include persons with mental retardation, cerebral palsy, autism or epilepsy. A majority of these persons need placement in licensed adult foster care homes, but some (about 15%) would still be capable of semi-independent living in an apartment setting supervised by Community Mental Health programs. Their primary housing need includes decent affordable housing. This number is widely expected to increase as more information becomes available.

d) People with AIDS/ Other Groups

The City recognizes the supportive housing needs of low-income persons with AIDS. The table below highlights 2007 HIV / AIDS data for Oakland County. Oakland County's total HIV / AIDS population represents 12% of the State of Michigan's total HIV / AIDS population. At this time, the City has little data on their needs and hopes to expand on this subject in the future.

Oakland County HIV / AIDS population, 2007		
	Oakland County	State of Michigan
estimate of HIV prevalence	1,920	17,000
persons living with AIDS	708	6,673
persons living with HIV not AIDS	651	6,091
persons ever diagnosed with AIDS	1,413	15,128
Source: Oakland County Department of Health & Human Services, April 2007 data		

Also, the City of Royal Oak recognizes the supportive housing needs of the low-income physically handicapped person. The physically handicapped includes households of all types, ages and income categories. The City will continue to enforce codes and requirements pertaining to State and Federal disability requirements for new housing, public parking and private developments.

The community needs survey was distributed to the list of agencies providing services to residents of Oakland County. The list of agencies can be found in the beginning of this document. Many of these service providers are involved in the Task Force on Homelessness and/or special meetings through the Community and Home Improvement Division of Oakland County's Department of Planning and Economic Development.

Emergency Shelter Grants (ESG)

The City of Royal Oak does not administer the ESG Program.

Housing Opportunities for People with AIDS (HOPWA)

The City of Royal Oak does not administer the HOPWA Program.

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