

II. HOUSING NEEDS ASSESSMENT

This section of the Housing Element discusses the characteristics of the City's population and housing stock as a means of better understanding the nature and extent of unmet housing needs. The Housing Needs Assessment is comprised of the following components: A) Demographic Profile; B) Household Profile; C) Housing Stock Characteristics; and D) Regional Housing Needs. A variety of housing needs maps are presented based on census tract data; Figure 1 depicts the 2000 census tract and block group boundaries for Cypress.

A. DEMOGRAPHIC PROFILE

Demographic changes such as population growth or changes in age can affect the type and amount of housing that is needed in a community. This section addresses population, age, and race and ethnicity of Cypress residents.

1. Population Growth and Trends

Table II-1 presents population growth trends in Cypress from 1980-2008, and compares this growth to neighboring jurisdictions and the entire County of Orange. Orange County experienced a high level of growth both during the 1980s (25%) and 1990s (18%), with the highest growth levels in the newer, south County communities. Cypress and many other central and north Orange County communities experienced population growth levels less than one-third of the Countywide average due to buildout assumptions. However, between 2000-2008, Countywide population growth dropped to ten percent. This is somewhat closer to the modest growth levels in Cypress and other central and north Orange County communities.

The State Department of Finance estimates Cypress' 2008 population just under 50,000 at 49,541. Cypress is among 14 of the 34 Orange County cities with populations under 50,000. According to Orange County Projections (OCP) 2006, the City's population is expected to grow to 52,413 by 2015, an eight percent increase over the 2005-2015 period. OCP Projections show a slowing in growth after this time, with a four percent increase in population between 2015-2025, and one percent growth between 2025-2035. These patterns of growth are consistent with Countywide projections which identify nearly 60 percent of the 2005-2035 population increase in Orange County to occur within the 2005-2015 period.

**Table II-1
Regional Population Growth Trends 1980 – 2008**

Jurisdiction	1980	1990	2000	2008	Percent Change		
					1980-1990	1990-2000	2000-2008
Anaheim	219,311	266,406	328,014	346,823	22%	23%	6%
Costa Mesa	82,562	96,357	108,724	113,955	17%	13%	5%
Cypress	40,391	42,665	46,229	49,541	6%	8%	7%
Huntington Beach	170,505	181,519	189,627	201,993	7%	5%	7%
Lakewood	74,654	73,557	79,345	83,486	-2%	4%	5%
Long Beach	361,355	429,433	461,522	492,642	19%	7%	7%
Santa Ana	203,713	293,742	337,977	353,184	44%	15%	4%
Westminster	71,133	78,118	88,207	93,027	10%	13%	5%
Total Orange County	1,932,709	2,410,556	2,846,289	3,121,251	25%	18%	10%

Source: U.S. Census 1980, 1990, and 2000. Dept of Finance 2008 Population and Housing Estimates.

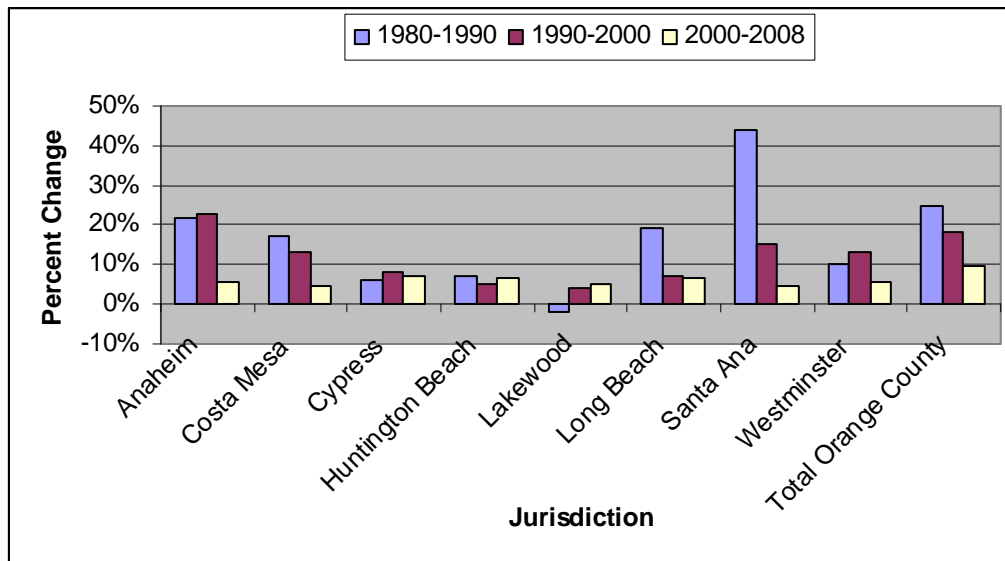


Figure 1 2000 Census Block Groups

2. Age Characteristics

Table II-2 displays the age distribution of the City's population in 1990 and 2000, and compares this with Orange County as a whole. As displayed in the table, 27 percent of Cypress' population is comprised of children under the age of 18, which is comparable to the Countywide population. However, Cypress has a slightly higher percentage of school-age children than the County and a lower percentage of preschool children. While the 1990-2000 Census shows a slight increase in the proportion of children (from 25% to 27%), discussions with the Cypress School District identify post 2000 Census trends of declining enrollment. For the past five years, the School District has experienced a decrease of 250-500 student enrollments annually. The School District indicates high housing costs have contributed to many families with school age children relocating to lower cost areas. With three-quarters of Orange County school districts reporting declining enrollment in 2007 and a 13 percent decline in County residents between the ages of 25 and 34 (2000-2006), similar trends are occurring throughout much of Orange County.¹

The biggest change in Cypress' age profile is a shift from a younger population to a more mature population. This aging trend is borne out by an increase in the median age from 33.0 years in 1990 to 36.7 years in 2000, which is higher than the County's median age of 33.3 years. The City experienced declines in its college age (18-24 years) and young adult (25-44 years) populations over the decade, while experiencing growth in the middle adult (45-64 years) and senior (65+ years) populations. The senior population increased from 7 to 11 percent (about 1,600 people). The majority of senior households are homeowners, indicating that this population has aged in place. Factors contributing to this shift in the City's age structure include an aging in place of young adults into middle age, and a corresponding aging of the middle age population into senior citizens, and the limited number of new young adults and families moving into the community due in part to high housing costs, low vacancy rates and the built-out nature of the City.

¹ "2007 Workforce Housing Scorecard," Orange County Business Council.

**Table II-2
Age Distribution 1990 – 2000**

Age Group	1990		2000		
	Persons	Percent	Persons	Percent	Orange Co. %
Preschool (<5 yrs)	2,889	7%	2,770	6%	8%
School Age (5-17 yrs)	7,817	18%	9,724	21%	19%
College Age (18-24 yrs)	4,695	11%	3,646	8%	9%
Young Adults (25-44 yrs)	14,057	33%	13,940	30%	33%
Middle Age (45-64 yrs)	10,017	23%	11,270	24%	21%
Seniors (65+ years)	3,180	7%	4,879	11%	10%
TOTAL	42,655	100%	46,229	100%	100%
MEDIAN AGE	33.0 years		36.7 years		33.3 years

Source: U.S. Census 1990 and 2000.

3. Race and Ethnicity

Table II-3 displays the racial/ethnic composition of Cypress' population in 1990 and 2000, and compares this with the Countywide distribution. White residents represent the majority racial group in the City, although this segment of the population continues to decrease each decade, most recently from 71 percent in 1990 to 57 percent in 2000. In contrast, the City's Asian/Pacific Islander population has grown from 13 to 21 percent over the decade, now significantly higher than the 14 percent Asian/Pacific Islander population Countywide. Korean, Filipino, Chinese, and Japanese populations represent the predominant Asian/Pacific Islander nationalities in Cypress. The City's Hispanic population increased slightly during the past decade, from 14 to 16 percent, although still significantly below the 31 percent of Hispanics Countywide. The percentage of African Americans has increased minimally from 2 to 3 percent, and persons of "Other Races" also now comprise 3 percent of Cypress' population. In summary, Cypress' current population is more diverse than in 1990, and has grown more similar to the County's population.

**Table II-3
Racial and Ethnic Composition 1990 – 2000**

Racial/Ethnic Group	1990		2000		
	Persons	Percent	Persons	Percent	Orange Co. %
White	30,198	71%	26,400	57%	51%
Asian/Pacific Islander	5,643	13%	9,728	21%	14%
Hispanic	5,765	14%	7,235	16%	31%
African American	806	2%	1,251	3%	1%
Other Race	53	<1%	1,439	3%	2%
American Indian	190	<1%	176	<1%	<1%
TOTAL	42,655	100%	46,229	100%	100%

Source: U.S. Census 1990 and 2000.

4. Employment

Evaluation of the types of jobs held by community residents provides insight into potential earning power and the segment of the housing market into which they fall. Information on how a community's employment base is growing and changing can help identify potential housing demand changes in the future.

The State Employment Development Department estimates that as of August 2007, 27,700 Cypress residents are in the labor force, with 4.4 percent unemployment, compared to a Countywide unemployment rate of 4.2 percent.

Table II-4 presents the occupation of Cypress residents as of the 2000 Census. Residents employed in Management, Professional and related occupations (42%) accounted for the largest share of employed residents, followed by those employed in Sales and Office occupations (29%). Together, these two categories accounted for 70 percent of resident employment. One-third of the City's employed residents commute less than 20 minutes to work, indicating a large number of residents hold jobs within Cypress or in immediately adjacent communities.

**Table II-4
Occupation of Residents 2000**

Occupation	Persons	Percent
Management, professional, and related occupations	9,550	42%
Sales and office occupations	6,558	29%
Service Occupations	2,493	11%
Production, transportation, and material moving occupations	2,202	10%
Construction, extraction, and maintenance occupations	1,835	8%
Farming, Forestry & Fishing	12	<1%
TOTAL	22,650	100%

Source: U.S. Census 2000

Orange County Projections (OCP) 2005² documents Cypress employment at 26,359 jobs, primarily in the retail, service, manufacturing and wholesaling sectors. Major businesses in Cypress include the following: professional healthcare and education; automotive sales; services; and various types of manufacturing. Employment is projected to grow to 40,118 by 2015, reflecting a dramatic 52 percent increase during 2005-2015, which would be well above the 14 percent increase projected Countywide. The primary reason for this dramatic projection of growth is the City's plan for significant economic development around the Los Alamito Race Track along

² OCP-2005 employment forecasts are consistent with SCAG's Regional Transportation Plan and the State Employment Development Department

Katella Avenue west of Walker Street. The City has adopted the Cypress Business Park and Professional Center Specific Plan to provide comprehensive guidance and regulations for the development of almost 300 acres within this Specific Plan area. The entire Cypress Business Park area encompasses a total of 800 acres, which includes a diverse array of well known companies such as PacifiCare, Minolta, Fuji, Mary Kay Cosmetics, Mitsubishi, and Yamaha.

In June 2007, the Orange County Business Council published the results of its first Workforce Housing Scorecard. This report provides a comprehensive evaluation of the current and future state of Orange County's housing supply and demand, and its impact on the business community. Based on the following criteria, the scorecard rates each jurisdiction's record over the 1991-2005 and 2005-2030 periods in addressing workforce housing needs:

- Number of jobs, rewarding cities that promote job growth
- Housing unit density
- Housing growth, rewarding cities that promote housing growth
- Jobs/housing balance

Of the 34 cities in Orange County, Cypress ranked 15th in its success during 1991-2005 in generating both new jobs and the supply of homes necessary to house these new workers. Since the rankings are weighted toward larger cities, this is impressive for Cypress which is ranked 22nd in size. With the projected remaining development potential, Cypress is expected to continue a jobs/housing balance close to 1.5 jobs per housing unit.

B. HOUSEHOLD PROFILE

Household type and size, income levels, and the presence of special needs populations all affect the type of housing needed by residents. This section details the various household characteristics affecting housing needs in Cypress.

1. Household Type

A household is defined as all persons living in a housing unit. Families are a subset of households, and include persons living together related by blood, marriage, or adoption. A single person living alone is also a household. "Other" households are unrelated people residing in the same dwelling unit. Group quarters, such as dormitories or convalescent homes are not considered households.

The 2000 Census documents 15,654 households in Cypress, with an average household size of 2.93 persons and average family size of 3.31 persons (refer to Table II-5). This represents a minimal decrease in household size (2.98) from 1990, and is similar to the Orange County average household size of 3.0.

Families comprise the overwhelming majority of households in Cypress (78%), split evenly between families with children (39%), and those without children (39%). During the 1990s, the proportion of families with children declined by two percent. The proportion and number of single-person households grew by approximately 600 households (from 15 to 18 percent of the total households) while other non-family households (unrelated roommates) declined over the decade. Nearly 80 percent of the City's household growth between 1990-2000 was due to increases in single-person households and married couples without children.

**Table II-5
Household Characteristics 1990 - 2000**

Household Type	1990		2000		Percent Change
	Households	Percent	Households	Percent	
Families	11,338	79%	12,243	78%	8%
With children	5,807	41%	6,081	39%	5%
Without children	5,531	39%	6,162	39%	11%
Singles	2,147	15%	2,750	18%	28%
Other non-families	794	6%	661	4%	-17%
Total Households	14,279	100%	15,654	100%	10%
Average Household Size	2.98		2.93		-2%
Average Family Size	3.30		3.31		N/A

Source: U.S. Census 1990 and 2000.

2. Household Income

Household income is one of the most important factors affecting housing opportunity and determining a household's ability to balance housing costs with other basic necessities of life.

Income Definitions

The State and Federal government classify household income into several groupings based upon the relationship to the County area median income (AMI), adjusted for household size. The State of California utilizes the income groups presented in Table II-6. However, Federal housing programs utilize slightly different income groupings and definitions, with the highest income category generally ending at >95% AMI. For purposes of the Housing Element, the State income definitions are used throughout, with the exception of data compiled by the Federal Department of Housing and Urban Development (HUD) which is specifically noted.

**Table II-6
State Income Categories**

Income Category	% County Adjusted Median Income (AMI)
Extremely Low	0-30% AMI
Very Low	0-50% AMI
Low	51-80% AMI
Moderate	81-120% AMI
Above Moderate	120%+ AMI

Source: Section 50093 of the California Health and Safety Code

Income Characteristics

Between 1990 and 2000, the median household income in Cypress grew from \$50,981 to \$64,377, an increase of 26 percent. While the median income level in Cypress remains above that of Orange County (\$58,820), the City has seen an increase in the number and proportion of lower income (<80% AMI) households, and a decrease in households earning moderate incomes and above. As illustrated in Table II-7, during the 1990s the City experienced growth in extremely low (+35%), very low (+18%) and low (+122%) income households, while evidencing a decline in its moderate and above (-6%) populations.

Figure 2 illustrates median household incomes for 1999 in Cypress by block group. The highest incomes are generally found in the newer single-family neighborhoods and where larger homes are located in the southeast, southwest, and western areas of Cypress. More modest income households are located in the relatively older core of Cypress, where smaller dwellings are located, adjacent to Lincoln Avenue. These areas also contain a higher proportion of multi-family rental units.

**Table II-7
Household Income Levels 1990-2000**

Income Level	1990		2000		Percent Change
	Households	%	Households	%	
Extremely Low Income <30% AMI	892	6%	1,202	8%	+35%
Very Low Income (31-50% AMI)	1,039	7%	1,221	8%	+18%
Low Income (51-80% AMI)	1,099	8%	2,442	16%	+122%
Moderate Income & Above (>81% AMI)	11,277	79%	10,655	69%	- 6%
TOTAL	14,307	100%	15,520	100%	n/a

Source: <http://socds.huduser.org/chas/reports>

Income by Household Type and Tenure

Table II-8 shows the income level of Cypress residents by household tenure. A significantly higher percentage of renter households (52%) were lower income (<80% AMI) compared to residents who owned their homes (32%). The number of lower income households is similar for both renter (2,430) and owner (2,435). The median income of Cypress' renter households in 1999 was \$42,083, compared to \$74,597 for homeowners.

**Table II-8
Income by Owner/Renter Tenure 2000**

Income Level	Renters		Owners		TOTAL %
	Households	%	Households	%	
Extremely Low Income (<30% AMI)	700	15%	502	5%	8%
Very Low Income (31-50% AMI)	595	13%	626	6%	8%
Low Income (51-80% AMI)	1,135	24%	1,307	12%	16%
Moderate Income & Above (> 80% AMI)	2,277	48%	8,378	77%	69%
TOTAL	4,707	100%	10,813	100%	100%

Source: SCAG Existing Housing Needs (HUD User WebPage)

While renters were more likely to have lower incomes than owners, there is also significant variation in income levels by household type, as presented in Table II-9. Half (50%) of elderly households in Cypress have lower (<80% AMI) incomes, with 14 percent having extremely low incomes. About 23 percent of small families and 31 percent of large families earn lower incomes.

**Table II-9
Income Level by Household Type 2000**

Income Level	Elderly	Small Family	Large Family	Other
Extremely Low Income (<30% AMI)	14%	5%	5%	12%
Very Low Income (31-50% AMI)	16%	5%	9%	7%
Low Income (51-80% AMI)	20%	13%	17%	19%
Moderate Income & Above (>80% AMI)	50%	76%	70%	63%
TOTAL	2,851	8,370	2,314	1,985

Source: SCAG Existing Housing Needs (HUD User WebPage)

Households in Poverty

The federal government publishes national poverty thresholds that define the minimum income level necessary to obtain the necessities of life. For example, the 2000 U.S. poverty threshold for a family of four was \$17,463. As indicated in Table II-10, six percent of all Cypress residents lived in poverty in 2000, an increase since 1990. About seven percent of children under the age of 18 in Cypress live in poverty. As a group, female-headed households with children are most impacted by poverty, with 17 percent of this group living in poverty.

**Table II-10
Poverty Status**

Groups in Poverty	1990		2000	
	Persons /Families	Percent	Persons /Families	Percent
Individuals	1,895	4%	2,799	6%
Children (under 18)	620	6%	918	7%
Female-Headed Households	182	11%	271	14%
Female-Headed w/ Children	166	17%	221	17%

Source: U.S. Census 1990 and 2000.

Figure 2 – Median Household Income, 1999

3. Special Needs Populations

State law recognizes that certain households have more difficulty in finding adequate and affordable housing due to special circumstances. Special needs populations include the elderly, persons with disabilities, female-headed households, large households and farmworkers. In addition, many often have lower incomes as a result of their condition. Table II-11 summarizes the special needs populations in Cypress. Each of these population groups, as well as their housing needs, is described below.

**Table II-11
Special Needs Populations 2000**

Special Needs Groups	Persons	Households	Percent*
Large Households (5+ persons)		2,336	15%
Renter		764	(33%)
Owner		1,572	(67%)
Seniors (65+)	4,879		11%
With a Disability	1,927		(39%)
Senior Households		3,005	19%
Renter		548	(18%)
Owner		2,457	(82%)
Seniors Living Alone		1,050	(35%)
Persons with Disability	6,437		14%
Female-Headed Households		5,104	33%
with Related Children		1,298	(25%)
Farmworkers**	12		0%
TOTAL Persons or Households	46,229	15,654	

Source: U.S. Census 2000.

* Numbers in () reflect the % of the special needs group and not the % of the total City population/households. For example, of the City's large households, 33% are renters and 67% are owners.

** Persons employed in Farming, Forestry or Fishing Occupations

Large Households

Large households consist of five or more persons and are considered a special needs population due to the limited availability of affordable and adequately sized housing. The lack of large units is especially evident among rental units. Large households often live in overcrowded conditions, due to both the lack of large enough units, and insufficient income to afford available units of adequate size.

Cypress has a total of 2,336 large households, representing 15 percent of total households in the City. Of these large households, 33 percent, or 764 households, are renters and over half of these large renter households (52%) earn lower incomes. Based on the CHAS (Comprehensive Housing Affordability Strategy) Databook prepared by HUD, 91 percent of Cypress' large renter households suffer from one or more housing problems, including housing overpayment, overcrowding and/or substandard housing conditions.

The 2000 Census identifies 1,491 rental units in Cypress with three or more bedrooms, in general, the appropriate sized units for a large household with five or more members. In contrast, the City has 764 large renter households, indicating that Cypress has an adequate supply of rental units suitable for the City's large families. However, market rents for a 3 bedroom apartment exceed the level of affordability for lower income large family households.

Senior Households

Approximately 11 percent (4,879) of Cypress' residents are over age 65, a four percent increase from the City's 1990 senior population of 3,180 (7%). About 19 percent of all households are headed by a senior, the majority of which are homeowners (82%). Thirty-five percent of the City's senior households live alone. Almost 40 percent of elderly residents in Cypress have some type of disability related to self-care or mobility, which may limit their ability to live independently. Figure 3 illustrates the percentage of senior households by block group in Cypress. The highest concentration of senior households is in the northern central area of the City, reflecting the presence of three senior housing projects in this area. Other areas, showing 20-30 percent senior households, are generally located in the older single-family areas of the City.

The elderly have a number of special needs including housing, transportation, health care, and other services. Rising rents are a particular concern due to the fact that most seniors are on fixed incomes. Of Cypress' 548 senior renter households, 79 percent are lower income. As shown later in Table II-23, Cypress has three senior housing projects providing 309 rental units including 116 units affordable to a mix of very low, low and moderate income households. The State of California Community Care Licensing Division identifies 10 residential care homes for the elderly in Cypress, providing 60 beds for seniors age 60+ requiring 24 hour assisted living. All

of these residential care facilities are small (6 or fewer beds) “board and care” homes.

For those seniors who live on their own, many have limited incomes and physical limitations, both of which may inhibit their ability to maintain their homes or perform minor repairs. Furthermore, the installation of grab bars and other assistance devices in the home may be needed. The City offers two Housing Rehabilitation Programs to eligible home owners. The Home Enhancement Loan Program (HELP II) provides loans to low and moderate income single-family homeowners and the County CDBG Rehabilitation Loan Program provides loans to lower income single-family and mobile home homeowners.

The City of Cypress operates a Senior Center with a variety of programs for seniors in the community. Programs offered include recreational and social activities, a meals program, preventative healthcare, transportation services, and supportive services including care management, community counseling, support groups and referral services. The Cypress Senior Citizens Commission advises the City Council on all matters pertaining to the concerns of senior citizens. The City’s Department of Recreation and Community Services provides staff services to the Senior Citizens Commission.

Female-Headed Households

Single-parent households typically have a special need for such services as childcare and health care, among others. Female-headed households with children in particular tend to have lower incomes, which limits their housing options and access to supportive services. The Census reports 5,104 female-headed households in Cypress; 1,298 of these households had children. Of those households with children, 221 (19%) lived in poverty. These households need assistance with housing subsidies, as well as accessible and affordable day care.

The City of Cypress provides a variety of youth programs, including a teen center at Arnold/Cypress Park sponsored in conjunction with the City of La Palma; a skate plaza at Veterans Park; after-school daycare; as well as various intramural sports leagues, arts and dance classes, day camps, and teen dances. The Cypress Boys and Girls Club also provides low cost after-school programs and offers paid sponsorships to low income members, including a program specifically focused on assisting children residing in area motels. The “Motel Outreach” program works with at least four motels to pick up resident children after school, take them to the Club for an afternoon program, and then return them to their respective motels. The children are provided with two snacks during the afternoon. In the summer, the program hours are expanded from 9:30 a.m. to 5:30 p.m. The City’s Youth Action Committee advises the Recreation and Community Services Commission on activities and concerns of youth.

Figure 3 – Percent Senior Households, 2000

Persons with Disabilities

A disability is defined as a long lasting condition that impairs an individual's mobility, ability to work, or ability to care for themselves. Persons with disabilities include those with physical, mental, or emotional disabilities. Disabled persons have special housing needs because of their fixed income, shortage of affordable and accessible housing, and higher health costs associated with their disability.

According to the 2000 Census, an estimated 14 percent of Cypress residents (6,437 persons) have one or more disabilities. Approximately 2,034 of the City's disabled population have mobility/self-care limitations and require assistance in daily living. Of the City's senior population, almost 40 percent have one or more types of disabilities.

The living arrangements for persons with disabilities depend on the severity of the disability. Many persons live at home in an independent environment with the help of other family members. To maintain independent living, disabled persons may require assistance. This can include special housing design features for the physically disabled, income support for those who are unable to work, and in-home supportive services for persons with medical conditions. Accessible housing can also be provided via senior housing developments.

Both the federal Fair Housing Act and the California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodations (i.e. modifications or exceptions) in their zoning and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. For example, it may be a reasonable accommodation to allow covered ramps in the setbacks of properties that have already been developed to accommodate residents with mobility impairments. The City of Cypress allows a ramp projecting up to 4 feet into the setback area, with a building permit.

The City does not require special building codes or onerous project review to construct, improve, or convert housing for persons with disabilities. Residential and community care facilities with six or fewer persons are permitted by right in all residential zoning districts, except the mobile home park zoning district. Residential and community care facilities with seven or more persons are permitted in the multiple-family zoning districts, subject to a conditional use permit.

The State of California Community Care Licensing Division identifies four adult residential facilities in Cypress that provide 24-hour non-medical care for adults ages 18-59 who are unable to provide for their own daily needs. These four facilities provide capacity for 23 adults.

Homeless

The Orange County Housing and Community Services Department (HCS) defines homelessness as not having a permanent address, sleeping in places not meant for habitation, not having ample food and medical attention or a place to change clothes or bathe. Using this broad definition, HCS estimates there are nearly 35,000 homeless in Orange County. The County's homeless population is comprised of about 30 percent individuals and 70 percent families, including an estimated 16,300 homeless children. For these 35,000 homeless, there are only about 3,400 available beds, including 1,512 emergency shelter beds and 1,888 beds in transitional housing facilities.³ An additional 1,875 units of supportive services housing are available. A Point-in-Time Count and Survey of the Homeless was conducted by the County of Orange in 2007. The Point-in-Time Count estimated a total of 27,732 homeless persons throughout the County. Data for individual cities is not available and it is difficult to quantify the number of homeless in the City of Cypress. However, information provided by school districts, interviews with local service providers and the local police help give a picture of the homeless in the City.

One measure of homeless in specific areas of Orange County is the information collected by the Orange County Department of Education for the McKinney-Vento Homeless Education Assistance Act. This Act ensures access to free public education for homeless children and youth; requiring all school districts to designate a local liaison whose responsibilities include ensuring homeless youth and children are identified and enroll in school, receive educational services for which they are eligible, and are provided every opportunity to succeed in school. In Orange County, each district's liaison annually reports the number of homeless youth and children to the County Department of Education.⁴ For school year 2006-2007, a total of 7 homeless children and youth were reported within the Cypress School District, a decrease from the 30 reported in school year 2003-2004.

To obtain additional information regarding the homeless in Cypress, interviews were conducted with Orange County HCS staff; Orange County Partnership, a non-profit organization that coordinates homeless services throughout the County; local homeless service providers in Cypress; and the City's Police Department. The conclusion from most of the interviews is that, generally, the homeless in Cypress are not visible on the street, but are often living in motels/hotels, doubling-up with other households in order to afford housing, or living in other non-permanent housing. For example, the City's Police Department knows of only a few individuals that are "regulars" on the street, while service providers and the school district data

³ Orange County Grand Jury 2005-2006, *"The Homeless Crisis in Orange County."*

⁴ The Act defines homeless as individuals who lack a fixed and adequate nighttime residence, and includes children and youth temporarily sharing the housing of others; living in cars, motels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations; or living in emergency or transitional shelters.

indicate individuals and families are living in motels/hotels and doubling up with friends and family when possible.

Cypress has no emergency shelter within its jurisdictional boundaries, although St. Irenaeus Catholic Church is a long-term service provider within the City. St. Irenaeus provides assistance to persons within the Cypress area through their Helping Other People Everyday (HOPE) program. The HOPE program provides rent payment assistance and motel/hotel vouchers at two local motels, as well as food, gas vouchers and other services to people who are homeless or at risk of homelessness. HOPE clients include families, singles, elderly and disabled. The HOPE program is funded through local donations and occasional grants for the motel/hotel vouchers. Another service provider to youth in Cypress is the Casa Youth Shelter located in the adjacent city of Los Alamitos. This organization serves 12-17 year old runaway youths and estimates that two percent of their approximately 200 clients served annually come from Cypress. Casa Youth Shelter is primarily a service provider and is able to shelter youth for only a short period of time. These two agencies are the most proximate to Cypress, however, other agencies that also provide shelter and services to Cypress homeless are listed in Table II-12.

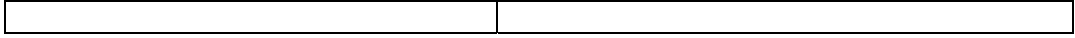
In July, 2005, “2-1-1 Orange County” was established to provide a comprehensive information and referral system to link County residents with community health and human services support. The service is available seven days a week, 24 hours a day. Callers are connected with certified, multi-lingual information and referral specialists who utilize a database to provide information on services including shelter and housing resources, food, and substance abuse assessment and treatment.

Farmworkers

Farmworkers are traditionally defined as persons whose primary incomes are earned through seasonal agricultural work. Farm workers have special housing needs because they earn lower incomes than many other workers and move throughout the season from one harvest to the next. The Census identifies only 12 Cypress residents employed in the industries of farming, fishing or forestry, representing 0.1 percent of the City’s labor force. No land dedicated to agricultural production remains in Cypress. Therefore, given the extremely limited presence of farmworkers in the community, the City has no specialized housing programs targeted to this group beyond overall programs for housing affordability.

**Table II-12
Inventory of Homeless Services and Facilities
Serving Cypress and Surrounding Orange County**

Organization	Beds and/or Services Provided
Anaheim Interfaith Center P.O. Box 528 Anaheim, CA 92815 (714) 774-8502	Provides transitional housing and supportive services for up to 9 homeless families at a time for a 6-9 month period. Case management counseling, and other services are provided.
Casa Youth Shelter 10911 Reagan Street P.O. Box 216 Los Alamitos, CA 90720 (714) 995-8601	Provides temporary shelter, counseling, children's services and outreach services for 12-17 year old runaway, homeless and/or abused youth. Serve an estimated 200 youth annually.
Fullerton City Lights 224-228 E. Commonwealth Avenue Fullerton, CA 92832 (714)525-4751	Provides 137 Single Room Occupancy (SRO) apartments for individuals and couples with incomes between 30-60% AMI.
Fullerton Interfaith Emergency Services (New Vista Shelter) 244 E. Valencia, Room 16 Fullerton, CA 92634 (714) 680-3691	Provides transitional housing for families and singles for up to 4 months. Also provides food, basic supplies, case management, referrals, and childcare assistance.
H.I.S. House P.O. Box 1293 Placentia, CA 92670 (714)993-5774	Provides 40 beds for families and individuals for up to 6 months. Services include job counseling and referrals, job training, financial management, counseling, and life skills classes.
Lutheran Social Services 215 N. Lemon Street Fullerton, CA (714) 738-1058	Provides clothing, limited transportation, referrals, prescriptions, utilities, counseling and English as a Second Language (ESL) classes.
Salvation Army Emergency Family Services Offices 1515 West North Street Anaheim, 92801 (714) 491-1020	Provides food distribution, utility assistance, transportation (gas vouchers, bus tickets), clothing, household items, other forms of assistance and community referrals.
Sheepfold Women's Services Center P.O. Box 4487 Anaheim, CA 92863 (714) 237-1444	The Service Center in Anaheim provides assistance with legal obligations, medical and dental appointments to abused women and their families. Sheepfold also provides transitional housing at a facility in Brea for battered women and their children, with a capacity of 6 families.
St Irenaeus Catholic Church Helping Other People Everyday (HOPE) 5201 Evergreen Cypress, CA 90630 (714) 826-0760 x 135	Provides food bank, gas vouchers, utility assistance, counseling services, urgent medical care and motel/hotel vouchers to women and children.



C. HOUSING STOCK CHARACTERISTICS

This section identifies the characteristics of Cypress' physical housing stock. This includes an analysis of housing growth trends, housing conditions, housing prices and rents, and housing affordability.

1. Housing Growth

Table II-13 displays housing production in the City, compared to neighboring cities and the entire Orange County region. Between 1990 and 2000, Cypress' housing stock grew by 9 percent, higher than all other comparison cities, and just slightly less than the 11 percent housing growth Countywide. During the 2000s, housing growth has been more modest throughout most of the region. Cypress' growth is estimated at 4 percent, slightly more than Huntington Beach, and slightly less than the 6 percent housing growth Countywide.

According to the State Department of Finance (2008), Cypress has a current housing stock of 16,611 units, representing an increase of 583 units (or 4%) since 2000. As a maturing suburban community with little remaining vacant residential land for new development, housing growth in recent years has primarily been attributable to infill on small residential sites.

**Table II-13
Regional Housing Growth Trends**

Jurisdiction	1990	2000	2008	Percent Change	
				1990-2000	2000-2008
Anaheim	93,177	99,719	101,791	7%	2%
Costa Mesa	39,611	40,406	41,020	2%	2%
Cypress	14,715	16,028	16,611	9%	4%
Huntington Beach	72,736	75,662	78,007	4%	3%
Lakewood	26,795	27,310	27,423	2%	0%
Long Beach	170,388	171,632	174,993	1%	2%
Santa Ana	74,973	74,588	75,462	-1%	1%
Westminster	25,852	26,940	27,419	4%	2%
Orange County	875,072	969,484	1,030,289	11%	6%

Source: U.S. Census 1990, 2000. Dept of Finance 2008 Population and Housing Estimates.

2. Housing Type and Tenure

Table II-14 presents the mix of housing types in Cypress. Of the City's 16,611 housing units in 2008, 78 percent were single-family homes and 20 percent were multi-family units, relatively unchanged since 1990. Cypress also has two mobile home parks containing 364 mobile home units, comprising two percent of the City's housing. Currently, Lincoln Cypress Mobile Home Park has 56 coach spaces, and Lincoln Center Mobile Home Park has 306 coach spaces. The number differs slightly from the Department of Finance estimates because Lincoln Center MHP is converting single-wide spaces to double-wide spaces to accommodate newer coaches.

The Mobile Home Park designated residential area in the Cypress Land Use Policy Map has remained intact, and the City has not lost any permanent mobile homes since 1990. Table II-14 indicates that mobile homes, also typically considered a source of affordable housing, have decreased by 174 units (almost 32 percent) between 1990 and 2000. However, this discrepancy is based on two definitions in the 1990 Census. The first is the 1990 Census definition of a "mobile home" which included trailers. In addition, in 1990 the "other" category was greatly overstated, and has been replaced with "Boat, RV, van, etc." in the 2000 Census. The Department of Finance (DOF) estimates for 2007 use a definition similar to the 2000 Census.

**Table II-14
Housing Type 1990 - 2008**

Unit Type	1990		2000		2008	
	Units	Percent	Units	Percent	Units	Percent
Single-Family (SF) Detached	8,903	61%	9,887	62%	10,184	61%
SF Attached	2,345	16%	2,444	15%	2,692	16%
<i>Total SF</i>	<i>11,248</i>	<i>76%</i>	<i>12,331</i>	<i>77%</i>	<i>12,876</i>	<i>78%</i>
2 to 4 Units	481	3%	512	3%	529	3%
5 or more units	2,430	17%	2,817	18%	2,842	17%
<i>Total Multi-Family</i>	<i>2,911</i>	<i>20%</i>	<i>3,329</i>	<i>21%</i>	<i>3,371</i>	<i>20%</i>
Mobile Homes & Other	556	4%	361	2%	364	2%
Total Housing Units	14,715	100%	16,021	100%	16,611	100%
Vacancy Rate	2.96%	--	2.34%	--	2.34%	--

Source: U.S. Census 1990, 2000. Dept of Finance 2008 Population and Housing Estimates.

Housing tenure refers to whether a housing unit is owned, rented or is vacant. Tenure is an important indicator of the housing climate of a community, reflecting the relative cost of housing opportunities, and the ability of residents to afford housing. Tenure also influences residential mobility, with owner units generally evidencing lower turnover rates than rental housing. Table II-15 shows that, according to the 2000 Census, 69 percent of Cypress' households were homeowners, demonstrating

stability since 1990 when 69 percent of the households were also owner-occupied. Cypress' homeownership rate continues to be higher than the Countywide homeownership rate of 61 percent.

**Table II-15
Housing Tenure**

Occupied Housing Units	1990		2000	
	Households	Percent	Households	Percent
Renter	4,368	31%	4,793	31%
Owner	9,911	69%	10,861	69%
Total	14,279	100%	15,654	100%

Source: U.S. Census, 1990 and 2000.

Figure 4 illustrates the percentage of renter households in Cypress by census block group. The areas with the highest concentration of rental housing include Lincoln Center Mobile Home Park; the Lemon/Lime area apartments near Cypress College; a portion of the north end area annexed in 1981, and two census block groups adjacent to both Cypress College and the City of Buena Park.

Vacancy Rate

A vacancy rate measures the overall housing availability in a community and is often a good indicator of how efficiently for-sale and rental housing units are meeting the current demand for housing. A vacancy rate of five percent for rental housing and two percent for ownership housing is generally considered healthy and suggests that there is a balance between the demand and supply of housing. A lower vacancy rate may indicate that households are having difficulty in finding housing that is affordable, leading to overcrowding or households having to pay more than they can afford. A low vacancy rate or a particularly 'tight' housing market may also lead to high competition for units, raising rental and housing prices substantially.

As measured by the 2000 census, the citywide residential vacancy rate in Cypress was 2.3 percent for all housing units compared to the 3.0 percent vacancy rate in 1990. The vacancy rate was 0.6 percent for owner-occupied units in 2000, and 2.9 percent for rental units. The low vacancy rates indicate that a high 'pent-up' housing demand exists and that finding housing in the community is challenging for many households. The USC/Casden Multi-Family Market Report indicates that vacancy rates continued at low levels in 2007, with a range of 1.7 to 3.6 percent in Cypress and neighboring North Orange County jurisdictions.⁵

⁵ 2008 Southern California Multi-family Market Report, Casden Forecast, USC Lusk Center for Real Estate.

Figure 4 Percent Renter-Occupied Housing Units, 2000

3. Housing Age and Condition

The age of a community's housing stock can provide an indicator of overall housing conditions. Typically housing over 30 years in age is likely to have rehabilitation needs that may include new plumbing, roof repairs, foundation work and other repairs. Table II-16 displays the age of Cypress' occupied housing stock by owner/renter tenure as of 2000. The majority of housing in Cypress (74%) was built in the 1960s and 1970s, and will reach 30 to 40 years of age by 2010.

In 2000, Cypress' housing stock was split almost evenly between older than 30 years (52%) and younger than 30 years (48%). However, by 2010, an additional 31 percent of the housing stock will become 30 years old, totaling over 80% of the City's housing stock.

Among owner-occupied housing, 55 percent of units were constructed prior to 1970, with an additional 31 percent constructed in the 1970s. The renter housing is somewhat younger, with 45 percent greater than 30 years in age and an additional 33 percent becoming 30 years in age by 2010. Renter housing is typically of lesser quality construction and suffers more wear-and-tear from tenants than owner-occupied housing.

**Table II-16
Age of Housing Stock 2000**

Year Structure Built	Renter Occupied Housing	Percent Renter	Owner Occupied Housing	Percent Owner	Total Percent
1990-2000	477	10%	1,023	9%	10%
1980-1989	570	12%	498	5%	7%
1970-1979	1,592	33%	3,310	31%	31%
1960-1969	1,449	30%	5,278	49%	43%
1950-1959	459	10%	483	4%	6%
1940-1949	157	3%	156	1%	2%
1939 or earlier	98	2%	96	1%	1%
Total	4,802	100%	10,844	100%	100%

Source: U.S. Census 2000.

The City's Code Enforcement Officer indicated that the City receives approximately 20-30 calls a week for violations, usually related to property maintenance issues. Of those perhaps 1-2 per month represent more substantial health and safety code violations. Most of those are older single-family homes located throughout the City, built in the 1960's or earlier, and are generally occupied by an elderly homeowner with a fixed income. Many of these homes are located in the northern portion of the City in the areas annexed from the County into the City during 1981 and 1988. The annexed areas contain approximately 1,316 housing units. Of these, 75% are single-family structures, 20% are multiple-family apartments, and 5% are mobile

homes. Tract maps for the area indicate that the 1981 annexation area is composed of structures constructed from the late 1940's and later. The 1988 annexation area is composed of structures built from the late 1920s and later. Many of the property maintenance issues on these properties can be addressed by utilizing the City's HELP II Program. Eligible applicants must meet the specific low/moderate income criteria. The HELP II Program is funded with both CDBG and RDA funds. These same annexation areas are also included on the City's list of underutilized residential sites that can be combined with adjacent lots and redeveloped at higher densities.

This is borne out by the information from the 2003 Comprehensive Affordable Housing Strategy (Strategy) prepared for the Redevelopment Agency. In 2003, the majority of the homes participating in the HELP II, Single Family Rehabilitation Program were built in the early 1960's. The rehabilitation work included substandard and deteriorating items such as roofs and plumbing as well as improvements such as painting and windows. In reviewing the HELP II program, the Agency concluded that the program not only preserves existing housing stock but also positively influences neighborhood stability. One priority of the Strategy was to continue the HELP II program using CDBG and HOME funds rather than Redevelopment housing funds.

The Agency also decided to explore focusing rehabilitation efforts in neighborhoods demonstrating a need. This led to the Agency's focus on the Lemon-Lime neighborhood in 2007-2008. In addition to the age of the neighborhood (built in the early 1960's) the area was showing signs of stress with increased calls to the Cypress Police Department for service and increased complaints about general neighborhood issues. The City hired Jamboree Housing Corporation to prepare an improvement plan for the area which was adopted by the Agency in March 2008. The Lemon-Lime Improvement Plan included infrastructure, property management, affordable housing, and quality of life goals for the neighborhood.

The City is currently facing maintenance issues and squatter problems in foreclosed properties. In mid-2008, there were approximately 50 foreclosed properties on record in the City, with expectations that this number would increase to 100 properties. The City is making use of the provisions in the recently adopted SB 1137 allowing the City to impose a civil fine of up to \$1,000 per day for failure by the responsible financial institution to maintain a vacant foreclosed property. The City hopes the use of this Code provision will help to maintain the neighborhood integrity in the affected areas.

As the Cypress housing stock ages, there is a continued need for code enforcement and housing rehabilitation programs. The City provides both an on-going code enforcement program and a housing rehabilitation program for low and moderate income single-family homeowners.

4. Housing Costs and Affordability

The cost of housing is directly related to the extent of housing problems in a community. If housing costs are relatively high in comparison to household income, there will be a higher prevalence of overpayment and overcrowding. This section summarizes the cost and affordability of the housing stock to Cypress residents.

Rental Housing Market

According to the USC/Casden Multi-Family Market Report⁶, though the demand for apartments in Orange County significantly increased in 2007, the supply of apartments continued to exceed demand. The average apartment rent in Orange County was \$1,550 at the end of 2007, a 5.3 percent increase from 2006. Rents in Cypress and neighboring communities in northwest Orange County averaged \$1,401 during that same period, an increase of 2.5 percent from 2006. Vacancy rates ranged between 1.6 and 3.7 percent, a slight increase from 2006.

Rental information for Cypress was obtained from internet rental listings on Craig's List and Southland Rentals websites. Table II-17 presents the results of the rent survey by unit type, including apartments, condominiums/townhomes, and single family homes. Due to the number of individual rooms available for rent in Cypress, Table II-17 presents information regarding room rentals in apartments, condominiums/townhomes, and single family homes.

Over 90 units were advertised for rent from October 2007 through December 2007, of which 51 were apartment units, accounting for 60 percent of all available rentals. One-bedroom units commanded a median rent of \$1,250; while the two-bedroom unit median rent was \$1,485. Only six three-bedroom apartments were advertised for rent during this 3 month period, renting for a median of \$1,900.

The other 40 percent of available rentals were split between condominiums/townhomes (18%), single-family homes (19%) and guest houses (4%). The condominium/townhouses and single-family homes offer larger units sizes for families. Three-bedroom condominium/townhouses rented for a median of \$2,000, and single family homes with four or more bedrooms commanded a median rent of \$2,800. It is interesting to note that the median rent for a three bedroom single family home rents is slightly less than the median rent for a three-bedroom condominium/townhouse. This reflects that most of the single family housing stock is older with fewer amenities than the condominium/townhome units.

⁶ 2008 Southern California Multi-family Market Report, Casden Forecast, USC Lusk Center for Real Estate.

**Table II-17
Survey of Vacant Rental Units: October-December 2007**

Unit Type and Bedrooms	# Units Advertised	Rental Range	Median Rent
<i>Apartments</i>			
1	26	\$710 - \$1,370	\$1,250
2	29	\$1,095 - \$1,750	\$1,485
3	6	\$1,725 - \$1,925	\$1,900
<i>Condominiums/Townhomes</i>			
2	8	\$1,350 - \$1,950	\$1,600
3	7	\$1,635-\$2,100	\$2,000
<i>Single-Family Homes</i>			
1	1	\$950	\$950
2	1	\$1,750	\$1,750
3	5	\$1,900 - \$3,000	\$1,900
4+	9	\$1,975 - \$3,000	\$2,800
<i>Guest House</i>			
2	3	\$1,095 - \$1,395	\$1,360

Source: www.craigslist.org and Southland classifieds (www.cypress.la)

In addition to the full rental units surveyed, there were 58 individual rooms advertised for rent within condominiums/townhomes and single-family homes, providing a lower cost rental option, with an overall median rent of \$650. Many of the rooms were marketed to students as nearby to both Cypress College and California State University, Long Beach.

**Table II-18
Survey of Rooms for Rent: November 2007 – January 2008**

Unit Type and Bedrooms	# Rooms Advertised	Rental Range	Median Rent
<i>General</i>			
Unknown	25	\$475 - \$800	\$600
<i>Condominiums/Townhomes</i>			
Unknown	4	\$550 - \$750	\$650
2	2	\$700 - \$895	\$800
3	2	\$600 - \$975	\$790
<i>Single-Family Home</i>			
Unknown	19	\$475 - \$950	\$650
3	1	\$650	\$650
4+	5	\$500 - \$850	\$650

Source: www.craigslist.org and Southland classifieds (www.cypress.la)

Homeownership Market

Southern California is experiencing a significant decline in the volume of single-family and condominium sales, placing downward pressure on home prices. DataQuick reports sales have been dropping for the past two years, with the initial decline in sales just coming off the frenzied pace of 2004 and 2005 and not putting that much downward pressure on prices. However, beginning in January 2007, Southern California sales prices were about two percent below the prior year's levels; as of December 2007, prices were down 13 percent from the prior year.

Within Orange County, prices fell 10 percent between December 2006 - December 2007. More remarkable is the decline in sales volume - a 42 percent drop in the number of single-family homes sold. Slow sales, flat appreciation, and subprime lending activity have all contributed to significant increases in foreclosures, with the number of mortgage default notices in Southern California the highest in ten years.

Table II-19 compares single-family and condominium sales prices during November 2007 in Cypress and nearby communities by zip code, and contrasts this with sales prices during November 2006. A total of 13 single-family homes were sold within the City during November 2007, commanding a median sales price of \$575,000. Median sales prices in Cypress were higher than Anaheim, Lakewood, and most of Long Beach and Santa Ana; comparable to Westminster; and lower than Costa Mesa, Huntington Beach, and the Countywide median of \$655,000. While only a limited number of homes were sold in Cypress, at 9.5 percent, the City's year-over-year price increase was the highest among all the comparison cities, the majority of which evidenced a decrease in median single-family home prices.

Only 3 condominiums sold in Cypress during November 2007. The median price was \$369,000, below the Countywide median sales price of \$420,000. Similar to the appreciation in single-family homes in Cypress, condominium prices increased 13.5 percent over the prior year, in contrast to a 4 percent decline in condominium prices Countywide.

Table II-19
Single-Family Homes and Condominium Sales November 2007
Cypress and Nearby Communities

Community	Zip Code	# Homes Sold	Median Home Price	% Change from 2006	# Condos Sold	Median Condo Price	% Change from 2006
Anaheim	92801	6	\$405,000	-27.0%	3	\$229,000	-48.0%
	92802	10	\$485,000	-14.9%	2	\$325,000	-33.7%
	92804	10	\$470,000	-21.7%	6	\$308,000	-22.0%
	92805	16	\$446,000	-21.8%	2	\$550,000	30.0%
	92806	6	\$510,000	-20.2%	n/a	n/a	n/a
Costa Mesa	92626	17	\$715,000	5.3%	4	\$380,000	-33.0%
	92627	17	\$686,000	0.3%	7	\$605,000	16.3%
Cypress	90630	13	\$575,000	9.5%	3	\$369,000	13.5%
Huntington Beach	92845	21	\$792,000	3.5%	7	\$383,000	-8.9%
	92647	19	\$660,000	0.4%	2	\$283,000	-29.4%
	92648	18	\$887,000	-17.5%	11	\$485,000	-4.9%
	92649	15	\$819,000	-3.7%	8	\$640,000	23.3%
Lakewood	90712	18	\$504,000	-4.6%	n/a	n/a	n/a
	90713	15	\$438,000	-19.0%	n/a	n/a	n/a
	90715	9	\$453,000	-14.5%	1	\$295,000	-28.0%
Long Beach	90802	2	\$325,000	-53.9%	21	\$315,000	-6.1%
	90803	7	\$1,052,000	9.3%	3	\$488,000	-14.7%
	90804	4	\$413,000	-24.3%	4	\$316,000	-14.1%
	90805	17	\$360,000	-21.7%	n/a	n/a	n/a
	90806	8	\$510,000	-1.0%	2	\$363,000	4.8%
	90807	18	\$600,000	4.8%	n/a	n/a	n/a
	90808	16	\$566,000	-3.3%	n/a	n/a	n/a
	90810	8	\$422,000	-6.6%	n/a	n/a	n/a
	90813	4	\$330,000	-16.5%	2	\$289,000	-9.8%
	90814	7	\$750,000	-3.2%	4	\$340,000	0.0%
Santa Ana	90815	15	\$568,000	-4.6%	2	\$357,000	-4.9%
	92701	4	\$505,000	-16.5%	6	\$258,000	-26.4%
	92703	16	\$446,000	-25.7%	1	n/a	n/a
	92704	16	\$506,000	-19.4%	3	\$293,000	-19.7%
	92705	12	\$820,000	-0.6%	n/a	n/a	n/a
	92706	8	\$520,000	-17.3%	n/a	n/a	n/a
Westminster	92707	6	\$435,000	-29.8%	4	\$307,000	-16.0%
	92683	27	\$571,000	-8.5%	3	\$426,000	-10.3%
Orange County	All	895	\$655,000	-0.7%	372	\$420,000	-3.9%

Source: DQNews – 2007 Los Angeles Times Zip Code Chart, <http://www.dqnews.com>

While the prior Table II-19 provides an overview of the subregional housing sales market, the following Table II-20 provides detailed information on all sales of existing and new single-family homes and condominiums within Cypress during calendar year 2007. A total of 316 single-family home sales were recorded during this period, with three and four bedroom units comprising 80 percent of all homes sold. Median sales prices ranged from \$435,000 (one-bedroom) to \$770,000 (six-bedroom). Most homes were at least forty years in age, 1967 being the average year built. Unit sizes are relatively modest, averaging 1,577 square feet. The overall median home price in Cypress was \$575,000.

The last Housing Element presented a median home price of \$188,500 for 561 in Cypress (sales from May 1998 - April 1999) with a range of \$98,000 - \$490,000. The 2007 median represents an increase of 205 percent since 1999.

Table II-20
Home and Condominium Sales Prices
January - December 2007

# Bdrms	Units Sold	Price Range	Median Price	Avg. Unit Size	Avg. Year Built
Single-Family Homes					
1	3	\$442,000-\$885,000	\$580,000	710 sq. ft.	1945
2	29	\$324,000-\$675,000	\$469,000	1096 sq. ft.	1966
3	153	\$375,000-\$955,000	\$530,000	1442 sq. ft.	1967
4	100	\$196,500-\$985,000	\$627,000	1805 sq. ft.	1967
5	27	\$580,000-\$1,075,000	\$765,000	2152 sq. ft.	1966
6	4	\$675,000-\$1,150,000	\$770,000	2709 sq. ft.	1968
Total	316	\$196,500-\$1,150,000	\$575,000	1577 sq. ft.	1967
Condominiums					
1	9	\$273,000-\$343,000	\$300,000	840 sq. ft.	1977
2	45	\$274,500-\$515,000	\$401,000	1062 sq. ft.	1979
3	23	\$415,000-\$915,000	\$525,000	1468 sq. ft.	1977
Total	77	\$273,000-\$915,000	\$444,500	1,146 sq. ft.	1978

Source: Dataquick On-Line Real Estate Database. Compiled by Karen Warner Associates.

Approximately 20 percent of all units sold in 2007 were condominiums. Median prices for condominiums ranged from \$300,000 to \$525,000, with an overall median price of \$444,500. Whereas the vast majority of single-family homes were three and four-bedroom units, condominiums were predominately two- and three-bedroom units. Two-bedroom condominiums sold for approximately \$70,000 less than similarly sized single-family homes. However, three-bedroom condominiums sold for approximately the same price as similarly sized single-family homes. This is most likely due to the younger age of condominiums along with the additional amenities offered. The median condominium price documented in the City's 2000 Housing Element was \$129,750 for 54 sales from May 1998 - April 1999. The 2007

median condominium price represents an increase of nearly 250 percent over the past ten years.

Housing Affordability

The affordability of housing in Cypress can be assessed by comparing market rents and sales prices with the amount that households of different income levels can afford to pay for housing. Compared together, this information can reveal who can afford what size and type of housing as well as indicate the type of households that would most likely experience overcrowding or overpayment.

California Health and Safety Code⁷ defines affordable owner and rental housing costs as follows:

Affordable Ownership Housing Cost – moderate income

- Housing costs consist of mortgage debt service, homeowner association dues, insurance, utility allowance and property taxes.
- Affordable costs are up to 35% of the defined household income.
- Affordable costs for moderate income households are based on standard of 110% of median area income for a household size equal to one more person than the number of bedrooms in the unit.

Affordable Renter Housing Cost

- Housing costs include rent plus utilities paid for by the tenant.
- Affordable costs are up to 30% of the defined household income
- Household size is based on one person more than the number of bedrooms in the unit.

The HUD published 2007 Area Median Family Income (MFI) for a four-person household in Orange County is \$78,700.

Based on these definitions of income and affordable housing cost, Table II-21 presents the maximum affordable purchase price for moderate income households (110% MFI), and compares this with market sales prices for single-family homes and condominiums in Cypress as previously documented in Table II-20. As illustrated in the Table, median single-family home prices in Cypress are beyond the level of affordability for moderate income households. For example, the maximum affordable purchase price for a moderate income four person household is \$312,910, whereas the median priced three bedroom home in Cypress is \$530,000, an affordability gap of \$217,090.

Escalation in sales prices over the past several years have placed even condominiums out of reach to households earning moderate incomes. As shown in

⁷ Health and Safety Code Section 50052.5 establishes affordable housing cost, and Section 50053 establishes affordable rents.

Table II-21, the maximum affordable purchase price for a three person household is \$282,800, whereas the median priced two-bedroom condominium in Cypress sells for \$401,000, an affordability gap of \$118,200.

Table II-21
2007 Maximum Affordable Housing Cost (Moderate Income)
Orange County

Moderate Income Affordable Housing Cost	1 Bedroom (2 persons)	2 Bedroom (3 persons)	3 Bedroom (4 persons)	4 Bedroom (5 persons)
Household Income @ 110% Median	\$69,300	\$77,880	\$86,570	\$93,500
Income Towards Housing @ 35% Income	\$24,250	\$27,250	\$30,300	\$32,725
Maximum Monthly Housing Cost	\$2,020	\$2,270	\$2,525	\$2,725
Less Expenses:				
Utilities	(\$93)	(\$105)	(\$142)	(\$158)
Taxes (1.1% affordable hsg price)	(\$230)	(\$260)	(\$290)	(\$310)
Insurance	(\$85)	(\$100)	(\$115)	(\$130)
HOA Fees & Other	(\$180)	(\$180)	(\$180)	(\$180)
Monthly Income Available for Mortgage	\$1,432	\$1,635	\$1,798	\$1,947
Supportable Mortgage @ 6.5% interest	\$226,580	\$257,090	\$284,460	\$308,040
Homebuyer Downpayment (10%)	\$22,560	\$25,710	\$28,450	\$30,800
Maximum Affordable Purchase Price	\$249,140	\$282,800	\$312,910	\$338,840
Cypress Median Single-Family Price (2007)	\$580,000*	\$469,000	\$530,000	\$627,000
Cypress Median Condo Price (2007)	\$300,000	\$401,000	\$525,000	n/a

Source: Karen Warner Associates.

* There were only three 1-bdrm single-family homes sold during 2007. The higher price of these smaller older homes reflects the land value due to the ability to create additional units on these sites.

Table II-22 presents the maximum affordable rents for very low, low and moderate income households by household size, and compares with median apartment rents in Cypress, as documented in Table II-17. As the table below indicates, Citywide median rents are above the level of affordability for all very low income households, with the affordability gap ranging from \$480 to \$960 per month depending on household size. There are individual rooms for rent that are affordable to very low income one person households. Smaller low income households are able to afford rentals in the City. Though, as household size increases, so does the affordability gap, with a monthly shortfall of approximately \$310 for four person households renting a three-bedroom unit. Households earning moderate incomes are able to afford market rents in Cypress, with the exception of the larger, 4 or more bedroom, single-family homes.

**Table II-22
2007 Maximum Affordable Rents
Orange County**

Income Level	Maximum Affordable Rent After Utilities Allowance			
	Studio (1 person)	1 Bedroom (2 person)	2 Bedroom (3 person)	3 Bedroom (4 person)
Very Low Income	\$677	\$773	\$869	\$941
Low Income	\$1,133	\$1,293	\$1,453	\$1,590
Moderate Income	\$1,573	\$1,794	\$2,020	\$2,218
Cypress Median Apt Rents	n/a	\$1,250	\$1,485	\$1,900
Cypress Median Room Rent	\$650	n/a	n/a	n/a

Source: Karen Warner Associates

*Affordability calculations subtract the following utility expenses based on the Orange County Housing Authority utility allowance schedule: \$80 for studios, \$93 for 1 bdrms, \$105 for 2 bdrms, and \$142 for 3 bdrms

5. Assisted Housing At-Risk of Conversion

State Housing Element law requires an analysis of the potential for currently rent-restricted low income housing units to convert to market rate housing, and to propose programs to preserve or replace any units “at-risk” of conversion. This section presents an inventory of all assisted rental housing in Cypress, and evaluates those units at risk of conversion during the ten year 2008-2018 planning period.

Assisted Housing Inventory

Cypress contains five developments of assisted multi-family rental housing totaling 291 affordable units, as presented in Table II-23. This inventory includes all multi-family units assisted under federal, state, and local programs, including HUD, state/local bond programs, density bonus, inclusionary, and local redevelopment or direct assistance programs.

Table II-23
Assisted Rental Housing Inventory

Project Name	Tenant Type	Total Units	Affordable Units	Applicable Programs	Potential Conversion Date
Cypress Park Senior Community	Senior	124	31	RDA Set-Aside	3/2029
Cypress Pointe Senior Community	Senior	110	11	Density Bonus	3/2029
Sumner Place	Family	5	5	Density Bonus	3/2009
Cypress Sunrise	Senior	75	74	Bond; RDA Set-Aside	5/2035
Tara Village Family Apartments	Family	170	170	Bond	7/2035

Loss of Assisted Housing Inventory

All of the city’s affordable rental projects have long-term affordability restrictions, and none are at risk of conversion during the 2008-2018 planning period. However, the City has been negotiating with the owners of Tara Village to buy down affordability and extend the affordability term on 80 of the project’s 170 units. With the City’s assistance, 14 of the 80 units currently affordable to low income households will be made affordable to very low income households.

D. REGIONAL HOUSING NEEDS

State law requires all regional councils of governments, including the Southern California Association of Governments (SCAG) to determine the existing and projected housing need for its region and determine the portion allocated to each jurisdiction. This is known as the “Regional Housing Needs Assessment” (RHNA) process.

1. Existing Housing Needs

Overpayment

The 2000 Census indicates that overpayment remains a critical need for lower income households, who are disproportionately affected by this burden compared to other households. Affordability problems occur when housing costs become so high in relation to income that households have to pay an excessive proportion of their income for housing, or are unable to afford any housing and are homeless. Housing overpayment refers to spending more than 30 percent of income on housing; severe overpayment is spending greater than 50 percent. Table II-24 shows the incidence of overpayment in Cypress.

**Table II-24
Housing Overpayment, 2000**

Overpayment	Households	Percent	Orange Co. %
Owners			
Overpayment (<i>>30% income on housing</i>)	2,612	27%	32%
Severe Overpayment (<i>>50% income on housing</i>)	857	9%	10%
Renters			
Overpayment (<i>>30% income on housing</i>)	1,828	38%	44%
Severe Overpayment (<i>>50% income on housing</i>)	762	16%	19%
Total Overpayment	4,440	30%	37%

Source: U.S. Census, 2000.

Note: Severe overpayment is a subset of overpayment.

According to the 2000 Census, 38 percent of renters and 27 percent of homeowners in Cypress were spending more than 30 percent of their total income on housing, about six percent below the level of overpayment experienced Countywide. However, the percentages of lower income households overpaying is more significant, with 65 percent of low income renters and 56 percent of low income owners overpaying for housing.

Figure 5 illustrates the geographic areas of the City where severe rental overpayment is the greatest. Areas with more than one-quarter of the renter households paying more than 50 percent of household income for rent are generally areas of the City with more modest household incomes and older single-family units. These areas are dispersed throughout the City and are generally located in the north, west and southwestern areas of the City.

Table II-25 provides a more detailed review of households that experienced severe housing overpayment. Among renters, the elderly were most impacted by severe overpayment, with 36 percent of the City's total 500 elderly renters spending more than half their income on rent. Among homeowners, all household types experienced fairly comparable levels of severe overpayment in 2000, ranging from 7-13%. These households are most at risk of foreclosure, particularly in a declining housing market with rising interest rates. Due to the greater number of homeowner units in Cypress, though the percentages of severe overpayment are lower, more owner households (1,764) than renter households (1,414) are burdened with severe overpayment.

**Table II-25
Severe Housing Cost Burden by Type and Tenure, 2000**

	Elderly	Small Family	Large Family	Other	Total
<i>Renter Households</i>					
Total # by household type	500	2,529	751	927	4,707
% with severe cost burden	36%	11%	16%	14%	15%
<i>Owner Households</i>					
Total # by household type	2,351	5,841	1,563	1,058	10,813
% with severe cost burden	9%	7%	9%	13%	8%

Source: <http://socds.huduser.org/chas/reports>

Figure 5 Severe Renter Overpayment, 2000

Overcrowding

The Census defines overcrowding as an average of more than one person per room in a housing unit (excluding kitchens, porches, and hallways). The incidence of overcrowded housing is a general measure of whether there is an available supply of adequately sized housing units. Table II-26 shows the incidence of overcrowding in Cypress by tenure, as measured by the 2000 Census.

**Table II-26
Overcrowded Households 2000**

Overcrowding	Households	Percent	Orange Co. %
Owners			
Overcrowding	428	4%	8%
Severe Overcrowding	96	1%	4%
Renters			
Overcrowding	887	19%	28%
Severe Overcrowding	462	10%	19%
Total Overcrowding	1315	11%	16%

Source: U.S. Census, 2000. Severe overcrowding is a subset of overcrowding.

In 2000, there were 1,315 households living in overcrowded conditions in Cypress, representing 11 percent of all households, somewhat less than the 16 percent of overcrowding Countywide. Approximately 19 percent of renter households were overcrowded, a noticeable increase from 1990 levels when 12 percent of the City's renters were overcrowded. This remains less than the overcrowding rates for renter households Countywide.

Severe overcrowding, which is defined as more than 1.5 persons per room, was especially high among renters, with 462 renter households (10%) experiencing severe overcrowding. Figure 6 illustrates the geographic areas with the highest percentage of severely overcrowded rental housing. The highest levels of overcrowding are on the northeastern area of the City, closest in proximity to Cypress College. The majority of these areas are also those with more modest household incomes and the highest percentages of renter occupied housing.

Figure 6 Severe Renter Overcrowding 2000

2. Five-Year Projected Housing Needs

California's Housing Element law requires that each city and county develop local housing programs to meet its "fair share" of existing and future housing needs for all income groups, as determined by the jurisdiction's Council of Governments. This "fair share" allocation concept seeks to ensure that each jurisdiction accepts responsibility for the housing needs of not only its resident population, but also for the jurisdiction's projected share of regional housing growth across all income categories. Regional growth needs are defined as the number of units that would have to be added in each jurisdiction to accommodate the forecasted number of households, as well as the number of units that would have to be added to compensate for anticipated demolitions and changes to achieve an "ideal" vacancy rate.

In the six-county southern California region, which includes Cypress, the agency responsible for assigning these regional housing needs to each jurisdiction is the Southern California Association of Governments (SCAG). The regional growth allocation process begins with the State Department of Finance's projection of Statewide housing demand for a five-year planning period, which is then apportioned by the State Department of Housing and Community Development (HCD) among each of the State's official regions.

SCAG has determined the projected housing need for its region for the 2008-2014 Housing Element cycle, and has allocated this housing need to each jurisdiction by income category. This is referred to as the Regional Housing Needs Assessment (RHNA) process. The RHNA represents the minimum number of housing units each community is required to provide "adequate sites" for through zoning and is one of the primary threshold criteria necessary to achieve HCD approval of the Housing Element.

In allocating the region's future housing needs to jurisdictions, SCAG is required to take the following factors into consideration:

- Market demand for housing
- Employment opportunities
- Availability of suitable sites and public facilities
- Commuting patterns
- Type and tenure of housing
- Loss of units in assisted housing developments
- Over-concentration of lower income households
- Geological and topographical constraints

As defined by the RHNA, Cypress' new construction need for the 2008-2014 period been established at 451 new units, distributed among the four income categories as

shown in Table II-27. The City will continue to provide sites for a mix of single-family, multi-family and mixed use housing, supported by a variety of programs to enhance affordability, to accommodate its RHNA and contribute towards addressing the growing demand for housing in the Southern California region.

**Table II-27
Regional Housing Needs Assessment*
2008-2014**

Income Level	Percent of AMI**	Units	Percent
Very Low***	0-50%	98	21.7%
Low	51-80%	79	17.5%
Moderate	81-120%	89	19.7%
Above Moderate	120%+	185	41.0%
Total		451	100%

Source: <http://SCAG.ca.gov.gov/Housing/rhna.htm>

* Building permits issued since 1/2006 are credited towards the 2008-2014

** AMI – Area Median Income

*** An estimated half of Cypress' very low income housing needs (49 units) are for extremely low income households earning less than 30% AMI