

## **4. Housing Needs**

That every American family be able to afford a decent home in a suitable environment continues to be the national housing goal. Housing needs, as defined by HUD, include cost burden, substandard housing, and overcrowding.

Sadly, many St. Joseph families continue to exist in housing that is unsafe and physically inadequate with plumbing and electrical defects. They may live in overcrowded conditions because the house is too small for their family and others that reside with them. They may be cost burdened with gross rents or mortgage payments and utilities that exceed thirty percent (30%) of their household income.

This section of the Consolidated Plan describes the housing needs of low-income renters and owners by household type, and the housing and supportive services needs of people who are homeless and those who have special needs.

Special tabulations of 2000 decennial census data supplied by the U.S. Department of Housing and Urban Development provide an insight as to the housing assistance needs of renters and owners who are extremely low-income and others with incomes in the low- to moderate-income range. The source for the analysis is the 2000 census and 2000 CHAS Data Book.

### **Housing Needs of Renters**

In 2000, there were 31,752 housing units in St. Joseph. Thirty-five percent (35.2.1%) of the occupied units were rentals. The median contract rent was \$435.00.

Of the 10,203 total renter households, 4,034 or 39.5% of the renters had incomes below 50% of the median family income, and 1,916 of those renters were existing on incomes that were less than 30% of the median. The majority of these extremely low-income households live with housing problems and cost burdens.

#### *Housing Affordability*

A household is considered to be cost burdened if it pays more than 30% of its income for rent and utilities. A household is experiencing *severe* cost burden if its rent and utilities exceed 50% of its income. These are the low income households that, because of their housing problems and cost burdens, may be going without adequate food, health care and other necessities in order to pay for housing. Others may face utility disconnection because their inadequately insulated homes are expensive to heat.

Chart 52: **Housing Needs Glossary**

**Extremely low-income:** Households with incomes at or below 30% of the median.  
**Low-income:** Households with incomes at or below 50% of the median.  
**Moderate income:** Households with incomes between 51% and 80% of the median.  
**Cost burden:** Paying more than 30% of household income for housing costs, including utilities.  
**Severe cost burden:** Paying more than 50% of household income for housing, including utilities.  
**Overcrowded:** A housing unit with more than one person per room.  
**Housing problem:** Cost burden and/or overcrowded and/or without complete kitchen or plumbing facilities.  
**At-risk household:** A household with problems that may lead to homelessness.  
**Substandard housing:** Housing that does not meet local code standards for occupancy.

The 2000 CHAS Databook provides a picture of the cost burdens experienced by renter households in St. Joseph:

- ◆ 73.4% of the renters with extremely low incomes (less than 30% of MFI) and 55.5% of the low-income renters (31 to 50% MFI) are cost burdened because they pay more than 30% of their income for housing costs.
- ◆ 74.4% of the extremely low-income renters and 61% of the low-income renters contend with housing problems.

Table 53  
**Percent of Cost Burden and Severe Cost Burden Experienced by  
 Extremely Low to Low Income Renter Households**

Source: CHAS Data book 2000

<u>Income Category</u>	<u>Cost Burden</u>	<u>Severe Cost Burden</u>
<b>Extremely Low Income (0-30% MFI)</b>		
Elderly 1 and 2 members	60.4%	40.6%
Small Related (2 to 4 members)	83.90%	66.5%
Large Related (5 or more)	77.4%	52.8%
All Other Households	74.0%	57.6%
Total Renters	73.4%	55.5%
<b>Low Income (31-50% MFI)</b>		
Elderly 1 and 2 members	48.9%	12.7%
Small Related (2 to 4 members)	63.4%	14.5%
Large Related (5 or more)	36.4%	11.4%
All Other Households	63.3%	5.5%
Total Renters	58.6%	11.0%

It is estimated that in 2000 there were more than 3,001 renter households with incomes at or below 50% of the median that were using more than one-third of their income for housing expenses and experiencing other housing problems. Small and large families, as well as other households, are more likely to be affected than elderly households. Details on the housing problems experienced by specific household types and demographic groups can be gleaned from the *Housing Needs Table*.

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### *Elderly Households*

There are 1,708 elderly renter households in St. Joseph; 512 of them have household incomes that are less than 30% of the median family income for St. Joseph. There are 321 of these very low income elderly renters that encounter housing problems, 309 that are cost burdened and 208 who are subjected to *severe* cost burdens by paying more than one-half of their income for housing expenses.

### *Small and Large Family Renters*

Small family (2-4 persons) renter households numbered 3,809 in 2000. About 30% of the small families deal with housing problems, 28% experience cost burdens and 13% are subjected to *severe* cost burdens. More than 85% of the small families with incomes in the 0-30% range and almost 70% of those in the 31-50% income bracket experience housing problems and cost burdens.

There are 683 large renter households, those with five or more family members. Forty-one percent (41.2%) of the large families strive to live on incomes that are less than 50% of the median. Seventy-seven percent (77%) of those in the 0-30% income range experience housing problems and cost burdens.

### *Minority Renters*

The 2000 CHAS Data identifies 572 renter households that are Black, Non-Hispanic and 152 that are Hispanic. The following table compares the housing problems of the Black, Non-Hispanic and Hispanic renter households to all renter households in the St. Joseph community:

Table 55  
Housing Problems Experienced by Race/Ethnicity

Household by Type	Black, Not Hispanic	Hispanic	All Households
Elderly, 1 & 2 Member	48	12	1,708
Family Households	292	108	3,809
All Other Households	232	32	683
Total Renters	572	152	9,825
% with Housing Problems	46.3%	43.4%	34.8%

Elderly and 1-2 person households that are African-American and Hispanic are more prone to experience housing problems than all households that are renters.

Table 56  
Comparison of Minority-Headed Renter Households to All Households  
2000 CHAS Data

	Black non-Hispanic Households	Hispanic Households	All Households
<b>Total Households</b>	572	152	9,825
<b>Income Distribution</b>			
0-30%	33.9%	10.5%	21.6%
31-50%	28.5%	14.5%	19.5%
51-80%	22.7%	30.3%	23.5%
<b>% With Any Housing Problems</b>			
0-30%	69.6%	100.0%	74.4%
31-50%	63.2%	63.6%	61.0%
51-80%	27.1%	47.8%	20.6%
Total	46.3%	43.4%	34.8%

### **Housing Needs of Owners**

Of the 31,652 housing units, 18,823 are owner-occupied. In 2000, the median value of a home in St. Joseph was \$67,337. There are 954 owner households that are living on incomes that are less than 30% of the median and 1,612 whose incomes are between 31 to 50% of the MFI.

Only 22% of the owner-occupied housing units are affordable to these income groups; more than 90% of them were built before 1970. There are 48.5% of the very low-income owners that are cost-burdened, paying more than 50% of their income on housing costs.

As with cost burden and overcrowding, substandard housing is directly tied to the household income level. Housing options for extremely low-income households are limited and their restricted finances may force them to live in substandard conditions. HUD statistics show that 42% of all owner households with incomes below 51% of the median family income live in substandard housing. This compares to just 11% of all owner households.

More than sixty-six percent (66.8%) of all the owner households with incomes in the 0-30% MFI range encounter housing problems. The rate for the elderly is 55.6%, compared to 86.5% for non-elderly owners. As the income level increases, however,

non-elderly owners are more likely than their elderly counterparts to live in houses that have deficiencies, probably because most of the non-elderly owners are raising families and have other priorities.

Table 57 <b>Households with Housing Deficiencies</b>	
Income Category	% with Housing Deficiencies
<b>Owner Households</b>	
Extremely Low	72%
Very Low	47%
Moderate	20%
All Owner Households	20%

**Table 58  
Housing Units by Number of Bedrooms  
That Are Affordable to Low/Moderate Income Households<sup>1</sup>**

Unit Size	No. Available
<b>Owner Occupied Units</b>	
0 and 1 bedroom	658
2 bedrooms	5,622
3 or more bedrooms	11,916
<b>Vacant Units for Sale</b>	
0 and 1 bedroom	59
2 bedrooms	107
3 or more bedrooms	185

### *Elderly Owners*

There are 5,730 elderly owner households, nearly 31% of all owners. About 56% of the elderly households in the 0-30% MFI income group contend with housing problems. Twenty-two percent (22.7%) of the extremely low- income elderly experience cost burdens, but only 8% of the seniors with incomes in the 51-80% range have that difficulty.

<sup>1</sup> Source: SOCDs CHAS Data: Affordability Mismatch Output for All Households

### *Non-elderly Owner Households*

The extremely low-income non-elderly owner-households experience the greatest burdens. In this income group, more than 86% of the small-related families and the large related families have housing problems and cost burdens.

More non-elderly owner-households with incomes in the 31% to 50% MFI range experience cost burdens than their elderly counterparts. Fifty-three percent (53.1%) of the low-income small-related owner-households and 45.7% of the households with five or more members endure housing problems and more than 50% of the small families also have cost burdens.

### *Minority Owners*

There are 933 Black, non-Hispanic, owner households. More than 36% of the Black owner households have housing problems, but the problems faced by the extremely low income householders, whether they were elderly, small, or large families, are more rampant.

### **Public and Assisted Housing Needs**

In mid-February of 2005, twenty-five of the public housing units in the Pleasant Heights Apartment complex were vacant. There are no families currently listed on a tenant-based waiting list and the Housing Authority is trying to fill the complex through “overhousing” by letting small families rent the three-bedroom units. Pleasant Heights is also a resource for transitioning former residents of the YWCA’s Shelter domestic violence program.

The picture is much different for the Section 8 tenant based assistance. The St. Joseph Housing Authority’s Five-Year PHA Plan for FY 2005 states the local agency’s waiting list has reached 485 families. The annual turnover is 466. The type of families waiting for assistance is shown in the following table.

Table 59  
Housing Needs of Families on the Housing Authority's Waiting List  
Section 8 Tenant-Based Assistance

	No. of Families	Percent of Total Families
Waiting List Total	485	
Extremely low income <=30% AMI	245	51%
Very Low Income (31-50% AMI)	240	49%
Low Income (51-80% AMI)	0	0
Families with children	417	86%
Elderly families	40	8%
Families with Disabilities	28	6%

Table 60  
Families on Housing Authority's Waiting List  
Characteristics by Bedroom Size  
(Public Housing Only)

	No. of Families	Percent of Total Families
1 Bedroom	237	49%
2 Bedroom	176	36%
3 Bedroom	68	14%
4 Bedroom	4	1
5 Bedrooms or more	0	0

Eighty-six percent of the families waiting for assisted housing are White and 13% are African-American.

The Housing Authority plans to address the shortage of affordable housing by reducing the turnover time for vacated public housing units and reduce the time spent on renovations. It also proposes to target assistance to families below 30% AMI in public housing and tenant-based section 8 assistance by exceeding the HUD federal targeting requirements and adopting rent policies that support and encourage work.

For those at or below 50% of the AMI, there will be admissions preferences aimed at families that are working. Should special purpose vouchers be available that target the elderly or families with disabilities, the PHA will apply for them and affirmatively market to non-profit agencies that assist those with disabilities.

Community Housing Ministry, Inc. had a total of 59 vacant units in its portfolio. There were 58 families listed as waiting for assisted housing. The waiting list for units in St. Joseph is always open. Most of the individuals seeking affordable housing from CHM are senior citizens who need one-bedroom units. Their waiting list includes 11 requests

for efficiency units, 40 for one-bedroom, 3 for two-bedrooms, and five (5) families who need three-bedrooms.

### *Needs of Public Housing Residents*

The Housing Authority's mission is providing safe, decent and affordable housing, contribute to a safe community, and encourage individuals to become self-sufficient.

Improvements that will be funded by the program year 2005 capital improvement program will start April 1, 2005. Those improvements will cost approximately \$320,000. Restoration and revitalization needs of the Pleasant Heights Complex include replacing all closet doors, balconies and stairs, moving and/or replacing hot water heaters, installing new cabinet countertops, and replacing all windows in the complex.

The PHA plans to improve the living environment of the public housing residents by introducing programs that will encourage participation with the Pleasant Heights community, and help with transportation and day care problems.

Its strategic goals for 2005-2010 are:

- ❑ Expand the supply of assisted housing by reducing public housing vacancies and renovating/modernizing the public housing units.
- ❑ Increase assisted housing choices by providing voucher mobility counseling and doing outreach programs to potential voucher landlords.
- ❑ Create a more diversified environment by implementing incentives to deconcentrate poverty by bringing higher income public housing households into lower income developments and implementing public housing security improvements.
- ❑ Promote self-sufficiency by increasing the number and percentage of employed persons in assisted families, providing supportive services to improve resident's employability and to increase independence for the elderly or families with disabilities.
- ❑ Ensure equal opportunity and affirmatively further fair housing by undertaking affirmative measures to ensure access to assisted housing, provide suitable living environment for families, and make sure accessible housing to persons with all varieties of disabilities regardless of unit size required.

### *Other*

The next five years could bring new challenges to the St. Joseph community. The real estate industry, social service agencies, and others are anxious to see what effect Triumph Foods will have on the housing market. The pork processing plant is expected to begin

production in the fall. One realtor, quoted in the *St. Joseph News Press*, said she “has noticed out-of-town investors buying foreclosed homes for possible sale or rent to Triumph laborers.” The article also stated that “the questions surrounding Triumph are part of a broader issue of housing availability for middle-income wage earners, especially in the older part of the city.” Many individuals feel that the initial hiring of production workers for the pork processing plant will be residents of St. Joseph and surrounding rural areas; however, experience indicates that there is a high turnover of workers in this type of production work and within two years a significant portion of the production jobs will be taken by new arrivals to the region. Housing for these employees and their families may involve a combination of mobile homes, rental housing, and existing older housing stock.

In June of 2004, Aquila sponsored a study of St. Joseph’s housing needs through 2015. The Aquila Community Housing Assessment Team concluded that

- ❑ 52% of the city’s owner-occupied housing demand is for units priced at or below \$125,000.
- ❑ There is a need for 673 affordable rental units.
- ❑ St. Joseph has a shortage of housing in the moderate to higher price ranges.
- ❑ The City is short 2,506 units with values between \$100,000 and \$150,000 or rents between \$800 and \$1,250.
- ❑ Some higher income earners may still be filling housing that may be affordable to more moderate-income households.

The CHAT Report recommended the following initiatives:

- Encourage the preservation and reuse of the City’s existing and historic housing supply, adapting it to the needs of a range of potential residents.
- Increase the supply of residential lots through both central city and edge city strategies.
- Increase the capacity of local nonprofit and private organizations to address major community development goals.
- Enhance the capabilities of low and moderate-income residents.

- Implement strategic programs that are particularly well-suited in St. Joseph's housing situation and community conditions.
- Provide flexible tools that can be used to strengthen Downtown and surrounding districts as diverse, mixed-income neighborhoods.
- Assure strong and collaborative relationships between the city and the private housing development community.