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POLICY

The Housing Landscape for America's Working Families 2007



**Dedicated to Kent W. Colton, former chairman,
with gratitude for his leadership and guidance
to the Center for Housing Policy.**

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**The Housing Landscape
for America's Working Families, 2007**

By

Maya Brennan and Barbara J. Lipman

Center for Housing Policy

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The data that are the basis of this report were produced by **Sandra J. Newman** and **David Kantor**. Dr. Newman is a Professor of Policy Studies at Johns Hopkins University and the Director of its Institute for Policy Studies. Her research focuses on the role of housing and neighborhoods in the lives of families and children, the housing problems and needs of vulnerable populations, and the interrelationship of housing assistance, welfare assistance and long-term care. Mr. Kantor served as a computer programmer and data analyst for this project.

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EXECUTIVE SUMMARY

Working a full-time job does not guarantee a family a decent, affordable place to live—a problem the Center for Housing Policy has been tracking for the past eight years. Using the most recent *American Housing Survey* (2005), this report updates national trends in the number of working families paying more than half of their income for housing and/or living in dilapidated conditions. A new feature in this edition is a close-up look at 31 metropolitan areas and changes in their critical housing needs from the mid 1990s to the early 2000s.

Key Findings

Nationally, from 1997 to 2005, the number of working families paying more than half their income for housing increased 87 percent, from 2.4 million to 4.5 million. Adding in families living in severely inadequate, or dilapidated, housing yields a total of 5.2 million working families with critical housing needs in 2005—an increase of some 73 percent over the 3 million families experiencing these problems in 1997. In the most recent two-year period from 2003 to 2005, however, the number of working families with critical housing needs grew only modestly from 5 million to 5.2 million households. While encouraging, one troubling sign is that virtually all of the increase was among renters. In fact, the number of renters paying more than half their income for housing rose 103 percent, from 1 million in 1997 to 2.1 million in 2005. Meanwhile, renters remain twice as likely as homeowners to live in inadequate housing or crowded conditions, and the number of *non-working* families with critical housing needs—many of whom are renters—climbed significantly between 2003 and 2005.

At the local level, critical housing needs among working families exist across the housing landscape from large to small metropolitan areas, in urban and suburban counties alike, and in all regions of the country. Although the problem is most acute in “hot spots” such as the Los Angeles, Anaheim, and San Diego areas and East Coast markets around New York and Miami, significant numbers of working families in every metro area—including those in the Midwest and South—face critical housing needs.

Moreover, critical housing needs worsened over time in 27 of the 31 markets studied. Although the housing problems of coastal cities often make headlines, the sharpest *increases* in the share of working families with critical housing needs are found in other parts of the country. These areas include Denver—up 162 percent between 1995 and 2004—Charlotte—up 86 percent between 1995 and 2002— and other relatively affordable places such as Kansas City, Pittsburgh, Indianapolis, and San Antonio.

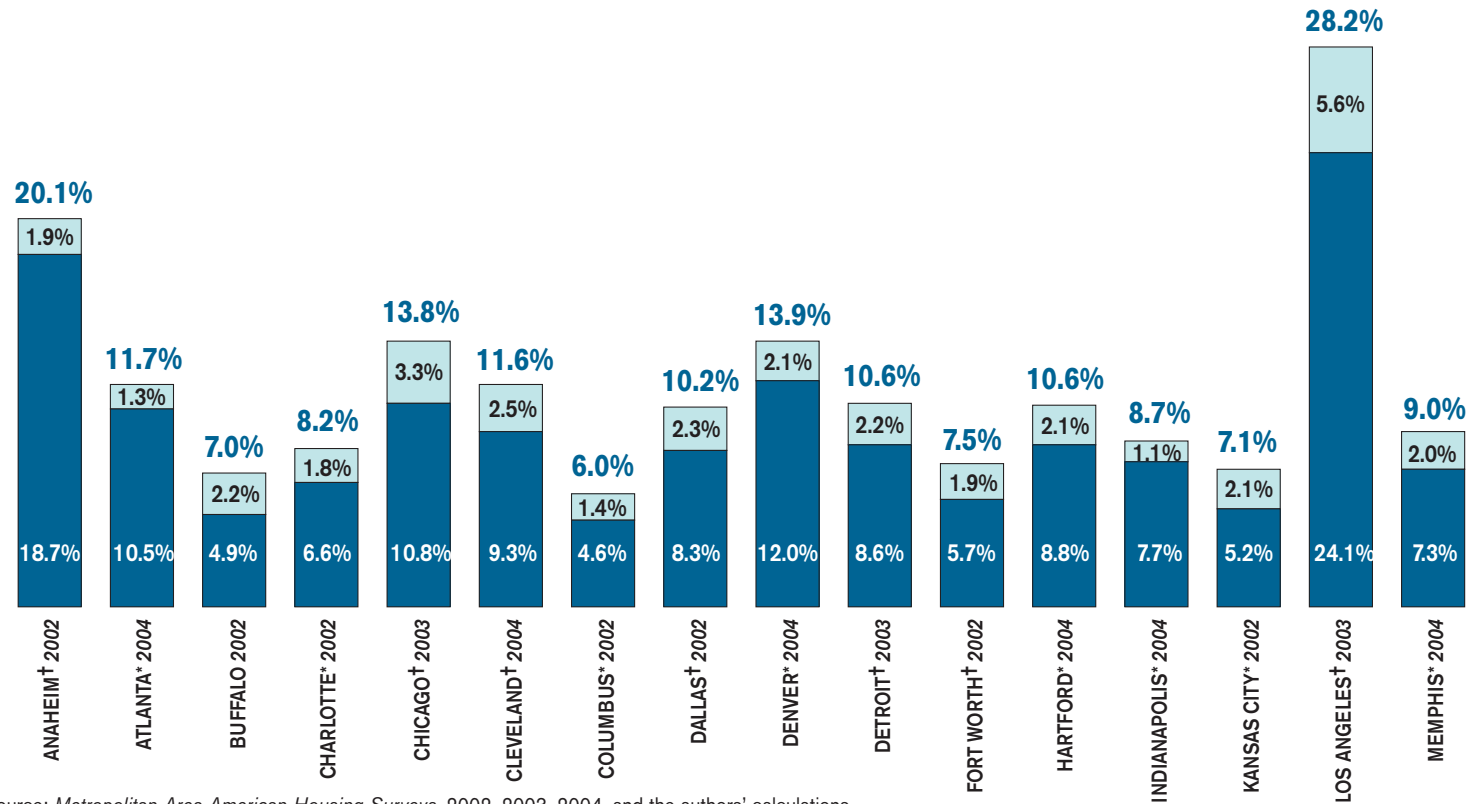
Addressing Critical Housing Needs

Looming over the horizon, and not yet reflected in these data, is the turmoil in the subprime mortgage market. The concern is that, as adjustable-rate mortgages with teaser rates reset to market levels, growing numbers of homeowners will have to spend more than half their income on housing each month to keep their homes. Others may even lose their homes, threatening the significant progress that has been made in recent years helping families fulfill the American dream. Other challenges facing working families include rising transportation costs and commute times, increased energy costs, and higher property insurance rates.

Critical housing needs pose a challenge, but the housing landscape is not permanently etched. Communities across the country have shaped and changed their local landscapes, developing innovative solutions to create more affordable housing opportunities for working families. Effective strategies include adopting expedited permitting and review policies, establishing inclusionary zoning requirements or incentives, leveraging employers’ commitment to affordable homes for workers, preserving affordable rental homes, and expanding homeownership education and counseling, among others. *For more information on innovative state and local housing policies, see www.housingpolicy.org.*

Our national and state policies should support and facilitate these efforts. It will take a combination of strong leadership, increased funding, strategic guidance, flexible guidelines, and fashioning of the right incentives for public and private partners to do their part. In short, policies aimed at meeting the full range of working families’ needs must be part of our commitment to decent and affordable housing for all Americans.

Working Families Face Critical



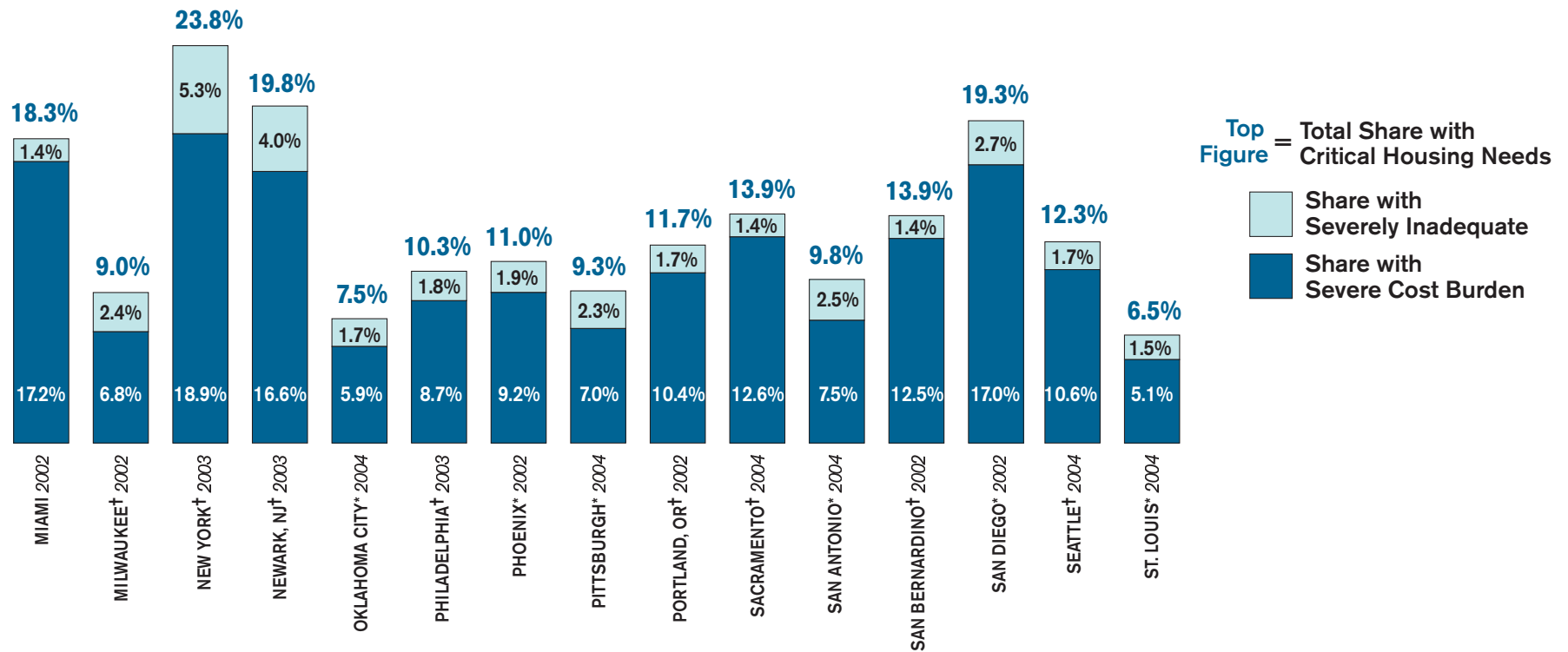
Source: Metropolitan Area American Housing Surveys, 2002, 2003, 2004, and the authors' calculations.

NOTE: Areas marked "*" are Metropolitan Statistical Areas, and those marked "+" are Primary Metropolitan Statistical Areas. Buffalo and Miami are Consolidated Metropolitan Statistical Areas. The percentages of severely inadequate and severe cost burden may not sum to the total share with critical housing needs due to a small number of households experiencing both problems (generally a fraction of 1 percent) or rounding. Newark, NJ also is referred to as Northern New Jersey. It includes Newark and other surrounding areas.

Working Families and Critical Housing Needs Defined

Households that pay more than half of household income for housing and/or live in severely inadequate (or "dilapidated") conditions have a "critical housing need." Low-to-moderate income working families (or "working families") are defined as households that work the equivalent of a full-time job and earn at least the annual minimum wage of \$10,712 but no more than 120 percent of the median income in their area. See *Technical Definitions on page 24 for more detail.*

Housing Needs in Every Metro Area



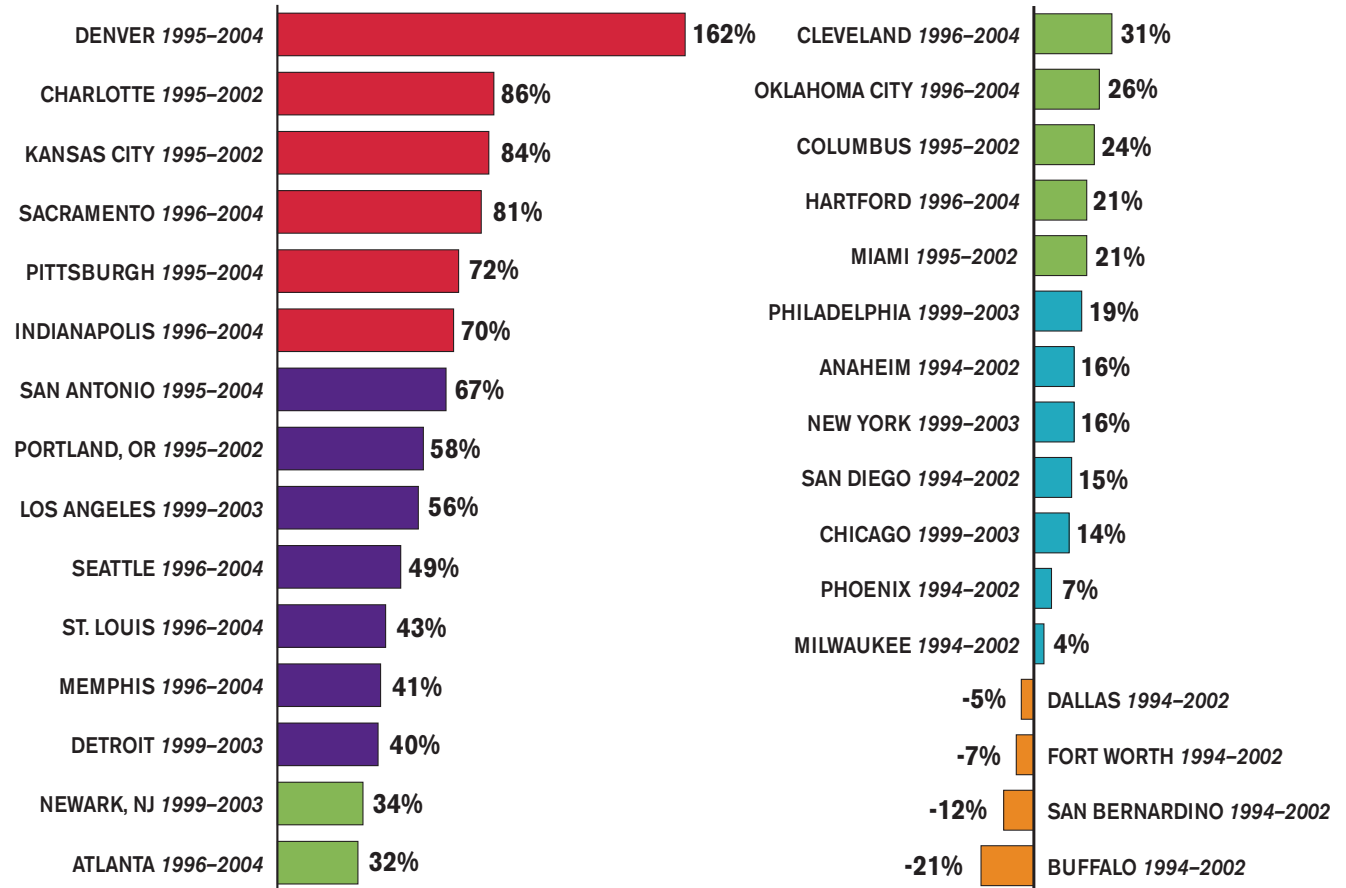
Rates of Critical Housing Needs Vary

Rates of critical housing needs vary widely among the 31 metro areas studied, ranging from a high of 28 percent in Los Angeles to a low of 6 percent in Columbus, Ohio. Although the problem is most acute in California (including the Los Angeles, Anaheim, and San Diego areas) and hot East Coast markets around New York and Miami, significant numbers of working families in every metro area—including those in the Midwest and South—pay more than half of their income for housing. In several markets, such as Los Angeles, New York, and Newark, substantial numbers of working families also live in severely inadequate housing.

Increase in the Rate of Critical Housing Needs is Largest in Non-Coastal Cities

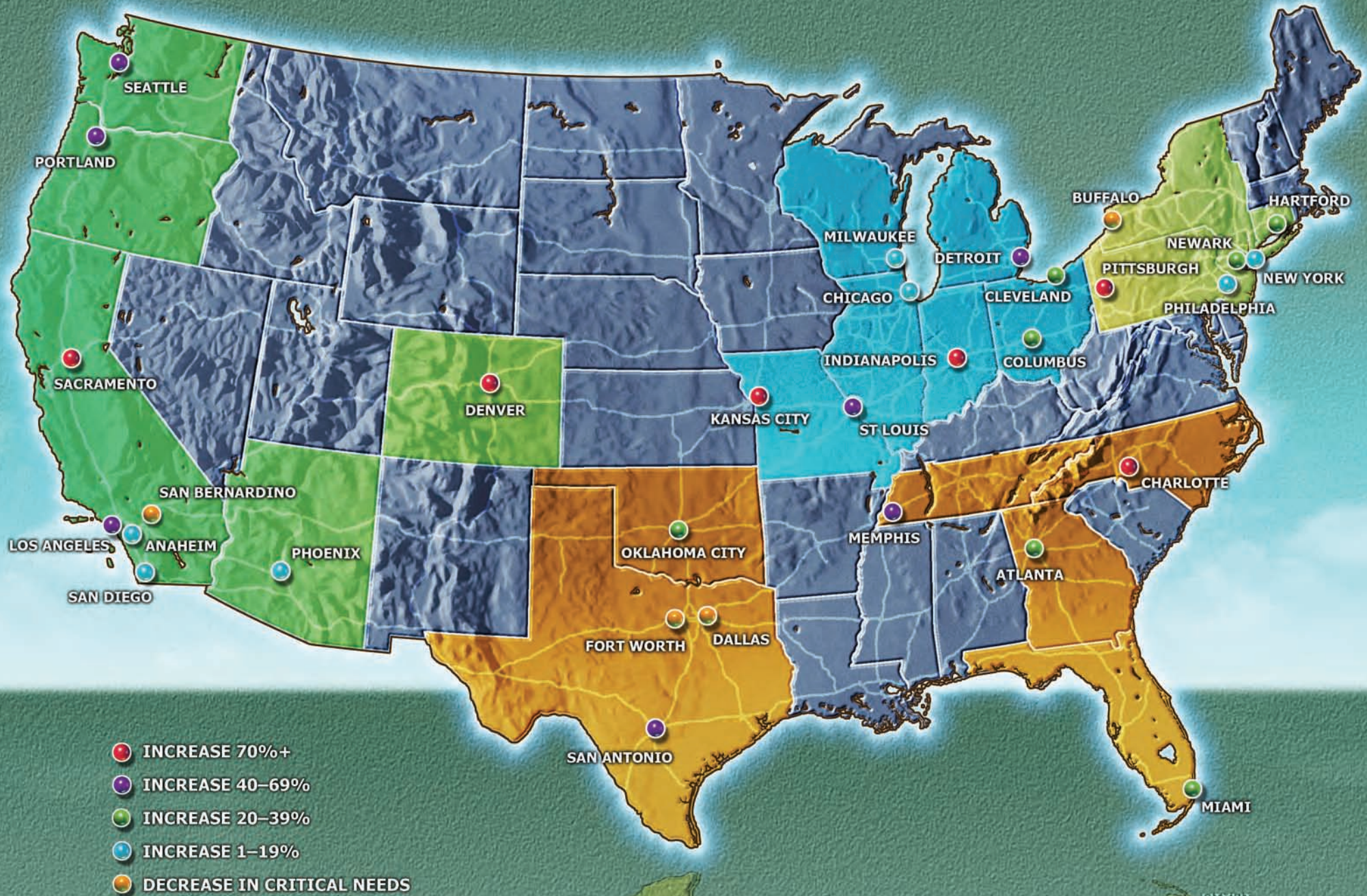
Although the housing problems of coastal cities often make headlines, the sharpest increases in the share of working families with critical housing needs are found in other parts of the country. For example, rates of critical housing needs among working families increased 162 percent in Denver between 1995 and 2004 and 86 percent in Charlotte between 1995 and 2002. Housing problems also increased dramatically in other relatively affordable places such as Kansas City, Pittsburgh, Indianapolis, and San Antonio. Sacramento is the only West Coast city where the rate of critical housing needs for working families increased by more than 60 percent over the time period studied.

Change in Rate of Critical Housing Needs Among Working Families (1990s–2000s)



NOTE: The shares of working families with critical housing needs in both time periods are reported in Table 3 in Appendix A. The numbers of working families with critical housing needs are available in fact sheets for each metro area at www.nhc.org/housing/landscape2007. Due to the limited years in which the American Housing Survey studied these metro areas, the time periods of the increase are not always consistent.

Critical Housing Needs Worsen in 27 Out of 31 Metro Areas

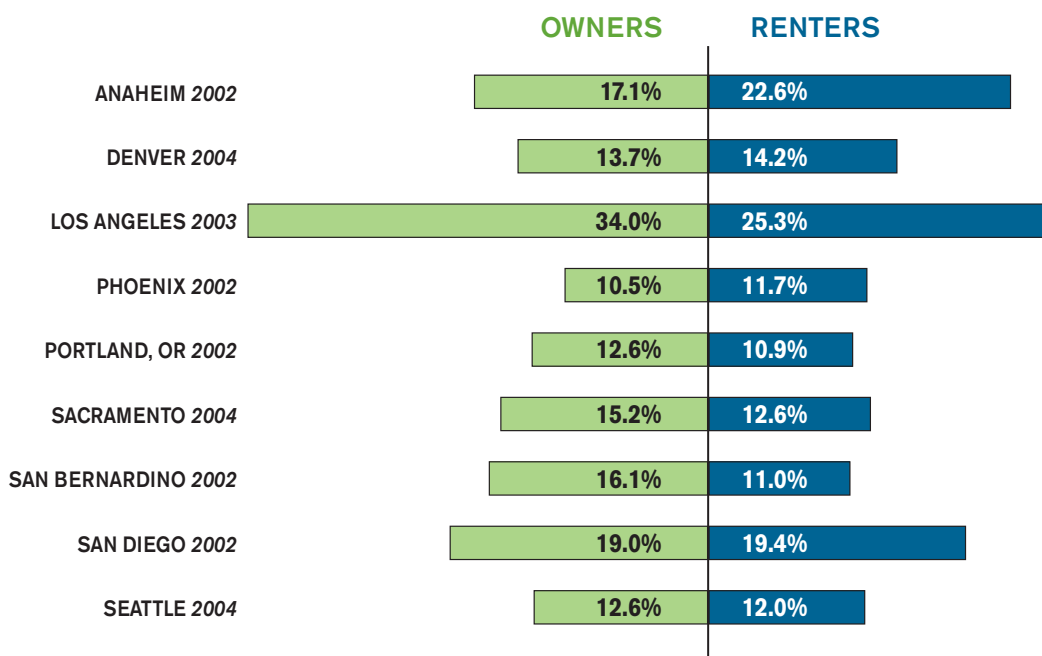


NOTE: Map depicts changes in metro area critical housing needs. It is not intended to show state-wide changes.

Both Renters and Homeowners

In many metro areas, the rate of critical housing needs among

THE WEST



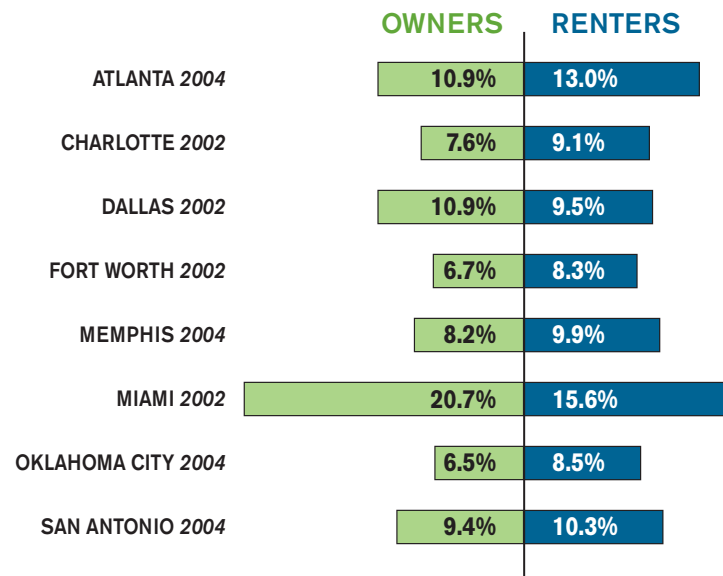
AREAS* WITH HIGHEST RATES OF CRITICAL NEEDS FOR RENTERS

1	Los Angeles	25.3%
2	Anaheim	22.6%
3	New York	21.6%
4	San Diego	19.4%
5	Newark, NJ	18.3%

AREAS* WITH HIGHEST RATES OF CRITICAL NEEDS FOR OWNERS

1	Los Angeles	34.0%
2	New York	27.3%
3	Newark, NJ	21.2%
4	Miami	20.7%
5	San Diego	19.0%

THE SOUTH



Experience Critical Housing Needs

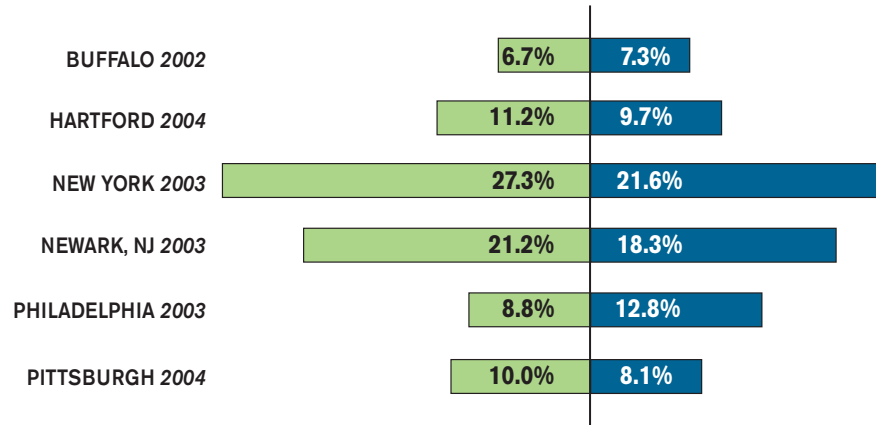
homeowners is as high as, or higher than, that of renters.

AREAS* WITH LOWEST RATES OF CRITICAL NEEDS FOR RENTERS

1	Kansas City	6.8%
2	Buffalo	7.3%**
3	Columbus	7.3%**
4	St. Louis	7.5%
5	Pittsburgh	8.1%

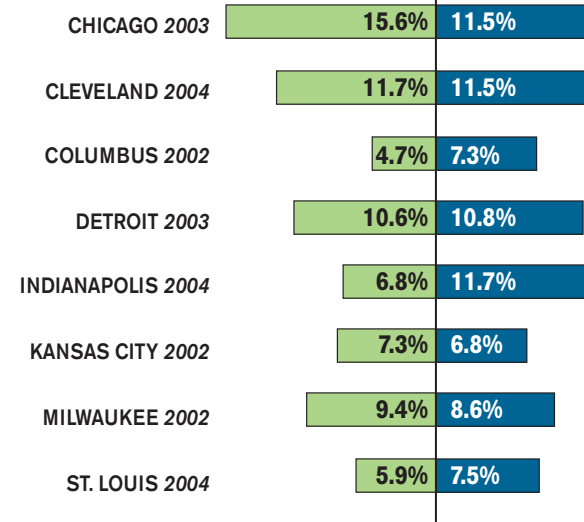
THE NORTHEAST

OWNERS RENTERS



THE MIDWEST

OWNERS RENTERS



AREAS* WITH LOWEST RATES OF CRITICAL NEEDS FOR OWNERS

1	Columbus	4.7%
2	St. Louis	5.9%
3	Oklahoma City	6.5%
4	Buffalo	6.7%**
5	Fort Worth	6.7%**

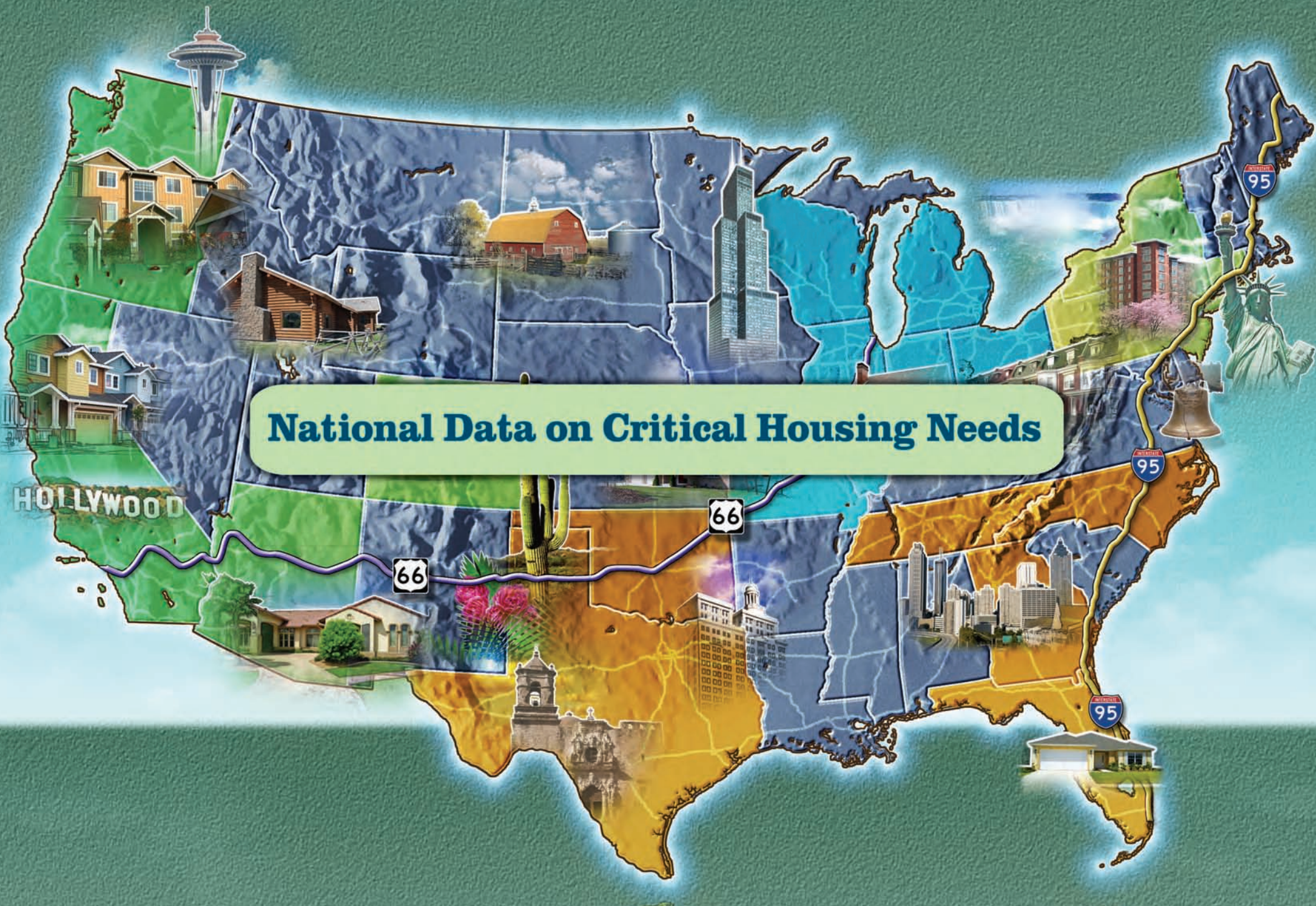
Working Families Face Critical Housing Needs in Both Central Cities and Suburbs

In most of the metro areas studied, the share of working families with critical housing needs is very similar in the central city and suburbs. This is contrary to the popular assumption that most housing problems are concentrated in the central cities. However, in a few markets, such as Hartford and Pittsburgh, working families in the central city are more likely than those in the suburbs to have critical housing needs.

Rate of Critical Housing Needs Among Working Families in the City versus Suburbs

PLACE	CENTRAL CITY	SUBURBS
ANAHEIM 2002	16.6%	21.2%
ATLANTA 2004	12.2%	11.6%
BUFFALO 2002	9.1%	6.4%
CHARLOTTE 2002*	–	8.1%
CHICAGO 2003	15.6%	12.3%
CLEVELAND 2004	15.7%	10.0%
COLUMBUS 2002	6.3%	5.9%
DALLAS 2002	10.3%	10.1%
DENVER 2004	14.6%	13.5%
DETROIT 2003	11.4%	10.4%
FORT WORTH 2002	6.3%	8.6%
HARTFORD 2004	21.0%	9.2%
INDIANAPOLIS 2004	10.4%	7.0%
KANSAS CITY 2002	5.4%	7.7%
LOS ANGELES 2003	29.0%	27.2%
MEMPHIS 2004	9.6%	8.4%
MIAMI 2002	16.3%	18.6%
MILWAUKEE 2002	9.7%	8.0%
NEW YORK 2003	23.7%	23.9%
NEWARK, NJ 2003	20.6%	19.6%
OKLAHOMA CITY 2004	7.8%	7.6%
PHILADELPHIA 2003	12.0%	9.4%
PHOENIX 2002	10.7%	11.3%
PITTSBURGH 2004	15.7%	8.1%
PORTLAND, OR 2002	12.8%	11.0%
SACRAMENTO 2004	15.9%	13.1%
SAN ANTONIO 2004	9.6%	9.8%
SAN BERNARDINO 2002	11.3%	14.6%
SAN DIEGO 2002	21.6%	17.0%
SEATTLE 2004	15.0%	11.0%
ST. LOUIS 2004	5.9%	6.5%

*Metropolitan Area American Housing Survey for Charlotte does not define a central city area.



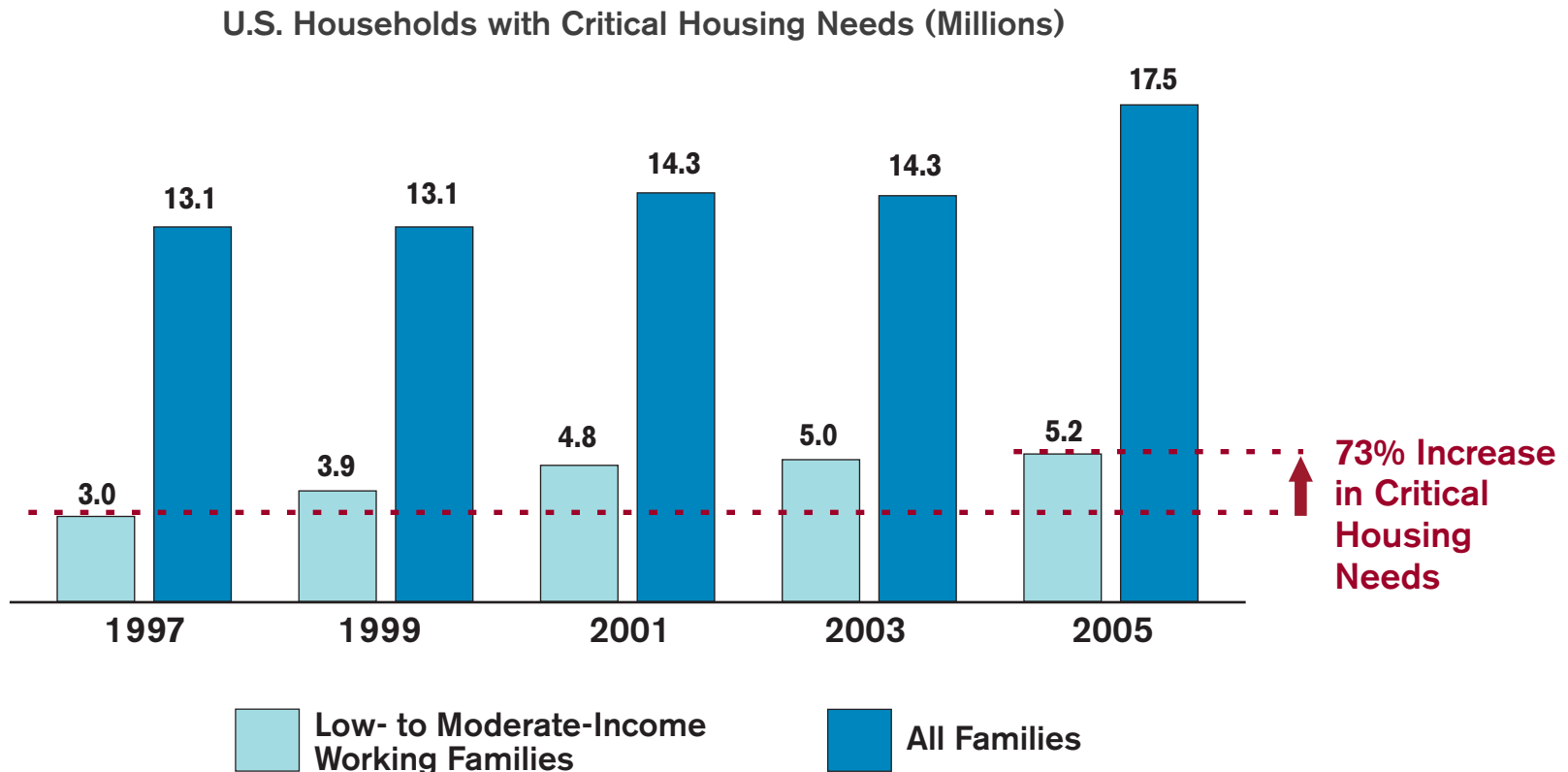
National Data on Critical Housing Needs

Visit www.nhc.org/housing/landscape2007 for in-depth profiles of the 31 metropolitan areas and additional national data.

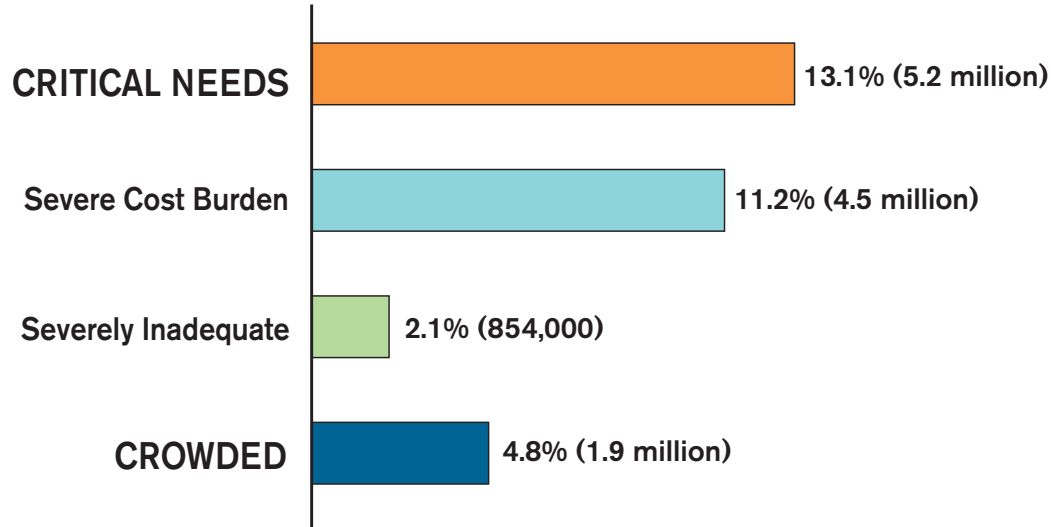
Over the Eight-Year Period from 1997 to 2005, the Number of Working Families with Critical Housing Needs Increased 73 Percent to 5.2 Million

The total number of households with critical housing needs in the United States increased dramatically between 2003 and 2005, from 14.3 to 17.5 million, or roughly one out of every seven American households. Much of this increase was among *non-working* households – the elderly (retired) and the younger, unemployed – and may be due to large increases in the number of families falling into these categories.

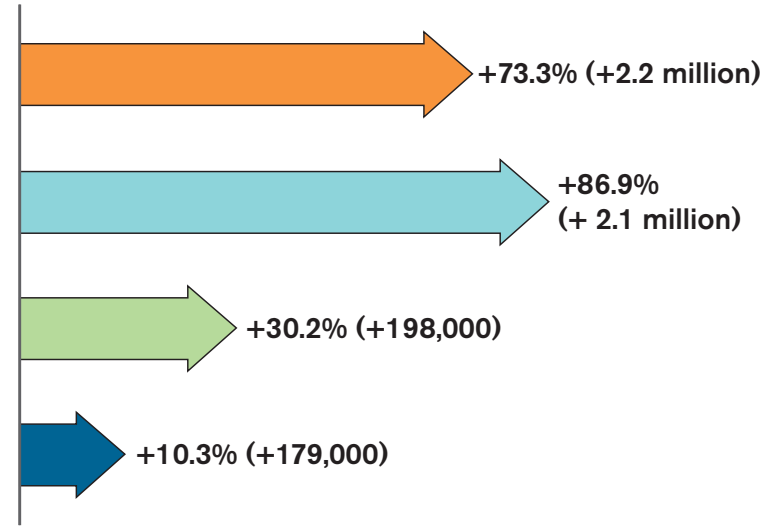
While the number of low- to moderate-income working families with critical needs grew only modestly from 2003 to 2005, over the longer time-period from 1997 to 2005, the number increased 73 percent to 5.2 million – faster than any other group. See *Table 1 in Appendix A*.



Overall Rate of Housing Problems
Among Working Families, 2005
(% of 40 Million)



Percent Change (Number Change)
in Working Families with Housing
Problems, 1997–2005



The Number of Working Families Spending More Than Half Their Income on Housing Has Increased Dramatically

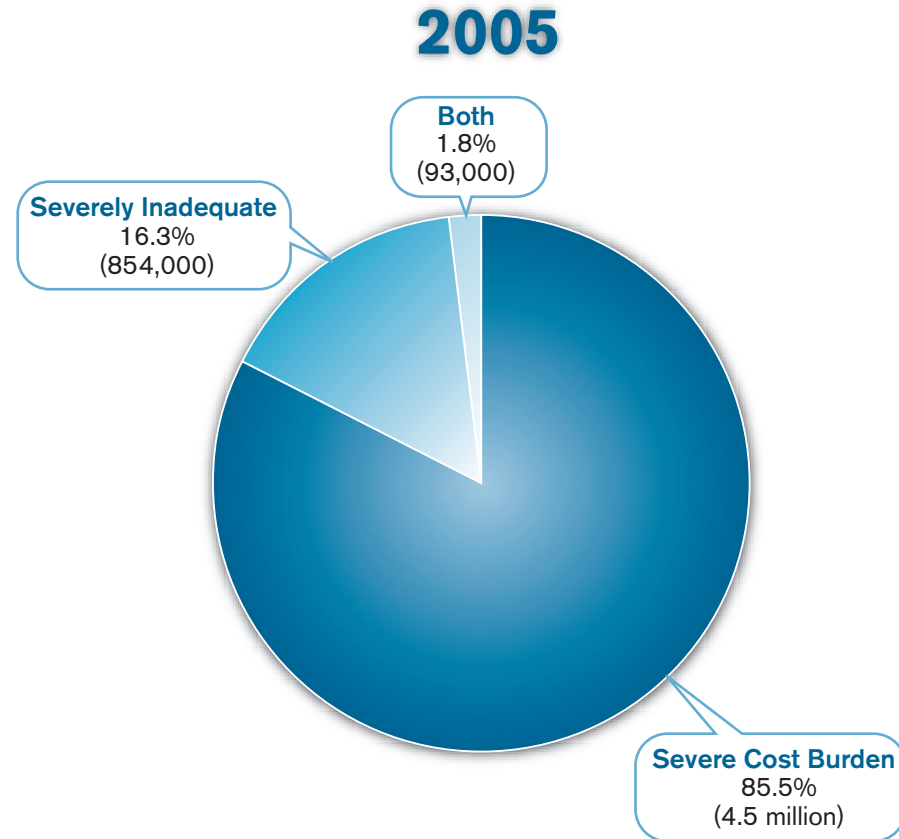
Almost 40 million households in America meet our definition of working families. Some 5.2 million, or 13.1 percent, of these households experienced critical housing needs in 2005. This compares to 1997, when only about 3 million out of 33 million (or 9.1 percent of) working families had critical needs. The biggest change has been in the number of working families paying more than half their income for housing. Between 1997 and 2005, the number of working families with severe cost burdens rose from 2.4 to 4.5 million—an increase of almost 87 percent. Among renters alone, the increase was 103 percent. See *Table 2 on page 21*.

Severe Cost Burden is the Most Common Critical Housing Need

Of the two components of critical housing needs – paying more than half of income for housing and/or living in dilapidated conditions – a severe cost burden is by far the most common. Affordability is an issue of growing concern, accounting for 79 percent of those with critical needs back in the late 1990s, then rising by more than 6 percentage points to the current level of nearly 86 percent.



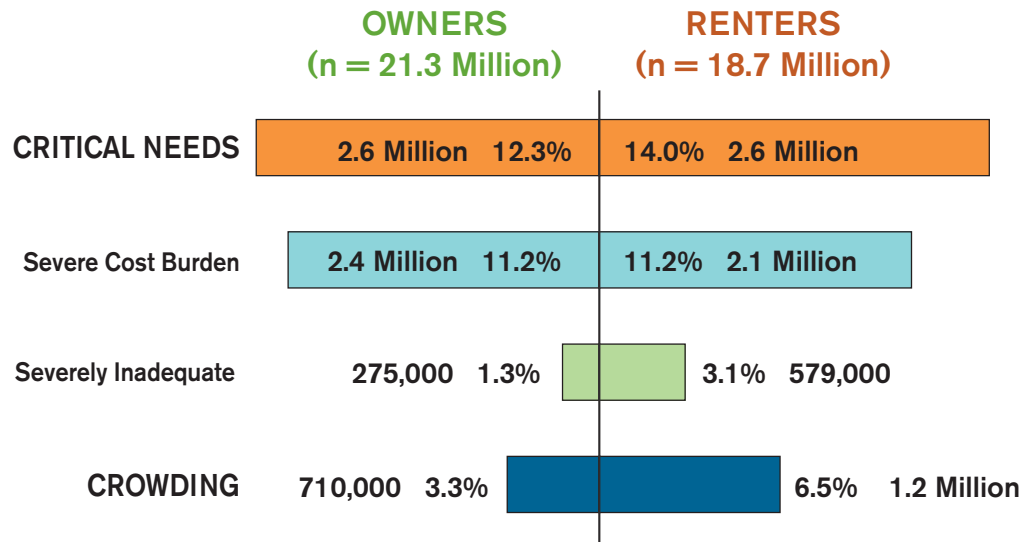
Type of Critical Housing Need Reported by Working Families



	1997	1999	2001	2003	2005
Severe Cost Burden	79.3%	79.7%	83.4%	84.1%	85.5%
Severely Inadequate	21.7%	22.2%	18.5%	18.2%	16.3%
Both	<1.0%	1.9%	2.0%	2.2%	1.8%

NOTE: Numbers do not add up to 100% due to some families reporting multiple problems and rounding.

Working Families' Rates of Housing Problems, 2005



Breakdown of Working Families with Critical Housing Needs by Owners versus Renters

	1997	1999	2001	2003	2005
Homeowners	51.5%	49.6%	53.0%	52.6%	49.9%
Renters	48.5%	50.4%	47.0%	47.4%	50.1%

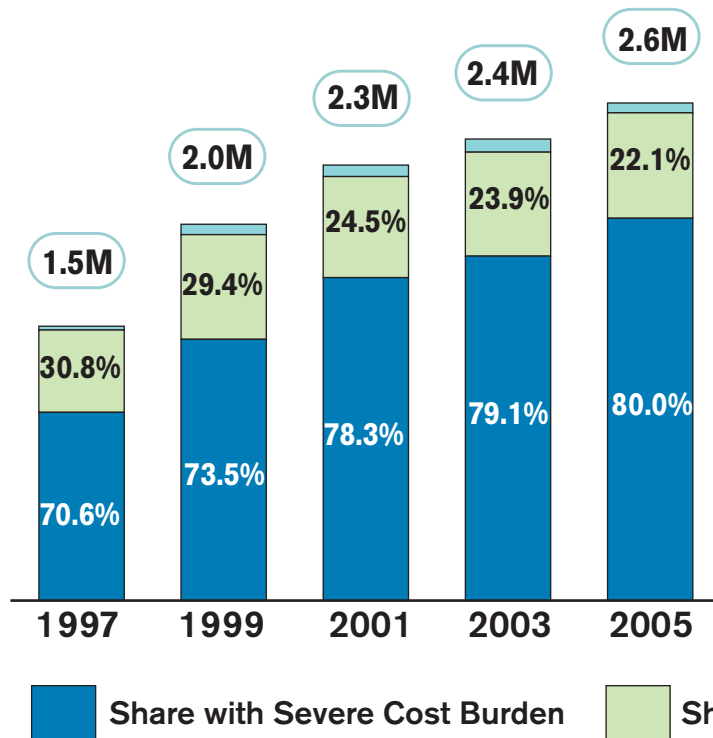
Equal Numbers of Homeowners and Renters Have Critical Housing Needs, but Renters Suffer Some Housing Problems Disproportionately

The 5.2 million working families with critical housing needs are composed of nearly equal numbers of homeowners and renters, reversing a trend in recent years in which homeowners with severe housing problems outnumbered renters. Moreover, the rates of severe cost burdens among homeowners and renters are virtually identical (11.2 percent). However, the rate of other housing problems is greater among renters. Renters are almost twice as likely as homeowners to live in crowded conditions (6.5 versus 3.3 percent). Renters also are more than twice as likely to live in severely inadequate housing units as compared to homeowners (3.1 versus 1.3 percent).

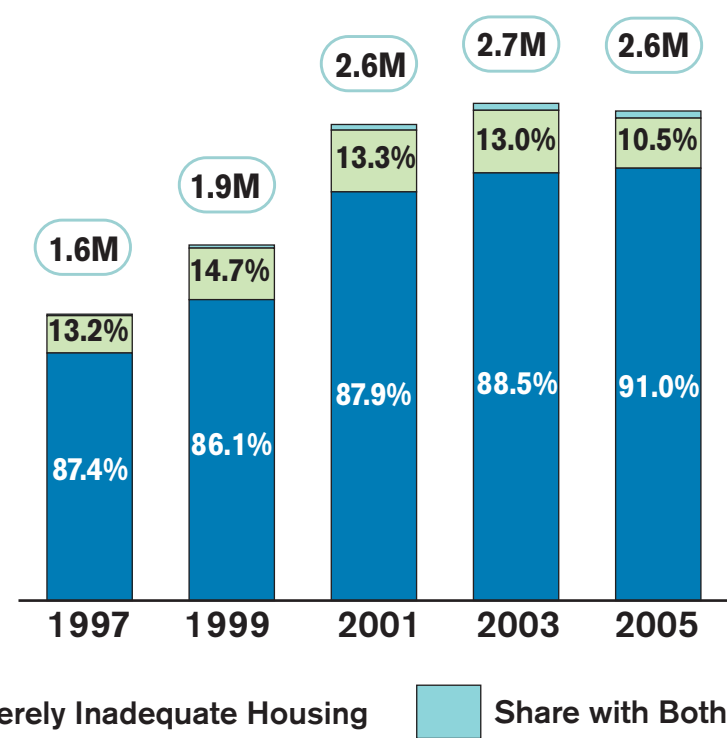
The Rise Among Renters Accounts for Virtually All of the Increase in the Number of Working Families with Critical Needs Between 2003 and 2005

Since 1997, the numbers of both homeowners and renters with critical needs has trended steadily upwards for both groups, except in the most recent two-year period. Virtually all of the overall increase in critical needs of working families between 2003 and 2005 occurred among renter households, while the number of homeowners with critical needs leveled off. While the share of renters living in severely inadequate housing has dropped between 1997 and 2005, dilapidated housing still is more likely to be a problem for renters than for homeowners. Over this eight-year period, the number of working family renters paying more than half their income for housing increased from 1 million to 2.1 million – a rise of 103 percent. This contrasts with an increase from 1.4 million to 2.4 million (75 percent) in the number of working family homeowners experiencing this problem. See *Table 2 in Appendix A*.

Numbers of Renters with Critical Housing Needs (Millions)



Numbers of Homeowners with Critical Housing Needs (Millions)



Numbers do not add up to 100% due to some families reporting multiple problems.

Working Families with Critical Housing Needs by Income

Income Distribution	1997	1999	2001	2003	2005	Number in 2005 (5.2 Million)
Below 30% of Median	14.2%	16.5%	18.1%	19.3%	21.6%	1,131,000
30 to 50% of Median	40.8%	36.8%	38.8%	36.8%	35.5%	1,859,000
50 to 80% of Median	30.2%	28.8%	27.0%	28.1%	26.5%	1,388,000
80 to 100% of Median	9.3%	10.6%	10.0%	9.4%	10.1%	529,000
100 to 120% of Median	5.5%	7.3%	6.0%	6.4%	6.2%	335,000

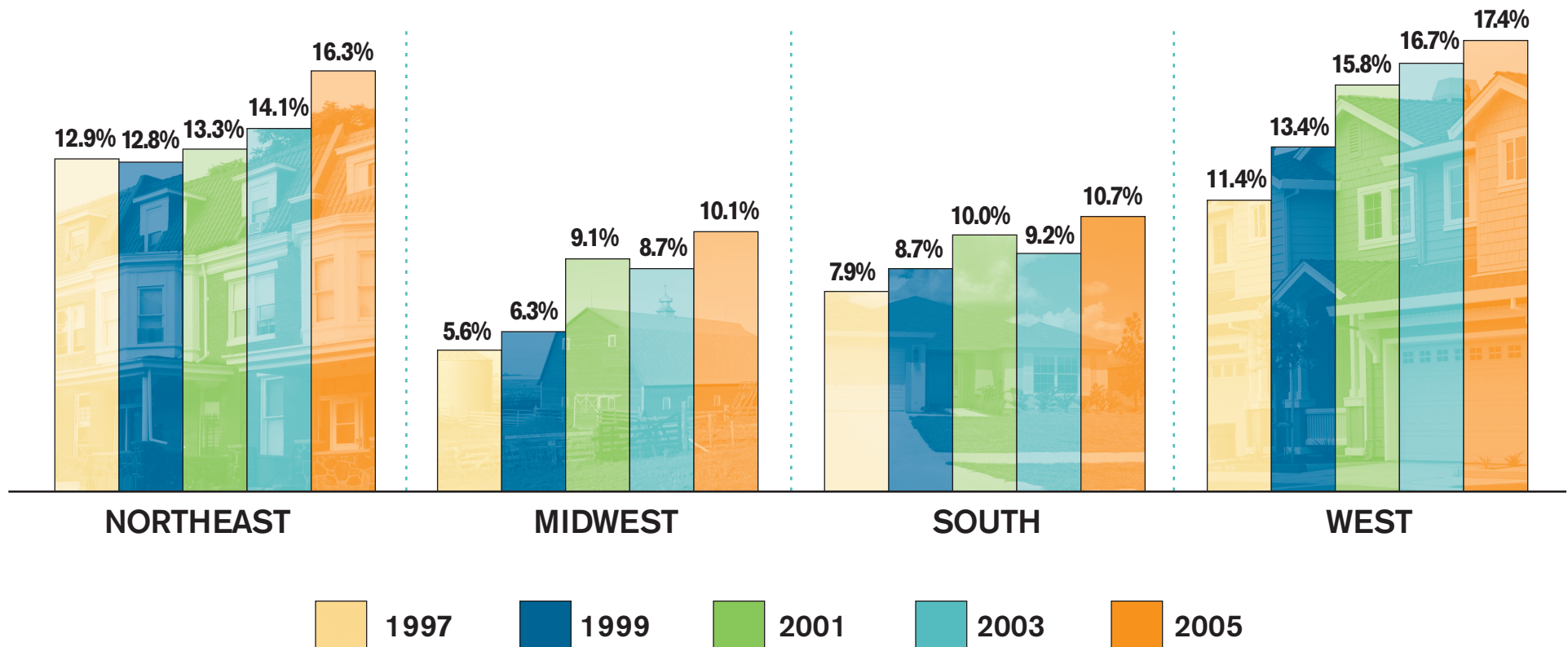
An Increasing Share of Working Families with Critical Housing Needs Has Extremely Low Incomes

A majority of working families with critical housing needs in 2005 (some 57 percent) have incomes below half of the area median. The largest group, now numbering 1.9 million, are in the 30 to 50 percent of income category and account for 36 percent of the total. Another quarter of the families (1.4 million) fall into the next income rung on the ladder, 50 to 80 percent of local area median. Meanwhile, a shift is occurring at the top and bottom of the income distribution. A growing share is falling into the “extremely low” income category, with incomes of less than 30 percent of the area median. These families accounted for 14 percent of all working families with critical needs in 1997, rising to more than 1 in 5 (nearly 22 percent) in 2005. The share in the top category, with incomes above median, has grown since 1997 and now accounts for 6 percent of the total.

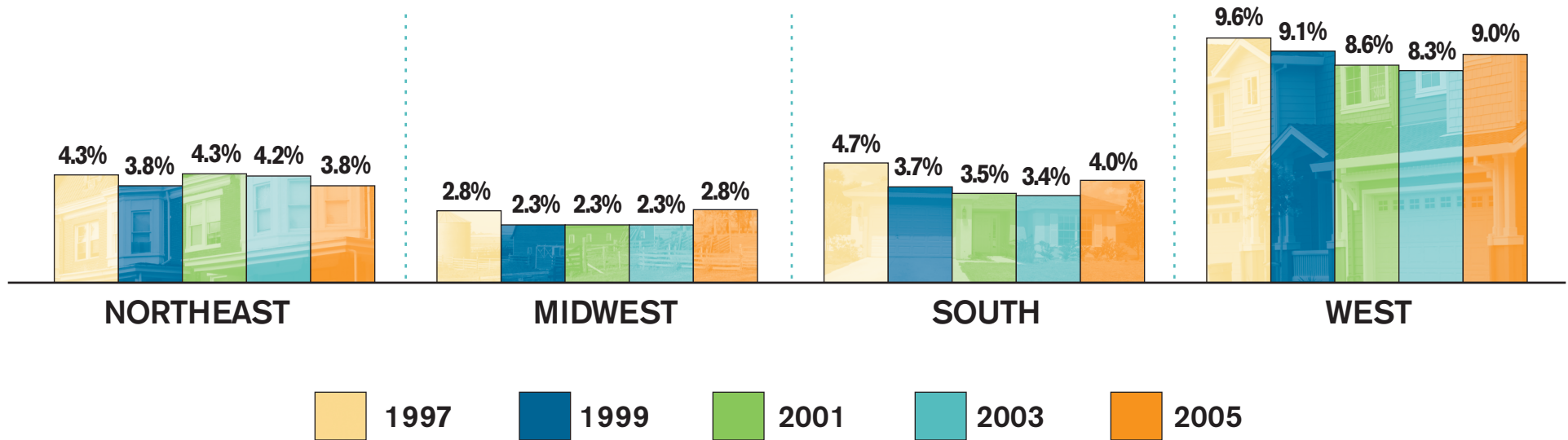
Rates of Critical Needs are Highest in the West and Northeast but are Growing Fastest in the Midwest

Housing markets are “local” markets as the profiles of 31 selected metro areas (on pp. 2-8 of this report) show. However, regional breakdowns of national data also shed some light on the differences that exist around the country. As has been the case since 1997, the highest rates of critical housing needs are found in the West (1 in 6 working families) and Northeast (1 in 7 working families). But, all four regions have seen rising rates of critical housing needs from 1997 to 2005. Although the Midwest continues to have the lowest rate of housing problems (10.1 percent in 2005), it is the region with the most dramatic growth in critical needs (80.4 percent) over the eight-year period.

Working Families' Rates of Critical Housing Needs by Region
1997–2005



Working Families' Rates of Crowding by Region
1997–2005



Crowding Rates are Highest in the West

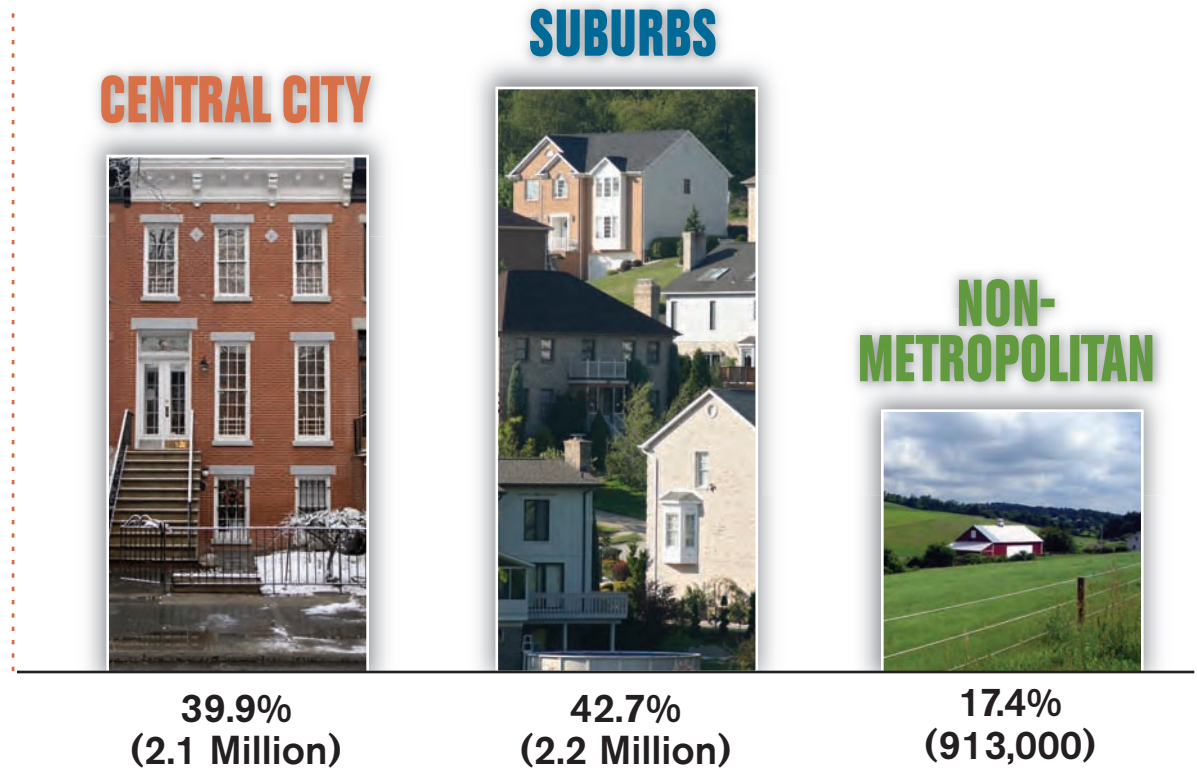
Nationally, the rate of crowding has remained relatively stable since 1997, hovering around 4.5 percent of all working families. However, the problem is a serious one in some areas of the country. Crowding is highest in the West where, in 2005, working families were two to three times more likely than working families in other regions to live in housing with more than one person per room. Now at 9 percent, up from 8.3 in 2003, crowding is on the rise in the West after several years of steady decline.

Suburbs are Home to Many Families with Critical Housing Needs

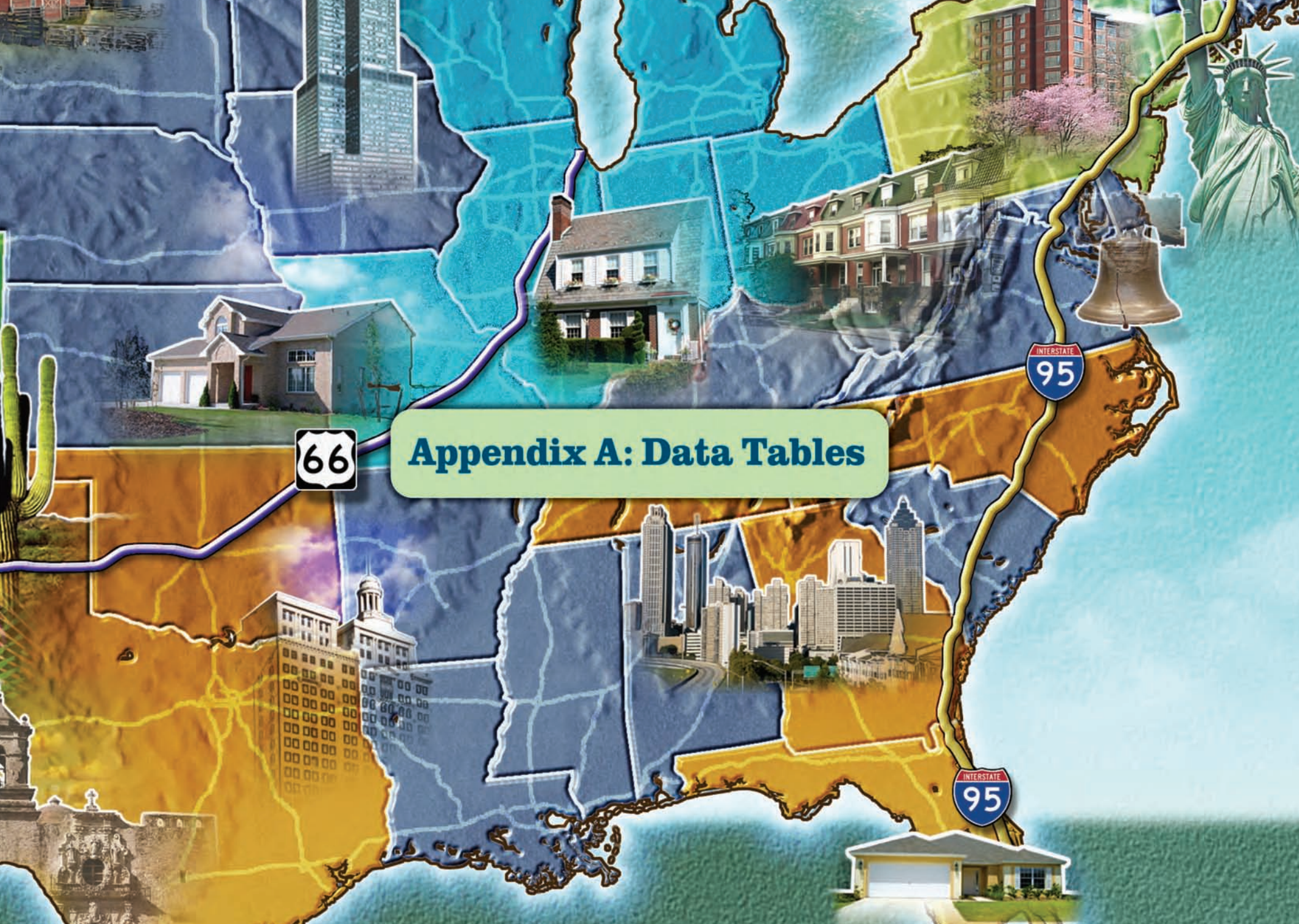
Critical housing needs are not confined to central cities. In fact, in 2005, while nearly 40 percent of (or about 2.1 million) working families with critical needs lived in central cities, an even greater number, 2.2 million or 43 percent, lived in the suburbs. The remainder, less than 1 out of 5, lived in non-metropolitan locations.

A more detailed analysis revealed some differences between homeowners and renters. Nearly half of homeowners with critical needs lived in the suburbs (48 percent) while half of renters (51 percent) resided in central cities. Still, substantial numbers of renters with critical needs (38 percent) lived in suburban areas and substantial numbers of homeowners (28 percent) lived in central cities. *For data comparing homeowners and renters, see www.nhc.org/housing/landscape2007.*

Residential Location of Working Families with Critical Housing Needs



	1997	1999	2001	2003	2005
Central City	40.1%	43.1%	39.5%	39.3%	39.9%
Suburbs	42.3%	40.0%	42.5%	41.9%	42.7%
Non-Metropolitan	17.5%	16.9%	18.0%	18.8%	17.4%



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Appendix A: Data Tables

INTERSTATE
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INTERSTATE
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TABLE 1**Working Status of All Households
with Critical Housing Needs, U.S. (000's), 1997–2005**

	1997		1999		2001		2003		2005	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Elderly, Not Working	3,724	28.5%	3,727	28.5%	4,115	28.8%	3,736	26.1%	5,065	28.9%
Non-elderly, Not Working	3,403	26.0%	2,967	22.7%	2,895	20.2%	3,127	21.9%	4,530	25.9%
Marginally Employed	2,939	22.5%	2,515	19.2%	2,469	17.3%	2,384	16.7%	2,671	15.3%
Low- to Moderate-Income Working	3,021	23.1%	3,873	29.6%	4,820	33.7%	5,046	35.3%	5,236	29.9%
Total	13,087	100.0%	13,081	100.0%	14,299	100.0%	14,293	100.0%	17,501	100.0%
Percent of All U.S. Households	13.9		13.6		14.5		14.2		16.8	

Source: *American Housing Survey*, 1997, 1999, 2001, 2003, 2005 and the authors' calculations.

Data for 2003 and 2005 use alternative weights provided by the Joint Center for Housing Studies. Values for prior years may differ slightly from previous publications because of the use of revised weights and a revision to the working status criteria (earnings of minors are omitted).

See definitions of household types in Technical Definitions on page 24.

TABLE 2
Housing Problems of Low- to Moderate-Income Working Families, by Tenure, U.S.(000's), 1997–2005

	1997		1999		2001		2003		2005	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
All Households	33,238	100.0%	38,886	100.0%	40,988	100.0%	43,281	100.0%	39,973	100.0%
Critical Needs	3,021	9.1%	3,873	10.0%	4,820	11.8%	5,046	11.7%	5,236	13.1%
Severe Cost Burden	2,394	7.2%	3,088	7.9%	4,019	9.8%	4,241	9.8%	4,475	11.2%
Severely Inadequate Housing	656	2.0%	858	2.2%	895	2.2%	916	2.1%	854	2.1%
Both Severe Cost & Severely Inadequate	29	0.1%	73	0.2%	94	0.2%	111	0.3%	93	0.2%
Crowded	1,745	5.3%	1,794	4.6%	1,866	4.6%	1,889	4.4%	1,924	4.8%
All Renters	15,884	100.0%	18,048	100.0%	18,384	100.0%	19,634	100.0%	18,702	100.0%
Critical Needs	1,465	9.2%	1,953	10.8%	2,267	12.3%	2,391	12.2%	2,625	14.0%
Severe Cost Burden	1,034	6.5%	1,435	7.9%	1,774	9.7%	1,892	9.6%	2,100	11.2%
Severely Inadequate Housing	452	2.8%	575	3.2%	555	3.0%	571	2.9%	579	3.1%
Both Severe Cost & Severely Inadequate	21	0.1%	57	0.3%	63	0.3%	72	0.4%	54	0.3%
Crowded	1,197	7.5%	1,185	6.6%	1,195	6.5%	1,212	6.2%	1,214	6.5%
All Owners	17,354	100.0%	20,838	100.0%	22,604	100.0%	23,647	100.0%	21,271	100.0%
Critical Needs	1,556	9.0%	1,920	9.2%	2,553	11.3%	2,655	11.2%	2,611	12.3%
Severe Cost Burden	1,360	7.8%	1,653	7.9%	2,245	9.9%	2,349	9.9%	2,375	11.2%
Severely Inadequate Housing	205	1.2%	283	1.4%	339	1.5%	344	1.5%	275	1.3%
Both Severe Cost & Severely Inadequate	8	0.0%	17	0.1%	31	0.1%	38	0.2%	39	0.2%
Crowded	548	3.2%	609	2.9%	671	3.0%	677	2.9%	710	3.3%

Source: *American Housing Survey*, 1997, 1999, 2001, 2003, 2005 and the authors' calculations.

The rows of this table are not mutually exclusive.

Data for 2003 and 2005 use alternative weights provided by the Joint Center for Housing Studies. Values for prior years may differ slightly from previous publications because of the use of revised weights and a revision to the working status criteria (earnings of minors are omitted).

TABLE 3**Percent of Working Families with Critical Housing Needs in 31 Metropolitan Areas**

PLACE & DATES	YEAR 1	YEAR 2	PERCENT CHANGE
ANAHEIM, 1994, 2002	17.3%	20.1%	16%
ATLANTA, 1996, 2004	8.9%	11.7%	32%
BUFFALO, 1994, 2002	8.9%	7.0%	-21%
CHARLOTTE, 1995, 2002	4.4%	8.2%	86%
CHICAGO, 1999, 2003	12.2%	13.8%	14%
CLEVELAND, 1996, 2004	8.9%	11.6%	31%
COLUMBUS, 1995, 2002	4.8%	6.0%	24%
DALLAS, 1994, 2002	10.7%	10.2%	-5%
DENVER, 1995, 2004	5.3%	13.9%	162%
DETROIT, 1999, 2003	7.6%	10.6%	40%
FORT WORTH, 1994, 2002	8.0%	7.5%	-7%
HARTFORD, 1996, 2004	8.8%	10.6%	21%
INDIANAPOLIS, 1996, 2004	5.1%	8.7%	70%
KANSAS CITY, 1995, 2002	3.9%	7.1%	84%
LOS ANGELES, 1999, 2003	18.1%	28.2%	56%
MEMPHIS, 1996, 2004	6.4%	9.0%	41%
MIAMI, 1995, 2002	15.1%	18.3%	21%
MILWAUKEE, 1994, 2002	8.6%	9.0%	4%
NEW YORK, 1999, 2003	20.4%	23.8%	16%
NEWARK, NJ, 1999, 2003	14.8%	19.8%	34%
OKLAHOMA CITY, 1996, 2004	5.9%	7.5%	26%
PHILADELPHIA, 1999, 2003	8.7%	10.3%	19%
PHOENIX, 1994, 2002	10.3%	11.0%	7%
PITTSBURGH, 1995, 2004	5.4%	9.3%	72%
PORTLAND, OR, 1995, 2002	7.4%	11.7%	58%
SACRAMENTO, 1996, 2004	7.7%	13.9%	81%
SAN ANTONIO, 1995, 2004	5.9%	9.8%	67%
SAN BERNARDINO, 1994, 2002	15.9%	13.9%	-12%
SAN DIEGO, 1994, 2002	16.7%	19.3%	15%
SEATTLE, 1996, 2004	8.2%	12.3%	49%
ST. LOUIS, 1996, 2004	4.5%	6.5%	43%

Source: Metropolitan Area American Housing Surveys, 1994, 1995, 1996, 1999, 2002, 2003, 2004 and the authors' calculations.



Appendix B: Technical Definitions

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Technical Definitions Used to Estimate Housing Needs for Working Families from the American Housing Survey (AHS) National and Various Metropolitan Area Data Series

INCOME — Income in the AHS is based on the respondent's reply to questions about income during the 12 months prior to the interview. It includes amounts reported for wage and salary income, net self-employment income, Social Security or railroad retirement income, public assistance or welfare payments, and all other money income, prior to deductions for taxes or any other purpose.

HOUSEHOLD INCOME — Reported income from all sources for all adult household members.

WAGE INCOME — Reported income from wages and salary only for all adult household members.

HOUSING COSTS — Housing costs are defined in the AHS and include, where applicable, rent, mortgage, utilities (such as electricity, gas, fuel oil and other fuels, water, sewer, and trash), property and homeowners insurance, condo fees, and other common household expenses.

CROWDING — The condition of having more than one person per room per residence. Rooms in a residence include kitchens, offices/business rooms, and other finished rooms, and exclude baths, half baths, laundry/utility rooms, storage rooms/pantries, and unfinished space.

SEVERE COST BURDEN — Housing costs exceeding 50 percent of reported household income.

SEVERELY INADEQUATE HOUSING — Housing with severe physical problems (such as lack of reliable plumbing or heating, or faulty wiring) as defined in the AHS since 1984. This also is referred to in this report as “dilapidated housing.”

LOW- TO MODERATE-INCOME WORKING FAMILY — A household with: (1) total annual earnings from wages and salaries of at least the full-time minimum wage equivalent of \$10,712 or \$8,840 prior to 1997; (2) wages and salaries representing at least half of household income; and (3) total household income less than or equal to 120 percent of HUD-adjusted area median family income. This report uses the term “low- to moderate-income working family” and “working family” interchangeably.

ELDERLY, NOT-WORKING — Household with less than \$2,678 in salary and wage income and head of household or spouse 62 or older, and no children present in the household.

NON-ELDERLY, NOT-WORKING — Household with less than \$2,678 in salary and wage income and head of household or spouse younger than 62 (although older households with children are included here).

MARGINALLY EMPLOYED — Households with at least \$2,678 but less than \$10,712 in salary and wage income.

SOURCE: National data came from the AHS 1997, 1999, 2001, 2003, and 2005. Metropolitan data came from Metropolitan AHS 1994, 1995, 1996, 1999, 2002, 2003, and 2004. The 31 metropolitan areas were chosen for this report due to the availability of AHS data from the mid-1990s and early 2000s.

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