

Lancaster County Housing Plan Update

June 9, 2005; Revised: June 21, 2005

Current and Future Needs Summary

The current and future needs analysis examines the household projections in terms of affordability. It breaks down the projected number of households by income level and by tenure (ownership and rental) in an effort to approximate the number of above- and below-market households through 2030. Households with any housing problems and households with a cost burden are also considered. The needs analysis is conducted for all households and for elderly households (elderly households are defined as one or two person households with either person 62 years old or older).

Methodology

To begin the needs analysis, the number of households within each income level is estimated for 2000. The income levels reflect the number of households by income as a percentage of the countywide median household income, and range from Type F (households whose income is greater than 115% of the median) to Type A (households whose income is less than 30% of the median). The median household income measure is utilized because: 1) it is more inclusive than median family income, accounting for non-family households such as singles and unwed couples; and 2) its application to the study is more manageable than that of the Area Median Family Income (AMFI), which is adjusted for family size.

The number of households within each income level for the year 2000 is derived by extrapolation based on Census data reporting 172,780 total households and a median household income of \$45,842. This method yields an estimate of the number of households that fall within each income level (Table).

Projections for 2010 through 2030 are constrained by the previously calculated household projections (Table) and are based on trends in the proportion of households within each income bracket. That is, the total number of households for each decade remains consistent with the household projections, but the distribution of total households among income levels is adjusted according to recent trends. Trends in the proportion of households by income level are derived from HUD's 1990 and 2000 CHAS Housing Problems data, and are assumed to continue through 2030. The CHAS data show that, from 1990 to 2000, the proportion of Type A households rose by 0.18%; the proportion of Type B households declined by 0.07%; the proportion of Type C households rose by 0.61%; and Type D, E, and F households declined by 0.24%. These changes in proportions are applied through 2030. For example, Type A households, which increased in proportion by 0.18%, accounted for 9.9% of all households in 2000 and are projected to account for 10.08% of total households in 2010, 10.26% of total households in 2020, and 10.44% of total households in 2030. This method is applied to all income levels for all households, all rental households, and all ownership households, as well as all elderly households, elderly renters, and elderly ownership households.

Results

Results are reported for below market households (households with income less than 80% of the county median household income) from 2000 to 2030, considering all households, elderly

households, renters, and owners. This is done in an effort to understand what types of households are below market and what the outlook is for future affordable housing needs.

Results indicate that a large portion of Lancaster County households is below market and that this will continue to be the case over the next 25 years. In 2000, 38% of all households (65,553 households) were below market. Below market rental households totaled 30,858. This represents 60% of all rental households. Twenty-nine percent (34,695) of all ownership households were below market. Among all below market households, owners accounted for a larger portion of the total—53%—while renters accounted for 47%.

By 2010, the number of below market households is expected to rise to 74,165 (39% of all households)—an increase of 8,612 households. The number of below market renters will increase by 3,831 households to a total of 34,689 (63% of all rental households), while below market ownership households will increase to 39,476 (30% of all ownership households)—an increase of 4,781 households. Of the total number of below market households, 53% are ownership and 47% are rental households.

These figures continue to rise through 2020 with below market households reaching 83,087 (40% of all households)—an increase of 8,922. Below market renters are projected to reach 38,642 households (65% of all renters)—an increase of 3,953 households. Below market owners are at 44,445 households (30% of all ownership households)—an increase of 4,969 households. Again, among all below market households, 53% are ownership and 47% are rental households.

By 2030, below market households are expected to reach 93,051 (40% of all households)—an increase of 9,964 households. Below market renters are projected at 43,023 (67% of all rental households)—an increase of 4,381 households. Below market owners reach 50,028 (31% of all ownership households)—an increase of 5,583. The proportion of owners and renters as a percentage of all below market households remains at 57% and 43%, respectively.

Concerning the elderly population, results indicate that through 2030 elderly households will account for nearly one-quarter of all households in the county, and that approximately one-half will be below market. Among all below market households, elderly households will make-up approximately one-third of the total. Although the number of below market elderly households is expected to increase over the next 25 years, it will occur at a declining rate of growth. Furthermore, whereas the number of below market elderly renters is expected to increase, the number of below market elderly owners is expected to steadily decrease.

Of the total number of elderly households (42,117 households) in the year 2000, 24,317 were below market. This represents 58% of all elderly households. Seventy-three percent (8,185) of all elderly rental and 52% (16,133) of all elderly ownership households were below market. Of the total number of below market households, 37% are elderly households, 12% are elderly rental, and 25% are elderly ownership households.

By 2010, the number of below market elderly households is expected to rise to 25,250 (54% of all elderly households)—an increase of 933 households. The number of below market elderly renters will increase by 988 households to a total of 9,173 (73% of all elderly rental households), whereas below market ownership households will fall to 16,077 (48% of all elderly ownership households)—a decrease of 56 households. Of the total number of below market households (74,165), 34% are elderly households, 12% are elderly rental, and 22% are elderly ownership households.

By 2020, below market elderly households are expected to reach 25,886 (50% of all elderly households)—an increase of 636 households. Below market elderly renters are projected to rise by 1,079 households to a total of 10,252 (72% of all elderly renters). Below market elderly ownership households are projected to decline by 442 households to total 15,635 (42% of all elderly ownership households). Of the total number of below market households (83,087), 31% are elderly households, 12% are elderly rental, and 19% are elderly ownership households.

By 2030, below market elderly households are expected to reach 26,347 (47% of all elderly households)—an increase of 461 households. Below market elderly renters are projected at 11,474 (71% of all elderly rental households)—an increase of 1,222 households. Below market elderly owners are expected to fall to 14,873 (37 % of all elderly ownership households)—an decline of 762 households. Of the total number of below market households (93,051), 28% are elderly households, 12% are elderly rental, and 16% are elderly ownership households.

Housing Problems and Cost Burden

Households with any housing problems are defined as those with a cost burden greater than 30% of income and/or overcrowding and/or without complete kitchen or plumbing facilities. Cost burden is the percentage of a household's total gross income spent on housing costs. For renters, this includes rent plus utilities. For owners, it includes mortgage payment, taxes, insurance, and utilities. Examining housing problems and cost burden provides an indication of housing conditions and degree of affordability.

The number of households with any housing problems and the number of households with a cost burden were derived based on trends in the proportion of households within each category based on HUD's 1990 and 2000 CHAS Housing Problems data. According to these data, the proportion of rental households with any housing problems decreased by 0.7% between 1990 and 2000. The proportion of rental households with a cost burden greater than 30% also decreased by 0.7%, while those with a cost burden greater than 50% increased by 0.2%. In reference to ownership households, those with any housing problems increased by 3.8% between 1990 and 2000. Those with a cost burden greater than 30% increased by 7.9% and those with a cost burden greater than 50% increased by 2.3%.

These trends are applied to the total number of rental households and the total number of ownership households, resulting in an estimated and projected number of households with any problems and the number of households with a cost burden for 2000, 2010, 2020, and 2030. This method assumes that the trends that occurred between 1990 and 2000 will continue through 2030.

In reference to elderly households, the CHAS data show that the proportion of rental households with any problems increased by 0.7% between 1990 and 2000. The proportion of elderly rental households with a cost burden greater than 30% increased by 2.2%, and those with a cost burden greater than 50% increased by 0.8%. The proportion of elderly ownership households with any problems increased by 3.4% between 1990 and 2000, while those with a cost burden greater than 30% increased by 4.5% and those with a cost burden greater than 50% increased by 1.8%.

These trends are applied to the total number of elderly rental households and the total number of elderly ownership households, resulting in an estimated and projected number of elderly households with any problems and the number of households with a cost burden for 2000, 2010, 2020, and 2030. This method assumes that the trends that occurred between 1990 and 2000 will continue through 2030.

Results

One-quarter of all households in 2000 are estimated to have housing problems. This amounts to 42,434 households. Of that total, 17,660 (42%) households are rentals and 24,774 (58%) are ownership households. Twenty-two percent (38,835) of all households in 2000 are estimated to have a cost burden greater than 30%. Renters account for 15,761 (41%) of these households, while ownership households account for 23,074 (59%) households. Approximately 8% (14,339) of all households have a cost burden greater than 50%, of which 48% (6,931 households) are rental and 52% (7,408 households) are ownership households.

These figures continue to increase through 2030. By 2010, approximately 27% of all households are projected to have housing problems, 28% are projected to have a cost burden over 30%, and 10% are projected to be cost burdened at over 50%. In all cases, the majority are ownership households. By 2020, approximately 29% of all households are projected to have housing problems, 33% are projected to have a cost burden over 30%, and 12% are projected to be cost burdened at over 50%. Again, the majority are ownership households. By 2030, approximately 32% of all households are projected to have housing problems, 38% are projected to have a cost burden over 30%, and 13% are projected to be cost burdened at over 50%. Ownership households account for the majority of these cases.

In reference to elderly households, in 2000, 11,987 elderly households are reported to have any housing problems. This represents 28% of all elderly households. Forty-seven percent (5,616) of these households are elderly renters and 53% (6,372) are elderly owners. Elderly households with a cost burden greater than 30% total 11,907 (28% of all elderly households). Forty-six percent (5,504) of these households are elderly renters and 54% are elderly owners. Elderly households cost burdened at over 50% of their income are estimated at 5,084 (12% of all elderly households). Half (2,517) of these households are elderly renters and half are elderly owners.

The number of elderly households with any problems and with a cost burden is expected to increase steadily through 2030. By 2010, approximately 30% of all elderly households are projected to have housing problems, 31% are projected to have a cost burden over 30%, and 13% are projected to be cost burdened at over 50%. In all cases, the majority are ownership households. By 2020, approximately 33% of all elderly households are projected to have housing problems, 35% are projected to have a cost burden over 30%, and 15% are projected to be cost burdened at over 50%. Again, the majority are ownership households. By 2030, approximately 36% of all households are projected to have housing problems, 39% are projected to have a cost burden over 30%, and 16% are projected to be cost burdened at over 50%.

Number of Elderly Households by Income Level & Tenure: 2000 - 2030
 Scenario #2

Income Level	% Median Household Income	2000		2010		2020		2030		2040		2050		2060		2070		2080		2090	
		All Households #	Elderly Households #	All Households #	Elderly Households #	All Households #	Elderly Households #	All Households #	Elderly Households #	All Households #	Elderly Households #	All Households #	Elderly Households #	All Households #	Elderly Households #	All Households #	Elderly Households #	All Households #	Elderly Households #	All Households #	Elderly Households #
Type F	101+	352,719	12,027	352,719	12,027	352,719	12,027	352,719	12,027	352,719	12,027	352,719	12,027	352,719	12,027	352,719	12,027	352,719	12,027	352,719	12,027
Type E	81-100	45,843	2,314	45,843	2,314	45,843	2,314	45,843	2,314	45,843	2,314	45,843	2,314	45,843	2,314	45,843	2,314	45,843	2,314	45,843	2,314
Type D	61-80	30,875	3,459	30,875	3,459	30,875	3,459	30,875	3,459	30,875	3,459	30,875	3,459	30,875	3,459	30,875	3,459	30,875	3,459	30,875	3,459
Type C	41-60	22,822	5,538	22,822	5,538	22,822	5,538	22,822	5,538	22,822	5,538	22,822	5,538	22,822	5,538	22,822	5,538	22,822	5,538	22,822	5,538
Type B	21-40	13,394	7,655	13,394	7,655	13,394	7,655	13,394	7,655	13,394	7,655	13,394	7,655	13,394	7,655	13,394	7,655	13,394	7,655	13,394	7,655
Type A	<20	3,123,753	6,947	3,123,753	6,947	3,123,753	6,947	3,123,753	6,947	3,123,753	6,947	3,123,753	6,947	3,123,753	6,947	3,123,753	6,947	3,123,753	6,947	3,123,753	6,947
Income Below 50% of Median		4,338,874	45,171	4,338,874	45,171	4,338,874	45,171	4,338,874	45,171	4,338,874	45,171	4,338,874	45,171	4,338,874	45,171	4,338,874	45,171	4,338,874	45,171	4,338,874	45,171
Income Above 50% of Median		1,097,777	2,437	1,097,777	2,437	1,097,777	2,437	1,097,777	2,437	1,097,777	2,437	1,097,777	2,437	1,097,777	2,437	1,097,777	2,437	1,097,777	2,437	1,097,777	2,437
Total		5,436,651	47,608	5,436,651	47,608	5,436,651	47,608	5,436,651	47,608	5,436,651	47,608	5,436,651	47,608	5,436,651	47,608	5,436,651	47,608	5,436,651	47,608	5,436,651	47,608

*Safelite and projections for the number of households by income level for All Households were derived according to the methodology described on the previous table.
 **The number of elderly households and elderly rental and ownership households by income level is based on the percentage of households in each category as shown in HUD's 2000 CHAS file. For example, according to HUD, 40.0% of all households in the <30% income bracket are elderly households. Of these elderly households, 10.0% are rental. The percentage derived by HUD are applied to each income bracket for all elderly households, elderly rental, and elderly ownership households.
 ***The projected number of elderly households within each income level is based on trends shown in HUD's 1990 and 2000 CHAS Housing Problems data. The trends reflect changes in the proportion of elderly households within each income bracket measured as a percentage of the total number of households. For example, the percentage of elderly households in the <30% income bracket increased from 47.4% in 1990 and 40.0% in 2000. This shows that the proportion of elderly households in the <30% income bracket increased by 0.6%. This percentage increase is applied to the household projections for the <30% income bracket through 2030. This methodology is applied for all income brackets and for elderly rental and ownership households as well.

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 Needs Analysis
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Number of Households by Income Level & by Tenure, 2000 to 2030
 Scenario #2

Income Level	% Median Household Income	2000 Income	# Households*	2000 # Rental*	2000 # Ownership*	2010 Projected # Households**	2010 Projected # Rental**	2010 Projected # Ownership**	2020 Projected # Households**	2020 Projected # Rental**	2020 Projected # Ownership**	2030 Projected # Households**	2030 Projected # Rental**	2030 Projected # Ownership**
Type E	115+	\$52,719 +	7452	13,838	58,674	8102	14327	65598	10548	14430	11750	87007	14434	78478
Type D	101-115	\$46,043 to 52,718	19937	2,882	11,276	15038	2304	10548	17822	2252	11197	14673	2186	11870
Type C	81-100	\$26,875 to 43,642	20638	3,980	16,658	21782	3648	17822	22828	2817	18878	2552	3763	20428
Type B	51-80	\$22,922 to 36,874	30761	11,812	18,948	35842	13317	22828	42428	4548	48262	46286	15878	30418
Type A	31-50	\$13,754 to 22,821	17788	4,830	12,958	19034	9077	9187	20824	11222	9802	22745	12237	10920
	<30	<\$13,753	17028	10,278	6,750	18758	11485	7884	21451	12871	9586	24810	14408	8894
			172700	51,338	121,442	180691	55189	133242	209076	49141	148376	22883	63428	108008
Income Below 80% of Median		<\$38,674	65553	30858	34695	74164	34698	39478	123007	38842	44448	93031	43023	50228

*The number of households within each income level (Type A to F) in 2000 is derived by extrapolating the number of households by household income as reported by Claritas, Inc. The number of rental and ownership households by income level is based on the percentage of households in each category as shown in the HUD's 2000 CHAS Housing Problems data. For example, according to HUD, 80% of all households in the <10% income bracket are rental; 40% are ownership households.

**The projected number of households within each income level is based on trends shown in HUD's 1990 and 2000 CHAS Housing Problems data. The trends reflect changes in the proportion of households within each income bracket measured as a percentage of the total number of households. For example, the percentage of households in the <10% income bracket was 8.02% in 1990 and 6.20% in 2000. This shows that the proportion of households in that income bracket increased by 0.18%. This percentage increase is applied to the household projections for the <10% income bracket through 2030. This methodology is adopted for all income brackets and for rental and ownership households as well.