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Report to Congress

Assessment of the Loss of Housing for Non-Elderly People with Disabilities

Final Report

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Executive Summary

This research addresses the issues facing non-elderly people with disabilities as they seek affordable housing in their communities. The primary focus of this exploratory research is the influence of provisions of the Housing and Community Development Act of 1992 that permitted owners of certain HUD-assisted elderly housing (which may have previously served non-elderly people with disabilities) to limit admissions to elderly households. This report presents case studies of ten purposively selected metropolitan areas and a cross-site analysis assessing the issues facing low-income, non-elderly people with disabilities who are seeking affordable housing.

1. Background for the Study

Nationwide, the HUD-assisted multifamily housing stock includes an estimated 4,157 properties built primarily to serve the elderly. Historically, federal housing statutes defined "elderly" to include disabled persons, with the result that younger disabled persons were eligible to live in these properties.[1] The eligibility criteria for persons with disabilities depend on the HUD program under which the property was developed, the year it was developed and the definition of disability in effect for that year. In most cases, property managers were not permitted to give preference to elderly persons over non-elderly disabled persons in their tenant selection policies. In general, however, prior to the 1992 legislation, properties built primarily to serve the elderly originally had one of the following types of occupancy policy:

- restriction of eligibility to elderly applicants; or
- a fixed set-aside of units (usually 10 percent) for people with mobility impairments (elderly or non-elderly); or
- a policy that permits admission of non-elderly people with disabilities *either* for a fixed set-aside of units, *or* for all units.

In the late 1980s and early 1990s, the statutory requirements that some properties serving primarily elderly tenants set aside a percentage of units for young disabled persons created considerable controversy. Congress responded by including in Sections 651 and 658 of the Housing and Community Development Act of 1992 provisions that redefined "elderly" strictly in terms of age (62 years of age or older) for future properties and allowed existing

[1] U.S. Housing Act of 1937, Section 3(b)

property owners in some cases to give preference to the elderly in tenant selection or in other cases to exclude non-elderly people with disabilities entirely.

The legislation affected different properties in different ways. Section 658 covers properties that initially had an elderly-only policy. These properties were only affected if they had, over time, expanded admission to non-elderly people with disabilities. Managers of these properties could choose to go back to their original policy of accepting only elderly applicants. Section 651 covers properties with Section 8 project-based assistance and permits managers to give a preference to elderly households while still maintaining a set-aside of units (typically 10 percent or less) for non-elderly persons with disabilities.

In 1997, Congress mandated that HUD and the General Accounting Office (GAO) investigate the extent to which those provisions of the Housing and Community Development Act of 1992 resulted in a loss of assisted housing for non-elderly people with disabilities. The GAO completed a study in 1998, concluding that the statute had affected few non-elderly people with disabilities. The GAO researchers surveyed managers of a random sample of HUD-assisted properties that were potentially eligible to restrict occupancy under the legislation. According to the GAO report,

> The majority of housing properties designed for the elderly have not used the 1992 act to restrict the occupancy of nonelderly persons with disabilities. Almost three-quarters of the officials for the properties designed for the elderly reported that they had adopted their current policies before 1993, when the law went in effect. That is, the policies for these properties have not changed as a result of the act.[2]

In 1999, HUD responded to Congress with an analysis of HUD administrative data, also finding "no downward trend in the admission of non-elderly disabled persons to units of HUD-assisted housing in recent years."[3] However, HUD's analyses did indicate that there might be differences in admission rates by HUD program and/or by geographic location.

1.1 Goals of the Research

This study was designed to examine trends in admissions of the non-elderly disabled to HUD-assisted housing that would not show up in aggregate analyses. The research design also called for a broader inquiry into the general issues facing low income, non-elderly people with disabilities who are looking for affordable housing. The primary goals of this research were to:

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[2] *Assisted Housing: Occupancy Restrictions on Persons with Disabilities*; General Accounting Office, November 1998.

[3] *An Interim Report to Congress on the Admission of Non-elderly Persons with Disabilities to HUD-Assisted Housing*, Office of Housing and Office of Policy Development and Research, U.S. Department of Housing and Urban Development, March 1999.

- examine the issues facing non-elderly people with disabilities as they seek affordable housing in their communities; and
- explore factors that may influence property owner/managers' decisions to change their occupancy policies regarding admission of non-elderly disabled persons.

We hoped to learn about the influence of such factors as geographic location, the assistance program, and local market tightness on occupancy decisions property managers and owners made after the 1992 Act. We also hoped to learn how managers' policies, as well as applicant screening and admissions practices, affect disabled applicants' access to assisted housing.

1.2 Research Approach

This study's primary methodology was in-depth field data collection in ten purposively selected metropolitan statistical areas (MSAs). The ten MSAs were selected based on metropolitan area-level rates of admissions of non-elderly people with disabilities to HUD-assisted housing built primarily to serve the elderly. HUD administrative data on admissions and occupancy in 1996 and 1999 were used to categorize metropolitan areas according to whether non-elderly admissions appeared to be increasing, decreasing, or staying the same. In addition, metropolitan areas with particularly high or low rates of admissions were identified. The MSAs selected for study and their MSA-level sampling category are identified in Exhibit ES-1 below.

Within each metropolitan area, five properties were selected purposively for more intensive study during the field data collection phase of the study. In each MSA, we attempted to identify two properties that mirrored the trend in admissions at the metropolitan level and, for contrast, at least one property that seemed to be "bucking the trend" (i.e., a property showing an increase in admissions of non-elderly people with disabilities in a metropolitan area with an overall decrease in non-elderly admissions.)

The data collection was carried out between March and June 2000. It included field visits to the ten metropolitan areas, and in-person and telephone discussions with several types of key informants in each area: the property managers at the five study properties; local HUD officials; public housing agency staff; representatives of advocacy organizations who work with people with disabilities; and representatives of local apartment management associations. In addition to the discussions with local informants, we toured each study property and the surrounding neighborhood to assess property and neighborhood condition.

Exhibit ES-1
Admissions Rate Categories and MSAs Selected for Study

Non-elderly Admissions Rate Category (1996-1999)	MSA
Low rate of non-elderly admissions	Miami/Dade County, FL
	Bergen/Passaic, NJ
Average rate of non-elderly admissions	New York City, NY
	Oakland, CA
High rate of non-elderly admissions	Denver, CO
	Kansas City, MO/KS
Decreasing rate of non-elderly admissions	Memphis, TN
	Detroit, MI
Increasing rate of non-elderly admissions	Akron, OH
	Phoenix-Mesa, AZ[4]

2. Summary of Key Findings

2.1 Findings Regarding the Supply of Housing Available to Non-elderly People with Disabilities

Changes in Occupancy Policies

Managers at the 50 study properties were asked whether their occupancy policy had changed in recent years and whether any changes could be attributed (entirely or in part) to the 1992 Act.[5] Of the 46 managers who were able to provide information on changes in occupancy policy,[6] 32 managers (70 percent of those responding) said the building's occupancy policy had not changed since the passage of the Act. Only two of these managers indicated they might change their policies in the future. Among the 14 managers (30 percent) who reported a change in policy, 10 (22 percent) linked the change to the 1992 legislation, while the remaining 4 managers were not sure what caused the change.

Occupancy Policies in the Study Properties

At the time of the field visits in the spring of 2000, property managers at 9 of the 50 study properties reported their occupancy policies do not permit admission of non-elderly

[4] As discussed in detail in the Phoenix case study in Appendix C, an increase in admissions of non-elderly people with disabilities at a small number of properties caused the MSA-level increase. At the majority of properties in the sampling frame, **no** non-elderly people with disabilities were admitted in 1996 or 1999. Notably, the Phoenix property managers interviewed for this study were uniformly familiar with the 1992 Act and consistently convinced that elderly and non-elderly residents should not live together. Management at four of the five properties had elected elderly preferences.

[5] It is important to note that the properties included in this study are a purposive rather than a random sample of HUD-assisted properties built primarily for the elderly. These findings may not be representative of the incidence of election of elderly preferences in the stock over-all.

[6] Four managers did not know whether their property's policy had changed.

residents; all applicants at these properties had to be at least 62 years old. The remaining property managers (41 of the 50) indicated that they accept applications from non-elderly people with disabilities, although the conditions for eligibility vary:

- Property managers at 22 properties reported their policies allow them to consider all non-elderly applicants, regardless of the nature of their disability, either for a fixed set-aside of units (4 properties) or for all units (18 properties).
- Managers at 19 properties said they have a fixed number of wheelchair-accessible units (typically 10 percent of the development's total units) for people with mobility impairments. Both elderly and non-elderly applicants with mobility impairments are eligible for admission to these units.

The reported occupancy rates of non-elderly people with disabilities at the study properties in the spring of 2000 ranged widely. Property managers at 7 properties reported no non-elderly disabled households, and another 7 managers said that no more than 3 percent of their units were occupied by non-elderly people with disabilities. Just under half the property managers (for 24 properties) reported that 3 to 12 percent of their units were occupied by non-elderly tenants with disabilities. Among the remaining 12 properties, non-elderly occupancy rates were between 13 and 50 percent at 9 properties, and over 50 percent in 3 properties.

The proportion of non-elderly residents with disabilities living in a study property was sometimes different from the proportion expected based on the property's occupancy policy. For example:

- 4 of the 7 properties with no non-elderly residents actually had occupancy policies that permitted admissions of non-elderly people with disabilities;
- 6 of the 19 properties with 10 percent set-asides for people with mobility impairments had non-elderly disabled occupancy rates of less than 3 percent

These data suggest managers may have employed practices that illegally discriminate against people with disabilities.

Factors Influencing Properties' Occupancy Policies

The Housing and Community Development Act of 1992 was considered to be one factor influencing occupancy decisions. However, local respondents commonly cited several additional factors, including:

- Owner or sponsor mission—Some managers reported they choose to serve non-elderly people with disabilities because it is part of their mission. These managers reported they would not change their policies even though they were eligible to do so.

- Living environment for elderly residents—Creating a comfortable living environment for elderly residents was often cited as managers' primary goal, even when the HUD funding agreement required that non-elderly people with disabilities also be served. Key housing informants of all types commonly expressed concerns about the management issues that arise when elderly and non-elderly disabled residents live together, often referring to the "different lifestyles" of the two groups. However, practices that would discourage non-elderly people with disabilities from applying or denying eligible applicants admission are illegal.
- Property strength—Local respondents commonly said that a combination of factors related to property marketability (which we refer to as "property strength") contribute to occupancy policy decisions. Managers of properties in better condition and located in better neighborhoods are more likely to change their policies to restrict new admissions to elderly applicants. Further, managers with such properties that also have low vacancy rates at their own properties and strong elderly demand for HUD-assisted housing in their metropolitan market appear more likely to limit occupancy by non-elderly people with disabilities. Weaker properties had higher rates of non-elderly disabled occupancy.

Our findings also indicate that the policy in place at the study properties is not necessarily a good predictor of the proportion of current tenants who are non-elderly people with disabilities. Property strength—as proxied by property condition, neighborhood condition, and elderly demand for HUD-assisted housing in the metropolitan area—appears to be a stronger predictor of non-elderly occupancy. Property strength also seems to be related to whether property managers are content with their current occupancy mix or plan to reduce non-elderly occupancy through attrition or policy change.

Other Sources of Affordable Housing for People with Disabilities

In addition to the HUD-assisted stock, non-elderly people with disabilities may also be eligible for several other affordable housing options, including public housing, tenant-based rental assistance, and several targeted programs. Key findings on the availability of these options to people with disabilities include these:

- Public housing seems to be the most available resource, with relatively shorter waiting lists and generally accommodating admissions policies. Although it is not always the housing of choice, in some places it offers some advantages to people with disabilities, such as on-site service coordinators, willingness to make changes to the units to accommodate residents' disabilities, and small units that are relatively easy to maintain. Among the primary public housing agencies serving the metropolitan areas studied, most had designated at least some of their

elderly public housing for elderly-only occupancy.[7] But at least some non-designated elderly developments continue to accept non-elderly people with disabilities in almost all the study areas, and family public housing developments are available to people with disabilities.

- According to advocates and housing officials, tenant-based assistance appears to be more popular with non-elderly people with disabilities than public housing (as it is with most applicants), but it is difficult to obtain and use. A few of the states in which our study sites were located offer state-wide programs that provide tenant-based assistance to people with disabilities, although demand far outstrips the supply of certificates and vouchers.
- Other housing options such as HUD's Section 811, Shelter Plus Care, and HOME programs are typically targeted to specific sub-populations and are available in very limited numbers.

Challenges to Obtaining Housing

It is clear that people with disabilities face a number of barriers to finding and obtaining housing. The lack of affordable housing is a significant barrier for low-income people with disabilities. Further, there is generally no central source of information on housing options for people with disabilities. In particular, people with mental disabilities reportedly have very few housing options. Managers frequently say they are wary of housing this population, because of potentially prejudicial concerns the prospective tenant will not take his or her medication as prescribed, will not be able to manage household finances and take care of the apartment, and may be disruptive or bothersome to other tenants. Some managers seem to have developed these attitudes based on their own direct experiences managing properties with both non-elderly residents with disabilities and elderly residents. Others seem to have made judgements that are not based on personal experience, but rather on second-hand information about other managers' experiences, or, perhaps, on prejudice rooted in stereotypes about people with disabilities.

HUD-assisted property managers do not view assisting tenants with daily living skills to be part of management's job. As one local respondent put it, managers are trained to manage the asset, not the people. Assumptions about such needs for assistance, as well as attitudes based on bias or prejudice, may lead managers to deter non-elderly people with disabilities from applying for or moving into HUD-assisted housing. Some of these practices violate fair housing laws that prohibit discrimination against people with disabilities.[8]

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[7] The Housing and Community Development Act of 1992 also had provisions allowing public housing agencies to restrict occupancy in elderly public housing to elderly households.

[8] Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1998; see also Section 504 of the Rehabilitation Act of 1973.

2.2 Findings Regarding the Demand for Housing for Non-elderly People with Disabilities

In all of the ten study sites, local respondents said demand for affordable housing among non-elderly people with disabilities outpaces supply. Evidence cited includes tightening housing markets and increasing rents, long waiting lists for Section 8 assistance and assisted housing, anecdotes of lengthy and fruitless housing searches, and reports of discriminatory treatment.

Research conducted in 1998 highlighted the housing affordability crisis for people with disabilities who rely on SSI as their primary income source. In every county and metropolitan area in the country, a person whose income is limited to SSI must pay more than 30 percent of monthly income to rent a one-bedroom apartment at HUD's Fair Market Rent. The national average is 69 percent, considerably higher than the 50 percent of income for rent considered to represent a severe rent burden.[9]

However, estimating the demand for affordable housing among people with disabilities was the most significant challenge in carrying out this research. People with disabilities are not a monolithic group. The population includes persons with all types of disabilities, a wide range of levels of severity, and a variety of housing preferences and needs. Given the diverse housing needs of people with various types of disabilities, accurately assessing demand for HUD-assisted housing (or, for affordable housing in general) requires reliable data on the number of people with various types of disabilities in the study areas. Such data were not available.

No respondents were able to provide us with precise estimates of need or demand among people with disabilities for HUD-assisted housing—that is, those who are single or part of a small household, are under age 62, have a disability, are able to comply with lease requirements, and are interested in living in a HUD-assisted apartment. Metropolitan area-level data are available on the number of non-elderly people with disabilities, and on the number of people receiving SSI benefits, but these are imperfect proxies for the number of people who would be interested in and eligible for HUD-assisted housing and capable of living in these properties.

3. Conclusions and Recommendations for Further Research

Our findings on the influence of the provisions of the Housing and Community Development Act of 1992 are consistent with the GAO's findings in its1998 study. Relatively few owners

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[9] *Priced Out in 1998: The Housing Crisis for People with Disabilities*, Technical Assistance Collaborative and Consortium for Citizens with Disabilities Housing Task Force, March 1999.

reported changes in occupancy policies.[10] However, the primary lesson from this exploratory research is that, in general, marketing and management practices appear to have more influence on tenant mix than the occupancy policy, even though policy changes do make a difference when they occur. More importantly, this research indicates that even when non-elderly people with disabilities may be eligible for HUD-assisted housing, they may only be eligible for the less desirable properties. Access was somewhat limited before the 1992 legislation and may be more limited now (because of generally tighter housing markets), but the statute makes relatively little difference in managers' decisions.

Managers do report illegal discriminatory practices that could discourage people with disabilities from applying for HUD-assisted housing, even though the potential applicant is eligible under the property's occupancy policy. Fair housing testing to determine how potential applicants are treated by managers would identify those who are inappropriately limiting access to housing for people with disabilities.

Local respondents in all ten sites noted that the shortage of affordable housing is a barrier facing all low-income renters, regardless of disability status. Local respondents also indicate the need for additional resources for case management and other supportive services to aid non-elderly people with disabilities in private market housing (as well as in public housing). `In addition, better communication between advocates and service providers and assisted housing providers would improve the connection between housing supply and demand. Local clearinghouses with information such as property locations, occupancy policies, and availability of wheelchair-accessible units would be extremely valuable and would improve the functioning of these markets.

[10] It is important to note that the properties included in this study are a purposive rather than a random sample of HUD-assisted properties built primarily for the elderly. These findings may not be representative of the incidence of election of elderly preferences in the stock over-all.

Chapter One
Background and Methodology

This research assesses the general issues facing non-elderly people with disabilities as they seek affordable housing in their communities. The primary focus of this exploratory research is the influence of provisions of the Housing and Community Development Act of 1992 that permitted owners of certain HUD-assisted elderly housing (which may have previously served people with disabilities) to limit admissions to elderly households. This report presents case studies of ten purposively selected metropolitan areas and a cross-site analysis assessing the issues facing low-income, non-elderly people with disabilities who are seeking affordable housing.

This chapter first discusses the background of the current study, providing a brief policy context and the results of previous research. We then describe the research design, sampling approach, data collection efforts, and the overall organization of the report.

1.1 Background

The HUD-assisted multifamily housing stock includes an estimated 4,157 properties built primarily to serve the elderly. Historically, federal housing statutes defined "elderly" to include disabled persons, with the result that non-elderly disabled persons were also eligible to live in these properties.[11] In most cases, property managers were limited in their ability to give preference to elderly persons over non-elderly persons with disabilities in their tenant selection policies.

In the HUD-assisted stock, eligibility requirements for people with disabilities depended on the restrictions incorporated in the HUD funding agreement for each property. In some cases, non-elderly applicants were eligible only if they had mobility impairments and needed the features of specially-equipped units in the development (typically not more than 10 percent of units were so equipped). In other cases non-elderly people with other types of disabilities –including mental or cognitive impairments or developmental disabilities—were eligible as well. In all cases, applicants had to meet household income criteria and be a single person or small household.[12]

In the late 1980s and early 1990s, there was considerable controversy over the statutory requirements that some properties serving primarily elderly tenants set aside units for non-

[11] U.S. Housing Act of 1937, Section 3(b)

[12] The majority of units in this portion of the stock are efficiencies or 1-bedroom units.

elderly disabled persons. Several factors contributed to increased concern about mixing non-elderly people with disabilities and elderly residents in housing built primarily for the elderly, including:

- deinstitutionalization of people with mental disabilities;
- the system of federal admissions preferences adopted in 1988;[13] and
- the Fair Housing Amendment Act of 1988 that expanded the coverage of the Fair Housing Act to prohibit discrimination based on disability.

Congress responded by including in Sections 651 and 658 of the Housing and Community Development Act of 1992 provisions that defined "elderly" strictly in terms of age (62 years of age or older) for future properties and allowed existing property owners *in some cases* to give preference to the elderly in tenant selection. Specifically, ***Section 651*** of the legislation applies to housing originally built for occupancy by elderly households under the Section 8 New Construction/Substantial Rehabilitation (NC/SR) program, the State Housing Agency programs for NC/SR, the Section 515 rural rental housing initiative, and the Section 8 property disposition set aside program. Under the 1992 Act, managers of these properties may elect to provide a preference to the elderly, but they must also set aside a portion of the units (up to 10 percent) for non-elderly people with disabilities. ***Section 658*** of the Act applies to properties built under Section 202, Section 236, and Section 221(d)(3). Managers of these properties are permitted by the Act to return to their original occupancy policies, as agreed upon with HUD, if they have over the years admitted tenants other than those originally eligible.

In 1997, Congress further mandated that HUD and the General Accounting Office (GAO) investigate the extent to which those provisions of the Housing and Community Development Act of 1992 have resulted in a loss of assisted housing for non-elderly people with disabilities. The GAO completed a study in 1998, concluding that the statute had affected few non-elderly people with disabilities. The GAO researchers surveyed managers of a random sample of HUD-assisted properties that were potentially eligible to restrict occupancy under the legislation. According to the GAO report,

> The majority of housing properties designed for the elderly have not used the 1992 act to restrict the occupancy of nonelderly persons with disabilities. Almost three-quarters of the officials for the properties designed for the elderly reported that they

[13] Under the federal preference system, preference for admission had to be given to applicants who were involuntarily displaced from their housing, were living in substandard housing, or were paying more than 50 percent of household income for rent. This system of federal preferences has since been repealed.

had adopted their current policies before 1993, when the law went in effect. That is, the policies for these properties have not changed as a result of the act.[14]

In 1999, HUD responded to Congress with an analysis of HUD administrative data, also finding "no downward trend in the admission of non-elderly disabled persons to units of HUD-assisted housing in recent years."[15] However, HUD's analyses did indicate that there might be differences in admission rates by HUD program and/or by geographic location.

This study was thus designed to examine trends affecting admissions of the non-elderly disabled to HUD-assisted housing that would not show up in aggregate analyses. We hoped to learn about how such factors as geographic location, the assistance program, and local market tightness influenced occupancy decisions property managers and owners made after the 1992 Act. This study used in-depth field data collection in 10 purposively selected metropolitan areas to assess further the impact of the law on the availability of housing for non-elderly people with disabilities.

1.2 Research Design

The goals of this research project were to:

- examine the issues facing non-elderly people with disabilities as they seek affordable housing in their communities;
- assess the changes in the tenant characteristics of assisted housing over time; and
- explore factors that may influence property owner/managers' decisions to change their occupancy policies regarding admission of non-elderly disabled persons.[16]

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[14] *Assisted Housing: Occupancy Restrictions on Persons with Disabilities*, General Accounting Office, November 1998.

[15] *An Interim Report to Congress on the Admission of Non-elderly Persons with Disabilities to HUD-Assisted Housing*, Office of Housing and Office of Policy Development and Research, U.S. Department of Housing and Urban Development, March 1999.

[16] At HUD's request, the relative emphasis that these three aspects of the research received has changed somewhat from the original scope of work presented in the RFP for this study. The original scope of work required a fairly extensive analysis of HUD's Tenant Rental Assistance Certification System (TRACS) data to assess changes in tenant characteristics over time, expanding the analysis the GAO had produced. However, HUD staff had already produced some of the analyses envisioned in this portion of the scope of work (as referenced above). At the Orientation meeting, Abt and HUD staff agreed that the more important research focus was the issues non-elderly people with disabilities face when seeking housing in their communities. This more qualitative research goal was thus emphasized in the research design.

This exploratory study addresses these issues through case studies of the 10 metropolitan areas and this cross-site analysis. Data from HUD's Tental Rental Assistance Certification System (TRACS) were used to identify the study sample of 10 metropolitan areas and to select five properties for study within each metropolitan area. Case study research was conducted through in-depth discussions with key informants in each metropolitan area. In-person and telephone discussions with PHA staff, representatives of property owner associations, and housing counselors and other service providers for people with disabilities added breadth of perspective. In-person discussions with property managers about how they maintain waiting lists and select tenants, why they have established their current tenant selection policies, and what might shape future changes to their tenant selection policies were key to assessing the practical impact of the 1992 statute.

The results of the study, as presented in subsequent chapters, should enable HUD to respond to the Congressional mandate to assess the loss of housing for persons with disabilities resulting from the occupancy restrictions authorized by the Housing and Community Development Act of 1992. HUD, as well as advocates for people with disabilities, will also gain a deeper understanding of issues influencing occupancy policies in an important component of the HUD-assisted portfolio.

1.3 Sampling Approach

This section describes the approach used to select the sample of 10 metropolitan areas and 50 properties (five in each metropolitan area) for the case study data collection. An overview of the sampling approach is presented first, followed by a description of the sampling frame (properties affected by the 1992 Act and relevant to this research) and the methods used to select the metropolitan areas and then individual properties for this study.

Overview

The case study data collection effort was intended to deepen our understanding of the situation faced by non-elderly persons with disabilities seeking assisted housing and how that situation may have changed as a result of the elderly preferences allowed under the 1992 Housing and Community Development Act. The overall approach to sample selection was designed to provide an empirical basis for exploring several theories about the potential impact of the elderly preferences. It was ***not*** directed toward establishing a basis for precise estimates for the universe of affected properties. Rather, we sought a sample that was stratified according to features of particular interest yet still broadly representative of the universe of affected properties.

Defining the Sampling Frame

The universe of properties for this study is the set covered by the elderly preference provisions of the Housing and Community Development Act of 1992, including both Sections 651 and Section 658. The elderly preference provisions of the Act pertain to properties that meet three criteria:

- they received Section 8 assistance for new construction or substantial rehabilitation,
- they are assisted under a project-based Section 8 Rental Assistance contract; ***and***
- they were originally intended primarily for the elderly.

The first two conditions for sampling can be met by selecting properties that fall into one of three categories of HUD assistance:

- Section 8 New Construction/Substantial Rehabilitation (NC/SR);
- State Housing Agencies program; and
- Older Assisted properties (i.e., those built under Section 221(d)(3) BMIR and Section 236).

Because our research approach favored efficiency and focus over comprehensiveness, we did not include three other sets of properties potentially affected by the Act. Specifically, we excluded the following from the sampling frame:

- properties assisted under Section 515 Rural Rental Housing program (because these properties are typically outside metropolitan areas);
- properties assisted under the Section 8 Housing Assistance Program for the Disposition of HUD-owned Properties (because this represents a small set of historically troubled properties); and
- properties assisted under the Section 202 program (because they are not covered by the legislation, however, we included in the study the large number of properties developed under Section 202 that have also received Section 8 NC/SR assistance).

The third condition for inclusion in the affected universe is that developments were ***primarily intended for the elderly***. Unfortunately, there is no automated information available on the original intent of the property developers. The best available approach to selecting properties intended primarily for the elderly was to make an inference from the mix of unit sizes—including in the universe only those properties with a very small proportion of units with two

or more bedrooms.[17] As a proxy for the original intent of the developer, we selected for inclusion in the sampling frame only those properties in which more than 75 percent of the units were one-bedroom or studio units. With these exclusions in place, the sampling frame consisted of properties with the following kinds of HUD assistance:

- Section 8 NC/SR;
- State-administered Section 8 NC/SR (State Agency Program);
- Section 202 plus Section 8 NC/SR;
- Section 221(d)(3) BMIR (Below-Market Interest Rate); or
- Section 236.[18]

Because the sampling scheme required identifying properties with the MSAs in which they were located, we retained only those records with census-tract-level Federal Information Processing System (FIPS) codes attached (since no other geographic data were available to link records to MSAs or smaller geographic entities).[19] A significant number of records in the data extracts supplied by HUD lacked FIPS codes, as is typical in datasets that have undergone automated geocoding (a process that often has a high failure rate). Limiting our sampling frame to geocoded properties eliminated over 40 percent of the properties that fell into the eligible categories of HUD assistance listed in the previous paragraph. Further efforts to improve the automated geocoding success rate or to manually geocode properties did not seem justified in this case because we were not attempting to make nationally representative estimates based on the data collected from the sampled MSAs and properties.

Furthermore, there was no reason to believe that the geocoding failures were biased in a way that would distort our view of the situation faced by people with disabilities seeking federally assisted housing. The successfully geocoded properties were, on average, slightly larger than the properties for which the automated geocoding process failed, and the successfully geocoded properties had a slightly higher percentage of elderly households and a slightly lower percentage of disabled households. Nevertheless, the sample that remained after geocoding included properties of all sizes and all program types, in all parts of the country.

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[17] It is important to note that the law also covers ***parts of*** developments that were constructed primarily for the elderly. This might include a building, wing, or tower within a larger development. At first we were concerned that these developments would likely not meet our unit mix criterion and therefore would not be included in the sampling frame. We later learned that at least three of the 50 study properties chosen from the sampling frame were indeed eligible buildings that were part of larger developments, indicating that our sampling procedures did not exclude these types of developments.

[18] The sampling frame for this study was developed with considerable assistance from Lynn Rodgers of HUD PD&R's Program Monitoring and Research Division. HUD staff provided us with extracts of TRACS data for the listed funding programs including occupancy, admissions, and geographic data from both 1996 and 1999.

[19] FIPS codes are numbers which uniquely identify geographic areas.

Finally, we eliminated additional properties by restricting the sampling frame to properties located in one of the 75 metropolitan areas for which rental housing vacancy rate data were available.[20] This seemed appropriate because our first level of sampling was the metropolitan area. An obvious consequence of this decision, however, is that our research does not address concerns or issues that might be specific to smaller cities or rural areas.

In response to our data request, HUD staff prepared a set of data files derived from HUD's TRACS database. We received four main files, each with property-level data:

- a 1996 occupancy database;
- a 1996 admissions database;
- a 1999 occupancy database; and
- a 1999 admissions database.

In addition, we received a file containing geocode data for the records included in the 1999 occupancy database. The two admissions datasets included a summary of annual admissions by household type for each property (based on four mutually exclusive household types: elderly, disabled, near-elderly, and non-elderly, non-disabled) and the two occupancy databases provided summaries for each property of all tenant households by household type. As might be expected, the process of matching records among these files was somewhat inexact, with the result that some properties dropped out of the analysis because they were not represented in all the relevant datasets. For sampling purposes, we generally restricted our analyses to those properties for which complete information was available.[21]

Our initial review of the TRACS data indicated that there was indeed a high degree of variability among MSAs in the rate of admissions of non-elderly disabled persons, from rates under 2 percent in some MSAs to over 20 percent in others. In addition, the amount of change from 1996 to 1999 in the proportion of non-elderly disabled tenants varied significantly by MSA, as discussed in the following section. The eligible universe of HUD-assisted properties in the 75 largest MSAs consisted of 2,734 properties and was dominated by newer-assisted properties. Almost half of the sampling frame properties had Section 202 plus Section 8 NC/SR funding (1,254 properties) followed closely by properties with Section 8 NC/SR funding only (1,102 properties).[22]

Selecting Metropolitan Areas for Study

The primary unit of analysis for this study is the metropolitan area. The research was designed to yield an informed picture of the situation faced by non-elderly persons with

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[20] The 75 metropolitan areas include PMSAs and MSAs. They are the 75 largest in the U.S.

[21] Exhibit A-1 in Appendix A illustrates the impact of these procedures on the size of the sampling frame.

[22] See footnote 13.

disabilities seeking assisted housing in each of 10 MSAs. HUD's initial study of admissions data from TRACS suggested that there may be significant differences among metropolitan areas in the degree to which assisted housing is available to non-elderly persons with disabilities.

The key criterion for selecting MSAs was the change in admissions rates of non-elderly people with disabilities, because areas where changes are observed are of particular interest. We also attempted to achieve some geographic diversity and to vary the mix of assisted housing stock and rental market tightness. We also invited the Consortium for Citizens with Disabilities' Housing Task Force to provide input on sample selection.

In our approach to sampling metropolitan areas, we considered four types of data: rental housing vacancy rate; number of affected units; region; and admissions of non-elderly disabled persons. We segmented the population of 75 MSAs into five categories that resulted from considering two variables of special interest:

1) admissions of non-elderly disabled persons as a percent of all admissions in 1996; and
2) the change in this percentage between 1996 and 1999.

In reviewing aggregate data for the 75 MSAs, we found that some MSAs had an extremely low rate of admissions of non-elderly disabled (i.e., fewer than 2 percent), while in other MSAs the young disabled represented over 20 percent of admissions. Furthermore, between 1996 and 1999, some MSAs experienced a sharp decline in the percentage of non-elderly disabled admitted, while others showed a sharp increase. Still, more than a third of the MSAs had neither an extraordinarily high nor especially low rate of admissions, and they did not show a dramatic increase or decline in the percent of admissions that were young disabled. Thus, our sample of MSAs is stratified into the following five categories:

- Decreasing Admissions of Non-elderly Disabled;
- Low Rate of Admissions of Non-elderly Disabled;
- Increasing Admissions of Non-elderly Disabled;
- High Rate of Admissions of Non-elderly Disabled; or
- Average: Neither Low nor High Rate of Admissions, Neither Increasing nor Decreasing.

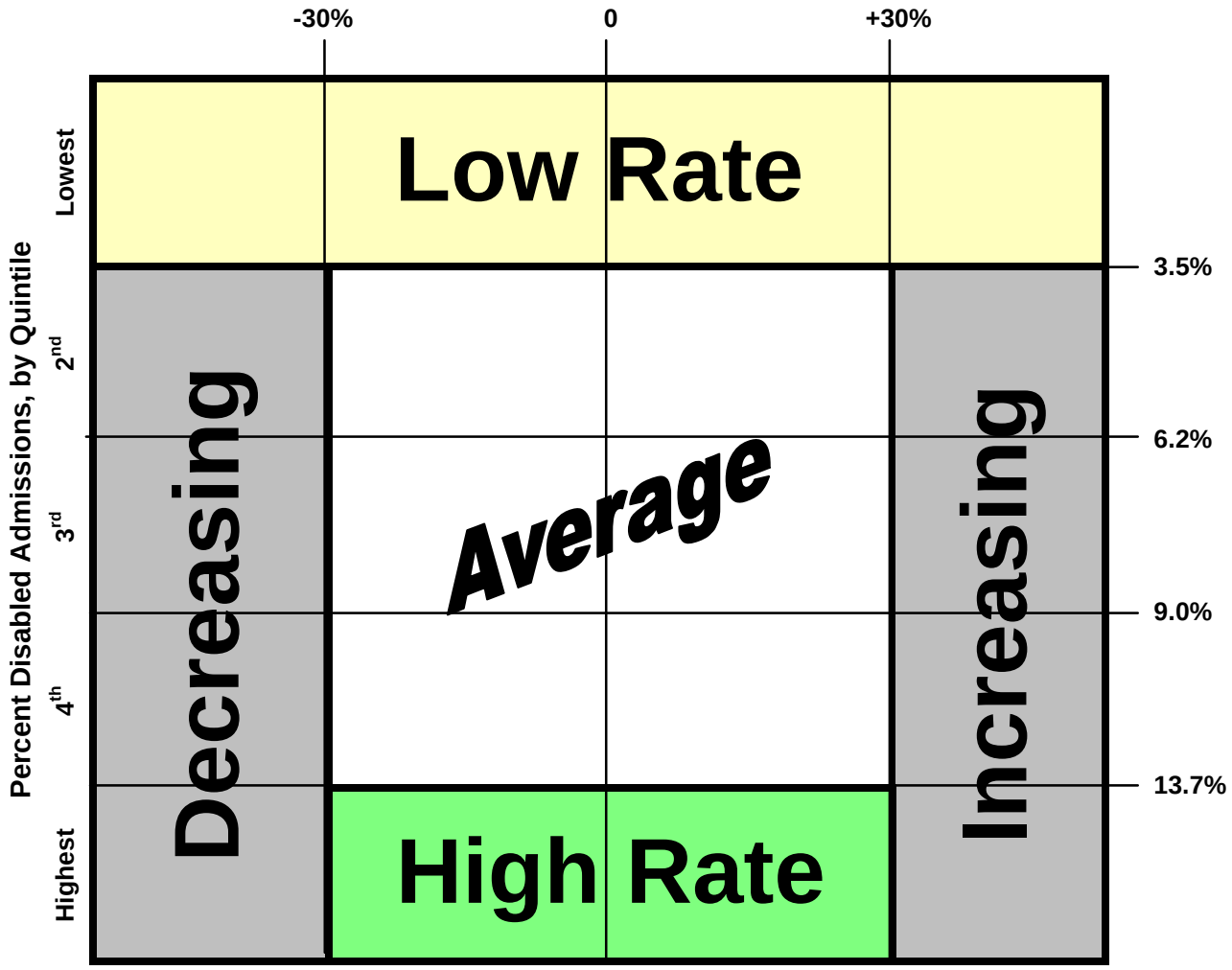
Exhibit 1-1 summarizes graphically the definition of the five categories.[23] The following paragraphs explain specifically how the five MSA strata were defined and how MSAs were sampled within each category.

[23] See Exhibit A-2 in Appendix A for information on the number of MSAs in each sampling stratum, their location, and their vacancy rates.

1. Low Rate of Admissions of Non-elderly Disabled

- This group includes those MSAs that fell in the lowest fifth in the percentage of 1996 admissions that were non-elderly disabled households. The cut-off was 3.5 percent.
- Within this group, we selected the MSAs with the lowest rates of admitting non-elderly disabled (i.e., non-elderly disabled admissions as a percentage of 1996 admissions.) This group is over-represented in three states: New Jersey, Florida, and California. No more than one MSA was selected per state.

Exhibit 1-1
Admissions Categories for MSA Sampling



2. Decreasing Admissions of Non-elderly Disabled

- This group includes those MSAs in which the percentage of young disabled admitted in 1999 was more than 30 percent lower than the percent admitted in 1996.
- Within this group, we selected those MSAs with the greatest decline, in absolute terms, in the number of non-elderly disabled admitted in 1999 compared to the number admitted in 1996.
- MSAs with a low rate of admissions of non-elderly disabled in 1996 were excluded from this category and included in the "Low Rate of Admissions" category instead. (That is, if fewer than 3.5 percent of admissions in 1996 were households with a non-elderly disabled head or spouse, the MSA was not included in the "Decreasing" category and instead included in the "Low Rate of Admissions" category.)

3. Increasing Admissions of Non-elderly Disabled

- This category is defined as those MSAs in which the rate of admissions of non-elderly disabled households had increased by more than 30 percent between 1996 and 1999 (i.e., the difference between the percent of 1999 admissions that were non-elderly disabled households and the percent of 1996 admissions that were non-elderly disabled households was greater than 30 percent.)
- Within the category, MSAs were selected based on the difference between the number of non-elderly disabled households admitted in 1999 and the number of non-elderly disabled households admitted in 1996. The MSAs with the greatest increase, in absolute terms, were selected. We also selected one MSA with a tight housing market, because an increase in admissions of non-elderly disabled is a particularly surprising development in a tight housing market.[24] In practice, then, we first selected the MSA with the highest increase in admissions of non-elderly disabled, and then, from among the MSAs in this category with a tight rental housing market, we selected the MSA with the highest increase in admissions of non-elderly disabled.
- MSAs with a low rate of admissions of non-elderly disabled in 1996 were excluded from this category and included in the "Low Rate of Admissions" category (i.e., if fewer than 5 percent of admissions in 1996 were households with

[24] Vacancy rates are the simple average of the annual rental housing vacancy rate for each of three years, 1996, 1997, and 1998, as reported in U.S. Census Bureau's Housing Vacancies and Homeownership Statistics: 1998. "Tight housing market" is defined in relative terms, as the MSAs with average vacancy rates for the period 1996-1998 lower than the lowest quartile. Thus we selected as "tight " those markets in which the average of annual vacancy rates for the years 1996, 1997, and 1998 was below 5.73 percent.

a non-elderly disabled head or spouse, the MSA was not included in the "Increasing" category.")

4. High Rate of Admissions of Non-elderly Disabled

- This group includes those MSAs that fell in the highest fifth in the percentage of 1996 admissions that were non-elderly disabled households.
- Within the category, we selected the MSA with the largest number of total units and the MSA with an "Average" or tighter housing market[25] with the largest number of total units.

5. Average: Neither Low nor High Rate of Admissions, Neither Increasing nor Decreasing.

- This category includes those MSAs with neither a high nor a low level of non-elderly disabled admissions and neither an increasing nor decreasing rate of admissions of non-elderly disabled households. To qualify for this category, an MSA must have a rate of admissions of non-elderly disabled above the 20th percentile and below the 80th percentile, i.e., between 3.5 percent and 13.7 percent. The MSA must also have a rate of change in the percent of admissions that are non-elderly disabled households between a 30 percent increase and a 30 percent decrease, i.e., the difference in the percent of non-elderly disabled admissions in 1996 and the percent of non-elderly disabled admissions in 1999 is greater than –30 percent and less than +30 percent. A difference greater than +30 percent would qualify an MSA for another category, "Increasing," as would a difference less –30 percent ("Decreasing").

For practical reasons, we eliminated from the sampling frame the MSAs in the lowest quintile in aggregate number of units, and we eliminated all MSAs with fewer than 20 properties. We took this step to ensure that federally assisted housing was a significant presence in the housing market of each sampled metropolitan area. Furthermore, we anticipated some difficulties in recruiting property owner participation in the study. Establishing a fairly high threshold for the number of properties gave us greater flexibility in selecting individual properties for inclusion in the study. After dividing the remaining MSAs among the above five categories, we selected two MSAs from each of the five categories. At least two back-up MSAs were also selected for each of the five categories, in case our reconnaissance indicated a sampled MSA was unsuitable for the study; however, none of

[25] "Average housing market" is defined as having a vacancy rate that falls in the middle two quartiles of the 75 MSAs in our sampling frame, i.e., those MSAs between the 25th and 75th percentile, or with rates between 5.73 percent and 9.47 percent. In this case, all MSAs with a vacancy rate below 9.47 percent were eligible.

these back-up MSAs had to be used during the course of the research. Exhibit 1-2 presents the study sample of 10 metropolitan areas, which resulted from the approach described above.[26] The location of the 10 study areas is displayed in Exhibit 1-3.

Selecting Properties for Study

The picture we developed of each metropolitan area was informed substantially by in-person interviews with property owners/managers at five assisted properties in each sampled MSA. Of course, there was no expectation of gaining a statistically representative view of assisted properties on the basis of five interviews. Instead, the interviews were intended to provide a deeper understanding of the factors that influence property managers in their decisions whether to admit non-elderly people with disabilities or to elect elderly preferences.

It was not possible to know in advance which properties had limited the occupancy of non-elderly people with disabilities or had been designated as elderly only. In order to learn what kinds of choices property managers made under different circumstances, we attempted to select properties with a range of key characteristics. The sample for each metropolitan area (5 properties each) was designed to include properties with one or more of the following characteristics:

- A particularly high or particularly low proportion of non-elderly disabled households;
- A decrease (between 1996 and 1999) in the proportion of new admissions that were non-elderly disabled households;
- Assistance under one of three program categories (New Construction and Substantial Rehabilitation, State Housing Agencies Program, and Older Assisted Properties); and/or
- Location in census tracts with median income well above or well below the MSA median.

[26] See Exhibit A-3 in Appendix A for occupancy, funding, and vacancy rate data for the 52 MSAs in the sampling frame.

Exhibit 1-2
Study Sample of 10 Metropolitan Areas

MSA	Young Disabled Admitted, 1996 (Number)	Young Disabled Admitted, 1999 (Number)	Young Disabled, Percent 1996 Admissions	Young Disabled as a Percent of 1999 Admissions	Properties	Units, All Programs	Units, NCSR	State-Administered	Units, Sec. 202	Units, Older Assisted	Region	Vacancy Rate
Group 1 – Low Rate of Young Disabled Admissions												
Miami, FL PMSA	13	10	3.5%	2.2%	48	4,694	1,389	0	3,067	238	South	9.4
Bergen-Passaic, NJ PMSA	2	4	1.3%	2.0%	20	2,425	1,218	209	998	0	Northeast	2.3
Group 2 – Declining Admissions of Young Disabled												
Detroit, MI PMSA	122	81	11.0%	7.4%	98	12,697	5,542	1,001	4,065	2,089	Midwest	7.8
Memphis, TN-AR-MS MSA	91	60	20.6%	13.8%	28	3,308	1,727	0	1,010	571	South	5.3
Group 3 –Increasing Rate of Young Disabled Admissions												
Akron, OH PMSA	44	88	16.7%	28.8%	25	2,543	1,693	0	567	283	Midwest	5.8
Phoenix-Mesa, AZ MSA	24	45	6.2%	10.4%	35	3,145	937	0	1,918	290	West	7.2
Group 4 - High Rate of Young Disabled Admissions												
Denver, CO PMSA	93	134	21.0%	21.6%	65	4,985	2,332	0	1,305	1,348	West	3.9
Kansas City, MO-KS MSA	98	110	13.8%	14.8%	73	4,890	1,922	0	1,633	1,335	Midwest	7.4
Group 5 -"Average" MSAs												
New York, NY PMSA	69	57	5.9%	5.2%	180	17,209	5,879	722	10,213	395	Northeast	5.2
Oakland, CA PMSA	29	25	7.4%	7.4%	51	5,066	1,776	0	1,616	1,674	West	5.7

Insert Exhibit 1-3

The properties of greatest interest at the time of sampling were those with a decrease in the proportion of admissions of non-elderly people with disabilities, because that indicated that the property might have chosen an elderly designation. We also selected properties that appeared to be bucking an MSA-level trend in admissions and occupancy, in order to learn if these properties might be absorbing the demand for housing by non-elderly people with disabilities. Refer to Appendix A for further information on property-level sampling. As detailed in Chapter Two, we were indeed able to select and secure the participation in each MSA of properties with the above characteristics. Among the 50 study properties, 14 had changed their occupancy policies, 9 restricting them to admit only elderly tenants.[27]

1.4 Summary of Study Data Collection

The data collection effort for this research included several tasks: conducting site visitor training; conducting initial reconnaissance calls to local contacts; arranging and conducting the site visits; conducting follow-up calls; and preparing site visit reports.

Abt staff in consultation with HUD PD&R staff prepared data collection instruments in the form of discussion guides. Five separate but overlapping discussion guides were designed to elicit useful information from the different categories of respondents about the availability of affordable housing for the non-elderly disabled in the MSA. The five interview guides were developed for:

- property managers of HUD-assisted developments;
- local and regional housing associations;
- public housing authority officials;
- advocacy groups / service providers for persons with disabilities; and
- federal, state and local officials.

These discussion guides (found in Appendix B) were used consistently by all assessors during on-site discussions and follow-up phone interviews. Additional data collection tools included a standardized form used by site visitors to summarize property-level information (building size, unit mix, HUD funding status, size and composition of waiting list). In addition, an introductory protocol was followed when making first contact with potential respondents to this study. This protocol included sending or faxing a copy of a letter from HUD announcing this study, identifying Abt Associates as the contractor for the study, and encouraging participation. One aspect of the HUD letter that was reinforced verbally by the

[27] It is important to note that the properties included in this study are a purposive rather than a random sample of HUD-assisted properties built primarily for the elderly. These findings may not be representative of the incidence of election of elderly preferences in the stock over-all.

Abt assessors when making contact with potential respondents was that ***all data would be gathered confidentially, and that no information would be reported to HUD identifying particular respondents or properties that participated in this study***. As a result, no property is identified by name or characteristics. All comments that are cited in subsequent chapters are not attributed to particular respondents. More notably, unit counts, occupancy data, and assistance program information are reported in ranges and aggregate categories in order to maintain the anonymity of the 50 study properties.

Abt staff began the data collection process by gathering and reviewing available background information on each MSA, through secondary sources including local government housing offices and local/regional housing associations. This initial reconnaissance helped to identify key local respondents and also helped to define local issues that were further explored in the telephone contacts and site visits. Each assessor then made a number of phone calls to establish contact with property managers for the five study properties in each MSA, confirm the selection criteria by which each study property was selected, secure the manager's participation in the study, and arrange an interview time. In addition to arranging property manager interviews, each assessor also made contact with local housing agency staff, local organizations that serve people with disabilities, and other relevant respondents working at the state, regional, or city level.

Because the amount of time available on site was limited, each assessor first arranged in-person interviews with property managers. At the time of the manager interviews, assessors toured the property and the surrounding neighborhood to assess property and neighborhood condition. The remaining site visit time was spent on in-person interviews with other respondents. Out of the 50 study properties, there were two for which property managers were interviewed over the phone rather than in person, due to last-minute cancellations and schedule changes. Site visits to the 10 studied metropolitan areas were conducted in April and May 2000 by five Abt assessors. The assessors later interviewed by phone the respondents who could not be seen in person due to scheduling constraints.

For the most part, respondents were able and willing to cooperate with this data collection effort and freely shared information with the assessors. Seven of the eight property managers who declined to participate in the study cited scheduling conflicts.[28] Many respondents were very interested in the issues being examined by the study and requested that they be notified when the results were made public.

One significant issue that arose during data collection was that no respondents were able to provide the assessors with precise estimates of need or demand among people with disabilities for HUD-assisted housing. This group is made up of people who fit all of the following characteristics: they are single or part of a small household, under age 62, disabled,

[28] The remaining manager did not specify her reason for declining to participate.

able to meet the requirements of the lease, and interested in living in a HUD-assisted apartment. Assessors used estimates from local advocates for people with disabilities, combined with data from the Social Security Administration, to create proxies for the number of non-elderly people with disabilities potentially affected in each study MSA. However, as discussed in Chapter Four, none of these sources provide precise estimates of the need for affordable housing for this specific population.

1.5 Organization of the Report

This report has three major purposes. One is to examine the supply of affordable housing available to non-elderly people with disabilities, focusing on the availability of units in HUD-assisted housing and the factors influencing the occupancy policies for HUD-assisted developments after the 1992 Housing and Community Development Act, as presented in Chapters Two and Three (the latter examining other sources of affordable housing available to non-elderly people with disabilities, including public housing and Section 8 tenant-based assistance). A second purpose of this report is to examine the demand for affordable housing among non-elderly people with disabilities, including information on the particular challenges facing this population when seeking housing, as presented in Chapter Four. A third purpose of the report is to examine the supply, demand and other market, social and political factors affecting affordable housing for non-elderly people with disabilities, including conclusions about the impact of the 1992 Act and resulting policy implications, as presented in Chapter Five. Appendix A presents detailed information about MSA- and property-level sampling. Appendix B contains copies of the discussion guides used during data collection. Appendix C presents detailed case studies that examine the issues surrounding the availability of HUD-assisted units to non-elderly people with disabilities in each of the 10 studied MSAs.

Chapter Two
The Supply of HUD-Assisted Housing for Non-Elderly People with Disabilities in the Study Sites

The purpose of this research is to assess the influence of the provisions of the 1992 Housing and Community Development Act on occupancy policies in HUD-assisted housing built primarily to serve the elderly and to explore whether changes in occupancy policies have resulted in decreased access to this housing resource for non-elderly people with disabilities who previously had been eligible for admission.

As described in Chapter One, this exploratory research was conducted in a purposive sample of ten metropolitan areas, which were selected based on metropolitan area-level rates of admissions of non-elderly people with disabilities to HUD-assisted housing built primarily to serve the elderly. This chapter reviews the findings on the supply of HUD-assisted housing for non-elderly people with disabilities from the ten MSAs selected for study. In Section 2.1, we describe the characteristics of the study properties, their residents, and their neighborhoods. In Sections 2.2 and 2.3, we review the findings on occupancy policies and the factors that influence them.

2.1 Property Characteristics

Within each metropolitan area, five properties were selected for more intensive study during the field data collection phase of the study. Like the metropolitan area sample, the five properties were also selected purposively. In each MSA, we attempted to identify 2 properties that mirrored the trend in admissions at the metropolitan level. (For example, in Memphis, a metropolitan area with a decreasing rate of admissions of non-elderly people with disabilities, we used HUD's property-level administrative data to select two properties with decreasing non-elderly admission rates.) For contrast, in each MSA we also selected at least one property that seemed to be "bucking the trend." (In the case of Memphis, we selected a property where non-elderly admissions appeared to be increasing rather than decreasing.) The remaining properties in each MSA were generally selected to vary other property characteristics of interest, such as property size, neighborhood location or income level, or HUD funding program.

The characteristics of the 50 study properties and the neighborhoods in which they are located are summarized in the text below and in Exhibits 2-1 through 2-3.

Property Funding Program, Age and Size

All but four of the study properties are part of HUD's so-called "newer assisted" housing stock, as shown in Exhibit 2-1. These are properties that are either partially or fully funded under the Section 8 New Construction/Substantial Rehabilitation (NC/SR) program or under the Section 202 program with Section 8 NC/SR assistance. Among the newer assisted study properties, the majority have both Section 202 and Section 8 NC/SR funding (26 properties) followed by Section 8 NC/SR funding alone (16 properties). Four properties have Section 8 NC/SR funding coupled with Section 236 or 221(d)(4) programs. The remaining four properties are part of HUD's "older assisted" stock, which includes properties developed under the Section 236 or 221(d) programs. The study properties include three funded exclusively under Section 236 and one funded by both Section 236 and a State Housing Agency program.[29] Most of the study properties (35 of 50) were built between 1975 and 1984, while 5 developments were built before 1975 and the remaining 10 properties were built after 1984.

Almost half the properties (23 of the 50 developments) are very large, with 114 units or more. An additional 16 properties are large (79 to 113 units). Only three properties have between 26 and 48 units.[30] As described in Appendix A, our sampling strategy favored larger properties over smaller ones because the policies in place at these larger properties with their larger numbers of units have a greater influence on the overall availability of housing for people with disabilities. Just under two-thirds of the properties are high-rise structures of 5 or more stories; the rest are low-rise or garden apartment complexes.

Vacancy rates at the study properties were generally low at the time of the field visits in the spring 2000, as shown in Exhibit 2-2. Just under half the properties (24 properties) had no vacancies, and an additional 19 had vacancy rates between 1 and 5 percent. The remaining properties had higher vacancy rates of 6 to 20 percent.

All the study properties were assessed on physical condition by the researchers. Of the 50 properties, 20 were found to be in excellent or very good condition, and 18 were in good condition. Just 6 properties were judged to be in only fair condition.[31]

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[29] The distribution of sample properties from each funding program is roughly comparable to the distribution by funding program of properties in our sampling frame.

[30] When compared to the sampling frame, the sample of study properties includes proportionately more large and very large properties. Among the properties in our sampling frame, 8 percent of properties (representing 28 percent of units) were very large and 18 percent of properties (representing 32 percent of units) were large. Medium-sized properties represent 16 percent of properties in both the sampling frame and the property sample. Small properties are just 6 percent of the study properties, but make up 57 percent of sampling frame properties (22 percent of units).

[31] To assess property condition, the site visitors toured each property, including common areas and grounds. We also requested to see at least one apartment. Based on these visual inspections, we used a four-point rating system to score each property on the following indicators: overall upkeep of the building(s), the

Exhibit 2-1
Study Property Characteristics: Funding Program, Age, and Size

	Number	Percent
Funding Program		
Older Assisted (Total)	**4**	**8%**
Section 236	3	6%
Section 236 and State Housing Agency Program	1	2%
Section 221(d)(3) BMIR	0	0%
Newer Assisted (Total)	**46**	**92%**
Section 202 and Section 8 New Construction/ Substantial Rehab (NC/SR)	26	52%
Section 8 NC/SR	16	32%
Section 236 and Section 8 NC/SR	2	4%
Section 221(d)(4) and Section 8 NC/SR	1	2%
Section 236, State Housing Agency and Section 8 NC/SR	1	2%
Construction Year		
Before 1975	5	10%
1975-1979	15	30%
1980-1984	20	40%
1985-1989	6	12%
1990-1992	4	8%
Property Size		
Very Large (114 units or more)	23	46%
Large (79-113 units)	16	32%
Medium (49-78 units)	8	16%
Small (26-48 units)	3	6%
Building Type		
High Rise	29	58%
Low-rise/Row/Garden	21	42%

Source: Property manager interviews, April/May 2000.
Note: Figures may not total 100% due to rounding.

cleanliness of the site and grounds, curb appeal, and an overall rating. The overall rating was used for this analysis. We did not assess the condition of physical systems or structural features of the properties.

Exhibit 2-2
Study Property Characteristics: Vacancy Rates and Property Condition

	Number	Percent
Vacancy Rate		
No vacancies	24	48%
1-2%	15	30%
3-5%	4	8%
6-20%	7	14%
Property Condition		
Excellent	20	41%
Very Good	5	10%
Good	18	37%
Fair	6	12%

Sources: Vacancy rates: Property manager interviews, April/May 2000.
Property condition: site visitor assessment. Property condition could not be assessed for one property because the manager interview had to be conducted by telephone.
Note: Figures may not total 100% due to rounding.

Neighborhood Characteristics

Neighborhood characteristics were assessed in two ways. First, tract-level census data were used to assess neighborhood income levels compared to the metropolitan area. Second, site visitors toured (on foot and by car) the neighborhood immediately surrounding the study property and made an overall assessment of the condition of housing and other buildings and access to services. Site visitors also asked the study property managers to comment on the condition of housing in the neighborhood, access to services, and safety in the neighborhood.

The study properties are generally located in neighborhoods (defined by census tract) with median incomes at or near the metropolitan area median income, as shown in Exhibit 2-3. Just under half of the study properties (24) are located in neighborhoods with median incomes of at least 80 percent of the metropolitan area median, and 17 of these are in neighborhoods with incomes above the metropolitan median. A total of 14 properties are located in neighborhoods with median incomes between 50 and 80 percent of metropolitan area median, and 12 properties are in neighborhoods with incomes below 50 percent of the metropolitan area median.

Exhibit 2-3
Characteristics of Neighborhoods Around Study Properties

	Number	Percent
Neighborhood Income Level		
Very low Income (<30% metro median)	6	12%
Low Income (30-50% of median)	6	12%
Moderate Income (50-80% of median)	14	28%
Below Median (80-100% of median)	7	14%
Above Median (more than 100% of median)	17	34%
Neighborhood Type		
Center City/Downtown	2	4%
Urban/Remainder of City	23	46%
Suburban	13	26%
Smaller City in MSA	12	24%
Neighborhood Services[1]		
Excellent	26	52%
Good	11	22%
Fair	11	22%
Poor	2	4%

Source: Income level for census tract from 1990 Census; neighborhood type and services based on site visitor observations.
Note: Figures may not total 100% due to rounding.
Refers to proximity of public transportation, grocery stores, drug stores, etc.

Half the properties are in urban neighborhoods within the MSA's dominant city, and the remainder are almost equally divided between suburban communities and smaller towns within the metropolitan area. About three-quarters of the properties are in neighborhoods that have excellent or good availability of basic services such as public transportation, grocery stores, and drug stores.

Occupancy by Non-Elderly People with Disabilities at the Study Properties

As discussed in Chapter 1, properties were selected for this study in part based on HUD administrative data on the proportion of recently admitted tenants who were non-elderly people with disabilities. Properties eligible for the study were assigned to a sampling stratum based on the proportion of non-elderly admissions in 1996 and 1999 and the direction of the trend in these admissions between these two points in time.

The admissions categories for the 50 study properties are summarized in Exhibit 2-4. As shown in the exhibit, 32 properties had a low or decreasing rate of admissions of non-elderly people with disabilities in the late 1990s. By contrast, 11 properties had an increasing rate of admissions, and 5 properties had a high rate of non-elderly admissions. Twelve (12)

properties were considered "average": that is, their rates of non-elderly admissions were neither high nor low and were neither increasing nor decreasing substantially.[32]

Property managers were asked to provide information on the number of non-elderly disabled residents living in their properties at the time of the field visits in the spring of 2000. As shown in the middle panel of Exhibit 2-4, the reported occupancy rates of non-elderly people with disabilities ranged widely. Property managers at 7 properties said they had no non-elderly disabled households, and another 7 managers said that no more than 3 percent of their units were occupied by non-elderly people with disabilities. Just under half the property managers (for 24 properties) reported that 3 to 12 percent of their units were occupied by non-elderly tenants. Among the remaining 12 properties, non-elderly occupancy rates were between 13 and 50 percent (at 9 properties) and over 50 percent (in 3 properties).

Property managers were also asked whether the proportion of their tenants who are non-elderly and disabled had changed since 1993, and if so, the direction of the change. As reported in the final panel of Exhibit 2-4, almost half the property managers reported there had been no change. Twelve (12) managers reported that fewer non-elderly households now reside in their buildings while 10 reported that there are now more non-elderly disabled residents in their properties.[33]

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[32] As discussed in more detail in the case studies, property managers at a small number of properties indicated that they had never admitted non-elderly disabled residents, even though HUD's TRACS data indicated there were non-elderly occupants at the properties in 1996 and/or 1999. The property had been included in our sampling frame because the TRACS data indicated there had been at least one non-elderly occupant. We have no way of confirming whether there was an error in the TRACS data or the manager simply did not remember correctly. See the case study for Oakland as one example.

[33] Property managers at 5 properties did not know whether there had been a change. HUD does not have complete TRACS data from as far back as 1993, so we could not compare managers' perceptions of changes in disabled occupancy with the historical administrative data. However, with a few exceptions noted in the case studies, managers' descriptions of the trends in disabled occupancy generally did correspond to trends observed in the 1996 and 1999 TRACS data obtained for the study properties.

Exhibit 2-4
Current Occupancy by Non-Elderly People with Disabilities in Study Properties

	Number	Percent
Property Admissions Stratum		
Low rate of non-elderly admissions	10	20%
Average rate of non-elderly admissions	12	24%
High rate of non-elderly admissions	5	10%
Decreasing rate of non-elderly admissions	12	24%
Increasing rate of non-elderly admissions	11	22%
Source: TRACS data for 1996 and 1999		
Percent of current occupants who are non-elderly and disabled		
None	7	14%
Up to 3%	7	14%
3-6%	12	24%
7-12%	12	24%
13-50%	9	18%
>51%	3	6%
Source: Property manager interviews, April/May 2000.		
Change in proportion of non-elderly disabled residents since 1993		
No change	23	46%
Fewer now	12	24%
More now	10	20%
Manager did not know	5	10%
Source: Property manager interviews, as of April/May 2000.		

Note: Figures may not total 100% due to rounding.

2.2 Occupancy Policies in the Study Properties

Property managers were asked to describe the current occupancy policy at the time of the field visit and to provide a copy of the written policy, if available.[34] Most managers were able to provide copies of written policies, although (as discussed below) the written policy did not always seem to match the admissions procedures described in the interviews. Further, in some cases, the actual mix of elderly and non-elderly tenants did not seem to align with the written or stated policy. These issues are discussed later in the chapter.

[34] Some property managers were not able to provide a copy of the occupancy policy. Because we could not contact HUD to confirm the original restrictions on the property or the current policy in place without compromising confidentiality, in these cases, the research team had to rely on the manager's description of the policy in place and his/her understanding of the restrictions on the property.

The policies in place at the study properties in the spring of 2000 are summarized in Exhibit 2-5. Property managers at 9 of the study properties reported that their current admissions policies do not permit admission of non-elderly residents; all applicants at these properties had to be at least 62 years old.

Exhibit 2-5
Occupancy Policies in Study Properties

	Number	Percent
Occupancy Policy Type		
Admits no non-elderly disabled	9	18%
Fixed set-aside for people with mobility impairments	19	38%
Accepts people with all types of disabilities:		
– for fixed set-aside	4	8%
– for all units	18	36%
Has occupancy policy changed?		
No	32	64%
Yes, due to 1992 Act	10	20%
Yes, reason unclear	4	8%
Manager did not know	4	8%
Plans to change occupancy mix?		
No plans to change tenant mix	35	70%
Plans to reduce non-elderly disabled through attrition	13	26%
Plans to revise policy to reduce non-elderly occupancy	2	4%

Source: Property manager interviews, April/May 2000.
Note: Figures may not total 100% due to rounding.

The remaining property managers indicated that they accept applications from non-elderly people with disabilities, although the conditions for eligibility vary. (It is important to note that all of these occupancy policy types were permitted before the 1992 Act was passed.) At a total of 22 properties, managers reported that their current admissions policies allow them to consider all non-elderly applicants, regardless of the nature of their disability. At 4 of these properties, managers said they may consider such applicants for admission to a fixed number of units reserved for non-elderly people with disabilities. At the remaining properties, managers indicated they have no fixed set-aside and may consider non-elderly applicants for all units at the property.

Managers at 19 properties indicated they have a fixed number of wheelchair-accessible units (typically 10 percent of the property's total units) for people with mobility impairments. In these properties, both elderly and non-elderly applicants are eligible for these accessible units. Further, current residents of non-accessible units at the property who have developed a

need for an accessible unit typically are eligible to transfer to such a unit when it becomes available. As discussed in Section 2.3 below and in the case studies, this practice may limit access to housing for non-elderly disabled applicants, who essentially compete with elderly current elderly residents for these units.

Reported Changes in Occupancy Policies

One of the key questions for this research is whether managers of HUD-assisted properties have elected elderly preferences in recent years, thus potentially reducing and limiting access to this housing stock for non-elderly people with disabilities. Managers were asked whether the occupancy policy at the property had changed in recent years and whether any changes could be attributed (entirely or in part) to the provisions of the Housing and Community Development Act of 1992 that permitted elderly preferences in some HUD-assisted properties built primarily to serve the elderly. Four managers did not know whether the property's policy had changed. Of the remaining managers, 32 (70 percent of those responding) said the building's occupancy policy had not changed since the passage of the Act. Among the 14 managers who reported a change in policy, 10 linked the change to the 1992 Act while 4 were not sure of the reason for the change.

It appears that those managers who plan to make changes in their occupancy policies have done so. Only 2 managers said they have not revised their policies yet but plan to do so in the future. Most managers reported they do not plan to change the occupancy mix at their properties; they do not plan to take actions to either increase or decrease the proportions of elderly and disabled households. Among the 50 managers interviewed, 35 reported no plans to change the mix of tenants in their buildings.

However, 13 managers indicated they plan to reduce the proportion of non-elderly households through attrition. In many of these properties, the proportion of non-elderly disabled tenants living in the property at the time of the field visit was higher than required by the conditions of the HUD funding agreement. In these cases, managers often reported they hoped to reduce non-elderly occupancy down to the level required by HUD, by replacing departing non-elderly households with elderly households from the waiting list.

The proportion of disabled residents living in a study property was sometimes different from the proportion expected for a given occupancy policy, as shown in Exhibit 2-6. For example, 4 of the 7 properties reporting no non-elderly residents actually had occupancy policies that permitted non-elderly disabled admissions. Further, 6 of the properties with 10 percent set-asides for mobility-impaired residents had non-elderly disabled occupancy rates of less than 3 percent. Managers at these properties cited low demand from disabled applicants, although the screening practices at these properties may also be deterring non-elderly applicants, as described in more detail in the case studies. On the other hand, some properties had more disabled residents than would be expected. Four of the study properties with fixed set-asides of 10 percent had disabled occupancy rates of 13 percent or more.

Exhibit 2-6
Percent of Residents Who are Non-Elderly People with Disabilities

Policy Type	None		Up to 3%		3 – 12%		13% or More		Total	
	N	%	N	%	N	%	N	%	N	%
Admits no non-elderly disabled	3	33%	2	22%	4	44%	0	0%	9	(100)
Fixed set-aside for people with mobility impairments	3	16%	3	16%	12	63%	1	5%	19	(100)
Accepts all types of disabilities										
For fixed set-aside	0	0%	0	0%	1	25%	3	75%	4	(100)
For all units	1	5%	2	11%	7	39%	8	44%	18	(100)
TOTAL	7	14%	7	14%	24	48%	12	24%	50	(100)

Source: Property manager interviews, April/May 2000.
Note: Figures may not total 100% due to rounding.

2.3 Factors Influencing Occupancy Policies in the Study Properties

Respondents representing property management, local HUD offices, public housing agencies, and advocacy organizations all reported that the fact that property managers are permitted to elect elderly preferences does not mean that all managers will choose to do so. During the field visits, local respondents gave relatively consistent responses to questions regarding the important factors managers consider in deciding whether or not to elect elderly preferences. The Housing and Community Development Act of 1992 was considered to be one factor in the decision for some property managers. Most property managers were familiar with the Act and its provisions permitting elderly preferences in HUD-assisted housing built primarily for the elderly.

Local respondents commonly cited several additional factors influencing decisions about occupancy policies, including:

- owner or sponsor mission;
- issues related to the living environment for the elderly;
- property and neighborhood condition;
- property and market vacancy rates; and
- current occupancy by non-elderly disabled tenants.

These factors are discussed below, including data from the study properties where appropriate. As reported in the previous section, a total of 14 property managers indicated they had changed their occupancy policies since 1995. Of these managers, 10 reported that the provisions of the Act had played a role in the decision to revise their occupancy policies. Given that both the total number of study properties and the number with changes in occupancy policy are small, it is difficult to making conclusive comparisons between the group of properties with changes and the group without changes.

Owner/Sponsor Priorities

In some cases, decisions about occupancy policies are driven in part by the mission of the property's owner or sponsoring organization. For example, respondents from properties owned by faith-based organizations in Memphis and Akron said they serve people with disabilities because it is part of the sponsor's mission. As one respondent put it, "If we can serve them, we do." In Denver, a metropolitan area with a high rate of admissions of non-elderly people with disabilities, property managers from three properties with high rates of occupancy by non-elderly disabled households expressed a strong commitment to serving this population, even while acknowledging the challenges. While they said it can be difficult to work with tenants who have disabilities (especially those with mental disabilities or substance abuse problems), they also assert that they are providing crucially important housing to an under-served population with insufficient affordable housing options.

Living Environment for the Elderly

Creating a comfortable living environment for elderly residents was often cited as managers' primary mission, even when the HUD funding agreement required that non-elderly people with disabilities also be served. Key housing informants of all types—HUD-assisted property managers, public housing agency staff, and local HUD officials—commonly expressed concerns about the management issues that arise when elderly and non-elderly disabled residents live together, often referring to the "different lifestyles" of the two groups.

Younger residents tend to have more visitors, keep different hours, and listen to different music, according to property managers. These behaviors alone can cause friction with elderly neighbors. While not failing to mention that elderly residents can be intolerant and even paranoid, the property managers in Kansas City (for example) noted that the elderly are often fearful of such behaviors, perceiving them to be threatening. In particular, seniors are wary of non-elderly tenants with mental disabilities whose behavior may be unconventional. One Detroit-area manager asserted that these fears are often completely unfounded. She recalled one non-elderly resident who was extremely shy and reserved around other tenants, rarely raising his head to look at or greet people. He frequently mumbled to himself as he entered and left the building. "He was totally harmless, but they [the elderly residents] were terrified of him," according to the manager.

Highly publicized incidents involving crime or violence carried out by non-elderly people living in elderly housing also raised concerns in at least two of the metropolitan areas studied. Rare as these events may be, they do seem to have a strong influence on public opinion and, potentially, on policy decisions. In Akron, local respondents said that a fatal incident involving a non-elderly resident at an elderly public housing development raised fears among elderly residents at one of the study properties. The incident was cited as one of the reasons management is now attempting to reduce new admissions of non-elderly people with disabilities.[35] A similar incident occurred in a public housing development in Detroit just before the site visit for this study was conducted. A commissioner from the housing authority and one other person were killed. As one Detroit respondent put it, "That ran it all up the flagpole again." Several local respondents said they think this will increase pressure to limit admission of people with histories of mental illness, even though such practices could be discriminatory.

Property and Neighborhood Condition

Local respondents commonly said that managers of properties that were in better condition and located in better neighborhoods are more likely to change their policies to restrict new admissions to elderly applicants. Among the study properties, there was relatively little variability in property or neighborhood condition: about half the properties were assessed to be in excellent or very good condition at the time of the field visits for this study, and 78 percent were considered to be in excellent or good neighborhoods. Given this caveat, findings on these dimensions for our study properties are presented in Exhibits 2-7 and 2-8.

Compared to all properties, managers of properties that are in excellent condition appear to be somewhat more likely to restrict occupancy than not, as shown in Exhibit 2-7. The properties with a reported change in occupancy policy were all judged to be in excellent or good condition by the research staff. Among properties without policy changes, 27 of 32 properties (85 percent) were in excellent or good condition while the remaining 5 properties were judged to be in only fair condition.

The extent of influence of neighborhood condition seems to be similarly modest but notable, as shown in Exhibit 2-8. Among properties reporting a policy change, 93 percent were in excellent or good neighborhoods while among those reporting no change in policy, 71 percent were in excellent or good neighborhoods. In fact, only 1 of the 14 properties reporting a policy change was in a fair neighborhood, and none were in a poor condition neighborhood. Neighborhood income does not seem to have a clear influence, as shown in Exhibit 2-9. The proportions of properties with and without policy changes are roughly the same at neighborhood income levels below 50 percent of median income and above that level.

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[35] This is one of the properties where the level of occupancy by disabled households is higher than required by the funding agreement, and management is attempting to reduce it through attrition.

Exhibit 2-7
Property Condition and Changes to More Restrictive Occupancy Policies

Property Condition	Properties With Policy Change (N=13)*		Properties Without Policy Change (N=32)		All Properties (N=45)	
	Number	Percent	Number	Percent	Number	Percent
Excellent/Very Good	8	62%	15	47%	23	51%
Good	5	38%	12	38%	17	38%
Fair	0	0%	5	16%	5	11%
TOTAL	13	100%	32	100%	45	

Source: Reported changes in occupancy policy from property manager interviews; property condition from site visitor observations.
*Property condition was not assessed for one property. Policy change information is missing for 4 properties.

Exhibit 2-8
Neighborhood Condition and Changes to More Restrictive Occupancy Policies

Neighborhood Condition	Properties With Policy Change (N=14)		Properties Without Policy Change (N=31)*		All Properties	
	Number	Percent	Number	Percent	Number	Percent
Excellent/Very Good	4	29%	4	13%	8	18%
Good	9	64%	18	58%	27	60%
Fair	1	7%	7	23%	8	17%
Poor	0	0%	2	6%	2	4%
TOTAL	14	100%	31	100%	45	

Source: Reported changes in occupancy policy from property manager interviews; neighborhood condition from site visitor observations.
*Neighborhood condition was not assessed for one property.

Exhibit 2-9
Neighborhood Income Level and Changes to More Restrictive Occupancy Policies

Neighborhood Income Level (Percent of Metropolitan Area Median Income)	Properties With Policy Change (N=14)		Properties Without Policy Change (N=32)	
	Number	Percent	Number	Percent
Less than 30%	1	7%	5	16%
30 – 50%	3	21%	3	9%
50 – 80%	3	21%	9	28%
80 – 100%	2	14%	5	16%
More than 100%	5	36%	10	31%

Sources: Reported changes in policy from property manager interviews; tract and metropolitan area median incomes from 1990 Census.

Vacancy Rate

Vacancy rates at the property and in the local market for elderly HUD-assisted housing are reportedly important considerations in occupancy policy decisions. Local observers consistently reported that property managers with high vacancy rates are less likely to elect elderly preferences than managers with low vacancy rates. Managers at the study properties confirmed this.[36] For example, one manager at a Detroit property indicated she would prefer to limit admissions to elderly applicants, but her property had a vacancy rate of over 10 percent and she had observed a decline in inquiries from interested elderly applicants in the past few years. She said she would not change the occupancy policy because she was concerned she would not be able to fill the vacancies at the property. By contrast, managers who had changed their policies typically did so at a time when they had few vacancies and when there was high demand from elderly applicants.

The overall strength of the metropolitan market for elderly housing—including trends in rent levels as well as vacancy rates—is another consideration for property managers. For example, in Kansas City, the housing market is somewhat soft, with an over-supply of assisted elderly housing relative to demand. Managers in this market are reluctant to limit admissions for fear they may face increasing vacancies. By contrast, the Oakland housing market is now extremely tight. Managers at all five of the study properties in that area expressed a strong preference for elderly tenants over tenants with disabilities, citing less

[36] We have not presented the data on vacancy rates from the study properties because it was collected at the time of the site visits. The vacancy rate data thus reflect vacancies in the spring of 2000, not the rate at the time of the policy change.

conflict among tenants and fewer management problems associated with older residents. None of these properties admit people with mental impairments of any kind; only two properties allow admissions of non-elderly people with mobility impairments, and the remaining three properties accept only elderly households.

Current Occupancy by Non-Elderly People with Disabilities

The effect of the current level of occupancy by non-elderly people with disabilities on management decisions is complex. As described above and in the case studies, some of the study properties reported non-elderly occupancy rates much higher than what would be expected given the occupancy policy in place at the property.[37] Managers reported that the properties had such high proportions of non-elderly tenants because of lax screening and admissions procedures in the past. Managers at all of these properties reported they were trying to reduce the proportion of non-elderly residents in their properties back down to the level required by their funding agreement, typically with HUD's involvement and encouragement. The actions taken to reduce non-elderly occupancy in these properties are not the same as electing elderly preferences. Approaches include more aggressive marketing to potential elderly applicants and filling new vacancies with elderly households rather than people with disabilities. Although the Housing and Community Development Act may have raised awareness of issues around disabled occupancy, the changes in these managers' practices are not directly a result of the Act.

On the other hand, managers with proportionately fewer non-elderly tenants may be more likely to elect elderly preferences, but not all such managers will do so.[38] Property managers do seem to view high rates of occupancy by people with disabilities as a deterrent to attracting elderly tenants, although none can estimate at what point disabled occupancy is "too high." It appears that some managers—regardless of the specifics of their occupancy policies—have effectively limited people with disabilities' opportunities to be housed. This has been accomplished by a number of means, described in more detail in the case studies. For example, one manager of a Memphis-area property said the occupancy policy for her property allowed admission of non-elderly people if they have mobility impairments that require the special features of her property's wheelchair-accessible units. However, elderly current residents who develop a need for a wheelchair-accessible unit have a priority for the units over waitlist applicants. In her seven years as manager, every available accessible unit has been filled by an elderly transfer; no disabled applicants have been admitted.

Advocates and housing officials alike also reported that people with mental or cognitive disabilities have a much more difficult time gaining admission to HUD-assisted housing than

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[37] See case studies for Akron, Detroit, and Memphis for examples.

[38] Again, the data on disabled occupancy collected at the time of the site visits are not presented here because these figures are not an appropriate indicator of disabled occupancy at the time of the policy change. The best source of this information would be HUD's historical TRACS data from the time of the policy change.

do people with mobility impairments. Several factors may contribute to this. First, the original occupancy policies of many HUD-assisted properties permitted non-elderly people to apply for admission only if they have mobility impairments that require the special features of wheelchair-accessible units in the property. People with mental or cognitive impairments would be eligible for admission only if they also had qualifying mobility impairments.

Second, property managers may subtly or overtly discourage applications from people with mental disabilities, histories of substance abuse, or limited independent-living skills. HUD's occupancy handbook is quite specific about the types of screening criteria that are permitted when a manager of a HUD-assisted property is considering an applicant for admission.[39] Managers may consider the following permitted criteria:

- Demonstrated ability to pay rent on time;
- Comments of former landlords about rent payment, compliance with house rules, etc.;
- Credit references (although the lack of a credit history cannot be used to reject an applicant);
- Housekeeping assessment;
- Inquiries about current use of illegal drugs by any household member; and
- For applicants requesting a unit for persons with handicaps, inquiries may be made to determine whether the applicant qualifies for such a unit.

The following screening criteria are specifically prohibited:

- Managers may not require a physical examination or medical testing as a condition of admission.
- Managers may require all applicants to show evidence of ability to meet the lease conditions, but may not impose greater burdens on people with disabilities. People with disabilities may meet the lease requirements with the assistance of others, such as an attendant care provider.
- Beyond what the manager needs to know to determine eligibility, it is illegal to inquire about the nature or severity of an applicant's (or family member's) disability.

Managers at several study properties expressed concerns that some would-be tenants with mental disabilities are not able to monitor their own medication, avoid abusing drugs or

[39] *Occupancy Requirements of Subsidized Multifamily Housing Programs* (HUD Directive 4350.3), Section 6.

alcohol, take care of their apartments, and get along with their neighbors. Property managers do not consider assisting tenants with these daily routines to be part of management's job, and service providers such as case managers or therapists may not be available to check up on their clients regularly enough to assuage management's concerns.

As a result, some managers use prohibited screening criteria to avoid admitting applicants who may need such assistance. For example, several managers specifically mentioned that they may check with applicants' doctors to obtain an opinion on whether the applicant can live independently. Whether drawing on managers' own direct experiences or on the reports of other managers, attitudes of wariness and stereotypes about the capabilities and behavior of non-elderly people with mental disabilities (in particular) are widespread. These attitudes lead to the practices just described. Such practices may effectively limit access to HUD-assisted housing for non-elderly people with mental disabilities without a formal change in the occupancy policy. Some of these practices are unlawful under the Fair Housing Act and Section 504 of the Rehabilitation Act of 1973.[40]

Overall Property Strength

The preceding analyses seem to indicate that the occupancy policy in place at a property may not be the best predictor of the proportion of residents who are non-elderly and disabled. Local respondents' views clearly indicated that property condition, neighborhood condition, and elderly demand for HUD-assisted housing in their metropolitan areas had considerable influence over the occupancy mix in their properties.

To test this, we developed a scoring system to proxy "property strength." For each property, we assigned points according to the following criteria:

- Properties that were judged by site visitors to be in excellent or very good neighborhoods received one point;
- Properties that were assessed by site visitors to be in excellent or very good condition received one point; and
- Properties that were located in markets with reportedly high or very high elderly demand for HUD-assisted housing were assigned one point.

Using these criteria, properties received property strength scores of between 0 and 3 points. We then analyzed the relationship between property strength and the proportion of property residents who are non-elderly people with disabilities and managers' reported plans to change this mix.

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[40] For example, according to the 1988 Amendments to the Fair Housing Act, it is unlawful to discourage the rental of a dwelling because of an applicant's disability. Further, managers may not communicate that an applicant "would not be comfortable or compatible with current residents" based on the applicant's disability.

As shown in Exhibit 2-10, the relationship between property strength and proportion of tenants who are non-elderly people with disabilities appears clear. Only one of the 13 properties with a score of zero (that is, a property in only good or fair condition, located in a less desirable neighborhood, in a city with only moderate elderly demand) had a rate of non-elderly occupancy of less than 3 percent at the time of the field visits in April and May 2000. These weaker properties more commonly had high rates of non-elderly occupancy: 8 of the 13 properties scoring zero had a non-elderly occupancy rate of 13 percent or more. Among the 18 properties with scores of 2 or 3 (the higher-strength properties), all but one had non-elderly occupancy rates of 12 percent or less.

Exhibit 2-10
Property Strength Score and Non-Elderly Disabled Occupancy[a]

Percent Non-Elderly Disabled Occupancy	Property Strength Score: Weakest 0		1		2		Strongest 3		Total
	N	%	N	%	N	%	N	%	
Up to 3%	1	8%	9	47%	3	23%	1	20%	14
3 – 12%	4	31%	7	37%	9	69%	4	80%	24
13 – 90%	8	62%	3	16%	1	8%	0	0%	12
TOTAL	13		19		13		5		50

[a] A chi-squared test showed that there is a significant relationship ($p < .01$) between the property strength score and non-elderly disabled occupancy.

Source: Percent non-elderly disabled occupancy from property manager interviews, April/May 2000. Property strength score derived from property condition, neighborhood condition, and elderly demand for assisted housing as assessed by site visitors.

Note: Figures may not total 100% due to rounding.

We also assessed the relationship between property strength and whether property managers indicated in the property manager interviews that they plan to (or hope to) reduce the proportion of non-elderly people with disabilities through a policy change or attrition. We assume that property managers who are content with their current tenant mix will report they do not plan to take actions to change the mix, while those who are not satisfied with their current mix will indicate they plan to (or hope to) make changes.

Property strength and managers' plans to change tenant mix appear to be somewhat related, as shown in Exhibit 2-11. The lower the property strength score, the greater the percentage of property managers who reported they were not satisfied with their tenant mix and planned to reduce non-elderly occupancy. The higher the property strength score, the greater the likelihood that the manager reported no plans to change the mix of elderly and non-elderly tenants. Fourteen (14) of the 18 properties with scores of 2 or 3 reported no plans to change their occupancy mix.

Exhibit 2-11
Property Strength Score and Plans to Change Tenant Mix[a]

Plans to Change Tenant Mix	Property Strength Score: Weakest 0		1		2		Strongest 3		Total
	N	%	N	%	N	%	N	%	
No plans to change mix of elderly and disabled	5	45%	15	79%	9	69%	5	100%	34
Plans to reduce number of non-elderly disabled	6	55%	4	21%	4	31%	0	0%	14
TOTAL	11		19		13		5		48

[a] A chi-squared test showed that there is no statistically significant relationship between the property strength score and plans to change tenant mix.

Source: Plans to change tenant mix from property manager interviews, April/May 2000. Property strength score derived from property condition, neighborhood condition, and elderly demand for assisted housing as assessed by site visitors.

Note: Figures may not total 100% due to rounding.

2.4 Conclusions

As HUD's preliminary analyses of TRACS data had hinted,[41] this study confirms that there is considerable variability among metropolitan areas in the aggregate rate of admissions of non-elderly people with disabilities to HUD-assisted housing built primarily to serve the elderly. Further, we found that there is considerable variability in non-elderly admissions and occupancy rates at the property level. The 50 property managers who participated in this study, and the other local experts consulted in the metropolitan areas we studied, indicated that the provisions of the Housing and Community Development Act of 1992 that permitted elderly preferences in HUD-assisted housing built primarily to serve the elderly have had some influence over occupancy policies, but that a number of other factors influence decisions about occupancy. Our data also indicate that the policy in place at the study properties was not necessarily a good predictor of the proportion of current tenants who are non-elderly people with disabilities. Property strength—as proxied by property condition, neighborhood condition, and elderly demand for HUD-assisted housing in the metropolitan area—appears to be a stronger predictor of non-elderly occupancy. Property strength also seems to affect whether property managers are content with their current occupancy mix or plan to reduce non-elderly occupancy through attrition or a policy change.

[41] *An Interim Report to Congress on the Admission of Non-elderly Persons with Disabilities to HUD-Assisted Housing*, Office of Housing and Office of Policy Development and Research, U.S. Department of Housing and Urban Development, March 1999.

Chapter Three
Other Sources of Affordable Housing for Non-Elderly People with Disabilities

In addition to an assessment of the availability of HUD-assisted multifamily housing to people with disabilities, the scope of this research included a broader inquiry into the availability of affordable housing options *outside the HUD-assisted stock*. Other sources of affordable housing that may be available to non-elderly people with disabilities in the study areas typically include tenant-based Section 8 rental assistance and public housing, units developed or assisted under the Low Income Housing Tax Credit (LIHTC) or HOME programs, and more service-rich targeted options, such as HUD's Section 811, Section 8 single room occupancy properties (SRO), Shelter Plus Care, and Supportive Housing programs.

Each of these options has its advantages and disadvantages for people with disabilities, according to key informants in the study communities. For example, tenant-based Section 8 assistance in theory offers a greater variety of housing choices in terms of location and unit types, but waiting lists for certificates or vouchers are typically very long or closed, and finding a wheelchair-accessible apartment or even a unit that meets housing quality requirements, can be difficult in some areas. Public housing may offer a shorter wait and sometimes more services than tenant-based assistance or HUD-assisted housing, but there is less choice in terms of neighborhood or housing type. While tax credit and HOME properties are typically in good condition and have some wheelchair-accessible units, the rents are generally beyond the range of affordability for people on SSI. Section 811 properties provide a highly supportive environment to disabled individuals, but there is only a small supply of this type of housing in each metropolitan area. Finally, Section 8 SROs, Shelter Plus Care, and Supportive Housing programs offer supportive services linked to housing assistance. But these programs are narrowly targeted to individuals (and in some cases families) who are homeless and disabled; people with disabilities who are not homeless do not qualify for assistance under these programs.

This chapter's sections describe each of these affordable housing options, the advantages and disadvantages for people with disabilities, the extent to which each is serving people with disabilities in the study areas, and other issues specific to each type of housing.

3.1 Tenant-Based Section 8 Vouchers and Certificates

The Section 8 rental voucher and certificate programs allow voucher- and certificate-holders to choose privately owned rental housing.[42] The primary benefit with these tenant-based rental assistance programs is housing choice. Recipients may use the vouchers in various types of privately owned housing units, including single-family homes, and tax credit or HOME units, as long as program requirements for quality and cost are met. It is also possible to receive a certificate or voucher and then use it in the current place of residence without having to move (again, if the current unit meets program requirements).

On average, non-elderly disabled recipients represent about 15 to 25 percent of the certificate- and/or voucher-holders served by the primary housing agencies in the study metropolitan areas.[43] Local respondents reported that demand for tenant-based assistance is high among people with disabilities because of the wider range of housing choices. Of the agencies that tracked the number of non-elderly people with disabilities on their Section 8 waiting lists, many reported that the percentage of people with disabilities on the waiting list was higher than the percentage of current voucher- or certificate-holders with disabilities, indicating continued or increased interest in the program.

The major drawback of tenant-based rental assistance is that its availability is extremely limited in many areas. Among the MSAs studied, in every metropolitan area except Akron, the waiting lists for tenant-based Section 8 rental assistance are either closed or extremely long. Exhibit 3-1 shows the status of the waiting lists in each of the metropolitan areas. As shown, the waiting lists are closed in most of these areas. In Miami, for example, the waiting list has been closed since 1989. Even in two of the three areas where the waiting lists are open, the wait is extremely long—as long as four years in Phoenix and eight years in Kansas City.

The majority of the public housing agencies with closed Section 8 waitlists had applied for and received Section 8 vouchers specifically for non-elderly disabled individuals through the Designated or Mainstream programs. HUD provides Section 8 rental vouchers and certificates for people with disabilities to public housing agencies through two programs. First, PHAs that have approved plans to designate certain public housing as elderly-only, disabled-only, or mixed elderly and disabled households may apply for Section 8 rental

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[42] With the certificate program, the public housing agency pays the difference between 30 percent of the household's adjusted income and the unit's rent, and the rent must not exceed the Fair Market Rent. Under the voucher program, the housing agency pays the difference between 30 percent of household income and a payment standard based on the size of the unit. If the unit's actual rent is more than the payment standard, the household must pay the difference.

[43] The data reported in this section reflect the resources available from the one or two primary public housing agencies serving each metropolitan area. Due to the large number of agencies serving most of these MSAs, we were not able to collect comprehensive data on all agencies serving each area.

assistance to support the implementation of an approved designation plan. PHAs are required to submit housing plans that establish the need to designate while ensuring that the affordable housing needs of all current and prospective public housing residents are met. The Section 8 assistance is provided (through a competitive process) to help PHAs meet the needs of people with disabilities who are affected by designated housing plans. HUD also makes rental assistance available to provide mainstream housing opportunities for people with disabilities. This rental assistance is available to all PHAs, not just those with approved designation plans. However, as shown in Exhibit 3-1, the number of vouchers secured in the study areas under these programs has been relatively small.

Exhibit 3-1
Tenant-Based Section 8 Administered by the Primary Public Housing Agencies in the Study Areas

Metropolitan Area	Number of Certificates or Vouchers	Waitlist Open or Closed	Number of Designated Certificates or Vouchers for 2000	Number of Mainstream Certificates or Vouchers for 2000
Akron	4,165	Open	0	0
Bergen-Passaic	7,000	Closed[a]	0	175
Denver	2,631	Closed[b]	245	75
Detroit	4,210	Closed	0[c]	0
Kansas City	6,278	Open	0	0
Memphis	4,503	Closed	0	0
Miami	N/A[d]	Closed	200	75
New York City	77,000	Closed	200	75
Oakland	10,377	Closed[e]	85	100
Phoenix	4,500	Open	200	0

[a] In Bergen-Passaic, tenant-based assistance is provided through several local housing authorities; the waiting lists of several of these are closed.
[b] In the Denver area, the waiting list opens for two days each year, and a lottery is held to select recipients for certificates and vouchers that become available during the year.
[c] The State of Michigan's Housing Development Agency has encouraged local partnerships of housing agencies and community mental health agencies to apply for these subsidies. State and local partnerships have been awarded a total of approximately 1,300 subsidies, but the number available in the Detroit metropolitan area is not known.
[d] In Miami-Dade County, the Section 8 waiting list has been closed since 1989.
[e] The Oakland Housing Authority periodically opens its waitlist for a very brief period; in 1999, 16,000 applications were received in one day.

Source: Public housing agency interviews, April-June, 2000.

In addition to the long waits for tenant-based assistance, respondents pointed to problems in using the certificates or vouchers once they are obtained. In some areas, including Akron, respondents pointed to difficulty in renting wheelchair-accessible units with Section 8 assistance, because much of the housing stock is old and has not been modified for wheelchair accessibility. In Memphis, Detroit, and Kansas City, housing authority and HUD staff noted that it is difficult to find a unit that will pass Housing Quality Standards

inspections, because of the generally poor condition of the rental housing stock. And in Oakland, respondents said landlords increasingly refuse to accept Section 8 from anyone, disabled or not; in the heated Bay Area rental market, landlords are refusing to rent to low-income households because there are many higher-income renters seeking housing. In the past year, Oakland housing agency staff said, the rate of success of leasing a unit for certificate- and voucher-holders dropped from 72 to 56 percent.

In all of the study areas, tenant-based assistance is provided through local public housing agencies. However, in some of the study areas, state agencies also administer tenant-based rental assistance programs. For example, in New York, the State Department of Housing and Community Renewal administers Section 8 assistance to approximately 3,600 households in New York City, of whom about 10 percent have non-elderly disabled heads of household.

In some cases, the program is specifically tailored to the needs of non-elderly persons with disabilities, coordinating with local nonprofit organizations or other service providers to ensure the delivery of supportive services. For example, the Colorado Department of Human Services Division of Housing administers a tenant-based Section 8 program for the state's disabled population. With 2,100 vouchers offered statewide, the program works in conjunction with 60 nonprofit agencies that act as liaisons between prospective tenants and landlords and offer assistance with community integration and supportive services. The agency also has 200 Section 8 vouchers available for non-elderly disabled individuals who are on waiting lists for HUD-assisted housing.

In New Jersey, the State Department of Community Affairs' Division of Housing and Community Resources operates a statewide Section 8 rental assistance program. The program provides to 960 residents in Bergen and Passaic County, nearly three-quarters of whom are non-elderly and disabled. The agency plans and coordinates supportive services with community-based mental health centers and other support agencies. Finally, the Michigan State Housing Development Agency developed a partnership with the Michigan Department of Community Health to encourage local community mental health centers to collaborate with local housing agencies in applying for Section 8 assistance for people with disabilities. Statewide, the partnership secures about 1,000 vouchers and certificates annually for people with disabilities.

3.2 Public Housing

Public housing offers both advantages and disadvantages compared to other housing options for non-elderly people with disabilities. In general, public housing is more available than is tenant-based rental assistance. While the public housing waiting list in New York City is four to five years long, and at least one public housing waiting list in the Bergen-Passaic area is closed, most areas in this study have fairly reasonable waits for a public housing unit in an

elderly development (one to three months). In addition, in some of the metropolitan areas studied, the public housing agencies provide a higher level of services than do owners of private rental housing. For example, in Memphis Housing Authority's (MHA) elderly housing developments, HUD-funded service coordinators in each property provide information and referral to assist residents with service needs. Through arrangements with other local service providers, residents have access to prepared meals, bulk commodities distribution, activities, and van transportation. In addition, MHA has an arrangement with a local mental health services provider to provide 24-hour per day case management coverage to ensure people with mental disabilities are receiving appropriate services. In Akron, the housing agency also provides a service coordinator for elderly public housing residents. If residents need assistance, site managers contact the service coordinator for appropriate referrals. In addition, the housing authority supports a part-time registered nurse who examines requests for reasonable accommodation and who accompanies the service coordinator on site to properties. This range of services is considerably broader than what is available in the HUD-assisted stock. One housing agency official also noted that public housing is appealing in that one check covers rent and utilities, which is easier for people with limited budgeting skills to manage. The typically small units are also easier to maintain than a larger apartment.

Among the disadvantages of public housing according to advocates is the concentration of public housing developments in poorer urban areas, often in less desirable neighborhoods. In addition, while public housing authorities generally provide more services than do private owners, the level of services may not be enough for some non-elderly people with disabilities. This may be particularly true in developments with a high proportion of non-elderly disabled residents.

The proportion of public housing residents who are non-elderly and disabled varies by metropolitan area. In areas where there is no elderly-only designated public housing, occupancy rates by non-elderly people with disabilities tend to be high. For example, 35 percent of elderly public housing occupants in Akron and roughly 50 percent in Memphis are non-elderly people with disabilities. At the other extreme, housing authorities in Bergen County and Kansas City reported that roughly 10 percent of their public housing residents are non-elderly and disabled residents. More typically, non-elderly disabled residents represent somewhere between 15 and 25 percent of all public housing occupants in the study sites.

The availability of public housing for non-elderly people with disabilities is constrained in some study areas by elderly-only designations.[44] Exhibit 3-2 shows the number of units in

[44] The Housing and Community Development Act of 1992 also gave public housing agencies the option to designate some or all of their elderly housing developments as elderly-only or disabled-only. The agency must submit a formal designated housing plan for approval by HUD. Although HAs may not displace current tenants when a development is designated, HUD did set aside new Section 8 rental assistance for low income people with disabilities for agencies with approved allocation plans.

each area with elderly-only designations. As shown, in over half the areas, the primary local housing authorities have designated at least some buildings as elderly-only. In the Detroit and New York City areas, the designated buildings represent all or virtually all the buildings that traditionally served primarily elderly residents, but non-elderly people with disabilities may apply for family public housing. In Denver and Bergen-Passaic, elderly designations represent over half the units that traditionally served elderly and people with disabilities, while in Kansas City and Miami they represent less than 10 percent of these units.

Exhibit 3-2
Public Housing Managed by the Primary Housing Agencies in the Study Areas

Metropolitan Area	Total Number of Units Serving Primarily Elderly and/or Disabled Residents	Number of Units Designated as Elderly-Only	Number of Units Designated for Disabled Residents Only
Akron	2,000	0	40
Bergen-Passaic	633[a]	437	0
Denver	423[b]	249	0
Detroit	1,386	906	0
Kansas City	1,339	120	135
Memphis	800	0	0
Miami	4,800	381	50
New York City	10,100	9,849	0
Oakland	N/A[c]	0	0
Phoenix	636	500	0

[a] Six housing authorities provide public housing in the Bergen-Passaic PMSA; however, information about occupancy and elderly-only designation was provided by only Bergen County and Passaic HAs.

[b] Estimate based on 11 percent of 3,849 residents who are elderly.

[c] The total number of units serving primarily elderly and for disabled residents in Oakland was not available at the time of this report. However, in April 2000, 1090 elderly and non-elderly disabled residents were living in Oakland Public Housing Authority units. This represents 38% of the public housing population in the city of Oakland.

Source: Public housing agency interviews, April-June, 2000.

Among those metropolitan areas with elderly-only public housing developments, demand for these designated properties by elderly applicants varies. In Detroit and Kansas City, the public housing authorities report they are encountering low demand by elderly applicants for their elderly-only buildings. By contrast, in areas with tighter housing markets, such as New York City and Bergen-Passaic, demand for elderly units is very high.

In three study areas—Akron, Miami, and Kansas City, KS—the local public housing agency administers one public housing development for exclusive occupancy by non-elderly disabled residents. These developments all provide services tailored to the needs of disabled

residents. However, the number of units set aside for this purpose is very small—only 225 units in the three metropolitan areas combined.

In some areas—particularly those with high rates of occupancy in elderly public housing developments by non-elderly disabled residents—local housing authority staff said they have had significant problems between elderly and non-elderly tenants in elderly public housing. The types of issues are similar to those described by managers of HUD-assisted properties: non-elderly tenants are said to have different lifestyles, keep different hours, and have more visitors. One result of these generational conflicts has been to raise the level of fear among elderly residents. In Memphis, for example, housing agency staff reported there have been many problems between elderly and non-elderly residents and that "the elderly live in fear." In Akron, a highly publicized fatal accident in an elderly public housing development involving a mentally disabled resident who had stopped taking his medication catalyzed fear among elderly residents in both public and HUD-assisted housing in the metropolitan area.

Public housing agency officials in most of the study MSAs have responded by designating at least some of their housing stock for elderly-only occupancy. However, public housing managers seem committed to continuing to offer housing to people with disabilities and to trying to meet elderly and non-elderly residents' needs.

3.3 Other Housing Options

Other affordable housing options for non-elderly disabled persons include relatively small numbers of units developed under the Low Income Housing Tax Credit (LIHTC) and HOME programs, as well as more service-oriented HUD-supported options, such as Section 811, Section 8 single room occupancy properties (SROs), Shelter Plus Care, and Supportive Housing. Privately operated board and care homes were also mentioned as an option in some MSAs, although not a popular one as described below.

Through the LIHTC program, the Internal Revenue Service offers tax credits to developers that construct or rehabilitate multifamily housing where at least 20 percent of the units are affordable to occupants earning 50 percent or less of area median income, or 40 percent of the units are affordable at 60 percent of median income. Similarly, HUD's HOME Program is used to build or renovate housing affordable to people whose incomes are 50 or 65 percent of area median, depending on the number of units developed.[45] In general, properties developed with tax credits or HOME funds are in good condition, as they were newly constructed or rehabilitated within the past decade. They are also more likely than older buildings to have wheelchair-accessible units.

[45] In properties with five or more units, at least 20 percent of the HOME units must be affordable to people earning 50 percent of area median income.

However, because the rents in LIHTC and HOME units are not tied to the resident's income but rather to a percentage of median income, the rent burden associated with those units can be high for people with limited incomes. On average, nationally, the income of people receiving SSI benefits is only 24 percent of median income, or less than half the target income for a tax credit or HOME unit. In fact, in all the study areas except Akron, SSI benefits were 20 percent or less of area median income, and in the Oakland and Bergen-Passaic areas, they were only 14 percent.[46] Because HOME and tax credit units are not affordable to many non-elderly disabled persons with limited incomes, these programs are of limited use to this population.

HUD's Section 811 program provides grants to nonprofits organizations to construct or rehabilitate rental housing with supportive services for very low-income, non-elderly people with disabilities. The program also allows sponsors to get project-based rental assistance that covers the difference between 30 percent of the residents' adjusted income and operating costs. Each property must have a supportive services plan; services vary with the target population but could include 24-hour staffing, in-unit call buttons, and planned activities. Although all of the metropolitan areas in the study have Section 811 properties, the number of Section 811 units is widely described as not sufficient to meet demand, constrained in many areas by lack of interest among local developers and by local resistance to siting such developments.

Another set of HUD programs—including the Supportive Housing Program, Shelter Plus Care, and the Section 8 SRO Program—provides housing along with supportive services to homeless people. Because many homeless people also have one or more diagnosed disabilities, we describe these programs here. However, the disabled population eligible for these programs is only a small subset of the non-elderly disabled population, so the programs are of only limited use to this population.

The Supportive Housing Program (SHP) provides grants to develop supportive housing and services to enable homeless people to move from homelessness to independent living. SHP properties include both transitional housing and permanent housing for homeless people with disabilities. Shelter Plus Care provides rental assistance in conjunction with support services from other providers to homeless people with disabilities. The rental assistance can be tenant- or project-based, or it could be connected with an SRO. The SRO program provides Section 8 rental assistance for moderate rehabilitation of buildings with single-room dwelling units designed for use by homeless individuals. A public housing authority makes Section 8 rental assistance payments to the landlord to cover the difference between 30 percent of the occupants' incomes and the rent.

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[46] *Priced Out in 1998: The Housing Crisis for People with Disabilities*, Technical Assistance Collaborative, Inc. and Consortium for Citizens with Disabilities Housing Task Force, March 1999.

Board and care housing is considered an option of last resort by many advocates for the disabled. It does not meet the goal of independent living sought by many non-elderly people with disabilities, because as much as 80 percent of the tenant's income is paid to the landlord to cover the cost of room and board. This option was most commonly mentioned in metropolitan areas such as Oakland that have few affordable option for non-elderly people with disabilities. These arrangements may be quite common, although we are not aware of any data on their numbers or locations.

3.4 Conclusions

In summary, non-elderly people with disabilities may be eligible for several other affordable housing options beyond the HUD-assisted stock, including public housing, tenant-based rental assistance, and several targeted programs. Public housing seems to be the most available, with relatively short waiting lists and generally accommodating admissions policies. Although it is not always the housing of choice, it offers some advantages to people with disabilities. Tenant-based assistance appears to be more popular but exceedingly difficult to obtain and use. Other housing options are typically targeted to specific sub-populations and are available in very limited numbers.

Chapter Four
Nature of Demand for Affordable Housing Among Non-Elderly People with Disabilities

This research set out to explore the supply of and demand for affordable housing among non-elderly people with disabilities. In all ten study sites, respondents said demand outpaces supply. Evidence cited includes long waiting lists for public housing and Section 8 rental assistance; anecdotes of lengthy and fruitless housing searches; large numbers of people on SSI and the limited buying power of SSI incomes in urban/suburban markets; and reports of discriminatory treatment. However, finding hard data on demand was difficult. In this chapter, available data are summarized, the challenges of estimating demand are reviewed, and factors influencing demand are discussed.

4.1 Summary of Available National Data on People with Disabilities

The Americans with Disabilities Act of 1990 (ADA) defines disability as a "physical or mental impairment that substantially limits one or more of the major life activities." A person is considered to have a disability if he or she has difficulty performing certain functions (such as seeing, hearing, talking, or walking), or difficulty performing activities of daily living (such as getting in or out of bed, bathing, dressing, or eating), or difficulty performing activities related to socially defined roles (such as working).[47] If the person is completely unable to perform one or more of these activities, needs a device such as a walker or a wheelchair to get around, or needs assistance from another person to perform basic activities, the disability is considered to be severe.[48]

While these definitions of disability are based on the type of function or activity that is impaired, many practitioners categorize disability type according to more traditional groupings, such as physically impaired, hearing-impaired, sight-impaired, developmentally disabled, mentally disabled, or drug-dependent. Indeed, many advocacy organizations concern themselves solely with one of these types of disability. Because most respondents interviewed for this study used these or similar categories, they are used throughout this report.

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[47] U.S. Census Bureau, Census Brief, December 1997.

[48] U.S. Census Bureau, Census Brief, December 1997.

According to the Census Bureau's Survey of Income and Program Participation (SIPP), about one in five Americans has some kind of disability, and one in ten has a severe disability.[49] While SIPP is considered the best source of comprehensive data on disabilities, it cannot provide reliable estimates below the regional level. Therefore, the best source of data on disabilities at the state and local level is the decennial census.[50] The 1990 Census reported that, nationally, 16.4 million individuals ages 16 to 64 (10.4 percent of the population in that age group) have a work disability, a mobility limitation, or a self-care limitation.[51] Of these disabled individuals, more than three-quarters, or 12.8 million, have a work disability; about one-fifth, or 3.5 million people, have a mobility limitation; and one-third, or 5.4 million people, have a self-care limitation.[52]

Using 1990 Census data, Exhibit 4-1 shows the number and percentage of persons ages 16 to 64 with a work disability, mobility limitation, or self-care limitation in each of the study's metropolitan areas. Among the metropolitan areas included in this study, the percentage of the non-elderly population with disabilities varies, ranging from 8.5 percent in the Bergen-Passaic PMSA to 12.5 percent in the New York PMSA.

Exhibit 4-1
Non-Elderly People Age 16-64 with Disabilities, by Metropolitan Area

	Persons Age 16-64 with a Work Disability, Mobility Limitation, or Self-Care Limitation	
Metropolitan Area	**Number**	**Percent of Persons Ages 16-64**
Akron PMSA	43,844	10.3%
Bergen-Passaic PMSA	71,438	8.5%
Denver PMSA	98,759	9.2%
Detroit PMSA	329,545	11.6%
Kansas City MSA	90,068	9.1%
Miami PMSA	131,689	10.7%
Memphis MSA	68,647	11.1%
New York PMSA	705,550	12.5%
Oakland PMSA	137,890	10.0%
Phoenix MSA	121,987	9.1%
United States	16,407,688	10.4%

Source: U.S. Census, 1990.

[49] U.S. Census Bureau, Current Population Reports: Americans with Disabilities 1994-1995, August 1997.

[50] U.S. Census Bureau, Data on Disability, June 6, 2000.

[51] U.S. Census Bureau, 1990.

[52] U.S. Census Bureau, 1990.

Across the United States, presence of a disability is generally associated with lower levels of income and an increased likelihood of living in poverty. Among persons 15 years old and over, 12.2 percent of non-disabled people live below the poverty line, compared to 24.3 percent of people with a severe disability.[53]

One indicator of low income levels among people with disabilities is the receipt of federal Supplemental Security Income benefits (SSI). Recent data indicate the number of individuals ages 18 to 64 receiving SSI in the country is 3.69 million.[54] Exhibit 4-2 presents the number of non-elderly adults receiving SSI in each of the study's metropolitan areas.

Exhibit 4-2
Non-Elderly People Age 18-64 Receiving SSI, by Metropolitan Area

Metropolitan Area	Persons Age 18-64 Receiving SSI
Akron PMSA	8,639
Bergen-Passaic PMSA	9,929
Denver PMSA	15,268
Detroit PMSA	63,192
Kansas City MSA	14,660
Miami PMSA	35,386
Memphis MSA	20,484
New York PMSA	198,021
Oakland PMSA	36,229
Phoenix MSA	24,346
United States	3,690,970

Source: Social Security Administration, December 1999.

Sixty percent of persons receiving SSI benefits have no other source of income.[55] In every county and metropolitan area in the country, a person whose income is limited to SSI must pay more than 30 percent of monthly income to rent a one-bedroom apartment at HUD's Fair Market Rent (FMR).[56] The national average is 69 percent, considerably higher than the 50 percent of income for rent considered to represent a severe rent burden and "worst case"

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53 U.S. Census Bureau, Current Population Reports, Series P70-33, Americans with Disabilities: 1991-92.

54 Social Security Administration, December 1999.

55 SSI Annual Statistical Report 1998, Social Security Administration.

56 *Priced Out in 1998: The Housing Crisis for People with Disabilities*, Technical Assistance Collaborative and Consortium for Citizens with Disabilities Housing Task Force, March 1999. The researchers used the HUD FMR as a proxy for the rent level for a modest apartment.

housing needs.[57] Exhibit 4-3 shows the percent of monthly SSI benefits required to rent an efficiency apartment and a one-bedroom apartment at local FMRs in each of the study's ten metropolitan areas.

Exhibit 4-3
Percent of SSI Benefit Needed to Rent at Fair Market Rent, By Metropolitan Area

Metropolitan Area	Percent SSI to Rent an Efficiency Apartment at Local FMR	Percent SSI to Rent a One-Bedroom Apartment at Local FMR
Akron PMSA	47.5%	57.6%
Bergen-Passaic PMSA	117.1%	142.6%
Denver PMSA	84.6%	101.0%
Detroit PMSA	76.0%	103.4%
Kansas City MSA	71.5%	89.9%
Miami PMSA	90.0%	114.0%
Memphis MSA	78.3%	91.3%
New York PMSA	121.4%	135.3%
Oakland PMSA	114.8%	138.9%
Phoenix MSA	84.4%	102.2%
United States	58.5%	69.0%

Source: *Priced Out in 1998: The Housing Crisis for People with Disabilities*, March 1999.

In all of the study MSAs, housing affordability was identified as a significant challenge for all low-income renters, including low-income people with disabilities. In metropolitan areas such as Denver and Oakland, strong economic growth is fueling rent increases that outpace growth in incomes. Vacancy rates are extremely low, particularly for the limited numbers of units available at modest rents. In the study MSAs with looser housing markets, such as Kansas City, Akron, and Detroit, vacancy rates have also declined in the past few years. In these cities, the housing stock is older, and thus housing quality problems are more common. In addition, people who use wheelchairs face the further challenge that few units are wheelchair-accessible. Local respondents in both Akron and Detroit also noted that subsidized housing (including public housing and HUD-assisted properties) is geographically concentrated in a few city neighborhoods, reducing location choices for people seeking subsidized apartments.

[57] *Priced Out in 1998: The Housing Crisis for People with Disabilities*, Technical Assistance Collaborative and Consortium for Citizens with Disabilities Housing Task Force, March 1999.

4.2 Challenges of Estimating Demand for Affordable Housing

This study is concerned with demand for affordable housing by non-elderly people with disabilities. Estimating this demand is difficult. This section discusses the reasons for this difficulty.

First, the population of non-elderly individuals who are disabled is not a monolithic group. It includes persons with all types of disabilities, such as physical impairment, loss of hearing or sight, developmental disability, mental or emotional impairment, drug dependency, or a combination of these. In addition, the severity of disability varies greatly among non-elderly people with disabilities.

Depending on the type or severity of the disability, non-elderly people with disabilities may have different housing needs. For example, a person who requires the use of a wheelchair may need an apartment that is wheelchair-accessible or may be unable to live independently because of a self-care limitation. A person who is developmentally disabled may need occasional help with housekeeping or may need daily attendant care (such as may be provided in a group home). Some mentally ill people can live relatively independently with medication, while others need a more controlled environment.

Given the diverse housing needs of people with various types of disabilities, accurately assessing demand for HUD-assisted housing requires reliable data on the number of people who meet HUD's definitions of disability in the study areas. HUD's definition of disability varies slightly depending on the subsidy program, but generally requires that an adult have a

> "physical, mental, or developmental impairment that is expected to be of long-continued and indefinite duration; substantially impedes the person's ability to live independently; and is such that the person's ability to live independently could be improved by more suitable housing conditions."[58]

However, there are no metropolitan area-level estimates of the size of the non-elderly disabled population by type and severity of disability under this definition. As noted earlier in this chapter, detailed demographic data on disabilities collected by the Census Bureau using the Survey on Income and Program Participation (SIPP) are not available for metropolitan areas, and the decennial Census does not provide detail on the type or severity of disability. In addition, available demographic data do not distinguish between those who can and cannot meet the conditions of a typical multifamily housing lease.

For this research, the potential demand by non-elderly people with disabilities for HUD-assisted housing built primarily to serve the elderly comes only from a subset of all non-

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[58] Occupancy Requirements of Subsidized Multifamily Housing Programs (HUD Directive 4350.3), Exhibit 2-1.

elderly people with disabilities. It includes only single individuals (or couples with a non-elderly disabled head of household) who wish to live in an apartment, who qualify in terms of income, credit, criminal background, and other criteria, and who can meet the conditions of the lease. Because this very specific subset of people was impossible to identify at the metropolitan-area level, the study relied heavily on anecdotal information (provided by respondents) to gauge demand by non-elderly people with disabilities for HUD-assisted housing.

Although data collection for this study included interviews with staff from advocacy organizations and from government agencies serving people with disabilities, these entities were also not able to provide data at the level of detail needed. In some cases, respondents were able to provide data on the number of people in the area with disabilities, but these data were not broken down by type of disability and often included children and elderly people. In other cases, the organizations served people with only certain types of disabilities; if they could provide data, they were only on those types of disabilities. This lack of reliable data makes it difficult to estimate systematically the demand for assisted housing by non-elderly people with disabilities and makes it difficult to assess the degree and nature of unmet housing needs in this population.

To provide one measure of demand for HUD-assisted housing among non-elderly people with disabilities, the data collection for this study included gathering information about the waiting lists for the HUD-assisted properties in the study as well as for public housing and for tenant-based Section 8 rental assistance. In most cases, property managers and housing agencies were able to provide information not only about the number of people on the waiting list but also about what proportion of those applicants were non-elderly people with disabilities.

However, waiting lists are an imperfect measure of demand, for several reasons. In some cases, waiting lists may understate demand, such as at properties where non-elderly people with disabilities are discouraged by management from applying, do not know they are eligible for the property, or think that they will not be accepted. In other cases, the waiting list may overstate demand, such as when applicants are on lists for several properties at the same time, or in cases where management purges the list only infrequently, resulting in a large number of applicants who are no longer interested in the property (e.g., because they found another apartment or moved out of the area). Finally, in several areas, waiting lists for tenant-based Section 8 rental assistance—or even public housing—are closed, preventing any determination of the demand by non-elderly people with disabilities at a given time.

`4.3 Factors that Affect Demand for HUD-Assisted Housing

Aside from the question of accurately *measuring* demand by non-elderly people with disabilities for HUD-assisted housing, there are several factors that affect the level of demand itself. These include a trend toward de-institutionalization of mentally ill and developmentally people with disabilities, the related need for attendant care or other services, diverse housing needs and interests, different treatment by housing providers based on a person's disability, and information barriers.

Since the 1970s, there has been a national trend away from institutionalization of mentally ill and developmentally people with disabilities and toward community-based housing options for them. In at least two of the study metropolitan areas, local respondents said that the permanent closing of institutions in the early 1990s has resulted in an increase in the number of non-elderly people with disabilities seeking affordable housing, thus putting upward pressure on demand for HUD-assisted housing.[59]

Another, related factor that affects the demand for HUD-assisted housing is the need for attendant care or other services, such as assistance with housekeeping or taking medication. With more previously institutionalized people needing housing, the need for services has risen. Yet respondents in several of the study areas pointed to a decrease in funding for attendant home care and other services and to a lack of adequate services for people with disabilities in assisted housing and public housing as well. The type and level of services needed depend on the type and severity of disability. For some, the level of services needed is such that HUD-assisted housing is not an appropriate choice. But for others, HUD-assisted housing is an option if services are provided, either by property management or by a local service agency. To the extent that the lack of services prevents non-elderly people with disabilities from being capable of living or staying in an apartment on their own, demand for HUD-assisted housing may be reduced.

Respondents in a number of the case study sites noted that access to services is an issue that people with disabilities consider in making housing location decisions. Because services tend to be located in urban centers, people with disabilities tend to look for housing options in these areas. However, the quality and features of available housing in these areas may not meet all applicants' needs. The housing stock may be older and less likely to have handicapped accessibility features and the neighborhoods may be considered less safe.

As noted previously, non-elderly people with disabilities have different housing needs, depending on the type and severity of their disability. In addition, two people with the same type and severity of disability may have different housing interests. For example, one person may prefer to live in a setting with other disabled individuals, such as a Section 811

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[59] See case studies for Memphis and Akron.

development, while another may prefer to live in a mixed setting. Similarly, some non-elderly people with disabilities may prefer not to live in a building occupied primarily by elderly people, because they may not feel welcome in such an environment. Indeed, at many properties visited for this study, property managers noted that the elderly residents created a hostile or uncomfortable environment for non-elderly disabled individuals in the building. In this way, preferences for certain living environments may affect demand for HUD-assisted housing.

In addition, non-elderly people with disabilities may be treated differently by housing providers, because of their disability. Some property managers have explicit occupancy policies which allow some types of disabilities—most commonly mobility-impairment—but not others. These occupancy policies generally were developed with the property was built and are part of the funding agreement. However, some managers reported they may use different screening procedures depending on the type of disability. For example, one property manager interviewed for the study said that she is particularly careful when screening mentally disabled applicants. According to some respondents interviewed for this study, the different treatment of people with disabilities, or with certain types of disabilities, can be a subtle form of discrimination. The way a disabled person is treated when he or she inquires at or applies to a property can affect his or her interest in living there. Such practices almost certainly violate fair housing laws.

Another factor that likely affects demand for HUD-assisted housing is barriers to information. According to respondents in some of the metropolitan areas visited for the study, finding basic information about housing options is a major challenge for non-elderly people with disabilities. In some cases, non-elderly people with disabilities may not know about HUD-assisted housing, or they may not know they are eligible to live in an assisted property that serves primarily elderly residents.

These information barriers stem from a lack of centralized assistance available to non-elderly people with disabilities. In most areas, there was a distinct lack of coordination among various entities involved. For example, according to respondents, many case managers do not know about basic housing options, such as HUD-assisted housing or Section 8 rental assistance. Similarly, there were reports of a lack of coordination between advocates for people with disabilities and public housing authorities, and between advocates and HUD-assisted property managers.

A young mobility-impaired person testified recently before a Congressional housing appropriations committee about his tremendous difficulty in getting basic information on affordable housing in South Florida. “Getting my housing situation taken care of was a nightmare. Next to my accident, it was the worst experience my family and I ever went through,” said the young wheelchair-bound man, who was severely injured in an accident in

1993.[60] According to the man's parents, who were interviewed for this project, local housing advocates provided little information and no referrals, and his case worker did not know about affordable housing options. When he first arrived with his mother, who was in the Miami area to help her son find housing, he stayed in a hotel and later found a market-rate development, which he learned about through the spinal cord injury research program in which he was participating. Upon learning from a neighbor about tenant-based Section 8 assistance, he went to the Miami-Dade Housing Authority and got on what he thought was the voucher waiting list. He was assured that with this assistance, he could stay in his market-rate development, which was conveniently located near the hospital and services. He did not learn until a year and a half later that he was in fact on the public housing waiting list. When a public housing unit became available, he and his family visited two public housing developments and found them to be of very poor quality and located in troubled neighborhoods.

The young man asked housing authority staff about other housing options while he was on the waiting list. He was advised to check the newspaper, but as a quadriplegic, he has difficulty reading the newspaper on a regular basis. He also called the Jacksonville HUD office, which gave him a list of HUD-assisted developments in South Florida that did not include any properties in Miami. With no options in sight, he called a national advocacy organization which referred him to the West Palm Beach Housing Authority, the only PHA in the area with Section 8 mainstream vouchers. He received a voucher within a few months, but then he had difficulty finding a wheelchair-accessible unit. He and his family visited several properties after being told by the manager that an accessible unit was available, only to find upon arriving that—although the unit was on the first floor and had no steps—the bathrooms and kitchen were not wheelchair-accessible. When he found an accessible unit in a tax credit property, the manager told him they did not accept Section 8. Only through intervention by a national advocacy organization and a Congressional subcommittee was he able to move into the apartment.

4.4 Conclusions

There are several factors beyond the size of the non-elderly disabled population that affect the level of demand for HUD-assisted housing. These factors include de-institutionalization of people with mental and developmental disabilities, the related need for attendant care or other services, diverse housing needs and interests, different treatment by housing providers based on a person's disability, and information barriers. However, despite our understanding of the factors that influence demand for HUD-assisted housing by non-elderly people with disabilities, this demand remains difficult to measure.

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[60] Technical Assistance Collaborative, Inc., *Opening Doors* newsletter, June 2000 issue.

While metropolitan area level data are available on the number of non-elderly people with disabilities, and on the number of people receiving SSI benefits, these are imperfect proxies for the number of people who would be interested in and eligible for HUD-assisted housing. Local advocacy organizations and government agencies were not able to provide information approximating this level of detail. Because the subset of people representing demand for HUD-assisted housing was impossible to identify at the metropolitan area level, the study relied heavily on waiting list information and on anecdotal information provided by respondents to gauge demand by non-elderly people with disabilities for HUD-assisted housing.

Chapter Five
Changes in the Availability of Assisted Housing for Non-Elderly People with Disabilities

This chapter reviews the study's key findings on the supply of and demand for affordable housing for non-elderly people with disabilities, reviews the implications of our findings for policy, and suggests some lines of inquiry for future research in this policy area.

5.1 The Effects of the 1992 Act

Prior research by the General Accounting Office (GAO) on how the Housing and Community Development Act of 1992 has affected the availability of HUD-assisted housing to non-elderly people with disabilities concluded that few non-elderly people with disabilities had been affected by the statute. The GAO estimated that almost three- quarters of HUD-assisted property owners had occupancy policies predating the 1992 legislation, indicating that no change had been made as a result of the legislation in this significant portion of the affected stock. According to the GAO's 1998 report, about 70 percent of properties built primarily to serve the elderly accepted at least some persons with disabilities, and 24 percent reserved a percentage of units (typically 10 percent or fewer) for non-elderly people with disabilities. Some 21 percent restricted occupancy to elderly persons. The study authors cautioned, however, that the implementing regulations had only been in effect for a few years at the time of the GAO's data collection and that more property owners might choose to restrict occupancy in the future. The GAO also acknowledged disability rights advocates' concerns that people with disabilities may have been inappropriately denied access to some HUD-assisted properties even before the 1992 legislation.[61]

Most of the 50 property managers interviewed for this research also reported that they did not change their occupancy policies as a result of the 1992 Act. Only 14 of the managers interviewed indicated they had adopted more restrictive policies, and only 10 of them linked the change to the provisions of the Act.[62] However, the policy in place at a given property is not necessarily a good predictor of the percent of persons with disabilities who live there. If there is a policy change, it applies only to new admissions; disabled residents living in the building at the time of the change cannot be displaced. Thus, there may be a lag between the

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[61] *Assisted Housing: Occupancy Restrictions on Persons with Disabilities*, United States Government Accounting Office, November 1998.

[62] It is important to note that the properties included in this study are a purposive rather than a random sample of HUD-assisted properties built primarily for the elderly. These findings may not be representative of the incidence of election of elderly preferences in the stock over-all.

policy change and changes in tenant characteristics. Further, as discussed in Chapter 2, the combined effects of property condition, neighborhood condition, and elderly demand for HUD-assisted housing in the market seems to predict more accurately the current mix of tenants in the property and the owner's future plans for altering the mix. Tightening housing markets were a particular concern for local respondents in all the study areas, even those like Kansas City, Detroit, and Memphis that have looser rental markets.

5.2 Other Factors Influencing Access to Housing for People with Disabilities

Housing affordability was cited as a pervasive problem for all low-income renters, regardless of disability status. But many local observers expressed concern that people with disabilities face significant challenges in finding affordable housing. In addition, there appear to be information barriers that impede people with disabilities from learning about their housing options. Respondents in many sites noted that there is no central source of information on the range of housing options and the availability and eligibility criteria for each. Housing search can be a long and largely "hit or miss" process for many people.

In particular, people with mental disabilities reportedly have very few housing options. Property managers frequently indicated they are wary of housing people with mental disabilities because of concerns the potential tenant will not take his or her medication as prescribed, will not be able to manage household finances and take care of the apartment, and may be disruptive or bothersome to other tenants. HUD-assisted property managers do not see it as part of their jobs to assist tenants regarding these skills of daily living. As one developer and property manager put it, managers are trained to manage the asset, not the people. Such attitudes lead some managers to apply prohibited screening criteria in order to screen out applicants with disabilities effectively.

These findings suggest several areas for further research and intervention. First, managers do report illegal practices that discourage people with disabilities from applying for HUD-assisted housing even though the potential applicant is eligible under the property's occupancy policy. These practices include, for example, "counseling" people with disabilities who inquire about the property that the elderly are difficult to live with and that the potential applicant would be more comfortable elsewhere. Additional training and technical assistance for property managers would help ensure that they understand which procedures and practices are permitted and which ones are discriminatory and therefore illegal. Fair housing testing could be used to determine how potential applicants with disabilities are treated by property managers. Testing would identify managers who may be violating fair housing laws by inappropriately limiting access to housing for people with disabilities.

A second area for additional research is how lessons from “services-enriched housing” could be applied in HUD-assisted housing. Many of the HUD-assisted properties we visited had basic services such as meal delivery, a van for transportation, and activities geared for seniors. These programs were typically funded and operated by local public agencies or nonprofit organizations, not by the property management. Few properties had other social services that would meet the needs of younger disabled residents. Property managers were often unfamiliar with local mental health services providers, Centers for Independent Living, or other resources for people with disabilities. Establishing relationships between property managers and service providers might encourage partnerships that would improve service provision for tenants and give property managers a case manager or social worker to contact if the tenant is having problems at the development.

5.3 Challenges to Estimating Demand

One substantial challenge we faced in this research was estimating the demand for HUD-assisted housing among people with disabilities, because the HUD-assisted stock is appropriate for only a very precise subset of people with disabilities. There were few sources of information on the numbers of people with disabilities who are income-eligible for HUD-assisted housing, who can meet the conditions of the housing lease, and who are single or members of small households.

Respondents in several of the study MSAs cited approaches to developing local estimates of the number of low-income people with disabilities, although each approach has its limitations. For example, in Memphis and Oakland, national incidence rates of different types of disabilities were applied to local population figures to establish local estimates. In Memphis, local experts were also consulted to determine whether the national incidence rates should be adjusted. These figures do not, however, identify the income distribution of the estimated population with disabilities. In Detroit, local HUD analysts used Census data to identify non-elderly, single renters with low incomes. The limitation of this analysis is the lack of information on disability status. Similarly, in Denver, a “mismatch index” has been developed to examine the number of units available at various rent levels compared to the number of renters with incomes sufficient to afford units at each level. Again, this estimate provides information on affordability of rents, but does not quantify the number of people with disabilities among those facing potentially high rent burdens.

Additional research in this area would assist planners and policy makers in assessing the demand for specific types of housing to meet the needs of people with particular types of disabilities.

Appendix A

Detailed Sampling Information

Appendix A: Detailed Sampling Information

This appendix provides detailed information on MSA- and property-level sampling procedures as introduced in Chapter 1. Details of MSA-level sampling are presented first, followed by property-level sampling.

MSA-Level Sampling

As explained in Chapter One, the first step in creating the MSA-level sampling frame was to merge extracts of occupancy, admissions and geographic data for both 1996 and 1999 from HUD's TRACS database. As detailed in Chapter One, we went through the following procedures to build the sampling frame:

- We retained only those developments for which admissions and occupancy data were available for both 1996 and 1999;
- We retained only those developments which passed our proxy measure of being built primarily to serve the elderly (i.e., we kept only those developments where at least 75 percent of units were studios or one-bedrooms);
- We retained only those developments for which geographic data were available; and
- We retained only those developments that were located in the 75 largest MSAs in the country (because these were the MSAs for which vacancy rate data were available).

Exhibit A-1 illustrates the impact of these procedures on the size of the sampling frame.

Exhibit A-1
Impact of Sampling Procedures on Frame Size

	Sec. 8 NC/SR		State-Administered Sec. 8 NC/SR		Section 202 (w/Sec. 8)		Older Assisted (Sec. 232 BMIR & Section 236)		All Programs	
	Properties	Units	Properties	Units	Properties	Units	Properties	Units	Properties	Units
All properties*	8,766	484,740	346	23,335	4,119	183,794	3,724	299,314	16,955	987,183
All eligible properties**	4,139	245,115	151	7,866	3,938	180,169	723	70,918	8,951	504,068
Geocoded properties	2,360	178,705	122	6,858	2,701	142,610	542	59,178	5,725	387,351
Geocoded, in selected 75 MSAs	1,102	120,971	20	5,204	1,254	103,683	358	46,995	2,734	276,853

*The category "All properties" contains only those developments for which admissions and occupancy data for both 1996 and 1999 were available.
**The category "All eligible properties" contains only those developments in which 75 percent or more of the units had fewer than 2 bedrooms.

As introduced in Chapter One, we found that some MSAs had an extremely low rate of admissions of non-elderly disabled (i.e., fewer than 2 percent), while in other MSAs the young disabled represented over 20 percent of admissions. Furthermore, between 1996 and 1999, some MSAs experienced a sharp decline in the percentage of young disabled admitted, while others showed a sharp increase. Still, more than a third of the MSAs had neither an extraordinarily high or low rate of admissions, and they did not show a dramatic increase or decline in the percent of admissions that were young disabled. Thus, our sample of MSAs were stratified into the following five categories:

- Decreasing Admissions of Non-elderly Disabled;
- Low Rate of Admissions of Non-elderly Disabled;
- Increasing Admissions of Non-elderly Disabled;
- High Rate of Admissions of Non-elderly Disabled; or
- Average: Neither Low nor High Rate of Admissions, Neither Increasing nor Decreasing.

See Chapter One for detailed definitions of the above MSA-level sampling strata. Exhibit A-2 presents information on the number of MSAs in each sampling stratum, their location, and their vacancy rates.[1]

[1] Vacancy rates are the simple average of the annual rental housing vacancy rate for each of three years, 1996, 1997, and 1998, as reported in U.S. Census Bureau's Housing Vacancies and Homeownership Statistics: 1998. "Tight housing market" is defined in relative terms, as the MSAs with average vacancy rates for the period 1996-1998 lower than the lowest quartile. Thus we selected as "tight " those markets in which the average of annual vacancy rates for the years 1996, 1997, and 1998 was below 5.73 percent.

Exhibit A-2
Characteristics of Sampling Categories

Category	Percent Disabled Admissions	Change in Percent Disabled Admissions	MSA Characteristics		
			Number of MSAs	Regional Distribution	Rental Market Condition
1. Low Rate	Lowest quintile (lower than 3.5%)	Not a selection factor	9	1 Northeast 4 South 4 West	1 Loose 4 Average 4 Tight
2. Decreasing	Highest four quintiles (higher than 3.5%)	Decrease of greater than 30 percent	4	2 Midwest 1 South 1 West	2 Average 2 Tight
3. Increasing	Highest four quintiles (higher than 3.5%)	Increase of greater than 30 percent	8	2 Northeast 2 Midwest 3 South 1 West	3 Loose 5 Average
4. High Rate	Middle three quintiles (higher than 3.5%, lower than 13.7%)	Between -30 percent and +30 percent.	8	1 Northeast 2 Midwest 3 South 2 West	2 Loose 4 Average 2 Tight
5. Average	Middle three quintiles (higher than 3.5%, lower than 13.7%)	Between -30 percent and +30 percent.	23	9 Northeast 7 Midwest 4 South 3 West	8 Loose 9 Average 6 Tight

After following the procedures listed above, we further eliminated from the sampling frame the MSAs in the lowest quintile in aggregate number of units, and we eliminated all MSAs with fewer than 20 properties. We took this step to ensure that federally assisted housing was a significant presence in the housing market of each sampled metropolitan area. Furthermore, we anticipated some difficulties in recruiting property owner participation in the study. Establishing a fairly high threshold for the number of properties gave us greater flexibility in selecting individual properties for inclusion in the study.[2] Exhibit A-3 provides occupancy, funding, and vacancy rate data for the 52 MSAs now in the sampling frame. Refer to Exhibit 1-2 in Chapter One for a listing of admissions and funding program information for the 10 study sample MSAs.

[2] A total of eight managers declined to participate in the study. Seven cited scheduling conflicts; the remaining manager did not specify her reason for declining.

Insert Exhibit A-3 page 1 of 2 (excel)

Insert Exhibit A-3 page 2 of 2 (excel)

Property-Level Sampling

In order to classify the properties in the 10 sample MSAs, we developed five property-level sampling strata. Although we have given the property-sampling strata the same names as we gave the MSA-sampling strata, the definitions of the categories are not identical. In general, because total annual admissions for individual properties are small in number, the property-level sampling scheme relied more on occupancy data than did the MSA-level sampling scheme, which relied primarily on admissions data. The five property-sampling strata are defined as follows.

1) Low Rate of Admissions of Non-elderly Disabled

For property sampling purposes, this category includes properties in which no disabled tenants were admitted in 1996 and no disabled occupants were identified in 1999.

2) Decreasing Admissions of Non-elderly Disabled

For property sampling, this category includes properties in which the number of disabled occupants decreased between 1996 and 1999 and the number of elderly occupants increased between 1996 and 1999.

3) Increasing Admissions of Non-elderly Disabled

For property sampling, this category includes properties in which the number of disabled occupants increased between 1996 and 1999 and the number of elderly occupants decreased or stayed the same between 1996 and 1999.

4) High Rate of Admissions of Non-elderly Disabled

For property sampling purposes, this category includes properties in which disabled tenants as a percentage of 1996 admissions was in the highest quartile (i.e., greater than 7.1 percent) and disabled tenants as a percentage of 1999 occupancy was also in the highest quartile (i.e., greater than 8.8 percent).

5) Average: Neither Low nor High Rate of Admissions, Neither Increasing nor Decreasing.

This category includes all properties that do not meet the criteria for inclusion in one of the other categories.

We wanted to select only those properties originally intended primarily for the elderly. As a proxy for the intent of the original developer, we included in the sampling frame only those properties in which fewer than 25 percent of the units had 2 bedrooms or more. Not surprisingly, this screen was imperfect, with the result that the sampling frame includes an unknown number of properties not originally intended for elderly occupancy. Further screening was desired. While the TRACS data do not reveal original intent of the developer,

they do allow us to identify properties that have no elderly occupants. We found that, of the 5,725 properties remaining in the 1999 occupancy dataset after screening for unit-size, 583 had no elderly occupants. It appears that most of these are properties serving people with disabilities, although the set includes some properties in which most occupants are neither elderly nor disabled. Exhibits A-4 and A-5 provide descriptive information comparing the properties with no elderly households to those with one or more elderly households.

Exhibit A-4
Properties with No Elderly Households Compared to Properties with Elderly Households by Type of Assistance

Type of Assistance	Properties With No Elderly Occupants (N=583)		Properties With One or More Elderly Occupants (N=5,142)	
NC/SR program	79	3.3%	2,281	96.7%
202 & NC/SR	500	18.5%	2,201	71.5%
Older Assisted (236 & 221d3 BMIR)	4	0.9%	538	99.1%
State-administered NC/SR	0	0%	122	100.0%

Exhibit A-5
Properties with No Elderly Households Compared to Properties with Elderly Households by Property and Tenant Characteristics

Property & Tenant Characteristics	Properties With No Elderly Occupants (N=583)	Properties With One or More Elderly Occupants (N=5,142)
Mean Number of Units	9.6	74.2
Number with any 2-BR or larger units	26 (4.5%)	1,360 (26.4%)
Mean Percent Elderly	0	79.3%
Mean Percent Disabled Households	79.1%	9.9%
Mean Percent Near-elderly Households	17.6%	8.0%
Mean Percent Non-elderly, Non-Disabled Households	3.6%	2.8%
Number with No Disabled Households	16 (2.7%)	969 (18.8%)

On the basis of this analysis, we excluded from the sampling frame all properties in which no households were elderly households.

After eliminating properties in which there were no elderly households and stratifying the population of eligible properties into the five categories defined above, a sample was drawn purposively. The property-level sampling differed to some degree for each type of MSA. For instance, in the Low Admissions MSAs, we selected more of the Low and Decreasing Admissions properties for study, and in the Increasing Admissions MSAs, we chose more of the Increasing and High Admissions properties. However, we also selected properties that went against the MSA-level trend. While obtaining an appropriate mix of property types for each MSA, we also satisfied three other sampling criteria: type of federal assistance, neighborhood income, and property size.

In order to achieve a sample that was broadly representative of the universe of eligible properties, we established quotas for type of federal assistance, neighborhood income, and property size. These quotas are as follows.

- **Type of federal assistance**: Our sample of 50 properties should include at least 20 properties receiving Section 8 NC/SR funds, at least 20 receiving a combination of Section 202 and Section 8 NC/SR funds, 5 properties receiving assistance either through the Section 232 BMIR or the Section 236 programs, and 2 receiving state-administered Section 8 New Construction or Substantial Rehabilitation funds.
- **Neighborhood income**: Our sample of 50 properties should include at least 5 properties located in extremely low-income census tracts (<30 percent of the MSA-level area median income (AMI)), 5 properties located in very low-income census tracts (30-50 percent AMI), 5 properties located in low-income census tracts (51-80 percent AMI), 5 properties located in census tracts just below median (81-100 percent AMI) and 5 properties located in census tracts with incomes above the median level (>100 percent AMI).
- **Property size:** Finally, we wanted to ensure that our sample generally reflects the distribution of properties by size in the stock of federally assisted housing. We divided the properties into quintiles according to the total number of development units, and set a quota of at least five properties from each of the top three quintiles—Medium (49-78 units), Large (79-113 units), and Very Large (114 or more units). We also set a quota of at least 5 properties from the combination of the bottom two quintiles—Small (26-48 units) and Very Small (25 or fewer units).

Although we wanted to achieve a sample of 50 properties, we were well aware that the owners and managers of some sampled properties might choose not to cooperate with the study. Our main approach to the non-response problem was to over-sample. For each sampled property, we identified two replacement properties. In other words, we actually selected fifteen properties per MSA. Because the overall sample was small, we were able to

track the patterns of non-response, and were able to ensure that the sample of participating properties met the criteria outlined above.[3] Refer to Chapter Two for summary descriptions of the characteristics of the 50 study properties. Also refer to the MSA-level case studies in Appendix C that each contain a table summarizing development, neighborhood, occupancy and policy data for the 5 study properties in the MSA.

For confidentiality reasons, we will not identify for HUD the specific properties sampled through the procedure outlined above. We are confident that our sampling approach yielded a set of properties that provide a sound empirical basis for our study of the impact of the elderly preference provisions of the 1992 Housing and Community Development Act on the availability of assisted housing for the non-elderly disabled in ten major metropolitan areas.

[3] Only eight managers declined to participate in the study. There were no particular patterns in the characteristics of these properties.

Appendix B

Data Collection Instruments

Appendix B: Data Collection Instruments

This appendix includes copies of the interview guides used in the data collection process by Abt assessors for both in-person and telephone interviews. Five different interview guides were developed for use with the following five groups of respondents:

- property managers of HUD-assisted developments,
- local and regional housing association staff,
- public housing authority officials,
- advocates / service providers for persons with disabilities, and
- federal, state and local officials.

Discussion Guide for Property Manager

This discussion guide will be used with property managers at the five sampled properties in each metropolitan area. The purpose of the discussion is to obtain information on the property and decisions regarding occupancy policy, as well as the manager's perspective on the general issues facing non-elderly disabled housing seekers. Use this guide in conjunction with the Property Data Coding Sheet.

A. Introduction

1. Thanks for making time for the interview.

2. Reminder of the purpose of the study and the types of questions to be covered.

3. Reinforce confidentiality, how information will be reported.

4. Encourage respondent to raise whatever issues seem relevant to our discussion.

B. Property Background

1. Let's start with some basic information. Please confirm the following for this project:

   – Name
   – Address
   – Project code (MSA-Property).

2. Which of the following types of HUD assistance did this project receive:

   – Section 221(d)(3) BMIR
   – Section 236
   – Section 8 New Construction / Substantial Rehab
   – Section 202 with Section 8 New Construction / Substantial Rehab
   – State Housing Agencies Program?

3. I have some basic questions about unit and building composition:

   – How many units are in this project? What are the different unit sizes (studios, 1 bedroom, 2 bedroom, etc.)?
   – How many handicapped-accessible and / or modified units do you have? In which buildings are these accessible / modified units located?

- How many units are currently occupied by each of the following groups: elderly, near-elderly, non-elderly disabled, or others? Who is included in the category of non-elderly disabled (that is, what kinds of disabilities do these tenants have)? Are there any non-residential units?
- What type(s) of building(s) is/are in this project: detached, garden, walk-up/low rise and / or high-rise?
- How many units are in each building type?

4. In what year was building construction completed?

5. Has there been any significant rehab? When? Please describe the rehab.

C. Characteristics of Owner and Management

1. Who owns this property? (Individual, Real Estate Trust, Corporate, etc.)

2. Do you know if the ownership has changed since 1994?

3. (if applicable) Do you work for a management company?

4. (if applicable) Is this a for-profit or a non-profit management company?

5. How many other properties does the company manage? What proportion of the company's portfolio is HUD-assisted?

6. Is there a management office on-site? Does a manager live in the building?

7. How long have you personally been involved in managing this property?

8. (if applicable) How long has your management company managed this property?

D. Marketing and Tenant Selection

1. How many units are currently vacant?

2. Over the past 3 years, what is the average number of units that turned over per year?

3. Do you know why these tenants left the property? Were you aware of any concerns that these tenants had? Do you think these tenants are better served elsewhere? Why?

4. Have you had problems with getting tenants to pay their rent on time? Please describe.

5. Have you had any particular issues or problems with or among tenants?

6. Does this property have a waiting list? If so, how many people are on it? Are there both elderly and non-elderly disabled people on the waiting list?

   – What percent are non-elderly disabled?
   – What types of disabilities do these applicants have?

7. Would you say the demand for this property is high, normal, or low? What is the demand like for HUD-assisted elderly housing in this area? Is it a tight market?

8. Is your major competition for elderly tenants from market rate, subsidized or public housing?

9. How do you market vacant units (read methods from code sheet)?

10. Are there any organizations from which you solicit referrals?

11. What would you say is the principal source of new tenants / applicants?

12. Where do they come from, other neighborhoods or this neighborhood? From market rate, assisted, or public housing?

13. Would you describe the application and admissions process? What steps do you follow, and what does the applicant need to do?

E. Characteristics of Tenants

1. What are the demographics of your current tenants in terms of:

   – Age
   – Gender
   – Income level
   – Racial or ethnic mix?

2. Do any of your tenants have tenant-based Section 8 certificates or vouchers? (What percent?)

3. What are the current proportions of elderly occupants and non-elderly disabled occupants?

4. Has this proportion changed over time? Specifically, has there been a change in the number of non-elderly persons with disabilities since 1993?

5. Is this proportion expected to change in the next year or two? Are there plans to replace elderly with non-elderly or vice versa?

F. Occupancy Policies

1. Please describe your current occupancy policy and procedures.

2. Does it include a set percentage of elderly vs. non-elderly disabled tenants?

3. Does it allow non-elderly people with only certain kinds of disabilities (physical/mobility, mental/developmental, other)? If so, do you know why?

4. Is this policy written down and available to people who might request it?

5. Who was involved in setting the policy, and when? Do you know how the policy was developed; or the conditions/concerns that led to its development?

6. Who currently makes decisions on admission policy (owner / manager / others)?

7. Prior to 1992, what was this project's policy on admitting non-elderly persons with disabilities? Has this policy changed since 1993? When? Why?

8. Are you familiar with the elderly preferences provisions of the Housing and Community Development Act of 1992 and how they apply to tenant selection? How did the Act apply to the occupancy policies at this property?

9. (if applicable): Do you know if the 1992 Act had an impact on how the current occupancy policy for this property was developed?

10. Are there any plans to change the occupancy policy in the future? Why/ why not? Reasons?

11. In general, what factors do you think property managers consider in determining their occupancy policies? Why might property managers choose to implement elderly preferences? Why might they decide not to implement elderly preferences?

G. Amenities, Facilities, and Services

1. What type of amenities does the property have (read list from code sheet)?

2. Does the property have a common area/ community facility? If so, what type?

3. What type of security is provided at the site:

   – Restricted entry?
   – Buzzer system?
   – Security guard (how many hours per day)?

4. Are any services offered on site? If so, what kind (read list from code sheet)?

5. What kind of off-site services do residents use? Are these off-site services easily accessible (i.e., is transportation needed and/or provided)?

6. Do tenants seem satisfied with the amenities and services available on-site? Are there any particular amenities or services that tenants would like to see added?

7. Do tenants seem satisfied with their ability to get to nearby resources and services?

H. Neighborhood Characteristics and Market Condition

1. What streets create the border of the neighborhood? Does the neighborhood have a name?
2. How would you describe the socio-economic make up of the neighborhood:

   – Income level
   – Ethnic / racial composition
   – Age / size of families
   – Do people both live and work in the neighborhood, or do they tend to commute elsewhere?

3. What is the quality of the housing stock in the neighborhood?

4. How would you describe availability of services in the neighborhood? Are there drug stores, grocery stores, and other basic services near-by?

5. Overall, how would you describe the neighborhood's reputation: good, bad, or average? Would you say this neighborhood is improving, declining, or stable?

6. Is crime a concern for your residents?

7. How would you describe the overall rental housing market in the area/ city today (tight/loose)?

Discussion Guide for Local/Regional Housing Associations

This guide will be used in discussions with representatives of the local Affordable Housing Management Association, other apartment management associations, or other housing industry groups. For each respondent, the guide will need to be tailored to suit the respondent's level of familiarity with the community.

A. Introduction

1. Thanks for making time for the interview.

2. Reminder of the purpose of the study and types of questions to be covered.

3. Reinforce confidentiality, how information will be reported.

4. Encourage respondent to raise whatever issues seem relevant to our discussion.

B. The Agency and Interviewee

1. How are you and your office/agency involved in issues affecting housing for the non-elderly disabled? Do you or others in your office/agency deal with fair housing or human rights issues more generally? with multifamily or subsidized housing issues more generally? with social service provision? advocacy activities?

2. Would you briefly describe your other job responsibilities (a sentence or two is fine)?

C. Supply and Demand of Housing for Non-Elderly Disabled People

1. What types of low-cost housing are available to non-elderly persons with disabilities in this area?

2. How would you characterize these options in terms of:

   – Housing quality;
   – Quality of management;
   – Amenities;
   – Location;
   – Availability (e.g., number of vacancies compared to demand); and

- Access (e.g., willingness of property owner/managers to lease available units to non-elderly persons with disabilities).

3. In general, are there enough housing opportunities available for non-elderly persons with disabilities?

4. Are certain types of housing situations in particularly short supply?

5. Are the available options for this group concentrated in particular parts of the metro area?

6. Are particular parts of the metro area lacking in housing options for people with disabilities?

7. Have there been local initiatives to increase the housing options available to people with disabilities?

8. Have there been any efforts to limit the access of people with disabilities to certain properties? or certain types of housing?

9. Has the demand for assisted housing serving this group changed since 1993? How? Do you know the reasons for the change in demand?

10. What types of challenges do non-elderly people with disabilities face with respect to housing? Have there been changes in these challenges since the early 1990s? What approaches do non-elderly persons with disabilities take to overcome these challenges? What resources and services are available to help them?

D. Effect of Housing and Community Development Act of 1992

1. Are you familiar with the provisions of the 1992 Housing and Community Development Act, which permit private owners of some assisted housing to establish elderly preferences (over non-elderly) in their occupancy policies? What is your understanding of how this law applies to the assisted housing stock?

2. Are you aware of properties that have changed their occupancy policies because of the new law? If so, what are the characteristics of these properties in terms of:

   - number of units
   - property age and condition
   - location

- amenities
- characteristics of households traditionally served
- vacancy rate

What has been the reaction to the change?

3. In your experience, what factors contribute to property managers' decisions whether to elect elderly preferences or not?

4. Has this law affected the availability of assisted housing for non-elderly persons with disabilities?

5. To what extent are public housing and Section 8 certificates and vouchers available to non-elderly persons with disabilities? To what extent are non-elderly persons with disabilities aware of these programs?

Discussion Guide for Housing Agency Officials

This discussion guide will be used with housing agency staff who administer the public housing and/or Section 8 existing housing programs. The questions are designed to collect information on the public housing and Section 8 resources available for non-elderly people with disabilities and, more broadly, to solicit these respondents' opinions on the general issues facing non-elderly people with disabilities who are seeking affordable housing. Appropriate respondents would likely be senior members of the public housing and Section 8 program occupancy staff at local housing authorities or at other agencies that administer Section 8 assistance. Use the public housing summary matrices with this guide.

A. Introduction

1. Thanks for making time for the interview.

2. Reminder of the purpose of the study and the types of questions to be covered in the discussion.

3. Reinforce confidentiality, how information will be reported.

4. Encourage respondent to raise whatever issues seem relevant to our discussion.

B. Housing Portfolio and Tenant Characteristics

1. What types of housing are available through your agency for non-elderly people with disabilities?

   – Family public housing?
   – Elderly public housing?
   – Section 8 tenant-based assistance?
   – Other type(s) of housing?

2. What is the overall vacancy rate for studio and 1 bedroom units in family public housing? In elderly public housing? What is the range of vacancy rates across this agency's properties? Roughly how many units turn over in a year?

3. How many fully accessible units do you have in family public housing? In elderly public housing?

4. Outside of PH, how would you describe the availability of fully accessible units for Section 8-holders who need these units?

5. What proportion of your current tenants are non-elderly people with disabilities? What proportion of your current tenants are elderly? How have these proportions changed in the last 5-7 years?

6. How many applicants are on your waiting list? How have the numbers of applicants in each category changed? Is your waiting list currently open or closed?

7. What proportion of your waiting list applicants are non-elderly disabled? What proportion of your waiting list applicants are elderly? How have these proportions changed in the last 5-7 years?

8. Do you have an elderly allocation plan in place for any of your elderly public housing developments? If so, how many properties does that cover? How many units? Why was this plan put into effect?

9. What are the HA's policies for these elderly-designated properties in terms of admissions criteria? Wait-list priorities? Definitions of elderly, near-elderly, and disabled? Other aspects?

10. About how long do people remain on the wait-lists? Does this vary by group for the elderly and for non-elderly disabled?

11. What proportion of the current tenant-based Section 8 population is elderly? Non-elderly with disabilities? Near elderly?

12. Have you noticed a change in the use of tenant-based Section 8 by the non-elderly disabled population since 1993? Do you know which funding streams are typically used to support tenant-based Section 8 (i.e., certificates or vouchers) for non-elderly disabled?

13. Based on these wait-lists and your other experience, what, if any, is the current unmet demand for assisted housing by non-elderly persons with disabilities? What is the availability of public and Section 8 housing for the non-elderly disabled? Would you say that project-based or tenant-based Section 8 subsidies are more in demand by this population? Are there other options for assisted housing for non-elderly persons with disabilities?

14. Has your agency applied for Section 8 certificates or vouchers for people with disabilities? If so, under what program:

- "mainstream" program?
- as part of a public housing allocation plan?
- in response to elderly designation in private, HUD-assisted property(ies)?

15. Please describe the unmet demand for assisted housing in general in this community.

C. Issues Facing the Non-Elderly People with Disabilities

1. What are the housing challenges currently facing non-elderly people with disabilities?

2. Have there been any changes since 1993? If so, what factors contributed to the changes?

3. Are you familiar with the elderly preferences provisions of the Housing and Community Development Act of 1992?

4. Are you aware of any properties in this metro area that have elected elderly preferences under the Act? If so:

   - What are the characteristics of the properties (location, number of units, amenities, population traditionally served)?
   - When did the change occur?
   - What has been the effect (if any)?
   - What has been the reaction to the change (if any) – among tenants, among outside parties?

5. In your experience, what factors contribute to property managers' decisions whether to elect elderly preferences or not?

D. HA Perspective

1. What sort of information does the HA provide to non-elderly disabled people when they are looking for assisted housing?

   - Do you maintain a list of properties that they can contact?
   - Do you maintain an updated list of units landlords report as available?

2. What sort of help or assistance have non-elderly disabled people requested from this HA? Are you able to provide this kind of help or assistance? Do you make referrals to other agencies or organizations? If so, which ones?

E. Market Conditions

1. How would you describe the overall rental housing market in the area/ city today (tight/loose)?

2. Where is distribution of affordable housing throughout the metro area? How would you describe the neighborhoods in terms of:

   – safety
   – convenience to services
   – condition of the properties in the neighborhood

3. (If not covered above) What are other assisted housing options for elderly and non-elderly disabled persons in the area?

Discussion Guide for Advocacy Groups and Service Providers For Persons with Disabilities

A. Introduction

1. Thanks for making time for the interview.

2. Reminder of the purpose of study and types of questions to be covered.

3. Reinforce confidentiality, how information will be reported.

4. Encourage respondent to raise whatever issues seem relevant to our discussion.

B. Supply and Demand of Housing for Non-Elderly Disabled

1. What types of affordable housing are available to non-elderly persons with disabilities in this area?

   – Public housing
   – Tenant-based Section 8 certificates or vouchers
   – Privately-owned, HUD-assisted housing
   – Other types of housing

2. Where is distribution of affordable housing in metro area?

   – How would you characterize the neighborhoods in terms of:

     - safety
     - convenience to services
     - condition of properties

3. How would you describe the availability of housing in these different parts of the housing stock (that is, are there enough vacancies to meet demand)? How would you characterize the affordability of this housing for non-elderly disabled people?

4. How would you describe the quality of these housing options for non-elderly disabled people in terms of:

   – amenities
   – quality of management
   – availability of handicapped accessible or modified units

- services on-site or nearby?

5. What would you estimate to be the number of non-elderly people with disabilities in this metropolitan area who need HUD-assisted housing?

6. Has the demand for assisted housing serving this group changed since 1993? How? Do you know the reasons for the change in demand?

7. How do non-elderly people with disabilities learn about their housing options?

   - Does your organization make referrals?
   - If so, where do you refer people?
   - What issues do you consider in making referrals (e.g., characteristics of the prospective tenant, characteristics of the housing)?

8. What types of challenges do non-elderly people with disabilities face with respect to housing?

9. Do people with different types of disabilities face different challenges? Have there been changes in these challenges since the early 1990s? What approaches do persons with disabilities take to overcome these challenges?

10. Are you familiar with the provisions of the 1992 Housing and Community Development Act which allows private owners of certain HUD-assisted housing properties to elect elderly preferences in their occupancy policies? What is your understanding of how the law affects HUD-assisted properties?

11. Do you know of any properties in this community where elderly preferences have been implemented? If so, what are the characteristics of these properties in terms of:

    - number of units
    - property age and condition
    - location
    - amenities
    - characteristics of households traditionally served
    - vacancy rate?

12. What has been the reaction to the change?

13. Do you think this law has affected the availability of HUD-assisted housing for non-elderly persons with disabilities? If so, how?

14. Regarding public housing, do(es) the public housing agency(ies) have an elderly housing allocation plan? If so, what impact has this had on non-elderly disabled applicants?

15. To what extent are Section 8 certificates and vouchers available to non-elderly persons with disabilities? To what extent are non-elderly persons with disabilities aware of the Section 8 program?

16. Have there been local initiatives to increase housing options available to people with disabilities?

17. Are there any other housing issues facing non-elderly people with disabilities that we have not discussed?

Discussion Guide for Federal, State, and Local Officials

This discussion guide covers issues appropriate for public officials at various levels of government. Federal government representatives might include local HUD office staff from the Office of Housing, Office of Public and Indian Housing, and/or Office of Fair Housing and Equal Opportunity. State officials could include representatives of the state's housing department, social services or mental health agencies, and/or agencies dealing with fair housing and equal opportunity issues. Local officials may represent city government housing departments, agencies serving people with disabilities, and/or fair housing/equal opportunity departments or commissions.

For each respondent, the questions selected from this discussion guide should be tailored to the respondent's level of familiarity with the community. Federal and State officials may have only relatively general knowledge of the metropolitan area, while local government representatives may have more specific knowledge of market dynamics, particular properties, or local concerns.

A. Introduction

1. Thanks for making time for the interview.

2. Reminder of the purpose of the study and types of questions to be covered.

3. Reinforce confidentiality, how information will be reported.

4. Encourage respondent to raise whatever issues seem relevant to our discussion.

B. The Agency and Interviewee

1. How are you and your office/agency involved in issues affecting housing for the non-elderly disabled? Do you or others in your office/agency deal with fair housing or human rights issues more generally? with multifamily or subsidized housing issues more generally? with social service provision? advocacy activities?

2. Would you briefly describe your other job responsibilities (a sentence or two is fine)?

C. Demand for Housing/ Supply of Housing

1. What are the affordable housing options for non-elderly persons with disabilities in this community?

2. How would you characterize these options in terms of:

   - Housing quality;
   - Quality of management;
   - Amenities;
   - Location;
   - Availability (e.g., sufficient vacancies to meet demand); and
   - Access (e.g., willingness of property owner/managers to lease available units to non-elderly persons with disabilities)?

3. Are particular parts of the metro area lacking in housing options for people with disabilities?

4. What have been the changes in the availability of affordable housing for non-elderly disabled people since 1993?

   - Regarding public housing, do(es) the public housing agency(ies) have an elderly housing designation plan? If so, what impact has this had on non-elderly disabled applicants?
   - Regarding HUD-assisted housing, do you know of properties that have elected elderly preferences under the provisions of the Housing and Community Development Act of 1992?
   - If so, how would you describe these properties:

     - size
     - age and condition
     - location
     - vacancy rate
     - tenant characteristics
     - previous history of leasing to non-elderly disabled people
     - reasons for the change in policy?

   What would you say has been the overall effect of these changes on non-elderly disabled people's access to assisted housing in the community?

5. What other factors have affected the supply of HUD-assisted housing in the past several years?

   – Has any new assisted housing been built?
   – Have any properties gone through "conversions" (e.g., opt outs of project-based Section 8 contracts or prepayments of HUD-assisted mortgages)?
   – How have these changes affected the supply of housing for non-elderly disabled people?

6. How would you describe the current level of demand for assisted housing by non-elderly persons with disabilities compared to the availability of assisted housing?

7. What do you estimate to be the unmet demand (if any) for affordable housing among the non-elderly disabled?

D. Issues Facing the Non-Elderly Disabled

1. How do income-eligible non-elderly disabled people identify and obtain assisted housing in the area?

2. What are the challenges people with disabilities face with respect to housing?

3. Have there been any changes in challenges since 1993?

4. How do people with disabilities overcome these challenges?

5. Are property owners applying occupancy policies in ways that are consistent with the 1992 Act? Are there circumstances where policies or practices are not consistent with the Act? If so, under what circumstances?

6. Have people who are looking for subsidized housing made many complaints about fair housing issues? What proportion of complaints are from non-elderly disabled persons who feel they have faced discrimination?

E. Market Conditions

1. How would you describe the overall rental housing market in this area/ city today (tight/loose)?

2. What is the quality of affordable rental housing in this area?

3. What is the distribution of affordable housing in the metro area? How would you describe the neighborhoods in terms of:

   - safety
   - convenience to services
   - condition of the properties in the neighborhood

Appendix C

Case Studies

Appendix C: Case Studies

This appendix presents the ten metropolitan area case studies. The case studies are arranged in alphabetical order by metropolitan area:

Akron Metropolitan Area
Bergen-Passaic Metropolitan Area
Denver Metropolitan Area
Detroit Metropolitan Area
Kansas City Metropolitan Area
Memphis Metropolitan Area
Miami-Dade County Metropolitan Area
New York City Metropolitan Area
Oakland PMSA Metropolitan Area
Phoenix Metropolitan Area

A Note on Study Property Data

Each case study includes an exhibit (Exhibit 2) summarizing the features of the study properties selected for intensive study. The tables present property characteristics, neighborhood characteristics, and information on occupancy policies in a very condensed format for the reader's reference. The following definitions were used to summarize this information for the tables:

Financing program: Properties funded by the Section 221(d)(3) or Section 236 program alone are labeled Older-Assisted. Properties funded at least partially by the Section 8 NC/SR program are labeled Newer-Assisted.

Construction date: The development construction date or date of most recent rehab (whichever was later) is broken down into the 5-year increments of pre-1975, 1975-1979, 1980-1984, 1985-1989, and 1990 Onwards.

Development size: The total number of units at the development is reported in the following categories: Very Small (up to 25 units), Small (26-48 units), Medium (49-78 units), Large (79-113 units) and Very Large (114+ units).

% fully accessible units: The percent of development units that are wheelchair-accessible and ADA compliant, as reported by the property manager. The ranges are 0-6%, 7-10%, 11-12%, 13-50% and 51-100%.

% units that are studios: The percent of total development units that are studios is reported in the following ranges: No Studios, 1-10%, 11-25%, 26-50% and 51-100%.

Building type(s): The categories are defined as follows: Row / townhouse (each unit has a separate, outside entrance, and the units are arranged in clusters), Low-Rise (unit entrances are off a common, interior hallway in a building that has up to four stories), and High-Rise (unit entrances are off a common, interior hallway in a building that has five or more stories).

Unit turnover rate per year: The average number of development units that have turned over per year for the past several years, as reported by the property manager in April and May 2000. The ranges are up to 8%, 9-11%, 12-16%, and 17-40%.

Overall property condition: This is a general rating of property condition made by the Abt assessors. The categories are Excellent, Good, Fair, and Poor.

Neighborhood type/location: This is a general description of the neighborhood location made by the Abt assessors. The categories are Center City/Downtown, Urban, Suburban, and Smaller City.

Area income level: The median income of the census tract in which the development is located is compared to the area median income (AMI) of the MSA, using 1990 census data. The ranges are <30% AMI, 30-50% AMI, 51-80% AMI, 81-100% AMI, >100% AMI.

Accessibility of nearby services: This is a measure of the average distance, based on information provided by the property manager, between the development and a drug store, a grocery store and public transportation. The categories are Excellent (up to ¼ mile), Good (¼ – ½ mile), Fair (½ mile to 1 ½ miles), and Poor (greater than 1½ miles).

Overall neighborhood condition: This is a general rating of the condition of the neighborhood in which the development is located, made by the Abt assessors. The categories are Excellent, Good, Fair, and Poor.

Negative neighborhood features: This is a general rating summarizing the presence of any negative neighborhood features including abandoned or boarded-up buildings, vacant lots, trash, graffiti, and substandard lots or buildings. The categories are None, Some and Many.

% NED tenants, 1999 (TRACS): This is the percentage of occupied development units that were occupied by non-elderly people with disabilities in 1999 as listed in HUD's TRACS database. The categories are defined as Low (up to 3%), Medium (3-12%), and High (13-50%). There were no properties in the study sample with >50% non-elderly disabled occupants in 1999 according to the TRACS data.

Current % vacant units: This is the percentage of total development units that were vacant at the time of the site visits (April and May 2000), as reported by the property manager. The ranges are 1-2%, 3-6%, 7-12%, 13-50%, and 51-90%.

Current % NED tenants: The percentage of occupied development units that were occupied by non-elderly people with disabilities at the time of the site visits (April and May 2000), as reported by the property manager. The ranges are Up to 3%, 3-6%, 7-12%, 13-50%, and 51-90%.

Current % NED on waitlist: The percentage of people on the waitlist who are non-elderly people with disabilities at the time of the site visits (April and May 2000), as reported by the property manager. The ranges are Up to 2%, 2-10%, 11-45%, 46-100%.

Policy type: This is a summary of the current admissions policy in place at the development at the time of the site visits (April and May 2000), as reported by the property manager.

- "Admits no NED" means that the policy allows for no non-elderly people with disabilities to be admitted; these properties have elderly preferences.
- "Fixed #units mobility-impaired ELD & NED" means that the policy reserves a number of units (usually between 5 and 10 percent of total development units) which are only available to mobility-impaired people who need the accessibility features of those units. Note that these reserved units are accessible to both elderly and non-elderly people with mobility impairments. In effect, the policy stipulates that the only time a non-elderly person can be admitted to the development is if s/he has a mobility impairment.
- "Fixed #units for the NED, mob-imp only" means that the policy reserves a number of units (usually between 5 and 10 percent of total development units) which are only available to mobility-impaired non-elderly people who need the accessibility features of those units. In effect, the policy stipulates that the only time a non-elderly person can be admitted to the development is if s/he has a mobility impairment.
- "Fixed #units for the NED, all kinds NED" means that the policy reserves a number of units (usually between 5 and 10 percent of total development units) which are only available to non-elderly people with disabilities, and that the policy accepts non-elderly people with a variety of disabilities.
- "Unlimited units for NED, mob-imp only" means that the policy makes no restrictions on the number of units that can be occupied by non-elderly people with disabilities, but among non-elderly applicants with disabilities, allows only those with mobility impairments.

- "Unlimited units for NED, mob + mental health" means that the policy makes no restrictions on the number of units that can be occupied by non-elderly people with disabilities, but among non-elderly applicants with disabilities, allows only those with mobility impairments or mental disability.
- "'Unlimited units for NED, all kinds NED" means that the policy makes no restrictions on the number of units that can be occupied by non-elderly people with disabilities, and makes no restrictions on the type of disabilities that non-elderly applicants can have.

Plans to change tenant mix: Abt assessors asked the property managers in April and May 2000 if they had any plans to change the current tenant mix (that is, the proportions of elderly and non-elderly households.) Responses were categorized as follows.

- "No plans to change current tenant mix," which means that the property manager is happy with the current mix of tenants.
- "Plans to reduce #NED through attrition," which means that the manager hoped or planned to reduce the number of non-elderly tenants with disabilities by admitting fewer or no new non-elderly disabled tenants.
- "Plans to write new policy to reduce #NED," which means that the manager was considering trying to change the occupancy policy for the development in order to reduce the number of non-elderly tenants with disabilities.

Akron Metropolitan Area

1.0 Overview of the Metropolitan Area

1.1 Demographic and Economic Summary

The Akron PMSA consists of the counties of Summit and Portage in northern Ohio. Summit County, a largely suburban county which spans 412 square miles, includes the City of Akron. Portage County, covering 492 square miles and largely rural, includes the university town of Kent. A map of the metropolitan area appears in Exhibit 1.

The two-county metropolitan area had a population of 688,952 in 1998.[1] About four-fifths of the population lives in Summit County and almost one-third lives in the City of Akron. With a population of about 216,000[2] and an area of 62 square miles, Akron is the fifth largest city in Ohio.[3] Over the past two decades, the population has been shifting from the City of Akron to rural and suburban outlying areas. While the population of the PMSA grew by about 5 percent from 1990 to 1998,[4] the population of Akron decreased by about 3 percent.[5] Overall, the metro area is predominantly white, with 16 percent minority population in Summit County and 5 percent in Portage County.[6] The City of Akron is more diverse than the metro area as a whole, with about 27 percent minority population. According to the 1990 Census, the median income for the two-county area was $29,269.

The economy of the PMSA is dominated by the City of Akron. Once known as the "Rubber Capital of the World," Akron's economy has historically been associated with manufacturing of rubber products. While the city's largest employer is still Goodyear Tire and Rubber Company, the economy continues to shift away from manufacturing, with considerable growth in the service sector. The city has lost 20,000 manufacturing jobs over the past 20 years, while it has gained more than 20,000 jobs in services, largely in the health, hospital and social services industries.[7] Most of the area's job growth has been in suburban areas.

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1 U.S. Census Bureau, 1998.

2 Ohio State University, Department of Human and Community Resource Development, Summit and Portage County Profiles, 1999.

3 City of Akron Consolidated Plan, 1995.

4 U.S. Census Bureau, Metropolitan Area Population Estimates for July 1, 1998.

5 Ohio Department of Development, Office of Strategic Research, Summit County Profile, 1999.

6 Ohio State University, Department of Human and Community Resource Development, Summit and Portage County Profiles, 1999.

7 City of Akron Consolidated Plan, 1995.

Insert Exhibit 1 (MAP)

In addition to Goodyear, the city's top ten employers include a health services provider, a medical center, city and county government, and the University of Akron.[8] The service sector employs the most workers in Summit County, while the manufacturing sector still employs the most workers in Portage County.[9] The unemployment rate was 4.1 percent in Summit County in March 2000, down from 4.7 percent a year prior, and the same as the national average. In Portage County, unemployment was 4.3 percent for the same period.[10]

1.2 Housing Market Overview

As of the 1990 Census, Akron had 96,372 year-round housing units, of which 59 percent were owner-occupied and 41 percent were rental units.[11] The vacancy rate for rental units was 10.1 percent in 1999, up sharply from 4.8 percent in 1998.[12] Despite the relatively high overall rental vacancy rate, demand for *affordable* rental housing exceeds supply, according to HUD and Akron Metropolitan Housing Authority officials. The monthly Fair Market Rent (FMR) for a two-bedroom apartment is $578 in 2000. Approximately 44 percent of renters in the Akron metro area cannot afford to pay the FMR for a two-bedroom apartment.[13]

About 85 percent of the affordable housing in the Akron metropolitan area is in the City of Akron, and two-thirds of that is located in a small number of downtown wards. The quality of housing in the Akron area reflects its age. In the City of Akron, more than 60 percent of all housing units were constructed before 1950, and about one-fourth of renter and owner households live in substandard units.[14] There are very few wheelchair-accessible units in this older housing stock. In suburban areas, the housing stock is newer.

1.3 Data Collection Approach

The Akron metropolitan area was selected for this study as an example of an area with an increasing rate of admissions for non-elderly people with disabilities.[15] Administrative data from HUD indicate a relatively high rate of admissions of non-elderly persons in HUD-

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8 City of Akron Consolidated Plan, 1995.

9 Ohio Department of Development, Office of Strategic Research, Summit and Portage County Profiles, 1999.

10 Ohio Bureau of Employment Services, Labor Market Information Division, March 2000.

11 Akron Consolidated Plan, 1995.

12 U.S. Census Bureau, Housing Vacancies and Homeownership Annual Statistics, 1999.

13 National Low Income Housing Coalition, Out of Reach, September 1999.

14 City of Akron Consolidated Plan, 1995.

15 For further discussion of the sampling approach used to select metropolitan areas and properties for this research, see Chapter 1 of this report.

assisted housing built primarily to serve elderly households, and this rate appears to be increasing. In the HUD-assisted properties eligible for the study sample, the percentage of younger disabled admissions increased from 16.7 percent to 28.8 percent from 1996 to 1999, and the number of young people with disabilities admitted annually to these assisted properties doubled, from 44 to 88 during the same period.

The sampling frame for selecting HUD-assisted properties for this research included approximately 2,543 units in 25 properties in the Akron PMSA, of which 17 are Section 8 New Construction/Substantial Rehab alone, five are New Construction/Substantial Rehab with Section 202, and three are Section 236 buildings.[16] Other affordable housing options for the non-elderly disabled in the Akron area include public housing, tenant-based Section 8 vouchers, Section 811 properties, and HUD-funded homeless assistance programs.

The five properties selected for the study are located in a diverse set of communities throughout the metropolitan area. Key property characteristics are summarized in Exhibit 2.[17] As shown in the exhibit, the properties were all developed between the late 1970s and early 1980s. Two properties (Properties A and B) are located in downtown Akron, a third (Property C) in an inner-ring suburb, one (Property E) in a more distant suburb 10 miles from downtown, and one (Property D) in a smaller city about 15 miles from Akron. The five communities range from middle- and upper-income suburbs to low-income urban neighborhoods. Four of the properties reported relatively high rates of occupancy by non-elderly people with disabilities (13 to 50 percent), while one property (Property C) had two percent or less young people with disabilities. At two of the properties with high rates of non-elderly occupancy, management representatives indicated there were plans to reduce occupancy by non-elderly people with disabilities, for reasons discussed in detail below.

The information for this case study was compiled through a review of HUD administrative data and through in-person and telephone discussions with key informants. Local respondents included property management officials from the five properties selected for the study, staff from several divisions of the Cleveland HUD Office, public housing agency officials, and representatives of advocacy organizations serving people with disabilities.

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[16] Source: TRACS data obtained from HUD for HUD-assisted properties. It is not possible to identify with certainty which properties were built "primarily to serve the elderly." We have used unit mix as a proxy by selecting properties in which 75 percent or more of the units in the property have fewer than two bedrooms. The sampling frame includes properties which meet the unit mix test ***and*** for which complete occupancy and admissions data were available for both 1996 and 1999. For further discussion of the sampling approach, see Chapter 1 and related Appendices.

[17] According to the research design for this study, the managers who agreed to participate in the research were assured they and their properties would not be identified by name. The letter identifiers (A through E) used in Exhibit 2 are used throughout the case study to refer to the properties.

Exhibit 2
Development, Neighborhood, Occupancy and Policy Data

	Property A	Property B	Property C	Property D	Property E
DEVELOPMENT DATA					
Financing program	Newer-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted
Construction date / most recent major rehab date	1975-1979	1975-1979	1975-1979	1980-1984	1980-1984
Development size	Medium	Very Large	Large	Large	Large
% fully accessible units	7-10%	0-6%	51-100%	7-10%	7-10%
% units that are studios	1-10%	No Studios	No Studios	No Studios	No Studios
Building type(s)	Low-Rise	High-Rise	High-Rise	High-Rise	Low-Rise
Unit turnover rate per year	12-16%	9-11%	Up to 8%	17-40%	Up to 8%
Overall property condition	Fair	Excellent	Excellent	Excellent	Excellent
NEIGHBORHOOD DATA					
Neighborhood type / location	Urban	Urban	Suburban	Smaller City	Suburban
Area income level	<30% AMI	50-80% AMI	80-100% AMI	50-80% AMI	>100% AMI
Accessibility of nearby services	Fair	Excellent	Excellent	Excellent	Excellent
Overall neighborhood condition	Fair	Good	Good	Good	Excellent
Negative neighborhood features	None	None	None	None	None
OCCUPANCY / POLICY DATA					
% NED tenants,1999 (TRACS)	High	High	Low	Medium	Medium
Current % vacant units	No vacant units	No vacant units	No vacant units	No vacant units	No vacant units
Current % NED tenants	13-50%	13-50%	Up to 2%	13-50%	13-50%
Current % NED on waitlist	46-100%	46-100%	2-10%	46-100%	11-45%
Policy type	Unlimited units for NED, all kinds NED	Unlimited units for NED, all kinds NED	Unlimited units for NED, all kinds NED	Fixed #units for the NED, all kinds NED	Fixed #units for the NED, all kinds NED
Plans to change tenant mix	No plans to change current tenant mix	No plans to change current tenant mix	No plans to change current tenant mix	Plans to reduce #NED through attrition	Plans to reduce #NED through attrition
Notes on policy type and plans to change tenant mix					

Please refer to the introduction of Appendix C for an explanation of the data sources, labels, ranges and definitions used in this exhibit.

2.0 Supply of Affordable Housing Available to Non-elderly Persons with Disabilities

The primary affordable housing options for non-elderly disabled persons in the Akron metro area are HUD-assisted properties, public housing, tenant-based Section 8 vouchers, and Section 811 developments. In addition, the sub-population of non-elderly people with disabilities who are homeless individuals with mental illness or chemical dependency may qualify for rental assistance under HUD's Shelter Plus Care program. The following sections discuss first the HUD-assisted stock, then the other affordable housing options.

2.1 HUD-Assisted Properties and Their Occupancy Policies

Of the 25 HUD-assisted properties in the Akron area that were eligible for the study sample, the number with elderly preferences is not known. However, two study properties (Properties D and E) are actively trying to reduce the number of non-elderly disabled occupants. At least three other Akron-area properties under the same management as the study properties have elderly preferences. While two of these three properties are in suburban areas, a local advocacy organization noted that several other properties with elderly preferences are newer properties in the downtown area.

At both study properties where management is trying to curtail the growing proportion of non-elderly disabled residents in the building, the HUD contract requires that 10 percent of the units be set aside for non-elderly people with disabilities. However, the proportion of non-elderly disabled tenants had grown to nearly double or even triple the set-aside.

At Property D, an attractive Section 8 NC/SR property situated in a good neighborhood of a smaller city, management began an effort to reduce occupancy by non-elderly disabled residents to 10 percent in 1993. The proportion of non-elderly disabled residents at the property had grown to about 30 percent and included many drug-dependent and mentally disabled residents. The shift in policy was implemented in response to concern expressed by HUD and the Ohio Housing Finance Agency that the resident mix had become unbalanced. The waiting list was "flooded" with younger people with disabilities, most of whom were mentally disabled or drug-dependent, according to the long-time regional manager for the property management company. Site managers were having to spend too much time on social issues, and elderly residents were complaining about activities by "drug addicts." The regional manager attributed the earlier increase in non-elderly disabled residents to federal preferences implemented in the early 1980s. These preferences gave priority to applicants in substandard housing, including homeless shelters, allowing many non-elderly disabled from local shelters to "jump over the elderly" on the waitlist. At the time of the site visit, the proportion of non-elderly residents with disabilities had dropped to 17 percent, although over half those on the waitlist were still young persons with disabilities.

The management of Property E, also a very nice property in a good location, had experienced a similar though less dramatic increase in the proportion of non-elderly disabled residents, from about 10 percent in the early 1990s to about twice that in recent years. The site manager, who had been at the property for seven years, said the increase resulted largely from the closing of a nearby mental institution in the early 1990s. Screening of applicants, which included only a credit and prior evictions check, was admittedly lax to avoid upsetting elderly applicants, according to the site manager. In late 1998, a new, nationally known management company took over the property, with the site manager remaining in her position. Within a year, the new management company began an effort to reduce non-elderly disabled occupancy to the minimum set-aside of 10 percent. This change was implemented in response to fears by elderly residents in the wake of a highly publicized fatal incident involving a non-elderly disabled resident at a local elderly public housing development. According to the site manager, this occupancy policy is not written down because it is, in legal terms, no different from the HUD contract, which requires only 10 percent non-elderly disabled residents. While the proportion of non-elderly residents with disabilities was 17 percent in April 2000, non-elderly disabled applicants outnumbered elderly applicants over the past year, pointing to still-high demand for the property by this group.

Properties A and B also have high proportions of non-elderly disabled residents but do not have elderly preferences. Property A, a rather drab property offering no services in a very low-income neighborhood, has almost half non-elderly disabled residents. There is little demand for the property: the waitlist has just two applicants on it, both non-elderly people with disabilities. Elderly people do not want to move there because of the large number of non-elderly disabled residents living there, according to the regional manager, who does not have any intention of changing the occupancy mix. She said that there have been no major problems with tenants since she took over the property and "got tough" by screening out applicants who did not meet eligibility criteria by evicting problem residents. Under the old manager, she said, the property was "a real mess," plagued by prostitution and drugs.

Property B is a well-maintained property operated by a nonprofit management firm in a downtown residential neighborhood that has been largely revitalized in the past several years. As of April 2000, the proportion of non-elderly disabled residents at the property was 33 percent, and three-fourths of the 16 people on the waiting list were young disabled applicants. The number of non-elderly people with disabilities has increased here over the years, because other properties in the area have implemented elderly preferences, according to the management representative (who was unable to identify any particular properties with such policies). The management representative said there were no plans to change the occupancy mix at the property, despite fears by some of the elderly residents of the young disabled occupants, because their lifestyles can include loud music and visiting at late hours. However, drugs are not a problem at this property, according to the manager.

Property C is a well-maintained, attractive building in a good suburban location with a waitlist of two to four years. Although the property has no policy of elderly preferences and no restrictions on the type of disabilities allowed, it had fewer than 2 percent non-elderly disabled residents as of April 2000. According to the site manager, "Younger people don't want to live at a mostly elderly property;" they would be more comfortable in public housing developments that have 35 or 40 percent non-elderly disabled residents. It may be that the site manager dissuades some would-be young disabled applicants from applying to the property by describing it as a place where they would not feel comfortable. It may also be that screening procedures are constraining the number of non-elderly disabled applicants who are admitted to the property. Under the Fair Housing Amendments Act of 1988, it is illegal for a manager to communicate that an applicant would not be comfortable or compatible with current residents. According to the site manager, the waiting list contains about 10 percent non-elderly disabled applicants, more than five times higher than the current proportion of non-elderly occupants with disabilities. Routine screening includes credit and criminal background checks, as well as reference checks. The site manager also sometimes calls the applicant's doctor to make sure the applicant is capable of independent living, another practice that may violate fair housing laws.

2.2 Other Sources of Affordable Housing

Within the Akron metropolitan area, there are roughly 4,700 units of public housing in 26 developments. Of these, about 2,700 units are in 16 family developments, and 2,000 units are in 10 properties primarily serving the elderly. There are 44 fully accessible units in family developments and 54 in elderly properties. The waiting list is about 2 months, although it may take a little longer for an accessible unit. In addition, one 40-unit development serves only disabled residents. All together, accessible units make up three percent of all Akron public housing units. To date, the housing authority has not designated any developments as elderly-only.

As of April 2000, about 35 percent of units in elderly public housing developments were occupied by non-elderly people with disabilities, a considerable increase from 20 percent several years ago. (Fewer than 10 percent of units in family public housing are occupied by non-elderly disabled heads of household.) The executive director of the housing authority attributed the rise to a strong disabled advocacy community that "knows how to work the system," guiding clients to public housing where services are generally better than at privately owned developments. In addition, the executive director, who joined the housing authority only in the last few years, is very supportive of diverse populations in public housing, according to local advocates for people with disabilities. He said the biggest problem with having large proportions of non-elderly disabled residents in elderly developments is the need for services, such as help with housekeeping and assistance in taking medications. The housing authority provides more services in public housing than the typical HUD-assisted development, but these services are a mere "Band-aid on an open wound," according to the executive director. This lack of services is often at least partially to

blame when "incidents" occur, such as a fatal accident at an Akron public housing development for elderly and disabled residents in 1999, when a mentally disabled resident had stopped taking his medications. The event was sensationalized in the media and used by some to denounce mixed populations in elderly developments, according to housing authority staff and local advocates for disabled persons.

The waiting list for elderly/disabled public housing currently has 148 people, of whom 33 percent are non-elderly disabled.[18] Despite the relatively high proportion of non-elderly disabled residents in the elderly developments, the waitlist is still two-thirds elderly applicants, and housing authority staff do not seem worried that demand will drop. The average wait for a unit in an elderly development is about two months, although the wait is generally longer for wheelchair-accessible units. The waiting list for family public housing has 277 applicants, of whom 2.5 percent are non-elderly disabled. The average wait for a family unit is about two months overall and six to nine months for one-bedroom units.

The housing authority also administers a Section 8 program of certificates and vouchers. According to the housing authority, most non-elderly people with disabilities would prefer tenant-based assistance, but many move into public housing because of the shorter wait. As of April 2000, the wait for tenant-based Section 8 housing assistance provided through the housing authority was about six months. In addition, according to local advocates, it is difficult for certificate- or voucher- holders to find suitable units, especially wheelchair-accessible units, once they receive assistance. According to housing authority staff, two-thirds of the Section 8 vouchers are used in the downtown Akron area, where most of the housing stock is old, with multiple stories, stairwells, and no modifications to increase accessibility.

Among other housing options are three or four small Section 811 developments in the area and one 92-unit single-room occupancy development for homeless individuals. In addition, 5 percent of the units in local tax credit developments are wheelchair-accessible, but the rents are often not affordable for individuals with only SSI income.

3.0 Demand for Affordable Housing by Non-elderly Persons with Disabilities

According to local advocates for persons with disabilities, there are roughly 35,000 to 40,000 non-elderly disabled persons in the Akron area, a large proportion of whom need affordable housing. The 1990 Census reported for the Akron PMSA that 43,844 individuals age 16 to 64 (10 percent) have a work disability, a mobility limitation, or a self-care limitation.[19]

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[18] As of May 2000.

[19] U.S. Census Bureau, 1990.

Recent data indicate the number of non-elderly individuals age 18 to 64 receiving supplemental security income (SSI) is 8,639.[20] The Akron Metro Housing Authority estimates that only about 20 percent of the income-eligible population of non-elderly disabled persons receive housing assistance. It is not known whether the other 80 percent are living with their families, living in group homes or rooming houses, are transient, or do not apply for assistance because of criminal records.[21]

Overall, the percentage of non-elderly people with disabilities living in public and assisted housing in the Akron metro area has increased over the past few years. Not only has the proportion of non-elderly people with disabilities admitted into HUD-assisted housing risen, but the proportion of non-elderly disabled in elderly public housing developments has increased from around 20 percent in 1993 to about 35 percent in 2000. According to a local advocacy organization, public housing is relatively attractive for non-elderly persons with disabilities because it is affordable and because the level of services at public housing developments is typically higher than in project- or tenant-based assisted housing.

Nevertheless, the number of non-elderly people with disabilities in need of affordable housing has increased over the past several years in the Akron area, for several reasons. First, many previously institutionalized persons with mental disabilities need housing, because Medicare limits institutionalization of people who have mental disabilities, and because at least two mental institutions have closed in the Akron area. Second, the amount of public funding available for home care for the disabled has decreased substantially, exposing many non-elderly people with disabilities to the possibility of eviction because they cannot meet lease conditions or pass housekeeping inspections. Finally, the number of drug-dependent non-elderly disabled seeking affordable housing has increased because of a number of evictions from public housing since the “one-strike” policy was implemented.

Non-elderly people with disabilities face several different types of issues in the Akron area. The main challenge for many low-income non-elderly disabled persons, according to advocates, is finding suitable affordable housing. As noted previously, some HUD-assisted developments have elderly preferences, while others have long waiting lists. At the same time, voucher-holders have a hard time finding accessible units in the Akron area, leaving public housing as the primary affordable housing option available to young disabled persons.

Another major challenge for young people with disabilities is the need for attendant care. Often, residents simply need assistance to ensure they take their medication, eat adequately, or maintain their apartment to housekeeping standards. Without these services, many residents cannot meet the conditions of the lease. Public housing authority staff maintain that

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[20] Social Security Administration, December 1999.

[21] Interview with Akron Metro Housing Authority, April 2000.

local advocates focus on finding apartments for non-elderly disabled clients but then do not do enough to help them retain and maintain their apartments.

4.0 Changes in Housing Availability for Non-elderly Persons with Disabilities

The number of non-elderly persons with disabilities seeking affordable housing in the Akron area has reportedly increased over the past decade. This increase is due in large part to the de-institutionalization of mentally disabled individuals, reduced funding for home health aid, and the "one-strike" policy in public housing. These factors resulted in higher numbers of non-elderly people with disabilities seeking affordable housing.

In public housing and in HUD-assisted developments that have not implemented elderly preferences, the proportion of non-elderly disabled residents continues to increase. The public housing authority is known for its welcoming policy toward non-elderly disabled residents, which seems to be more a product of philosophy than of necessity. Of the two study properties where the proportion continues to rise, one (Property A) seems to have no other option, as there is little demand for the property by elderly people. At Property B, the nonprofit developer/management entity embraces the increase in disabled residents as part of its mission, and elderly demand has dropped off, perhaps in response.

At the same time, non-elderly occupancy is decreasing at the two study properties that are actively reducing non-elderly disabled admissions (Properties D and E), both of which are nice properties in excellent locations. At both properties, the shift in policy was implemented in response to an increase in the number of non-elderly occupants to two or three times the set-aside. At Property D, HUD expressed concern that the occupancy mix had become unbalanced; at Property E, complaints by elderly residents in the wake of an incident at a local public housing development spurred the change. In neither case is it clear that the change in federal legislation played a major role in the shift, although it may have raised awareness of occupancy policy options.

It appears that, to a certain extent, the elderly preferences at some properties are shifting demand to other properties, including public housing. At the same time, as expected, the number of elderly seeking to move into properties with growing proportions of non-elderly disabled residents is decreasing. Despite the shift in demand, the wait for an assisted or public housing unit can be as short as two months (although the waitlists range widely from property to property). Therefore, it is not clear that the overall availability of affordable units suitable for non-elderly disabled has decreased.

Bergen-Passaic Metropolitan Area

1.0 Overview of the Metropolitan Area

1.1 Demographic and Economic Summary

The Bergen-Passaic PMSA consists of the adjacent counties of Bergen and Passaic, occupying the northeast corner of New Jersey. Bergen County, which includes the cities of Hackensack and Fort Lee, lies just across the Hudson River from New York City and covers 234 square miles. Passaic County, bordering Bergen County to the west and covering 185 square miles, includes the cities of Paterson, Clifton and Passaic. Bergen and the southeast half of Passaic Counties are largely suburban, while the northwest half of Passaic County is fairly rural. A map of the metropolitan area appears in Exhibit 1.

The two-county metropolitan area had a population of 1.34 million in 1999, about 6 percent higher than in 1990.[22] Roughly two-thirds of the population lives in Bergen County and one-third in Passaic County. Bergen County's population is 85 percent white, 5 percent African American, 9 percent Asian, and 7 percent Hispanic (of any race), while Passaic County's population is 78 percent white, 17 percent African American, 3 percent Asian, and 26 percent Hispanic.[23] According to the 1990 Census, the median income for the two-county area was $45,119.

The economy of the Bergen-Passaic area, which is based primarily on services, manufacturing, and retail, is one of the strongest in New Jersey. A retailing giant of the New York/New Jersey Metropolitan region, Bergen County draws affluent shoppers to malls and shopping centers, but it is the service sector that provides the largest number of jobs and that has led the region's job growth. In recent years, Bergen County has been the statewide leader in job growth. Two-thirds of these jobs were in the service sector (primarily business and health services), and one-fourth were in the wholesale/retail trade area.[24] Passaic County has experienced more modest job growth, also in the services and retail sectors. In both counties, the manufacturing sector is continuing a long-term downward trend, primarily due to downsizings and closures.[25] The overall unemployment rate in the Bergen-Passaic PMSA is 4.5 percent.[26]

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22 U.S. Census Bureau, 1998.

23 U.S. Census Bureau, 1996.

24 New Jersey Department of Labor, 1999.

25 New Jersey Department of Labor, 1999.

26 New Jersey Department of Labor, February 2000.

Insert Exhibit 1 (MAP)

1.2 Housing Market Overview

In the Bergen-Passaic metropolitan area, the housing stock is approximately two-thirds owner-occupied and one-third rental units. The rental housing market is very tight, with an overall vacancy rate of just 2.8 percent.[27] The average monthly Fair Market Rent (FMR) for a two-bedroom apartment is $906 in 2000. Approximately 44 percent of renters in Bergen County and 43 percent in Passaic County cannot afford to pay the Fair Market Rent for a two-bedroom apartment.[28] According to local housing authority representatives, the affordable housing market is extremely tight, with overcrowding and substandard housing the norm in some areas, such as the city of Paterson.

The housing situation is worse for people with disabilities. According to data compiled by the Technical Assistance Collaborative and the Consortium for Citizens with Disabilities Housing Task Force, a person with disabilities whose sole income source is SSI (and who receives no housing subsidy) must pay 117 percent of his or her income to rent an efficiency apartment priced at the HUD Fair Market Rent in the Bergen-Passaic metropolitan area.[29]

1.3 Data Collection Approach

The Bergen-Passaic metropolitan area was selected for this study as an example of an area with a low rate of admissions for non-elderly people with disabilities.[30] Administrative data from HUD indicate a very low rate of admissions of non-elderly persons in HUD-assisted housing built primarily to serve elderly households. Among the HUD-assisted properties eligible for the study sample, only two non-elderly people with disabilities were admitted in 1996 (1.3 percent of admissions), and four were admitted in 1999 (2 percent of admissions).

The sampling frame for selecting HUD-assisted properties for this research included 2,425 units in 20 properties, of which 11 were developed under the Section 8 New Construction/Substantial Rehab (NC/SR) program, 8 are NC/SR with Section 202, and one is a state-agency funded project.[31]

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[27] U.S. Census Bureau, Rental Vacancy Rates, 1999.

[28] National Low Income Housing Coalition, *Out of Reach*, 1999.

[29] *Priced Out in 1998: The Housing Crisis for People with Disabilities*, Technical Assistance Collaborative, Inc. and Consortium for Citizens with Disabilities Housing Task Force, March 1999.

[30] For further discussion of the sampling approach used to select metropolitan areas and properties for this research, see Chapter 1 of this report.

[31] Source: TRACS data obtained from HUD for HUD-assisted properties. It is not possible to identify with certainty which properties were built "primarily to serve the elderly." We have used unit mix as a proxy by selecting properties in which 75 percent or more of the units in the property have fewer than two bedrooms. The sampling frame includes properties which meet the unit mix test ***and*** for which complete occupancy and admissions data were available for both 1996 and 1999. For further discussion of the sampling approach, see Chapter 1 and related Appendices.

The five properties selected for the study are located in a variety of neighborhoods throughout the metropolitan area. Key property characteristics are summarized in Exhibit 2.[32] As shown in the exhibit, the properties include one older-assisted property and four newer assisted properties developed in the late 1970s and early 1980s. Three properties are located in smaller cities; one is in a suburb in northern Bergen County; and the last property is located in an urban area just across the Hudson River from New York City. The communities include low-income neighborhoods in smaller cities, an upper-income neighborhood in a smaller city, and upper-income neighborhoods in suburban and urban locations. All of the sample properties reported low or very low rates of occupancy by non-elderly people with disabilities, and four of the properties have some restrictions on admissions of non-elderly people with disabilities, as described below.

The information for this case study was compiled through a review of HUD administrative data and through in-person and telephone discussions with key informants. Local respondents included property management officials from the five properties selected for the study, state housing officials, public housing agency officials, staff from the state disability office, supportive housing experts, and representatives of organizations serving people with disabilities.

2.0 Supply of Affordable Housing Available to Non-elderly Persons with Disabilities

The primary affordable housing options for non-elderly disabled persons in the Bergen-Passaic area are HUD-assisted properties, public housing, tenant-based Section 8, units developed under state programs, tax credit and HOME properties, and Section 811 developments. In addition, the sub-population of non-elderly people with disabilities with mental illness or chemical dependency who are homeless may qualify for rental assistance under HUD's Shelter Plus Care program. The following sections discuss first the HUD-assisted stock, then the other affordable housing options.

2.1 HUD-Assisted Properties and Their Occupancy Policies

The supply of units in HUD-assisted developments available to non-elderly people with disabilities in the Bergen-Passaic area is constrained by the occupancy policies of the properties. Indeed, the draft New Jersey Consolidated Plan for 2000 points to elderly

[32] According to the research design for this study, the managers who agreed to participate in the research were assured they and their properties would not be identified by name. The letter identifiers (A through E) used in Exhibit 2 are used throughout the case study to refer to the properties.

Exhibit 2
Development, Neighborhood, Occupancy and Policy Data

	Property A	Property B	Property C	Property D	Property E
DEVELOPMENT DATA					
Financing program	Older-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted
Construction date / most recent major rehab date	Pre-1975	1975-1979	1980-1984	1980-1984	1980-1984
Development size	Very Large	Very Large	Very Large	Very Large	Very Large
% fully accessible units	0-6%	0-6%	13-50%	7-10%	7-10%
% units that are studios	26-50%	No Studios	No Studios	No Studios	1-10%
Building type(s)	High-Rise	High-Rise	High-Rise	High-Rise	Low-Rise
Unit turnover rate per year	9-11%	9-11%	N/A	9-11%	Up to 8%
Overall property condition	Good	Good	Excellent	Excellent	Excellent
NEIGHBORHOOD DATA					
Neighborhood type / location	Smaller City	Urban	Smaller City	Suburban	Smaller City
Area income level	50-80% AMI	>100% AMI	50-80% AMI	>100% AMI	>100% AMI
Accessibility of nearby services	Excellent	Excellent	Excellent	Excellent	Excellent
Overall neighborhood condition	Fair	Excellent	Good	Excellent	Excellent
Negative neighborhood features	Many	None	None	None	None
OCCUPANCY / POLICY DATA					
% NED tenants,1999 (TRACS)	Low	Low	Low	Low	Medium
Current % vacant units	No vacant units	No vacant units	1-2%	1-2%	1-2%
Current % NED tenants	None	3-6%	None	Up to 2%	3-6%
Current % NED on waitlist	Up to 1%	2-10%	Up to 1%	N/A	2-10%
Policy type	Admits no NED	Unlimited units for NED, all kinds NED	Fixed #units mobility-impaired ELD & NED	Fixed #units mobility-impaired ELD & NED	Fixed #units mobility-impaired ELD & NED
Plans to change tenant mix	No plans to change current tenant mix	No plans to change current tenant mix	No plans to change current tenant mix	No plans to change current tenant mix	No plans to change current tenant mix
Notes on policy type and plans to change tenant mix					

N/A = Not Available
Please refer to the introduction of Appendix C for an explanation of the data sources, labels, ranges and definitions used in this exhibit.

preferences as a factor limiting the supply of housing available to young people with disabilities throughout the state. Among the five study properties, one has a stated policy of admitting only elderly households, three limit non-elderly occupancy to physically disabled persons in need of wheelchair-accessible units, and one has no stated limits on the number of disabled residents or the type of disabilities allowed.

The only study property with an explicit elderly preference is Property A, a drab property developed under Section 236 in a low-income neighborhood in a smaller city. Despite its lack of curb appeal, the property has no vacancies, and management has no plans to change its policy. Management implemented the elderly-only occupancy policy some time after 1992, although the current manager was not able to say what year the policy was changed or what precipitated the change.

Properties C, D, and E all restrict non-elderly occupancy to people who require wheelchair-accessible units. Property C is a fairly self-contained complex in a low- to middle-income neighborhood, and a variety of services and a mandatory meal plan are offered at the site. The property has had the same occupancy policy since it first opened. As of April 2000, the property had only 2 percent non-elderly disabled residents, although 9 percent of the units are fully accessible. This is due in part to the fact that, when a wheelchair-accessible unit becomes available, management gives priority to current elderly residents who develop a need for such a unit.[33] According to management, "most non-elderly disabled applicants don't qualify" to live at the property, although it was unclear on what basis they are screened out.

Property D, a well-maintained property located in an upper-income suburb of New York City, similarly accepts only mobility-impaired applicants who require a wheelchair-accessible unit. As of April 2000, the property had only 2 percent non-elderly disabled residents, although 10 percent of the units are wheelchair-accessible. As is the case with Property C, this property gives priority for its accessible units to current elderly residents who need the features of the unit. According to management, the property has always had "just a handful" of non-elderly disabled residents, and the manager claimed that very few apply.

Property E, the third study property that allows only non-elderly people with disabilities who are wheelchair-bound, is a well-maintained building in a middle-income, smaller city neighborhood. Ten percent of the units are wheelchair-accessible, but as of April 2000 only 5 percent of the residents were non-elderly disabled. While the management representative said the property takes a "fairly laid-back approach" to tenant selection, the representative also said that non-elderly disabled persons who applied were discouraged from moving to the development, because the elderly residents made the living environment uncomfortable for

[33] This practice is permissible under HUD occupancy guidelines. It is not permissible, however, to reserve accessible units for current residents to the exclusion of eligible applicants.

non-elderly people with disabilities. As described, this practice is illegal. Under the 1988 Amendments to the Fair Housing Act, it is unlawful for a manager to communicate that an applicant "would not be comfortable or compatible with current residents" based on the applicant's disability.

Property B, a well-maintained property located in a prosperous commuter town across the George Washington bridge from Manhattan, has the least restrictive occupancy policy among the five study properties. The property places no limits on the number of disabled residents or the type of disabilities allowed, according to the management representative. However, despite the stated occupancy policy, only 2 percent of residents are non-elderly people with disabilities. The property manager estimated that the waiting list had about 5 percent non-elderly applicants with disabilities, suggesting that the application process may eliminate some disabled applicants.

2.2 Other Sources of Affordable Housing

All together, six public housing agencies in Bergen and Passaic counties administer roughly 4,400 units of public housing. However, the availability of public housing for non-elderly people with disabilities is constrained by long or closed waiting lists and by elderly-designated housing. The Housing Authority of Bergen County administers 66 units in two family public housing developments, as well as 503 units in four elderly public housing developments, of which 437 units are designated as elderly-only.[34] The Housing Authority of the City of Passaic manages 700 public housing units, of which 130 are for elderly and disabled residents and 570 are for families, but the waiting list has been closed for several years.[35] The largest housing authority in the area, the Paterson Housing Authority administers 2,164 public housing units.[36]

The proportion of residents in public housing who are non-elderly and disabled is relatively low. In Bergen County Housing Authority developments, about 3 percent of occupants in family developments and 12 percent in elderly developments are non-elderly and disabled, an increase over the past several years.[37] The Passaic Housing Authority has 5 to 10 percent non-elderly disabled residents in public housing, with little change over the past several years.[38]

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[34] Based on information provided by Bergen County Housing Authority, June 2000.

[35] Interview with Passaic Housing Authority, April 2000.

[36] Paterson Housing Authority did not respond to a request for information about the breakdown of units by elderly and family developments, about elderly-only designation, or about occupancy.

[37] Information provided by Bergen County Housing Authority, June 2000.

[38] Interview with Passaic Housing Authority, April 2000.

Tenant-based housing assistance is provided through local housing agencies and through the state Department of Community Affairs' Division of Housing and Community Resources (DHCR), which administers tenant-based assistance through the Section 8 and HOME programs. Together, local housing agencies provide approximately 7,000 Section 8 vouchers and certificates, but many of their Section 8 waiting lists are closed. For example, the Passaic Housing Authority, which administers 1,442 certificates and vouchers, closed its waiting list more than five years ago.[39] Bergen County Housing Authority's Section 8 waiting list, which had 1,625 people as of June 2000, is also closed.[40] About 30 percent of those on the waitlist are non-elderly disabled applicants, compared to 21 percent of the current voucher- or certificate-holders.[41] The Bergen County Housing Authority applied for and received 175 vouchers for non-elderly disabled persons under the Mainstream program, but Passaic Housing Authority's application for vouchers under the Mainstream program was not funded.[42]

DHCR provides tenant-based Section 8 assistance to about 760 residents in Bergen County and about 200 residents in Passaic County.[43] Through an agreement with the Department of Human Services, DHCR plans and coordinates supportive services with community-based mental health centers and other support agencies in connection with Section 8 housing assistance and HOME tenant-based rental assistance.[44] Fully 70 percent of those currently served by the DHCR's tenant-based Section 8 program in Bergen County, and about half those in Passaic County, are non-elderly and disabled.[45] This represents a "phenomenal" increase over the past several years, according to a DHCR representative.

As is the case with Section 8 assistance administered by local housing agencies, the availability of Section 8 through DHCR is constrained by closed or long waiting lists. The waiting list for Passaic County is closed, as is the statewide waiting list for HOME-funded tenant-based assistance. When DHCR reopened its waiting list for tenant-based Section 8 in Bergen County in May 2000, by June 2000 the list already had 500 applicants, most of whom were non-elderly and disabled. The wait for rental assistance in Bergen County can be

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39 Interview with Passaic Housing Authority, April 2000.

40 Information provided by Bergen County Housing Authority, June 2000.

41 Information provided by Bergen County Housing Authority, June 2000.

42 HUD makes funding available for mainstream opportunities for people with disabilities. Local housing agencies must apply for these competitive funds.

43 Interview with New Jersey Department of Community Affairs, Department of Housing and Community Resources, Bergen County Field Office, June 2000.

44 Draft Consolidated Plan, New Jersey Department of Community Affairs, 2000.

45 Interview with New Jersey Department of Community Affairs, Department of Housing and Community Resources, Bergen County Field Office, June 2000.

several years, although local preferences shorten the wait considerably for persons with disabilities, since priority is given to this group.

Among alternative housing options are about a dozen properties serving the elderly and disabled developed under one or more of three state programs. These include: properties funded by the New Jersey Housing and Mortgage Finance Agency, many of which also have HUD mortgage assistance under Section 221 or 236; the Mt. Laurel program, which funds properties for low- and moderate income residents; and the Balanced Housing Program, serving residents earning 80 percent or less of median income. Another dozen or so properties for the elderly and disabled were built using tax credits or HOME funding. However, housing developed under the tax credit, HOME, and some state programs is generally not affordable to many non-elderly people with disabilities, including those whose sole source of income is SSI.

Supportive housing is provided through two Section 811 properties in Bergen County and three or four in Passaic County. According to supportive housing developers and the state Department of Human Services' Division of Developmental Disabilities, the number of Section 811 properties is insufficient, but new development is constrained by siting difficulties and local resistance.

Depending on the type of disability, non-elderly people with disabilities may have other housing options. For example, non-elderly people with mental disabilities have access to transitional residential service programs, boarding homes, and residential health care facilities.[46] The state Department of Human Services' Division of Developmental Disabilities operates a residential placement service for people who are developmentally disabled. Depending on their needs, the developmentally disabled are placed into group homes or similar housing situations, such as special skill development homes, family care homes, or more independent living situations. DHCR administers 18 traditional group homes in Bergen County.[47] The placement service refers more independent clients to supervised apartments monitored by staff who visit daily, to apartments without on-site supervision that offer needed services and on-call assistance, or to independent apartments that provide monthly monitoring and 24-hour access to emergency assistance.[48] Finally, homeless or formerly homeless disabled individuals have access to a number of single room occupancy properties as well as HUD's Supportive Housing and Shelter Plus Care programs.

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[46] Draft Consolidated Plan, New Jersey Department of Community Affairs, 2000.

[47] Interview with New Jersey Department of Community Affairs, Department of Housing and Community Resources, Bergen County Field Office, June 2000.

[48] Draft Consolidated Plan, New Jersey Department of Community Affairs, 2000.

3.0 Demand for Affordable Housing by Non-elderly Persons with Disabilities

Although New Jersey has a considerable range of programs to help low-income people with disabilities find affordable, suitable, and accessible housing, the demand for this housing far exceeds supply.[49] The 1990 Census reported that, in the Bergen-Passaic PMSA, 71,438 individuals age 16 to 64, or 8.5 percent, have a work disability, a mobility limitation, or a self-care limitation.[50] However, it is not known what proportion of these people also have limited incomes. A more accurate estimate of non-elderly people with disabilities who have low incomes may be the number of people receiving supplemental security income (SSI). Recent data indicate the number of individuals age 18 to 64 receiving SSI in the two-county area is 9,929.[51] The number of young disabled persons seeking affordable housing in the Bergen-Passaic metropolitan area has increased greatly over the past several years, largely because of the de-institutionalization of persons with mental disabilities, according to a state housing official.[52]

The biggest housing challenge facing non-elderly people with disabilities is the lack of affordable units. The availability of HUD-assisted housing for non-elderly people with disabilities is constrained by policies that restrict occupancy to elderly or mobility-impaired residents and by long waiting lists. Similarly, the availability of public housing units is limited by closed waiting lists or by elderly preferences, and many waiting lists for tenant-based assistance are also closed.

For developmentally people with disabilities, the Division of Developmental Disabilities' waiting list for residential services has approximately 1,200 people on it for northern New Jersey, with Bergen County accounting for more applicants than any other county in the region.[53] The list has grown throughout the state in recent years, in part because of a growing focus on community-based housing options as an alternative to living in institutions.[54] It should be noted that many of these clients are not capable of meeting the conditions of a lease for HUD-assisted housing and therefore would not be included in the demand for HUD-assisted housing.

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49 Draft Consolidated Plan, New Jersey Department of Community Affairs, 2000.

50 U.S. Census Bureau, 1990.

51 Social Security Administration, December 1999.

52 Interview with New Jersey Department of Community Affairs, Department of Housing and Community Resources, Bergen County Field Office, June 2000.

53 Interview, New Jersey Department of Human Services, Division of Developmentally Disabled, May 2000.

54 Draft Consolidated Plan, New Jersey Department of Community Affairs, 2000.

Among physically disabled individuals, one of the greatest hindrances to living in an apartment is the lack of personal attendant services.[55] While the Department of Human Services offers a Personal Attendant Services Program to people with chronic disabilities, priority is given to people who are employed or preparing for employment, and long waiting lists attest to the lack of adequate funding.[56] Another concern is the growing number of physically disabled persons whose aging parents can no longer take care of them. Often, the only option is institutional care because of the lack of community-based options.[57]

For non-elderly people with mental disabilities, access to a full range of housing options—including affordable permanent housing—is severely limited in New Jersey.[58] The state Department of Community Affairs points to three major barriers to appropriate housing: low incomes of most mental health consumers coupled with a lack of affordable housing; lack of access to adequate and appropriate long-term community supportive housing services to enable independent living; and community resistance, including discriminatory housing practices toward persons with psychiatric illness.[59]

Given the high demand for affordable housing in relation to supply and the various other housing-related challenges facing non-elderly people with disabilities in the Bergen-Passaic area, many young people with disabilities search for housing for a very long time, often ending up living in rooming houses, doubled up in overcrowded situations, or occupying substandard housing such as attics or basements of private homes. Some become what one local housing consultant called "hidden homeless"—living in temporary quarters with family or friends.

4.0 Changes in Housing Availability for Non-elderly Persons with Disabilities

While it is certain that the rate of admissions in Bergen-Passaic is very low, it is unclear whether the number of assisted housing units in the Bergen-Passaic area available for non-elderly people with disabilities has declined or remained stable over the past decade. The state's draft Consolidated Plan points to elderly preferences as a factor limiting the supply of housing available to non-elderly people with disabilities throughout the state. Similarly, the Bergen County Housing Authority has designated most of its units for elderly occupancy. However, data for the HUD-assisted properties eligible for the study do not show a decrease

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55 Draft Consolidated Plan, New Jersey Department of Community Affairs, 2000.

56 Draft Consolidated Plan, New Jersey Department of Community Affairs, 2000.

57 Draft Consolidated Plan, New Jersey Department of Community Affairs, 2000.

58 Draft Consolidated Plan, New Jersey Department of Community Affairs, 2000.

59 Draft Consolidated Plan, New Jersey Department of Community Affairs, 2000.

in occupancy from 1996 to 1999. In addition, only one property included in this study has elderly preferences. While three others restrict non-elderly occupancy to mobility-impaired residents, it appears that these policies predate the 1992 change in federal legislation.

More clear is the increase in demand for housing by young people with disabilities as a result of de-institutionalization and a trend toward community-based housing options. The low rate of admissions of non-elderly people with disabilities in the area means that this increased demand must be absorbed elsewhere, and the result is growing pressure on other housing options such as tenant-based Section 8. For example, the proportion of residents receiving Section 8 through DHCR who are non-elderly and disabled is 70 percent, a dramatic increase over past years. The increased demand has also reportedly forced many non-elderly people with disabilities into crowded living situations, substandard housing, or homelessness.

Denver Metropolitan Area

1.0 Overview of the Metropolitan Area

1.1 Demographic and Economic Summary

The Denver metropolitan area is comprised of five counties—Adams, Arapahoe, Denver, Douglas, and Jefferson—with a total population of 2,365,345. Of this population, slightly more than 21 percent (499,055) lives in the city of Denver, Colorado's state capital. Some 70 percent of the remaining residents live outside of the four largest cities in the MSA.[60] A map of the metropolitan area appears in Exhibit 1.

Per capita income in Colorado is the ninth highest in the nation, with the second fastest rate of growth.[61] According to the 1990 Census, the median income for the MSA was $33,682. Ten years later in 2000, median income is $62,100. Income levels vary among the MSA's counties, with the lowest being Denver County.

The city of Denver is more ethnically diverse than the suburban communities that surround it. Whites comprise 73 percent of the population, African Americans 13 percent, Asian-Americans 2 percent, and 23 percent are Hispanic.[62] Other counties have significantly fewer members of minority groups. Adams County's population is 87 percent white, Arapahoe County's population is 89 percent white, Douglas County is 97 percent white, and Jefferson County is 95 percent white.

Denver sits on a high plain within view of the Front Range of the Rocky Mountains, which forms a backdrop for the city to the west. Historically dependent on mining and oil production, Denver's economy today is one of the most diverse in the nation.[63] Through the 1990s, Denver's economy rebounded from the gas-induced recession of the mid-1980s as computer and electronics industries flourished in the region. The resulting job growth has led to one of the lowest unemployment rates in the nation. As of April 2000, the MSA's unemployment rate was just two percent.[64]

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60 U.S. Census data, Metropolitan Area and Central City Population Estimates for 7/1/98 and Revised 4/1/90, Census Population Counts

61 www.dola.state.co.us/doh/section2.htm

62 HUD TRACS data (total does not equal 100 percent because Hispanics may also be included in another population category).

63 Denver Metro Chamber of Commerce data. http://www.denverchamber.org/Eco_development/index.htm

64 Colorado Department of Labor and Employment, Labor Market Information: http://lmi.cdle.state.co.us/ali/apr00lf.htm

Insert Exhibit 1 (MAP)

Denver's downtown area is experiencing a period of revitalization, as previously unoccupied buildings are being redeveloped into market-rate housing and office space. Central city residential areas, in particular the Capitol Hill area on the south side of downtown, are being redeveloped. The improved economy in the Denver metropolitan area in general has produced a boom in construction of new residential communities on what was previously ranch land.

1.2 Housing Market Overview

Denver ranks in the top 25 fastest growing real estate markets in the country. With an overall rental housing vacancy rate of six percent, according to 1999 Census data, some areas in the MSA are actually approaching a zero vacancy rate.[65] In terms of the general rental housing market, respondents stated that the market was, as one informant phrased it, "tight, but not bleak – yet." With rents rising faster than wages and benefits, the problem is becoming increasingly acute. According to Colorado Department of Human Services estimates, in 1997 and 1998 rents increased at twice the rate of general inflation.[66]

New housing growth in the city of Denver is focused primarily on the rehabilitation of existing downtown buildings and homes. Many of these older buildings in the increasingly popular downtown Capitol Hill area are being redeveloped and sold as market-rate condominiums. Prices of single-family homes have steadily increased, even as the number of building permits issued remains high, in part due to the continuing rise in population.

Not all residents can afford the rising rents or the new housing units being developed. Data assembled by the National Low Income Housing Coalition indicate that the housing affordability problem in Denver is particularly severe for individuals who are primarily dependent on SSI income. The Fair Market Rent (FMR) in 1999 for a one-bedroom apartment was $499; however, a disabled individual whose sole source of income came from SSI could afford a monthly rent of just $164 (assuming he/she pays no more than one-third of income in rent). According to NLIHC, at an FMR of $664, 43 percent of renters in Denver cannot afford the FMR for a two-bedroom unit.[67]

Local respondents described the overall affordable housing stock as relatively new and in good condition, and visits to HUD-assisted properties support this assessment. Concentrations of low-income housing are rare in the metro area. Public housing in Denver is dispersed throughout the city, although there is some concentration in the lower downtown

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[65] Bureau of the Census 1999 estimate.

[66] Colorado Department of Human Services, Office of Self Sufficiency

[67] *Out of Reach*, National Low Income Housing Coalition, September 1999.

Capitol Hill area. The vacancy rate for affordable housing, according to Denver Housing Authority officials, is estimated to be only one percent.

1.3 Data Collection Approach

The Denver metro area was selected for this study as an example of an area with a high rate of admissions for non-elderly people with disabilities.[68] Administrative data from HUD indicate a high rate of admissions of non-elderly persons with disabilities in HUD-assisted housing built primarily to serve elderly households, and this rate appears to have been stable in recent years. In 1996, the percentage of admissions for persons with disabilities for HUD-assisted properties in the Denver metropolitan area was 21 percent (with 93 admissions of young people with disabilities). In 1999, that percentage increased slightly to 22 percent, with 134 such admissions.[69]

The sampling frame for selecting HUD-assisted properties for this research included approximately 4,985 units in 65 properties in the Denver area. Some 25 of these properties received funding under the Section 8 New Construction/Substantial Rehabilitation (NC/SR) program, while 29 were funded by the Section 202 program with Section 8 NC/SR.[70]

The five properties selected for this study are located throughout the metropolitan area. Key property characteristics are summarized in Exhibit 2.[71] Geographically, the study properties are divided between urban and suburban locations. Three of the selected properties were located within the central city area in mixed-income neighborhoods, one was on the outskirts of Denver in a lower-income residential neighborhood, and the fifth was in a northern, moderate-income suburb.

The information for this case study was compiled through a review of HUD administrative data and in-person and telephone discussions with key informants. Local respondents included property management officials from the five properties selected for the study, public

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[68] For further discussion of the sampling approach used to select metropolitan areas and properties for this research, see Chapter 1 of this report.

[69] HUD TRACS data.

[70] Source: TRACS data obtained from HUD for HUD-assisted properties. It is not possible to identify with certainty which properties were built 'primarily to serve the elderly'. We have used unit mix as a proxy by selecting properties in which 75 percent or more of the units in the property have fewer than 2 bedrooms. The sampling frame includes properties which meet the unit mix test and for which complete occupancy and admissions data were available for both 1996 and 1999. For further discussion of the sampling approach, see Chapter 1 and related Appendices.

[71] According to the research design for this study, the managers who agreed to participate in the research were assured they and their properties would not be identified by name. The letter identifiers (A through E) used in Exhibit 2 are used throughout the case study to refer to the properties.

Exhibit 2
Development, Neighborhood, Occupancy and Policy Data

	Property A	Property B	Property C	Property D	Property E
DEVELOPMENT DATA					
Financing program	Newer-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted
Construction date / most recent major rehab date	Pre-1975	1975-1979	1980-1984	1980-1984	1980-1984
Development size	Very Large	Small	Very Large	Very Large	Medium
% fully accessible units	7-10%	7-10%	11-12%	0-6%	7-10%
% units that are studios	26-50%	26-50%	1-10%	No Studios	No Studios
Building type(s)	High-Rise	High-Rise	High-Rise	High-Rise	Row/Townhouses
Unit turnover rate per year	17-40%	17-40%	17-40%	12-16%	Up to 8%
Overall property condition	Good	Fair	Excellent	Good	Good
NEIGHBORHOOD DATA					
Neighborhood type / location	Suburban	Urban	Urban	Urban	Suburban
Area income level	50-80% AMI	50-80% AMI	<30% AMI	30-50% AMI	>100% AMI
Accessibility of nearby services	Fair	Good	Good	Excellent	Fair
Overall neighborhood condition	Fair/Good	Good	Good	Good	Good
Negative neighborhood features	None	Some	None	Some	None
OCCUPANCY / POLICY DATA					
% NED tenants,1999 (TRACS	High	High	Low	High	Low
Current % vacant units	1-2%	6-20%	1-2%	1-2%	No vacant units
Current % NED tenants	51-90%	51-90%	Up to 2%	13-50%	3-6%
Current % NED on waitlist	46-100%	46-100%	11-45%	11-45%	Up to 1%
Policy type	Unlimited units for NED all kinds NED	Unlimited units for NED, all kinds NED	Fixed #units mobility-impaired ELD & NED	Unlimited units for NED, all kinds NED	Fixed #units mobility-impaired ELD & NED
Plans to change tenant mix	No plans to change current tenant mix	No plans to change current tenant mix	No plans to change current tenant mix	No plans to change current tenant mix	Plans to reduce #NED through attrition
Notes on policy type and plans to change tenant mix					

Please refer to the introduction of Appendix C for an explanation of the data sources, labels, ranges and definitions used in this exhibit.

housing agency officials, Denver HUD field office staff, local advocates for people with disabilities, and state housing and human services officials.

2.0 Supply of Affordable Housing Available to Non-elderly Persons with Disabilities

The primary affordable housing options for non-elderly people with disabilities in the Denver MSA are HUD-assisted housing, public housing, Section 811 developments, three project-based Section 8 developments managed by the Denver Housing Authority, and a number of tenant-based Section 8 vouchers designated for non-elderly people with disabilities available through the state Department of Human Services. This section reviews the HUD-assisted housing stock. It is followed by a discussion of the public housing stock and other sources of affordable housing.

2.1 HUD-Assisted Properties and Their Occupancy Policies

The Denver MSA was in the high rate of admissions category of our sample, and occupancy policies at the five study properties supported this trend. All five study properties accepted people with some type of disability; none had an elderly-only policy. Of the five, three had high levels of tenants with disabilities. None of the five HUD-assisted properties included in this study reported a policy change as a result of the Housing and Community Development Act of 1992.

Properties with High Rates of Occupancy by Non-elderly People with Disabilities
Among the three properties (A, B, and D) with a high rate of non-elderly disabled occupancy, there are no restrictions on the type of disability that an applicant might have. Property managers at developments A and B reported that the prior management company had done a poor job of screening tenants for drug-dealing records, and it had taken some effort to evict the troublesome tenants from the building. Both properties reported few problems among tenants at the time of the study.

At Property A, a large, slightly older property in a residential area near Denver, one third of the younger tenants had a disability of some kind. This property was financed under the Section 236 program with Section 8 NC/SR. There are no restrictions at this development on the type of disability accepted. The manager reported that it was difficult to attract elderly tenants to the property because of the increasing number of younger disabled residents. Occupancy data from HUD show that the population of people with disabilities has increased since 1996. The manager of Property A stated that, when the company took over management of the building in 1993, they had tried to change their occupancy policy to elect an elderly preference. However, they were informed that they could not choose an elderly preference because of the terms of their original contract that required them to serve elderly

and disabled persons. The manager would like to increase the number of elderly tenants but believes that, with a substantial population of non-elderly people with disabilities residing in the building, the current tenant mix is unlikely to change and the number of disabled tenants may actually increase.

While both are still in the high admissions level category, the occupancy rate for people with disabilities at Property B is considerably lower than Property A. Since the manager began screening applicants to ensure that they met eligibility criteria, Property B has actually experienced a slight decline in the proportion of non-elderly residents with disabilities. He also implemented a strict eviction policy designed to remove tenants who committed criminal violations. This property was financed under the project-based Section 8 program. While it still houses a high share of younger people with disabilities (according to our study criteria), HUD data for this property show—and the manager agrees—that the number of people with disabilities has decreased. At the time of our interview, both the resident manager and the supervising property manager agreed that the current tenant mix is acceptable, and they have no plans to change it.

The third property with a high number of people with disabilities, Property D, also has no plans to change its current tenant mix, despite an increase in the number of non-elderly disabled residents between 1996 and 1999. This property was also financed under the project-based Section 8 program. The manager believes that more elderly will want to move in as the market continues to tighten. As evidence of a tighter market, she reported that in the last several months, all prospective applicants on the waiting list were responding to requests for updated information, despite the wait of six months or longer for an available unit.

Attitudes among the property managers of these three developments were consistently ambivalent toward the younger disabled tenants living at their properties. They felt that it was more challenging to work with tenants who have disabilities, especially those with mental disabilities or substance abuse problems, but that they were providing crucially important housing to an under-served population with insufficient affordable housing options. Among the three properties, none reported a need to market their available units. When asked about what kind of marketing he does, one manager laughed and replied, “When I’m getting ten calls a day from applicants, why do I need to advertise?”

Properties with Low Rates of Occupancy by Non-elderly People with Disabilities

Properties C and E, on the other hand, had low rates of non-elderly disabled admissions and restricted admissions for non-elderly applicants to persons with mobility impairments. In both cases, the percentage of residents with disabilities was less than two percent, according to data that managers made available for our study. TRACS data from HUD show that, in both 1996 and 1999, these two properties had extremely low rates of disabled admissions, supporting the managers’ figures. Both property managers boasted of having many of the

original tenants still residing in their buildings, some twenty years later, which inevitably reduced the number of units available to new applicants.

Property C, a very well-maintained, large building located in a moderate-income community within Denver city limits, has changed its admissions policy to restrict admissions of people with disabilities to those with mobility impairments only. This property was financed under the Section 202 program with Section 8 NC/SR. The manager stated a preference for elderly tenants and described the efforts of the staff to actively recruit seniors to the property. Less than one percent of the residents are non-elderly people with disabilities, and a similarly small number of applicants on the waiting list are disabled. Given the current proportions of disabled residents and applicants, the manager does not expect the disabled admissions rate to change.

Property E, financed under the project-based Section 8 NC/SR program, appeared to be reducing the number of persons with disabilities through attrition and was moving elderly tenants into accessible units when they became available, although no formal occupancy policy change had been made.[72] The resident manager, who had been a full-time resident and manager of the property since it opened, appeared to have control over the application and admissions process. It was not apparent if the applicant screening process was in violation of the Fair Housing Act. The percentage of current residents who were non-elderly people with disabilities was between three and six percent, and there were no non-elderly and disabled applicants on the waiting list.

2.2 Other Sources of Affordable Housing for Non-elderly People with Disabilities

Public housing in the city of Denver consists of 3,849 units. The public housing stock includes 358 studios, 922 one-bedroom units, 10 two-bedroom units, and 2559 family units with three or more bedrooms. Included in this number are three developments (with a total of 249 units) that are designated elderly-only. There are 106 fully accessible units in total, though Authority staff was not able to specify the percentage available to non-elderly applicants. None of the 194 approved applicants on the current public housing waiting list needs a fully accessible unit. Housing officials believe that there are a variety of reasons for this apparent lack of demand, including some applicants knowing they would not qualify, or needing a family unit, or requiring an assisted living option.

As of May 2000, 11 percent of the public housing population in Denver is elderly. This percentage has not changed significantly in the last seven years. As of the end of 1999, six percent of the population living in tenant-based Section 8 units was elderly, and three percent

[72] This practice is permissible under HUD occupancy guidelines. It is not permissible, however, to reserve accessible units for current residents to the exclusion of eligible applicants.

was near-elderly.[73] The Housing Authority reports that 27 percent of the 194 people on the public housing waiting list are young persons with disabilities.

With three elderly-designated public housing developments, the Denver Housing Authority (DHA) was the second public housing agency in the country to submit a designation plan to HUD. Staff report that no people with disabilities were displaced as a result of this designation, because one building was newly constructed and the other two were undergoing modernization and were vacant at the time. The three elderly-designated buildings account for 249 units of housing, out of 945 in total. The remaining 696 public housing units are located in 17 developments within the city of Denver.

There is no waiting list for Section 8 rental assistance, because applicants are selected from a lottery pool. The Section 8 program lottery is opened two days each year; then computerized random drawings are done from the pool as applicants are needed throughout the year. In the 1999-2000 year, 3,258 lottery tickets were handed out; 2,631 were returned and accepted into the lottery to fill vacancies in the 434 units of project-based Section 8 housing managed by the DHA. This was an increase over last year's participation levels. The number of applicants for public housing, by comparison, has not changed.

Estimates of the gap in affordable housing for non-elderly people with disabilities varied among respondents. Denver Housing Authority staff have not heard from advocates for the disabled that a shortage of housing exists, and they have no resources to conduct their own analysis of housing availability for persons with disabilities who need affordable housing. Advocates expressed a greater concern for the lack of housing options for people with disabilities. A leading disabled advocacy group in Denver identified 900 units of accessible housing in the Denver metro area, many of which are located in Section 202 buildings. In a recent survey of Section 202 and Section 236 properties conducted by this group in the Denver metro area, of 29 respondents, 21 said that they restricted occupancy or had elderly preferences, 11 had a waiting list, and 10 of these had disabled persons on their lists.[74]

Conversions of project-based Section 8 developments have not accounted for a noticeable loss of affordable housing; however, a strong and vocal advocacy movement is expressing concern about an impending loss of these units. Throughout Colorado, 17,000 units may be affected by opt-outs. Colorado HUD officials are responding by advocating the transfer of these units to nonprofit organizations before the properties opt out of the Section 8 program.

An innovative program to address the affordable housing needs of persons with disabilities is run by the Colorado Department of Human Services Supportive Housing and Homeless Programs division (SHHP). This division operates a large, statewide Section 8 voucher

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[73] Near elderly is defined as ages 55 to 61. Elderly is defined as age 62 and older.

[74] Phone interview with an Atlantis Community, Inc. housing advocate.

program for the state's disabled population. This program began in the early 1980s to accommodate people being released from hospitals and mental institutions. As of May 2000, 2100 vouchers are offered statewide. The program works in conjunction with 60 nonprofit agencies, which act as liaisons between the prospective tenants and the landlords. The DHS staff train the providers to understand Section 8 and to conduct HUD's Housing Quality Standards inspections. The providers also offer assistance with community integration and supportive services for the tenants after they move in.

SHHP has 200 additional tenant-based Section 8 vouchers available for non-elderly disabled individuals who are on waiting lists for HUD assisted housing. This program has not been as successful, because building managers are reluctant to give out names from waiting lists, afraid that they would be violating the Fair Housing Act.[75]

Advocacy organizations that work with persons with disabilities are another source of assistance with housing needs. Many perform housing searches for their clients, searching apartment advertisements, contacting housing officials, filling out applications, and even transporting clients to meetings with prospective landlords. The local HUD office is also a source of information about affordable and accessible housing for persons with disabilities. The local office disseminates a regularly updated list of HUD-assisted properties and their admissions criteria.

Other state agencies have developed materials advertising independent living options for Colorado residents. Community Housing Services, Inc. published a 1999 locator guide listing phone numbers and addresses of all independent-living properties by town, identifying which are subsidized, which admit those under 62 with disabilities, and the number of wheelchair-accessible units.

3.0 Demand for Affordable Housing by Non-elderly Persons with Disabilities

As of the 1990 Census, the number of self-identified persons with disabilities in the Denver MSA was 98,759.[76] A local advocacy group for persons with disabilities estimates that 28,000 people with disabilities need affordable housing, and, of that number, 24,000 are looking for housing. They also estimate that 11.5 percent of the population has a severe disability in Denver. From these numbers, it is difficult to make an accurate assessment of

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[75] The division also runs another innovative program in response to requests from disabled persons and their advocates, using HUD HOPE 3 funds for a homeownership program for the disabled. As of May 2000, 70 people have finished the program and are homeowners. In January 2000, the division began a demonstration program to use Section 8 for homeownership. However, at the time of the interview, no one had yet purchased a home through this program.

[76] U.S. Bureau of the Census 1996 estimate.

the number of non-elderly persons with disabilities who need affordable housing in an independent living arrangement. However, the estimated number of disabled persons seeking housing would indicate a high demand.

The Colorado Division of Housing produces an annual measurement comparing the number of housing units affordable at various income levels with the number of renter households that are able to afford these units. Known as the Mismatch Matrix, it shows that, for 1999, of all households at or below 30 percent of their community's median income, less than 47 percent are able to afford rent for their area.[77] HUD's 'worst case' housing needs measurement provides another estimate of the gap in affordable housing. This is defined as earning less than 50 percent of the area median income, and paying over half of household income for rent or living in substandard housing. In the Denver metro area, 29 percent of renters have worst case housing needs.[78]

The SSI-eligible population can serve as a reasonable estimate of the number of very low income disabled persons in the MSA, those most likely to be in need of affordable housing options. SSI data show that, in Adams County, 4,256 received SSI for the disabled in December 1999. In Arapahoe County, 2,620 received SSI; in Denver County, 11,114; in Douglas, 137; and in Jefferson County, 2,723, for a total of 20,850 SSI recipients in the metropolitan area. However, no reliable data exist that show the number of SSI recipients who already have adequate housing.[79]

Disabled individuals often move from more rural areas to Denver to be closer to necessary services. As the state's largest city and its capital, Denver has proportionately more of the necessary social services. Local housing officials interviewed for this study reported that residents of Denver are also more progressive in their attitudes toward people with disabilities, which may help to explain why this MSA falls into the "high" admissions stratum in our study.

Local advocates reported that, despite the more responsive approach taken toward the needs of people with disabilities, discrimination against persons with a mental disability is far more prevalent than against individuals with physical or developmental disabilities, because, as one respondent described it, the former is seen "as a character issue." Yet the HUD office reports few fair housing complaints from disabled tenants.

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[77] Colorado Department of Local Affairs, Division of Housing Affordable Housing Needs Impact Report, November 1, 1999. (http://www.dola.state.co.us/doh/tab3.htm)

[78] www.hud.gov/worsfact/denver.html

[79] Social Security Administration 1999 data: http://www.ssa.gov/statistics/ssi_st_cty/1999/pdf/colorado.pdf

4.0 Changes in Housing Availability Non-elderly People with Disabilities

According to the Denver Housing Authority, there is no unmet affordable housing demand for non-elderly people with disabilities. While the DHA staff state that they do not have the resources to track the number of people with disabilities looking for housing, they rely on advocates for this population to approach them when a housing issue has been identified, and they have not heard from the advocacy community on this topic. Although the Housing Authority does have an Allocation Plan that selected an elderly-only option for three properties, the officials there were quick to point out that implementing an elderly-only preference did not displace any non-elderly disabled residents.

Advocates paint a different picture of needs, saying that the demand is high for affordable, accessible units. Unfortunately, no inventory is maintained of the number of accessible units, and no data are kept on the number of people living in fully accessible units who don't require this type of housing.

In general, respondents felt that there was "no communication between the supply and demand sides" of housing, which is an impediment to locating affordable housing. One housing official suggested that landlords with accessible housing units be allowed to advertise these units for free in order to find appropriate and eligible disabled applicants. Some effort has been made to provide listings of affordable housing options for the elderly and people with disabilities. The Colorado Department of Human Services has two publications that list affordable housing throughout the state by town, including admissions restrictions and the number of fully accessible units at each property.

Among the property managers, local housing officials, and advocates for the disabled interviewed for this study, no one believed that the 1992 Housing and Community Development Act had any noticeable effect on the availability of housing for the disabled. Of the five study properties, all five admitted people with disabilities, although only three of the five accepted tenants with all types of disabilities.

Detroit Metropolitan Area

1.0 Overview of the Metropolitan Area

1.1 Demographic and Economic Summary

The Detroit metropolitan area includes Wayne County, where the city of Detroit is located, as well as Lapeer, St. Clair, Monroe, Oakland, and Macomb Counties in southeastern Michigan. A map of the metropolitan area appears in Exhibit 1. The most populous counties (and the locations of the properties discussed in this case study) are Wayne, Oakland, and Macomb counties. The total population of this three-county area is just under 4 million people. The city of Detroit has a population of roughly 1 million people, making it the tenth largest city in the United States. The central city's population has been declining for the past 3 decades, however. Between 1970 and 1980, the city lost about 20 percent of its 1970 total; in the 1980s, the city lost 15 percent. The rate of decline seems to have decreased in the 1990s. During the period from 1990 to 1996, Detroit's population decreased from 1.5 million to 1.02 million, a decline of under 3 percent.[80]

Median household income according to the 1990 Census was $28,000 for Wayne County residents, $39,000 for residents of Macomb County, and $43,000 for those living in Oakland County. According to a report prepared by the Southeast Michigan Council of Governments, there are wide variations in income levels through the region. A "wealth belt" of affluent communities begins in Ann Arbor (60 miles west of Detroit) and extends across northwest Wayne County, through central Oakland County to the Grosse Pointe communities. By contrast, lower-income areas are located in parts of Detroit, Pontiac, Mt. Clemens, Inkster, and River Rouge/Ecorse.[81] In the city of Detroit, roughly three-quarters of the city's residents are minority group members and many are poor. The central city has the largest concentration of poor households in the metropolitan area, with a poverty rate of 33 percent.

After painful economic decline in the 1970s and 1980s, economic development has revived in recent years in downtown Detroit and surrounding areas. In the city, General Motors officials recently elected to establish their world headquarters in Renaissance Center. A new downtown baseball field is attracting commercial and housing development. Expensive townhomes are being built within two blocks of the stadium. The city has one of six Federally funded Empowerment Zones and a state-designated Renaissance Zone. Both programs encourage business development through tax and other incentives.

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[80] Detroit, MI Consolidated Plan for 1995, Executive Summary, pp. 2-4.

[81] Southeast Michigan Council of Governments, *Patterns of Diversity and Change in Southeast Michigan*, August 1994; revised August 1997

Insert Exhibit 1 (MAP)

Despite Detroit's reputation as the "Motor City," the health care industry is now the largest source of employment in the Detroit area, followed by automotive and related firms. Job growth in the suburbs has been strong. Commuting from one suburb to another is now the most common pattern in metropolitan Detroit: seven out of ten workers living in Wayne, Oakland, or Macomb counties do not work or live in Detroit.[82] Unemployment rates within the metropolitan area for the first quarter of 2000 varied considerably. Wayne County's unemployment rate averaged 3.5 percent, but the City of Detroit's rate was 5.9 percent. The suburban Oakland and Macomb Counties had lower unemployment rates, at 2.2 percent and 3.0 percent respectively.

1.2 Housing Market Overview

The total housing stock in the city of Detroit has declined, although not as precipitously as the population. The number of total year-round housing units and occupied housing units both declined by roughly 13 percent in the past two decades. However, local respondents described a housing market that has become increasingly tight in the past several years. Vacancy rates were relatively high in the period 1996-1998, although the trend was downward from 8.8 percent in 1996 to 7.4 percent in 1998.[83] The city's housing market is perceived to be looser than that of the suburban communities, but low vacancy rates and increasing rents are concerns throughout the metropolitan area. The average monthly Fair Market Rent for a two-bedroom apartment is $618, according to HUD data.

Incomes are not keeping up with increases in housing costs. This has created pressure on affordable housing, in particular. Recent HUD data on housing needs indicate roughly 91,000 households in the metropolitan area have "worst case" housing needs; that is, they have incomes of less than 50 percent of the area median and pay over half their incomes for rent or are living in severely substandard housing. An additional 40,000 households in suburban counties surrounding the city have worst case needs. More than 20,000 households in Detroit are on waiting lists for HUD assistance.[84]

People with disabilities are having a particularly difficult time affording housing. According to data compiled by the Technical Assistance Collaborative and the Consortium for Citizens with Disabilities Housing Task Force, a person with disabilities whose sole income source is SSI (and who receives no housing subsidy) must pay 76 percent of his or her income to rent an efficiency apartment priced at the HUD Fair Market Rent in the Detroit metropolitan area.

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82 Southeast Michigan Council of Governments, *Patterns of Diversity and Change in Southeast Michigan,* August 1994; revised August 1997

83 U.S. Census, Housing Vacancies and Homeownership Statistics, 1998.

84 *Affordable Housing Shortage in Metro Detroit, MI,* 1999 U.S. Department of Housing and Urban Development at www.hud.gov/worsfact/detroit.html.

Other issues facing people with disabilities include poor housing quality in the city, unwillingness of private landlords to make accommodations for people with mobility or sensory impairments, and limited access to elderly public housing (which no longer accepts non-elderly people with disabilities in elderly public housing developments, as discussed in Section 2.2). Local observers also anticipate an increase in property owners choosing to opt out of project-based Section 8 contracts as their contracts expire.

1.3 Data Collection Approach

The Detroit metropolitan area was selected for this study as an example of an area with a decreasing rate of admissions of non-elderly people with disabilities.[85] Administrative data from HUD indicate a decrease in admissions of non-elderly persons with disabilities in 1999 compared to 1996. According to HUD TRACS data, 11 percent of 1,105 persons admitted to housing built primarily for the elderly in 1996 were non-elderly people with disabilities. By contrast, in 1999, non-elderly disabled admissions were 7.4 percent of the 1,092 new admissions. The elderly preferences provisions of the Housing and Community Development Act of 1992 seem to have had some influence on occupancy patterns, but other factors appear to be at work as well, as discussed below.

The sampling frame for selecting HUD-assisted properties for this research included approximately 98 properties with a total of 12,697 units.[86] About 38 percent of these HUD-assisted properties (including 43 percent of the units) received funding under the Section 8 New Construction/Substantial Rehabilitation (NC/SR) program, while another 32 percent were built under the Section 202 program with Section 8 NC/SR assistance. The remainder are older assisted properties developed under the Section 236 or 221(d) programs.

The five properties selected for the study are located in a diverse set of communities throughout the three-county area. Key property characteristics data are summarized in Exhibit 2.[87] As shown in the exhibit, the properties were all developed between the late 1970s

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[85] For further discussion of the sampling approach used to selected metropolitan areas and properties for this research, see Chapter 1 of this report.

[86] Source: TRACS data obtained from HUD for HUD-assisted properties. It is not possible to identify with certainty which properties were built "primarily to serve the elderly." We have used unit mix as a proxy by selecting properties in which 75 percent or more of the units in the property have fewer than 2 bedrooms. The sampling frame includes properties which meet the unit mix test ***and*** for which complete occupancy and admissions data were available for both 1996 and 1999. For further discussion of the sampling approach, see Chapter 1 and related Appendices.

[87] According to the research design for this study, the managers who agreed to participate in this research were assured that they and their properties would not be identified by name. The letter identifiers (A through E) used in Exhibit 2 are used throughout the case study to refer to the properties.

Exhibit 2
Development, Neighborhood, Occupancy and Policy Data

	Property A	Property B	Property C	Property D	Property E
DEVELOPMENT DATA					
Financing program	Older-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted
Construction date / most recent major rehab date	1975-1979	1975-1979	1975-1979	1980-1984	1980-1984
Development size	Very Large	Very Large	Very Large	Large	Very Large
% fully accessible units	0-6%	0-6%	13-50%	7-10%	0-6%
% units that are studios	No Studios	No Studios	No Studios	No Studios	No Studios
Building type(s)	High-Rise	High-Rise	Low-Rise	High-Rise	High-Rise
Unit turnover rate per year	9-11%	17-40%	9-11%	12-16%	9-11%
Overall property condition	Good	Fair/Good	Good/Excellent	Good/Excellent	Good/Excellent
NEIGHBORHOOD DATA					
Neighborhood type / location	Smaller City	Urban	Suburban	Suburban	Suburban
Area income level	30-50% AMI	<30% AMI	>100% AMI	80-100% AMI	80-100% AMI
Accessibility of nearby services	Fair	Excellent	Excellent	Excellent	Excellent
Overall neighborhood condition	Fair/Good	Fair/Good	Good	Good	Good
Negative neighborhood features	None	Some	None	None	None
OCCUPANCY / POLICY DATA					
% NED tenants,1999 (TRACS)	Medium	Medium	Medium	High	Low
Current % vacant units	6-20%	3-5%	1-2%	1-2%	1-2%
Current % NED tenants	7-12%	13-50%	7-12%	7-12%	Up to 2%
Current % NED on waitlist	46-100%	46-100%	11-45%	Up to 1%	2-10%
Policy type	Admits no NED	Fixed #units for the NED, all kinds NED	Fixed #units mobility-impaired ELD & NED	Admits no NED	Fixed #units mobility-impaired ELD & NED
Plans to change tenant mix	Plans to reduce #NED through attrition	Plans to write new policy to reduce #NE	No plans to change current tenant mix	Plans to reduce #NED through attrition	No plans to change current tenant mix
Notes on policy type and plans to change tenant mix	Currently admits no NED, but has high vacancies, so might change this.				

Please refer to the introduction of Appendix C for an explanation of the data sources, labels, ranges and definitions used in this exhibit.

and early 1980s. One property is located in downtown Detroit, a second in an inner ring suburb, two in more distant suburbs (5-10 miles from downtown), and the fifth in a small town 25 miles from downtown. The communities range from high-income suburban locations to a low-income urban neighborhood. There is a relatively wide range of rates of occupancy by non-elderly people with disabilities in the Detroit properties, with one property reporting that less than 2 percent non-elderly occupancy, 3 properties in the 7 to 12 percent range, and the fifth in the 13 to 50 percent range. At 3 of the 5 properties, management representatives indicated there were plans to reduce occupancy by non-elderly people with disabilities, for reasons discussed in detail below.

The information for this case study was compiled through a review of HUD administrative data and through in-person and telephone discussions with key informants. Local respondents included property management officials from the five properties selected for the study, Detroit HUD office staff from several divisions, public housing agency officials, and representatives of advocacy organizations serving people with disabilities.

2.0 Supply of Affordable Housing for Non-elderly People with Disabilities

The primary sources of affordable housing in the Detroit metropolitan area are HUD-assisted properties, public housing, tenant-based Section 8 certificates and vouchers, and small numbers of state bond-financed properties, Section 811 developments, and Supportive Housing Program assistance. The following sections discuss the HUD-assisted stock, then give an overview of the other affordable housing options.

2.1 HUD-Assisted Properties and Their Occupancy Policies

HUD's TRACS data indicated that the proportion of non-elderly people with disabilities admitted to HUD-assisted housing declined in the late 1990s, from 11 percent in 1996 to 7.4 percent in 1999. This trend was somewhat unexpected, given the relatively loose housing market in Detroit compared to some of the other study sites. In fact, the overall metropolitan area trend appears to result from different types of changes occurring in HUD-assisted properties in the city of Detroit and those in surrounding suburbs. Reference materials and local respondents' observations indicate that the dynamics of the housing market within the city of Detroit are somewhat different from the housing market dynamics in suburban counties around the city. The issues of the urban and suburban markets are discussed separately below. In addition, Michigan is one of two states selected for study that have HUD-assisted state agencies programs. The perspectives of staff from the Michigan State Housing Development Authority (MSHDA), the administering agency for the state agencies program, are also included in this section.

HUD-Assisted Housing in the City of Detroit

In the city of Detroit, developments built under the Section 8 NC/SR program, Section 236, and Section 202 programs represent approximately 64 percent of subsidized elderly units (with public housing making up the balance), according to research compiled by HUD Detroit Office staff. The HUD-assisted stock built primarily to serve the elderly consists of approximately 7,300 units in 52 properties. The average age of the properties is 25 to 30 years old. Between 1990 and 1996, 584 units were added to the elderly subsidized stock, while the size of the elderly population remained relatively constant, according to HUD analyses.[88]

Subsidized housing is concentrated in a small number of neighborhoods in the city. According to HUD data, only 47 of the city's 328 census tracts contain some type of elderly subsidized housing, and elderly public housing is concentrated in just 13 census tracts.

According to property managers and other respondents familiar with the city's housing market, the HUD-assisted stock within the city has had difficulty attracting elderly tenants for the past 10 to 15 years. Facing high vacancy rates in the early 1990s, a number of property managers elected to fill vacant units with non-elderly people with disabilities. A senior property management official from Property B, whose firm manages several properties in the city, noted that in some of her firm's elderly properties, as many as 75 percent of residents are non-elderly people with disabilities.

Although admission of non-elderly persons with disabilities improved overall occupancy levels, most observers agree that these properties typically already had management problems that were then exacerbated by admission of new tenants with problems. The property manager cited above acknowledged that, in her properties, the increase in the proportion of non-elderly people with disabilities was due in part to poor training of management staff, which resulted in insufficient applicant screening, admission of applicants who did not meet eligibility criteria, and inadequate lease enforcement. In addition, such lax management practices are widely associated with properties that are poorly maintained.

A number of local observers reported that the HUD Detroit office was "cracking down" on management agents for properties with high proportions of non-elderly residents. However, the source of this perception seems to be a meeting with one particular management agent responsible for two downtown properties. These properties were built primarily to serve the elderly, and, according to their Section 8 NC/SR agreements, could serve non-elderly disabled residents in no more than 10 percent of its units. HUD staff recalled that there were a number of findings in HUD's management review for these properties, including a high rate of admissions of non-elderly applicants, some of whom were not disabled. HUD is

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[88] Miesse, Tom and Todd Richardson, Memorandum to Muhammed Akhtar, Director, Inspector General, on Demand/Need for Elderly Public Housing Units, HUD Detroit Office, February 6, 1996.

requiring the properties to improve eligibility determination practices and increase elderly admissions until the proportion of non-elderly residents falls within the 10 percent cap. Although this meeting only involved HUD staff and a single management agent, other Detroit-area respondents seemed aware that it had occurred. They understood from it that HUD was enforcing a "quota" that no more than 10 percent of residents of any HUD building should be non-elderly.

Managers interviewed for this research indicated that reducing the proportion of non-elderly residents with disabilities might improve the level of satisfaction of elderly tenants. However, managers were clearly concerned about the marketability of some properties to prospective elderly applicants. Managers reported that properties without Section 8 contracts have a difficult time attracting elderly residents, because the rents under the Section 236 program tend to be high for the very low-income elders looking for housing in the city. Properties with Section 8 assistance are also typically newer and in better condition, in addition to offering a deeper rent subsidy.

HUD-Assisted Housing in Suburban Communities

In suburban areas, the HUD-assisted stock is generally newer, in better condition, has lower vacancy rates, and is in greater demand by elderly renters, although there are exceptions. Three of the properties visited for the study (Properties C, D, and E) are in suburban communities within ten miles of downtown. All three were in very good condition and had vacancy rates of less than 2 percent. Two of the three properties admit non-elderly people only if they are mobility-impaired and require the features of the developments' wheelchair-accessible units. The third property manager (at Property D, a development financed under the 202/8 programs) reported that she had in the past admitted non-elderly people with disabilities. But she had recently been notified by HUD that she was not required to do so.[89] She immediately closed the waiting list to applications from people under age 62. The disabled tenants already living in her building were generally mentally or cognitively impaired individuals. There had not been serious problems between seniors and the non-elderly tenants, but the manager still preferred not to continue admitting people with disabilities.

By contrast, one of the properties visited for this research is located in a lower-income community in an outlying town within the metropolitan area. Property A is located in a lower-income neighborhood with a somewhat troubled reputation, but the property is in good condition and the manager reported virtually no problems with crime at the property. Vacancy rates have nevertheless been increasing over the past few years, and the manager indicated that other local managers of elderly housing were having similar difficulties. In

[89] The manager reported she had not requested this information from HUD; she had simply received the letter from the Detroit office. She said the letter did not explain how the apparent error had been identified, and she did not ask.

this community, the manager speculated, younger seniors are choosing to stay in their homes rather than move to apartments. The decline in elderly demand has led the manager to consider increasing admissions of non-elderly people with disabilities in order to fill vacancies. The manager has concerns about increasing the proportion of non-elderly people beyond its current level of about 11 percent, because of concerns that elderly tenants will object. The manager would prefer to increase admissions of near-elderly rather than take more people with disabilities.

Michigan State Agency Program Properties

Representatives of the Michigan State Housing Development Authority (MSHDA) were interviewed to discuss occupancy policies at the federally assisted state agencies programs properties administered by MSHDA. The agency administers just under 200,000 units statewide, including single- and multifamily properties. Staff estimate that roughly 12 percent of units in MSHDA's multifamily units statewide are occupied by non-elderly people with disabilities.

All of MSHDA's multifamily housing developments include some units for people with mobility impairments, although staff reported that there have been problems with under-utilization of these units despite frequent training and monitoring by state staff. MSHDA staff noted there seems to be "no organized connector" between households eligible for the units and property management. As a result, the units tend to be occupied by households whose members do not need the units' features, and managers fail to comply with requirements that these households be relocated to a conventional vacant unit if a mobility-impaired applicant seeks admission to the property.

According to MSHDA respondents, property managers are not obligated to report changes in occupancy policy, but state staff do review occupancy policies as part of routine site monitoring visits. According to MSHDA staff, most property managers welcomed the elderly preferences provisions of the Housing and Community Development Act, and most implemented elderly preferences if they were permitted under their funding agreement.

2.2 Other Sources of Affordable Housing

In the City of Detroit, the Detroit Housing Commission (DHC) manages 8 elderly public housing developments with a total of 1,386 units. According to staff, 480 units are available to non-elderly persons with disabilities, with 88 of these units wheelchair-accessible. As of May 2000, 16 percent of DHC's public housing residents are non-elderly people with disabilities. Staff report that the proportion of non-elderly people with disabilities residing in public housing has declined because of an increase in units available in HUD-assisted developments and properties developed by MSHDA.

DHC has designated all 8 of its elderly housing developments for elderly occupancy only. Non-elderly residents living in the developments at the time the new policy took effect could

stay, but the agency stopped accepting applications for elderly housing from non-elderly applicants in August 1999. None of the agency's developments is reserved for people with disabilities, but people with disabilities continue to be eligible for admission to family public housing. As of May 2000, approximately 23 percent of residents of family public housing are non-elderly people with disabilities. Despite the designation, elderly public housing seems to be in relatively low demand, with just 41 households on the waiting list.

DHC also administers a Section 8 rental assistance program of 4,210 certificates and vouchers. Although none of the agency's Section 8 allocation is reserved for people with disabilities, 16 percent of Section 8-holders are disabled. The Section 8 waiting list is considerably longer than the elderly public housing waiting list, with more than 9,000 applicants, 7 percent of whom are people with disabilities. The waiting list is closed as of May 2000.

MSHDA staff reported their agency has developed a successful partnership with the Michigan Department of Community Health (MDCH) to encourage local community mental health centers to collaborate with local housing agencies in applying for Section 8 assistance for people with disabilities. In 1998, the state received 200 subsidies, and local community partnerships received an additional 750 subsidies. In 1999, the community of Plymouth received 400 subsidies for a cross-jurisdictional program that serves parts of Oakland and Wayne Counties. MSHDA staff recall that many local housing agency staff were initially reluctant to apply for the program, fearing additional administrative burdens and having concerns about the service demands of mental health center clients. MSHDA encouraged participation by asking the mental health center staff to assist with data collection and to commit to providing appropriate follow-up services once clients were housed. In addition, service provider staff were trained to perform housing quality standard (HQS) inspections to reduce further the administrative burden on housing agencies.

Other affordable housing resources include the HUD Supportive Housing Program and Section 811 program, although neither has provided many units, according to MSHDA staff. Fewer than 100 Section 811 developments have been built state-wide, with few in the Detroit area. MSHDA staff report that developers are deterred by the complexity of program regulations and per unit development cost limits that are perceived to be too low. Detroit nonprofit organizations reportedly have received substantial funding from HUD's Supportive Housing Program, but they have been slow to spend the grant funds, particularly for new construction or rehabilitation activities. According to MSHDA staff, the grantee agencies are often service providers who lack expertise in housing development.

In summary, a MSHDA staff member characterized Detroit as "over-run with need" for housing for people with special needs, including people with disabilities, due to the large homeless population, prevalence of substandard housing, and lack of new affordable housing development in the area.

3.0 Demand for Affordable Housing by Non-elderly Persons with Disabilities

In 1996, HUD Detroit office staff analyzed the supply and demand for elderly subsidized housing in studio and one-bedroom units. At that time, HUD's analysis indicated an over-supply of housing affordable to lower-income renters, including both subsidized and unsubsidized housing, except for renters with extremely low incomes (less than $10,000 per year). The HUD report noted, however, that an estimated 10 percent of the lowest rent units are substandard. The HUD researchers and other local observers agree that demand is increasing as incomes fail to keep pace with rents, particularly for these lowest- income renters, including people with disabilities living on SSI incomes.

Detailed data on the size, characteristics, and needs of the low-income disabled population are difficult to find. Two sources interviewed for this study offered differing estimates but agreed there is substantial unmet need for housing. According to a local advocacy organization representative, there are 420,000 people with disabilities in Wayne County and roughly 210,000 in each of Macomb and Oakland Counties. The same source indicated the three counties together account for 40 percent of the state's disabled population. Although detailed data are not available on the age and income status of the disabled population, the same advocacy organization representative estimates that 80 percent of people with disabilities have low incomes and 90 percent are under age 62.

Using 1994 updated Census data, a MSHDA staff member had reached a much smaller disabled population estimate of roughly 325,000 people statewide, but she agreed that most of them (approximately 70 percent) are concentrated in urban areas. The cities of Detroit, Saginaw, and Flint were all considered to have particularly high concentrations of people with disabilities.

HUD analyses provide separate estimates of the population of low-income single renters. In the City of Detroit in 1990, there were estimated to be 21,698 single-person renter households under the age of 62 with incomes of less than $10,000. An additional 8,760 had incomes between $10,000 and $20,000.[90]

Representatives of advocacy organizations report they work with people with a wide variety of types of disabilities, although there are no precise estimates of the numbers of people with particular types of disabilities. One Detroit advocate indicated many of his clients are people

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[90] 1990 US Census Sample Data, STF4 cited in Miesse, Tom and Todd Richardson, Memorandum to Muhammed Akhtar, Director, Inspector General, on Demand/Need for Elderly Public Housing Units, HUD Detroit Office, February 6, 1996.

with mobility impairments resulting from injuries related to violent crime. Property owners and managers are typically unwilling to make accommodations to apartments (even though their refusal may violate fair housing laws), leaving mobility-impaired tenants with few choices.

While choices for people with mobility impairments are perceived to be limited, options for people with cognitive or mental impairments are even fewer. In March 2000 (just before the field visit for this research was conducted), a shooting at an elderly public housing development in the Detroit suburb of Lincoln Park refocused attention on housing for people who are mentally disabled. According to press accounts, a 56 year-old man with a history of schizophrenia was angered by complaints tenants had made to the property manager about his behavior. He became agitated during a meeting with management staff and later returned to the office and shot and killed a housing commission official and one other person.[91] As one local observer put it, "That ran it all up the flag pole again." Most informants expect the incident will encourage more housing managers to limit admissions of people with histories of mental disability.

Advocates acknowledge that there are often limited supports for people with disabilities once they are housed. Attendant care is expensive and difficult to obtain. Finding transportation is challenging for people with mobility impairments. Case management loads for mental health service providers are high, making it difficult to monitor medication and treatment for clients with mental disabilities. One advocate in Detroit conceded that clients often have no choice but to accept housing in poor condition in parts of town "where no one else wants to go,"and that there is often little follow-up by service providers. He candidly continued, "We're so desperate, we just pack them in where we can."

In suburban communities, there simply is an insufficient supply of affordable housing. One advocate said that few buildings in her organization's service area (Oakland and Macomb Counties) have elderly preferences, but there are just too few vacancies to meet demand. In 1999, her organization had received 364 requests for assistance locating housing, but only 35 households had succeeded in finding housing. In addition to affordability issues, there is a lack of available housing that is wheelchair-accessible. Advocates in the suburban communities also agreed that there is little or no new accessible, affordable housing being produced. One advocate said she even monitors newly issued building permits, but there is nothing in the pipeline. Finally, advocates note that owners and managers are often unaware of issues facing people with disabilities. For example, one paraplegic tenant owned a cat trained to assist her with household tasks. The property manager reportedly accused her of simply keeping the cat as a pet (not permitted in the building) and insisted she get rid of the animal. (With support and intervention from a local advocate, she was allowed to keep the cat.)

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[91] "Tower of Terror," *Detroit Free Press*, April 19, 2000.

Advocates in Detroit report that city officials have been largely apathetic about the issues facing non-elderly people with disabilities, and there have been no initiatives undertaken to address the perceived decreasing supply of housing for people with disabilities. Advocates have requested to convene a committee on disability issues through the Human Rights Commission, but the mayor's office has reportedly been unresponsive to their efforts so far.

4.0 Changes in Housing Availability for Non-elderly People with Disabilities

According to HUD administrative data, the rate of non-elderly disabled admissions and occupancy is decreasing in the Detroit metropolitan area. Local respondents indicated some instances of elderly preferences, but the 1992 Housing and Community Development Act provisions seem to be just one of several factors influencing occupancy trends. In the city, the management agent for two properties with high rates of non-elderly occupancy (more than 10 percent) have been instructed by the local HUD office to increase elderly admissions as units turn over. This is considered necessary to preserve the quality of the living environment for seniors. Local observers assert, however, that the problem will be how to attract elderly applicants to properties that are now as much as 50 to 75 percent non-elderly. According to local respondents, these properties are also typically less desirable, because of poor location, deteriorated property condition, or a reputation for poor management.

In suburban communities, non-elderly people have few options, because the supply of affordable housing is so limited and elderly demand is high. Advocates are concerned that highly publicized incidents such as the recent shooting carried out by a mentally disabled resident at a suburban elderly public housing development will encourage more managers to limit admissions of people with histories of mental disability. Given the admitted lack of follow-up services, managers may have legitimate concerns about the ability of some mentally disabled residents to live independently and safely; however, their concerns about a few highly publicized incidents may lead them to employ screening criteria that discriminate against applicants with disabilities.

Among the five property managers interviewed for this research, three hope to reduce occupancy by non-elderly people with disabilities through policy changes and attrition. Two properties currently have policies restricting eligibility to elderly applicants. A third property manager with a high proportion of non-elderly residents plans to revise the property's occupancy policy to tighten eligibility requirements for people with disabilities, which management staff admit had been inappropriately broad. If these actions are typical of HUD-assisted property managers in the Detroit area, it is unlikely that there are sufficient appropriate alternatives for non-elderly applicants who will have more limited access to the HUD assisted stock in the city in the future.

Kansas City Metropolitan Area

1.0 Overview of the Metropolitan Area

1.1 Demographic and Economic Summary

The Kansas City metropolitan area spans the states of Kansas (KS) and Missouri (MO) and the two rivers of the same names. The Kansas City MSA includes 11 counties—Johnson, Leavenworth, Miami, and Wyandotte (KS), and Cass, Clay, Clinton, Jackson, Lafayette, Platte and Ray (MO)—and consists of urban and suburban areas as well as a number of smaller cities. Kansas City, KS (KC, KS) is located in Wyandotte County, covering a total of 128 square miles. Kansas City, MO (KC, MO) is located in Jackson County, covering a total of 312 square miles.[92] A map of the metropolitan area appears in Exhibit 1.

The entire MSA had a population of 1,690,393 in 1996, about 6.8 percent higher than in 1990.[93] The 1995 Consolidated Plan for KC, MO states that, while there was an MSA-level population increase since 1990, the population in most central-city neighborhoods decreased between 1980 and 1990.[94] The net increase in MSA population occurred in the suburbs and neighboring cities.

African Americans, the poor, and the joblessness are concentrated in Jackson County, MO and Wyandotte County, KS, the two counties containing the center cities. The vast majority of African Americans in this predominantly white MSA live in Jackson and Wyandotte counties: in 1996, these two counties had black populations of 24 and 29 percent, respectively. Aside from Leavenworth County, which had a black population of 11 percent, the remaining counties in the MSA had black populations of less than 3.5 percent. Census data from 1993 indicate that 18 percent of all Jackson County, MO residents lived below the poverty line, while 25 percent of youth in the county lived below the poverty line. In Kansas, 21 percent of all Wyandotte County residents lived below the poverty line in 1993, including a striking 30 percent of youth in the county.[95] According to the 1995 consolidated plan, poverty rates are increasing in KC, KS and have been for more than a decade.[96]

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92 Data came from the Wall Street Journal's website, http://homes.wsj.com/d/profiles.html.

93 State and Metropolitan Area Data Book 1997-98 – 5th Edition, as available on the U.S. Census Bureau website, http://www.census.gov/prod/3/98pubs/smadb-97.pdf, p. 174.

94 City and/or County governments are required to produce a consolidated plan every five years in order to be eligible for certain types of federal funding including Community Development Block Grants (CDBG). Data came from the executive summaries of the 1995 consolidated plans for KC, KS and KC, MO as available on the U.S. Department of Housing and Urban Development website, http://www.hud.gov/cpes/.

95 See footnote 2, p. 145.

96 See footnote 3.

Insert Exhibit 1 (MAP)

Inner-city KC, KS is experiencing the problems typical of many other declining inner cities across America: population loss, crime, an aging housing stock, high unemployment, and rising numbers and concentrations of people living in poverty.[97] But the geographic distribution of income is uneven: in 1990, the median income of the entire metro area population was more than a third higher than the median income of the city population.[98] The median income for a family of four in the MSA is $57,700 for the year 2000.[99]

The top three employers in Wyandotte County, KS were government, manufacturing and the service industry in 1995, employing 46 percent of the population in Kansas City, KS.[100] The availability of higher-paying jobs in the Kansas City metro area is limited.[101] Unemployment rates are also highest in Jackson and Wyandotte counties, with 1996 rates of 4.5 and 8.2 percent, respectively, while unemployment rates ranged from 3 to 5 percent in the rest of the MSA.[102]

1.2 Housing Market Overview

The vacancy rate for rental housing in the Kansas City metro area has varied significantly during the past decade, but the market has tightened considerably in the last three years. Vacancy rates in 1997, 1998 and 1999 were at the lowest they had been in thirteen years: 6.8, 7.5 and 6.7 percent, respectively.[103]

There appears to be a considerable affordability gap for rental housing on both sides of the river. HUD estimated that in 1999, 25,000 households in the Kansas City metro area had "worst case" housing needs (i.e., they had incomes less than 50 percent of area median income and paid more than half their incomes for rent or were living in severely substandard housing). Of these 25,000 households, 11,000 were estimated to live in urban Kansas City and 14,000 in the inner-ring suburbs. HUD further estimated that 14,400 Kansas City area households were on waitlists for HUD housing assistance in 1999.[104]

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97 See footnote 3.

98 See footnote 3.

99 Data came from HUD's database of fiscal year 2000 MSA-level median family incomes as searchable on the Fannie Mae website, http://www.fanniemae.com/singlefamily/doingbusiness/indexes/db_hud_median_inc_limits.html.

100 See footnote 3.

101 See footnote 3.

102 See footnote 2, p. 145.

103 Data came from the U.S. Census Bureau website, http://www.census.gov/hhes/www/housing/hvs/annual99/ann99t5.html.

104 Data came from the U.S. Census Bureau website, http://www.census.gov/hhes/www/housing/hvs/annual99/ann99t5.html.

There were 64,457 units of housing in KC, KS in 1990, and just over half of these units were owner-occupied.[105] A significant portion of the housing stock was old and deteriorating, even uninhabitable in a number of cases.[106] Officials at the KC, KS PHA reported in April 2000 that people with tenant-based Section 8 certificates and vouchers have a very hard time finding units that will pass the PHA's Housing Quality Standards inspections required for tenant-based assistance. While there seems to be some amount of affordable housing available in KC, KS, much of it does not appear to meet HUD's minimum standards for habitability.

In KC, MO, there were 201,773 units of housing in 1995, and half of these units were owner-occupied.[107] The consolidated plan estimated that one in five housing units was in need of major rehabilitation in 1995 and that 12 percent of all housing units were vacant. People with physical disabilities faced a shortage of a variety of housing types to meet their needs in 1995 including group homes, supported and independent living, public housing, and wheelchair-accessible private dwellings.[108] According to property managers, PHA officials and advocates for people with disabilities, this shortage continues in April 2000, and it is especially acute for non-elderly people with disabilities who have histories of substance abuse or mental disability.

Overall, it was estimated that KC, MO lacked at least 20,000 permanent, safe, and affordable housing units for people with low incomes in 1995.[109] State mental health officials and advocates for people with disabilities also reported (as of April 2000) that a significant number of low-income people with histories of substance abuse or mental disability were homeless. The consolidated plans estimated the 1995 homeless populations of Kansas City to be approximately 12,000 to 19,000 people in Missouri and 15,000 to 18,000 (over the course of a year) in Kansas.[110]

There have been a number of recent Section 8 opt-outs in the Kansas City metro area (at least five in 1999 alone), according to HUD field office staff and a local developer.[111] HUD field

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[105] Data came from the searchable database of 1990 census data called American Fact Finder on the U.S. Census Bureau website, http://factfinder.census.gov/java-prod/dads.ui.homePage.HomePage.

[106] See footnote 3.

[107] Ibid.

[108] Ibid.

[109] Ibid.

[110] Ibid.

[111] "Opt-outs" refer to situations in which owners of HUD-assisted properties choose not to renew an expiring Section 8 contract on their properties. In most cases, low-income residents at the properties are issued tenant-based Section 8 certificates or vouchers, which they may use either to lease in place or to move.

office staff reported that most opt-out owners planned to keep tenants with vouchers for a number of years. In these opt-outs, field office staff continued, the same tenants tended to stay at the property with tenant-based assistance. On the other hand, it was the impression of a local developer that a number of owners have opted out of project-based assistance with plans to renovate their buildings and market the units to a higher-income clientele. If, over time, such owners were to raise rent levels beyond the means of people with limited incomes and beyond limits established for tenant-based assistance, this would diminish the supply of affordable housing.

1.3 Data Collection Approach

Among the 75 largest MSAs across the country, administrative data from HUD indicate that the Kansas City MSA has a relatively high admissions rate of non-elderly people with disabilities to HUD-assisted housing built primarily for the elderly. The aggregate admissions rate for young people with disabilities has held fairly steady, at 13.8 and 14.8 percent of total admissions in 1996 and 1999, respectively, according to an analysis of HUD's administrative TRACS data. These aggregate figures do not give a clear picture of what is happening at individual properties, however. Information about individual properties will be discussed in section 2.1 below.

The Kansas City MSA sampling frame for selecting HUD-assisted properties for this research included approximately 73 properties with a total of 4,890 units that were built primarily to serve the elderly.[112] Among the 73 HUD-assisted properties, 25 were funded by the Section 8 New Construction / Substantial Rehab (NC/SR) program (representing 1,922 units), 33 were funded by both the Section 8 NC/SR and Section 202 programs (1,633 units), and 15 properties were funded by the Section 221(d) or Section 236 program (1,335 units).

Key property, neighborhood and occupancy characteristics are summarized in Exhibit 2.[113] As shown there, all five properties selected for the study were newer-assisted (that is, at least a portion of their financing came from the Section 8 NC/SR program). The five properties were located in both urban areas and smaller, neighboring cities. Two properties were located in urban areas: one in KC, KS and the other in KC, MO. The remaining three

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[112] The sampling frame was developed using TRACS data obtained from HUD for HUD-assisted properties. It is not possible to identify with certainty which properties were built "primarily to serve the elderly." We have used unit mix as a proxy by selecting properties in which 75 percent or more of the units in the property had fewer than two bedrooms. The sampling frame includes properties which meet the unit mix test ***and*** for which complete occupancy and admissions data were available for both 1996 and 1999. For further discussion of the sampling approach, see Chapter 1 and related Appendices.

[113] According to the research design for this study, the managers who agreed to participate in this research were assured they and their properties would not be identified by name. The letter identifiers (A though E) used in Exhibit 2 are used throughout the case study to refer to the properties.

Exhibit 2
Development, Neighborhood, Occupancy and Policy Data

	Property A	Property B	Property C	Property D	Property E
DEVELOPMENT DATA					
Financing program	Newer-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted
Construction date / most recent major rehab date	1975-1979	1980-1984	1980-1984	1985-1989	1985-1989
Development size	Very Large	Medium	Large	Medium	Small
% fully accessible units	7-10%	11-12%	51-100%	0-6%	7-10%
% units that are studios	No Studios	11-25%	No Studios	26-50%	11-25%
Building type(s)	High-Rise	High-Rise	Row and Low-Rise	Low-Rise	Row/Townhouses
Unit turnover rate per year	17-40%	12-16%	Up to 8%	17-40%	9-11%
Overall property condition	N/A	Good/Excellent	Excellent	Good	Excellent
NEIGHBORHOOD DATA					
Neighborhood type / location	Smaller City	Urban	Smaller City	Smaller City	Urban
Area income level	>100% AMI	30-50% AMI	>100% AMI	>100% AMI	50-80% AMI
Accessibility of nearby services	Excellent	Excellent	Good	Good	Fair
Overall neighborhood condition	Good	Fair/Good	Excellent	N/A	Excellent
Negative neighborhood features	N/A	Some	None	N/A	None
OCCUPANCY / POLICY DATA					
% NED tenants,1999 (TRACS)	Medium	Medium	Low	Medium	Medium
Current % vacant units	No vacant units	No vacant units	3-5%	1-2%	6-20%
Current % NED tenants	7-12%	7-12%	3-6%	13-50%	7-12%
Current % NED on waitlist	Up to 1%	46-100%	2-10%	Up to 1%	11-45%
Policy type	Admits no NED	Fixed #units for the NED, all kinds NED	Unlimited units for NED, all kinds NED	Unlimited units for NED, all kinds NED	Fixed #units mobility-impaired ELD & NED
Plans to change tenant mix	Plans to reduce #NED through attrition	Plans to reduce #NED through attrition	No plans to change current tenant mix	No plans to change current tenant mix	Plans to reduce #NED through attrition
Notes on policy type and plans to change tenant mix					

N/A = Not Available
Please refer to the introduction of Appendix C for an explanation of the data sources, labels, ranges and definitions used in this exhibit.

properties were located in smaller, neighboring cities between 10 and 30 miles from KC, KS and KC, MO. Three of the five properties had policies limiting the number of non-elderly tenants with disabilities, and mangers at each of those three were hoping to reduce further the current number of non-elderly tenants with disabilities through attrition, as discussed further below.

The information for this case study was compiled through a review of HUD administrative data and in-person and telephone discussions with key informants. Local respondents included property management officials from the five properties selected for the study, HUD Kansas City field office staff, a local real estate developer and property manager, public housing agency officials in both KC, KS and KC, MO, and representatives of state and local advocacy organizations serving people with disabilities.

2.0 Supply of Affordable Housing for Non-elderly People with Disabilities

The key sources of affordable housing in the Kansas City MSA are HUD-assisted properties, public housing, tenant-based assistance (Section 8 certificates and vouchers as well as vouchers funded by a HUD Shelter + Care grant in KC, MO), Section 811 developments, and lower-rent units in the private market. Even though KC, KS and KC, MO are right next to each other, the fact that they are in different states means that they have separate public housing authorities and separate state and city initiatives that affect the housing market. A number of advocacy organizations work on both sides of the river, but housing supply and quality issues are somewhat state-specific. While both KC, KS and KC, MO share many of the same general problems with urban decline, respondents indicated that the two cities represent separate affordable housing markets.

Further, the markets in the two cities are rather different than those in smaller, neighboring cities. According to interviewed property managers, the elderly who apply to waitlists for properties in the smaller cities tend not to be on waitlists in urban areas as well. At least one of the smaller, neighboring cities has a particularly tight elderly market. Leavenworth, KS, the home of both a large prison and army base, is a very popular place for military people to retire, according to local respondents. As a result, there are many elderly competing for housing there, whereas other areas have a relatively looser market. Where appropriate, distinctions will be made among these different markets when discussing supply and demand for housing. The following sections discuss the HUD-assisted stock first, and then give an overview of the other affordable housing options.

2.1 HUD-Assisted Properties and Their Occupancy Policies

Staff from the local HUD field office reported that almost no HUD-assisted properties built primarily to serve the elderly have elderly-only occupancy policies. They estimated that low-income non-elderly persons with disabilities are split approximately evenly between public housing and HUD-assisted properties. According to property managers, however, a number of properties have chosen to limit the number of non-elderly persons with disabilities that they will admit to their developments, as a result of the 1992 Housing and Community Development Act. Managers who have made such changes are trying to reduce the current number of non-elderly tenants with disabilities through attrition. Property managers also reported that a handful of HUD-assisted properties have very high percentages of non-elderly tenants with disabilities, but not by choice, as discussed further below. In addition, a local developer reported in April 2000 that, while many property managers and owners would prefer to have elderly-only designations, few developments can attract enough elderly to make that a viable policy in the relatively loose local market for affordable elderly housing.

According to property managers and other respondents familiar with the city's housing market, there is an adequate—or perhaps slightly more than adequate—supply of affordable housing for the elderly in the MSA, which means that property managers of HUD-assisted developments have to compete somewhat for elderly tenants. Property managers of HUD-assisted developments also reported that urban (and especially downtown) properties generally have the hardest time attracting the elderly, whereas smaller-city and suburban properties generally have an easier time.

While a slight shortage of elderly tenants might seem to imply that there are more opportunities for non-elderly people with disabilities to move into HUD-assisted housing, this is not precisely the case in the Kansas City area. Because it is a renter's market for elderly housing, the elderly can be picky about which HUD-assisted properties they choose as a residence. As a result, property managers need to keep their buildings marketable to continue to attract elderly tenants. According to the property managers interviewed for this study, one key to marketability is maintaining a quiet, calm and safe living environment. From the perspective of these property managers, it is necessary to limit occupancy by non-elderly people with disabilities in order to maintain a marketable environment. In such a market, it is not uncommon for properties to have written policies that allow a range of management actions that can adjust the flow of non-elderly tenants with disabilities, which managers vary according to the number of elderly applicants available to fill vacancies.

When asked why this is the case, several property managers spoke of a handful of HUD-assisted developments that are in poor physical condition, have a degraded living environment, have a high percentage of non-elderly occupants with disabilities, and have an extremely difficult time getting new elderly tenants. The managers explained that the old

federal preferences system gave formerly homeless applicants (many of them having histories of mental disability and/or substance abuse) higher priority on the waitlist. As a result, these and other HUD-assisted buildings had a number of young tenants with high social service needs and marginal skills for meeting the conditions of their leases. Because the managers of these buildings were reportedly lax on screening, lease enforcement and maintenance, the living environments at these properties started to decline, making it difficult to attract new elderly tenants. In order to fill vacancies, these properties admitted more non-elderly tenants with disabilities, many of whom had significant social service needs. Incapable of providing needed services or of improving the living environment, these properties reportedly spiraled downward and experienced significant crime problems, making them undesirable places to live and impossible to market to the elderly in their current condition.

Managers and advocates agreed that there is clash in lifestyles when mixing the elderly with much younger tenants, but the really serious issues surround non-elderly people who have histories of substance abuse and/or mental disability. While not failing to mention that many elderly were sometimes paranoid and overly presumptuous, the property managers explained that what really scared the elderly were behaviors that they perceived as threatening. Federal preferences that gave priority to formerly homeless applicants created a situation in Kansas City where a significant number of non-elderly persons with disabilities—and with marginal skills for meeting the terms of their leases—became residents while lacking the services they needed to be able maintain their health and tenancy.

One property manager described continued frustration with the local field office's strict limit on the number of social service coordinators funded by HUD for each assisted property. An official from the MO Department of Mental Health added that there are no alternate funding sources to support these service coordinators in HUD-assisted elderly housing.

Interestingly, the three study properties located in smaller, neighboring cities (Properties A, C, D)—all located in neighborhoods with average incomes greater than area median income and all with negligible vacancies—have had significantly different experiences and policies. The management of Property A just changed the policy this year to become elderly-only and is thus admitting no more non-elderly people with disabilities (Property A is funded under Section 8 NC/SR). The manager for Property A reported that this property has had a diminishing number of non-elderly people with disabilities as tenants and on the waitlist for a number of years. The manager explained that after the 1992 Act was passed, the management company was nervous that policy changes enabled by the Act would not withstand fair housing challenges in court and wanted to watch what happened at other properties with changed policies. While Property A has not experienced any significant conflicts between the elderly and non-elderly tenants with disabilities, other HUD-assisted developments managed by the same company did experience problems. In the end, the management company chose to change the occupancy policy for Property A as a kind of "test

property" in the area. The motivation behind the policy change at Property A was somewhat counterintuitive, as the numbers of non-elderly tenants with disabilities were falling off without a policy change and as there had been no significant issues with non-elderly tenants with disabilities in the past at the property.

By contrast, Property C—also located in a smaller city—has maintained a policy with no limits on the numbers of non-elderly tenants and no limitations on the kinds of disabilities accepted at the property. Even so, Property C has only three to six percent non-elderly tenants (almost all of whom are mobility-impaired) and two to ten percent non-elderly persons with disabilities on the waitlist. The waitlist for Property C is two years long, as the development is in very high demand by the elderly. The manager of Property C was familiar with the 1992 Act but saw no need for a change in the occupancy policy, as the property had experienced no problems with non-elderly residents and continued to have high demand from the elderly. It remains unclear why this property—in excellent condition, located in an excellent neighborhood, and with no limitations on occupancy by non-elderly people with disabilities—boasts so few non-elderly, disabled tenants. There are a significant number of elderly nearby, so it is also possible that the numbers of eligible elderly dramatically overwhelm the numbers of eligible non-elderly people with disabilities living in the area. The property manager was unsure why so few non-elderly people with disabilities applied to live at this property; it was suggested that they might be living in tax credit properties or Section 202 developments.

The third smaller-city site, Property D, also has no limits on the numbers or kinds of disabilities it accepts among its non-elderly applicants. However, this property has between 13 and 50 percent of units occupied by non-elderly people with disabilities, the youngest of whom is 40 years old, most of whom have long-term respiratory illnesses and other conditions which give them a sedentary lifestyle. Property D has a waitlist of fewer than ten people, all of whom were elderly, which the manager attributed to decreased demand due to new, nearby HUD-assisted options. The manager was unfamiliar with the 1992 Act and its provisions and noted that tenants have always gotten along well at the property. The manager confirmed that the property indeed accepts all kinds of disabilities but carefully screens the past rental history of applicants with disabilities. It was unclear from the manager's comments whether or not screening procedures are applied uniformly to elderly and non-elderly applicants.

Both urban sites, Properties B and E, have occupancy policies that limit the number of units available to non-elderly people with disabilities, but neither property reportedly changed their policy as a result of the 1992 Act. Property B has no restrictions on the types of disabilities allowed and has a fixed number of units available to non-elderly people with disabilities (Property B is funded under Section 8 NC/SR). Property E, however, only accepts non-elderly applicants who are mobility-impaired and reserves a small number of units for these tenants, regardless of age (Property E is funded under Section 202 with Section 8 NC/SR

assistance). A previous manager of Property E explained that Property E *did* change its occupancy policy but that this change was *not* a result of the 1992 Act. Instead, it was simply a change following a clarification of HUD's requirements for the property (i.e., the respondent implied that the previous occupancy policy was a result of a misunderstanding of HUD's requirements). None of the respondents could pinpoint when exactly the occupancy policy for Property E was changed to allow only the elderly and people with mobility impairments, but property records indicated that this policy was in place by at least 1995.

The manager at Property B reported that there had been some issues between the elderly and non-elderly tenants with disabilities at that property but few serious problems. Property B currently has more non-elderly tenants with disabilities than the occupancy policy requires, and the plan is to reduce this occupancy through attrition over the next four years.

In general, property managers involved with urban properties (either through a study property or another property they managed) and those employed by large management companies tended to be most familiar with the 1992 Act and its implications. Managers familiar with the Act reported that other local managers were happy to have the option of changing occupancy policies. Given the number of properties that appear to be on the path of reducing the occupancy by non-elderly people with disabilities through attrition, it appears that these persons will have less access to a number of HUD-assisted properties in the future.

2.2 Other Sources of Affordable Housing

Public Housing: KC, KS

As of April 2000, the KC, KS PHA administered 2,170 units of public housing, including 1,164 units for the elderly and people with disabilities. It is not clear how many of these units are wheelchair-accessible. PHA staff reported in April 2000 that about five percent of the entire public housing stock was wheelchair-accessible (approximately 109 units), whereas information from the 1995 consolidated plan indicated that there were 271 wheelchair-accessible units among the 1,164 units of elderly public housing.[114] KC, KS PHA staff estimated that in April 2000, approximately eight percent of all public housing units were occupied by non-elderly people with disabilities (totaling approximately 174 units). The waitlist for public housing in April 2000 averaged six weeks and varied by property, according to PHA staff.

KC, KS PHA staff reported that non-elderly people with disabilities tend to prefer public housing to tenant-based Section 8 assistance. It is easier for many people with disabilities to maintain a small unit in a public housing high-rise than to maintain an apartment with a private landlord, and easier to pay just one check per month, the respondent explained. This

[114] See footnote 4.

sentiment was echoed by local HUD field office staff, who reported that public housing in KC, KS had a good reputation and was well-managed.

There have been serious clashes between elderly and non-elderly tenants with disabilities in public housing, according to KC, KS PHA staff. Some state mental hospitals have closed within the past decade, putting a number of people with mental disabilities into public housing. These tenants need more services to maintain stability and the ability to meet their lease terms. The PHA does not have the resources to ensure that tenants stay on their medication, and tenants have become unpredictable and threatening to the elderly when off their medication.

Public Housing: KC, MO

As of April 2000, the KC, MO PHA administered approximately 1,578 units of public housing (200 of which are currently off-line). Among these are 310 units which are distributed as follows: 120 are for the elderly only, 135 are for people with disabilities only, and 55 are for both the elderly and people with disabilities (the latter development has approximately 20 percent elderly tenants and 80 percent tenants with disabilities as of April 2000).

Historically, the KC, MO PHA has had problems with high vacancy rates. In 1995, 48 percent of its public housing units were vacant.[115] This PHA has been in receivership since at least 1994 and has been working to improve management and operations. KC, MO PHA staff reported that there is basically no waitlist for the 120-unit elderly-only public housing development and that they have to work hard to keep it full. In contrast, staff reported that there are a good number of non-elderly people with disabilities on waitlists for the 135- and 55-unit complexes mentioned above.

PHA staff reported that they have several challenges to overcome in order to serve non-elderly people with disabilities better. The respondent began by explaining how difficult it was to get in touch with people with disabilities on the waitlist once a unit became available, and that he was only able to reach about one in ten people on the disabled waitlist. Noting how much easier it was to locate people on the waitlist who had a caseworker, the respondent explained that the PHA has just implemented a system where staff from the MO Department of Mental Health (DMH) are working at the housing authority to process and follow up on public housing applications from people with disabilities. This staff member commented that the PHA needs to build more relationships with community organizations in order to facilitate the flow of information between each applicant with disabilities and the housing authority.

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[115] Ibid.

Staff from the MO DMH commented that public housing applicants with disabilities were not being served well by the KC, MO PHA, explaining that the application and communication process did not accommodate the needs of people with disabilities. It is their hope that DMH staff working at the PHA will improve access and communication. There appear to be unresolved issues, however, over whose job it is to provide good access to housing for people with disabilities, at least from the perspective of DMH staff who noted that the state is paying for DMH staff to work at the PHA.

In addition, KC, MO PHA staff reported that public housing units occupied by non-elderly tenants with disabilities have a very high turnover rate (42 percent per year). When asked about this high rate, KC, MO staff echoed comments from KC, KS PHA staff. They explained that many non-elderly people with disabilities need case management to stay on their medication, off of illegal drugs, and on top of their finances, and that the PHA does not have the resources to supply such case managers. Tenants with disabilities often move in, become unstable and less healthy, stop paying their rent, and get evicted.

Tenant-Based Assistance

Both the KC, KS and KC, MO PHAs provide tenant-based assistance, with 819 and 5,459 active Section 8 certificates and vouchers, respectively. Both KC, KS and KC, MO also use only mainstream Section 8 funding for tenant-based assistance.[116] As mentioned above, KC, KS PHA staff and HUD field office staff noted that it is hard to use tenant-based assistance in KC, KS, as much of the affordable housing stock is in poor condition and does not pass housing quality standards inspections. Despite this difficulty, the waitlist for tenant-based Section 8 assistance in KC, KS is approximately eight years long. KC, KS PHA staff commented that people on the waitlist probably do not know how hard it is to find an acceptable unit. As of April 2000, approximately one third of KC, KS certificate and voucher-holders were elderly or non-elderly people with disabilities.

KC, MO has a much larger tenant-based assistance program than KC, KS. Approximately 700 of the 5,459 certificates and vouchers are designated as “welfare-to-work” vouchers. As of April 2000, the KC, MO PHA receives about 100 applications a week for tenant-based assistance, and there are currently about 8,000 people on the waitlist for tenant-based assistance. KC, MO PHA staff were unable to produce figures on the percentage of current certificate- and voucher-holders who are non-elderly people with disabilities. A respondent did comment, however, that fewer elderly and non-elderly people have applied for tenant-based assistance than expected. Staff from the PHA commented that once people have vouchers in KC, MO, they are generally able to find a unit to lease—that the affordable housing supply is in better condition than in KC, KS. A local developer disagreed, stating that many landlords in KC, MO will not accept tenants with certificates and vouchers, partly

[116] The Section 8 mainstream program provides competitive funding for rental assistance for mainstream housing opportunities for people with disabilities.

because they are suspicious of the tenants and partly because the KC, MO PHA is reportedly difficult to deal with when arranging tenant-based assistance.

Note that in KC, MO, the MO DMH runs its own voucher program through a HUD Shelter Plus Care grant, serving 420 people with disabilities as of April 2000. (About 50 participants live in a supportive housing environment while the rest live in individual apartments.) According to DMH staff, this voucher program is also full and has a long waitlist. The MO Housing Development Commission (MHDC) also runs a tenant-based assistance program, but according to DMH staff, the MHDC planned to transfer control of its 250 vouchers to the KC, MO PHA during summer 2000. In summary, while there are sizable tenant-based assistance programs on both sides of the river, prohibitively long waitlists keep this from being a significant housing option for non-elderly people with disabilities.

Other Sources of Housing

As of 1995, there were four facilities in KC, KS which provided supportive housing for non-homeless people with special needs, including people who were significantly mentally disabled, the frail elderly, people who required assistance with daily living activities, and people infected with HIV or living with AIDS who needed assistance.[117] In addition to the voucher program the MO DMH runs with a Shelter Plus Care grant, it has other housing programs for people with disabilities. The DMH Trust Fund program served about 80 people with a variety of disabilities as of April 2000, 10 of whom live in a supportive housing environment. In addition, the DMH Supportive Community Living program for people with histories of mental disability had 250 participants as of April 2000, 25 of whom live in transitional housing while the rest live in permanent housing.

Other affordable housing options for non-elderly people with disabilities include Section 811 developments and tax credit properties. One local developer commented that the Section 811 units are just a drop in the bucket in a city that needs at least 1,000 new units of affordable housing for non-elderly people with disabilities. The Section 811 properties are much less profitable for developers than tax credit properties because Section 811 properties can have only 12 to 24 units, whereas tax credit properties can have many more. Most respondents agreed that it is neither feasible nor desirable to warehouse non-elderly people with disabilities in very large buildings. The developer's point, however, was that if Federal housing programs are not attractive to people in the housing business, they will not result in new units. The developer thus argued for a new, more commercially attractive funding structure for programs to house the non-elderly with disabilities. As it stands right now, only nonprofit organizations are building Section 811 properties in the Kansas City area, and (in the developer's opinion) these organizations do not have the resources or experience necessary to build the thousand new units needed in the area for non-elderly people with disabilities.

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[117] See footnote 4.

Another component of the housing supply is low-rent market rate units. PHA officials on both sides of the river commented that most privately owned "affordable" housing has become affordable because of neighborhood decline and lack of maintenance. No respondents had a good sense of how many income-qualifying non-elderly people with disabilities were living in privately owned housing without any federal assistance.

3.0 Demand for Affordable Housing by Non-elderly People with Disabilities

Using the number of 18-to-64-year-olds with disabilities receiving SSI in December 1999 as a proxy, there are approximately 2,600 non-elderly people with disabilities in the 4 Kansas counties comprising the MSA and 10,100 non-elderly people with disabilities in the 7 Missouri counties, for a total of at least 12,700 such persons in the MSA.[118] These proxies of non-elderly persons with disabilities in Kansas City represent 11and 14 percent of the state totals of such persons receiving SSI in Kansas and Missouri, respectively. It was reported that ninety percent of individuals with a serious mental illness in KC, MO earned below thirty percent of area median income in 1995.[119]

Local respondents from both KC, KS and KC, MO believe they have an unusually large number of non-elderly people with disabilities given the sizes of their cities. HUD field office staff said that there are many non-elderly people with mental disabilities. They also reported that there is a renowned school for the deaf nearby, some of whose residents are developmentally disabled as well. The metro area also has a large population of veterans, a number of whom have mobility, mental health and/or substance abuse disabilities. Staff from the MO DMH added that they have quite a large population of non-elderly people with mental health and substance abuse disabilities. From the perspective of DMH staff, the demand for housing for non-elderly people with disabilities is entwined with issues of homelessness and demand for programs to help the homeless, many of whom have histories of mental disability or substance abuse.

Both KC, KS and KC, MO PHA staff felt strongly that there was an unmet need for supportive housing targeted at non-elderly people who have significant social service needs specifically related to mental disability and drug abuse. PHA staff thought that a number of their tenants should not be in public housing without more supports: these tenants are not currently being served well. Additionally, the current model of dumping non-elderly people

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[118] Data came from MSA-level measures of program usage on the Social Security Administration website, http://www.ssa.gov.

[119] See footnote 4.

with significant social service needs into public housing negatively affects other public housing tenants.

Respondents disagreed about whether income-qualifying people with disabilities really had access to the same supply of affordable housing as did their income-qualifying peers without disabilities. HUD field office staff commented that non-elderly persons with disabilities generally have the same housing options in the MSA as those without disabilities. Not surprisingly, advocates reported that people with disabilities face significant challenges to finding affordable housing and that their situation was different from the general low-income population. As discussed earlier, MO DMH staff and KC, MO PHA staff felt that non-elderly disabled applicants to public housing faced barriers in the application and follow-up process.

While it is clear that significant numbers of people with disabilities live in the Kansas City metro area, it is not as clear what the population of non-elderly people with disabilities is among smaller, neighboring cities. Discussions with property managers with developments in smaller, neighboring cities did not elicit a clear sense of how many people with disabilities are trying to get into HUD-assisted housing in smaller cities. MO DMH staff registered their concern that federal housing programs are focussing too much on larger cities. That respondent saw people from out-lying areas moving to larger cities for assistance, and now that waitlists for assistance in the larger cities are impossibly long, he thinks that people in smaller areas without adequate assistance will have nowhere to go.

4.0 Changes in Housing Availability for Non-elderly People with Disabilities

Local HUD staff reported that, from their perspective, the 1992 Act has had little or no impact on the availability of housing for the non-elderly people with disabilities in the Kansas City area. Several property managers disagreed, as they were under the impression that a good number of their peers tightened their occupancy policies as a result of the 1992 Act. Advocates and staff at the MO DMH—those in the most contact with people who cannot find housing—describe the lack of available affordable housing for people with disabilities in crisis terms. Some of them view the 1992 Act as an opportunity for HUD-assisted developments to pass on the challenge of housing people with disabilities to other organizations and entities.

Nobody had good estimates of the number of properties in the Kansas City MSA that changed their occupancy policies as a result of the 1992 Act. Again, both HUD field office staff and a local developer concurred that few properties changed their policies to allow elderly only, as the local elderly affordable housing market is too loose for many HUD-assisted properties to lease up all units with the elderly only. It is not unlikely that a number of properties are trying to reduce through attrition occupancy by non-elderly people with

disabilities given the attitudes and experiences of the interviewed property managers. It is not clear the extent to which properties admitting higher percentages of non-elderly tenants with disabilities will compensate for the properties that are reducing the number of non-elderly tenants with disabilities.

Among the 75 largest MSAs across the country, the Kansas City MSA has a relatively high rate of admissions of non-elderly people with disabilities to HUD-assisted housing primarily built to serve the elderly. Because there have been mild to serious conflicts between the elderly and non-elderly people with disabilities in both public housing and HUD-assisted housing, these issues are very much an active concern among property managers and public housing staff dealing with these tenants. State officials and advocacy groups struggle constantly to serve and house a large, high-needs homeless population, especially in KC, MO. Because there are many non-elderly people with disabilities who need to be housed, some of whom have significant social service needs, and because there are not enough elderly to fill public housing and affordable housing units intended for them, few property managers and owners can afford to ignore these issues. These problems have become an issue of public concern, especially as HUD-assisted buildings with large percentages of non-elderly tenants with disabilities have gained notoriety in the press. Some city officials are taking notice and reportedly adding their own pressures and interests to the mix when deciding the best way to house non-elderly people with disabilities. In summary, advocates, public housing authority staff, and property managers agree that non-elderly people with disabilities need more habitable and affordable units to be accessible to them in the Kansas City area, and more services-rich supportive housing is needed for non-elderly people with disabilities who require assistance to live independently.

Memphis Metropolitan Area

1.0 Overview of the Metropolitan Area

1.1 Demographic and Economic Summary

The Memphis metropolitan area includes the City of Memphis and surrounding communities in Shelby County, Tennessee; Crittendon County, Arkansas; and DeSoto County, Mississippi. A map of the metropolitan area appears in Exhibit 1. The total metropolitan area population was estimated at just under 1.1 million people in 1998, an increase of roughly 8.5 percent since 1990, according to Census data. The City of Memphis is the largest population center in the MSA, with an estimated population of 603,000 in 1998. Despite the overall increase in population in the MSA, Memphis experienced a population decline of 3.5 percent between 1990 and 1998. Shelby County accounts for approximately 864,000 of the MSA's total population. The communities in the other two counties within the MSA are generally small. After Memphis, the next largest population center in the MSA is West Memphis, Arkansas in Crittendon County, with a population of just 26,000 people. The total population of Crittendon County was estimated to be just over 50,000 in 1999, having increased by fewer than 2000 people since the 1990 Census.[120]

DeSoto County, Mississippi includes small, but rapidly growing suburban communities such as Olive Branch, Horn Lake, and Southaven, which all have 1998 estimated populations of 20,000 to 30,000 people. According to Census estimates, the population of DeSoto County overall has grown by 35 percent between 1990 and 1999. The southern part of the county is characterized by smaller, more rural communities such as the county seat of Hernando (estimated population 7,000).

The 1999 estimated median family income in the MSA was $48,000, according to HUD data. Incomes were higher in DeSoto County, while households in Shelby and Crittendon Counties had lower incomes. The 1998 estimated median income in DeSoto County was $43,194, while Crittendon County households had an estimated median income of just $20,948 according to 1996 estimates. At the time of the 1990 Census, City of Memphis households had a median income of $22,674, compared to a median of $27,132 for Shelby County households outside Memphis. Poverty rates are much higher in Memphis than in other parts of the MSA. Census estimates put the poverty rate in Memphis at 21.6 percent. By contrast, the poverty rate in DeSoto County is approximately 11 percent and in Crittendon County, 10 percent.

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[120] Labor Force Estimates, January 2000 (preliminary) from Tennessee Department of Employment Security at www.state.tn.us/empsec/labor_figures/Memphis.htm.

Insert Exhibit 1 (MAP)

The economy is considered to be strong in the metropolitan area in the late 1990s. The unemployment rate in the MSA overall was estimated to be 3.6 percent in January 2000. In the City of Memphis, unemployment was estimated to be 4.4 percent. The unemployment rate in the Arkansas portion of the MSA was estimated at 5 percent in January 2000, while the jobless rate in the Mississippi portion was estimated to be 2.8 percent.[121] The leading employers in the metro area include Federal Express (the shipping company), four major medical centers, two universities, several large banks, and local and county governments.

1.2 Housing Market Overview

During the 1980s, the Memphis housing market was considered sluggish. Between 1970 and 1990, approximately 20,000 homes were demolished in the city. Few new units were built in the city compared to new construction in the suburbs of Shelby County. According to Census data, an annual average of just 410 units were added to the city's housing stock during the decade, while the suburban communities in Shelby County together added an average of almost 5,000 units per year.[122]

Property values and rates of home ownership are consistently lower in the city than in surrounding areas. According to the City of Memphis' Consolidated Plan, Memphis experienced considerable out-migration from poor, inner-city census tracts during the 1980s, leaving concentrations of substandard vacant housing primarily occupied by low-income persons, most of them renters.

The Memphis housing market seems to have rebounded somewhat in the 1990s. Vacancy rates have decreased substantially since 1990. At the time of the Census in 1990, the overall residential vacancy rate in the city was 7.5 percent, and the vacancy rate for rental housing was 9.5 percent.[123] Recent rental housing vacancy rates have been considerably lower, ranging from 3.3 to 6.6 percent during the period 1996-1998.[124]

The increasing strength of the housing market has put pressure on rents for low-income households. According to 1999 HUD estimates, approximately 16,000 renter households in the Memphis metropolitan area have "worst case" housing needs. These households have incomes less than 50 percent of the area median (under $22,300 in Memphis) and either pay over 50 percent of their incomes for rent or live in substandard housing. Almost 5,000

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[121] Labor Force Estimates, January 2000 (preliminary) from Tennessee Department of Employment Security at www.state.tn.us/empsec/labor_figures/Memphis.htm.

[122] Kolbe, Phillip, et al; *Affordable Housing in Memphis: Revenue Sources and Cost-Benefit Analysis*; Regional Economic Development Center, The University of Memphis, January 1998.

[123] *Memphis, TN Consolidated Plan for 1995, Executive Summary*, p. 3.

[124] U.S. Census, Housing Vacancy and Homeownership Statistics, 1998.

households in the Memphis area were on waiting lists for HUD housing assistance, according to 1999 data.[125]

Data assembled by the National Low-Income Housing Coalition indicate that housing affordability in Memphis is a particularly acute problem for low-income people with disabilities who are primarily dependent on SSI income. The 1999 average monthly Fair Market Rent for a one-bedroom apartment was $451. The annual income needed to afford a one-bedroom apartment at the FMR (assuming the household pays no more than 30 percent of income for rent) is approximately $18,040. By contrast, the maximum annual SSI benefit for single individuals living alone is just $5,808.[126]

1.3 Data Collection Approach

The Memphis metropolitan area was selected for this study as an example of an area with a decreasing rate of admissions of non-elderly people with disabilities.[127] HUD administrative data on assisted housing admissions indicate a lower rate of admissions of non-elderly people with disabilities in 1996 compared to 1999. In 1996, according to HUD's TRACS data, approximately 21 percent of the persons admitted to HUD-assisted housing were non-elderly people with disabilities. In 1999, the proportion of non-elderly persons with disabilities admitted to HUD-assisted housing was just under 14 percent (of 435 admissions).

The sampling frame for selecting HUD-assisted properties for this research included 28 properties with a total of 3,308 units.[128] Just under half of these properties (13) received funding under the Section 8 New Construction/Substantial Rehabilitation Program, and another 12 properties were funded under the Section 202/8 program. The remaining three properties are older assisted properties developed under the Section 236 or 221(d)3 programs.

The five properties selected for the study include locations in all three counties within the metropolitan area. Key property characteristics for the sampled properties are summarized in

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[125] *Affordable Housing Shortage in Metro Memphis, Tennessee*, US Department of Housing and Urban Development at www.hud.gov/worsfact/memphis.html.

[126] *Out of Reach*, National Low Income Housing Coalition, September 1999.

[127] For further discussion of the sampling approach used to selected metropolitan areas and properties for this research, see Chapter 1 of this report.

[128] Source: TRACS data obtained from HUD for HUD-assisted properties. It is not possible to identify with certainty which properties were built "primarily to serve the elderly". We have used unit mix as a proxy by selecting properties in which 75 percent or more of the units in the property have fewer than 2 bedrooms. The sampling frame includes properties which meet the unit mix test ***and*** for which complete occupancy and admissions data were available for both 1996 and 1999. For further discussion of the sampling approach, see Chapter 1 and related appendices.

Exhibit 2.[129] Two properties are located in neighborhoods within the City of Memphis, one is in suburban Shelby County, one is in Crittendon County, Arkansas, and one is in DeSoto County, Mississippi. Construction dates range from the early 1970s to the late 1980s, and project sizes range from small to very large. At the time of the field visit in April 2000, property managers at the study properties reported widely varying rates of occupancy by non-elderly people with disabilities, ranging from zero to more than 50 percent. The factors contributing to the circumstances at each property are discussed in more detail below.

The data collection in Memphis included in-person and telephone interviews with property management officials for the five study properties, as well as interviews with public housing agency officials, representatives of advocacy organizations, and HUD Memphis and Nashville office staff.

Data Collection Challenges

Data collection covering four communities in three states was challenging. In particular, it was difficult to obtain information on the supply of, and demand for, affordable housing for non-elderly people with disabilities in the areas outside the city of Memphis. Housing agencies tended to have large service areas, and staff had limited familiarity with the characteristics of housing assistance applicants or recipients in particular communities. Similarly, there were few advocacy organizations and limited information on the needs of this population. As we heard from local respondents in more remote parts of other MSAs selected for this study, non-elderly people with disabilities tend to seek assisted housing in the cities because services are more readily available in larger population centers. People with disabilities were reportedly on waiting lists for assisted housing in outlying communities, but property managers had little information on the total potential demand or the more specific needs of the applicants.

2.0 Supply of Affordable Housing Available to Non-elderly Persons with Disabilities

According to local respondents, the primary sources of affordable housing for non-elderly people with disabilities in Memphis are HUD-assisted developments, public housing, and Section 8 tenant-based assistance. There is a widely held perception that housing for non-elderly people with disabilities is in increasingly short supply in the Memphis area for several reasons: increased demand among former patients from two state mental hospitals that

[129] According to the research design for this study, the managers who agreed to participate in this research were assured they and their properties would not be identified by name. The letter identifiers (A through E) used in Exhibit 2 are used throughout the case study to refer to the properties.

Exhibit 2
Development, Neighborhood, Occupancy and Policy Data

	Property A	Property B	Property C	Property D	Property E
DEVELOPMENT DATA					
Financing program	Older-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted
Construction date / most recent major rehab date	Pre-1975	1975-1979	1980-1984	1985-1989	1985-1989
Development size	Very Large	Very Large	Medium	Medium	Small
% fully accessible units	0-6%	7-10%	0-6%	7-10%	7-10%
% units that are studios	No Studios	51-100%	No Studios	11-25%	11-25%
Building type(s)	High-Rise	High-Rise	Row/Townhouses	Row/Townhouses	Row/Townhouses
Unit turnover rate per year	12-16%	12-16%	12-16%	9-11%	Up to 8%
Overall property condition	Good	Fair	Good	Good	Good/Excellent
NEIGHBORHOOD DATA					
Neighborhood type / location	Urban	Urban	Smaller City	Smaller City	Suburban
Area income level	30-50% AMI	<30% AMI	80-100% AMI	>100% AMI	80-100% AMI
Accessibility of nearby services	Excellent	Good	Good	Poor	Poor
Overall neighborhood condition	Good	Fair	Fair/Good	Fair	Good
Negative neighborhood features	None	Some	None	Many	None
OCCUPANCY / POLICY DATA					
% NED tenants,1999 (TRACS)	Low	High	Medium	Medium	Low
Current % vacant units	No vacant units	6-20%	No vacant units	6-20%	No vacant units
Current % NED tenants	Up to 2%	51-90%	3-6%	13-50%	None
Current % NED on waitlist	Up to 1%	46-100%	11-45%	46-100%	11-45%
Policy type	Admits no NED	Unlimited units for NED, all kinds NED	Fixed #units mobility-impaired ELD & NED	Unlimited units for NED, mob-imp + mental illness	Fixed #units mobility-impaired ELD & NED
Plans to change tenant mix	No plans to change current tenant mix	Plans to write new policy to reduce #NE	No plans to change current tenant mix	Plans to reduce #NED through attrition	No plans to change current tenant mix
Notes on policy type and plans to change tenant mix				Plans to reduce #NED, but has high vacancies so might change this	

Please refer to the introduction of Appendix C for an explanation of the data sources, labels, ranges and definitions used in this exhibit.

closed in the early 1990s because of funding cuts; occupancy restrictions in HUD-assisted housing; lack of new development of housing for people with disabilities; and a generally strong rental housing market with increasing rents and low vacancy rates. Advocates and housing experts alike report that rents are high and finding quality housing at a cost affordable to low-income renters is increasingly difficult.

Based on the experiences reported by managers of HUD-assisted properties selected for this study and other local observers, the dynamics of affordable housing supply and evolving occupancy policies in the diverse communities in this MSA are quite complex. The remainder of this section describes, first, the experiences reported by managers of HUD-assisted housing, and, second, the perspectives of public housing officials and others familiar with the availability of alternative sources of affordable housing for non-elderly people with disabilities.

2.1 HUD-Assisted Properties and Their Occupancy Policies

At the time the occupancy provisions of the HCD Act of 1992 were implemented, four of the five HUD-assisted study properties had occupancy policies that permitted income-eligible non-elderly people with disabilities to apply for admission only if they had mobility impairments and required the special features of fully accessible units in the developments. The policy at the remaining property permitted admissions of non-elderly persons with any kind of disability for up to 25 percent of the development's units. By April 2000, when the field visit was conducted, however, the occupancy policies and tenant characteristics at the properties varied widely. At only one property had the policy changed due to the Act. Property vacancy rates and marketability appear to be more important factors.

Properties with Low Rates of Occupancy by Non-elderly People with Disabilities
Management staff for two of the study properties reported (and TRACS data for 1996 and 1999 support) that few non-elderly people with disabilities had ever been housed at their properties, even prior to implementation of the 1992 Act, despite occupancy policies that permitted admission of non-elderly persons if they required fully accessible apartments. As would be expected among the properties with this type of occupancy policy, the actual number of non-elderly people living in the building at a given time was lower than the number of fully accessible units, because some of these were occupied by elderly households who needed their special features. It appears, however, that very few non-elderly persons were ever admitted to these properties.

In the case of Property E, a small development in a relatively affluent suburban community, the manager reported that in her seven years there, no non-elderly applicant had been admitted.[130] This appears to be largely a result of the property's transfer policy. In this

[130] HUD's TRACS data indicated there had been one non-elderly resident in 1996.

property, management accepts applications from non-elderly persons with mobility impairments but has a policy of allowing eligible elderly residents of the development to move from a conventional to an accessible unit if they need the unit's special features.[131] There were always eligible elderly residents who wanted to transfer within the development, according to the manager, so non-elderly applicants virtually never had an opportunity for admission.

In the case of Property A, an attractive older property in a middle-income, residential urban neighborhood, the long-time manager similarly reported that few non-elderly people with disabilities had ever lived in the property, even before management elected elderly preferences in the mid-1990s. At most, she recalled, there were never more than 2 non-elderly residents living in the building at a time, despite a 10 percent set-aside for people with disabilities in the 200-unit building. Demand among elderly applicants had always been high for this attractive property, which offers extensive on-site services and is conveniently located near shopping, transportation, churches, and other amenities. The manager offered little clarification on why so few non-elderly people had ever lived in the property. Despite her limited experience with a mixed population, she nevertheless strongly stated she thinks that mixing elderly and non-elderly residents creates problems, citing examples of management problems in other properties in the area. Management had elected elderly preferences under the provisions of the 1992 Act because of these concerns, she reported.

Properties with High Rates of Occupancy by Non-elderly People with Disabilities

Despite the MSA-level trend of decreasing admissions of non-elderly people with disabilities, two of the remaining three study properties had experienced *increases* in non-elderly admissions, although the circumstances in each property were quite different.

Property B, located near downtown Memphis, experienced a sharp increase in the proportion of residents who are non-elderly people with disabilities in the past five years. Property management staff said that, as recently as 1995, 75 percent of the tenants in the property were elderly. Staff were familiar with the provisions of the Housing and Community Development Act but indicated that, at the time the regulations were implemented, management decided this property would continue to admit non-elderly people with disabilities and would not implement elderly preferences.

At the time of the field visit in April 2000, occupancy had changed dramatically: the proportion of residents who are non-elderly people with disabilities had increased to 75 percent. The factors contributing to this change included management actions (or inaction) and a large influx of non-elderly people with disabilities who needed housing following the closure of two local mental hospitals. Management officials and other local observers recall

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[131] This practice is permissible under HUD occupancy guidelines. It is not permissible, however, to reserve accessible units for current residents to the exclusion of eligible applicants.

that, when the two mental hospitals were closing in the early 1990s, public and assisted housing managers were inundated with applications from the institutions' former patients (or local mental health center case workers inquiring in their behalf). The patients were supposed to be housed in congregate living settings, but there were not enough available beds in such facilities, leaving the patients and their advocates few choices. Senior management officials at the study property acknowledge that vacancies were high at that time and tenant screening was lax. Many residents were admitted who had limited skills for meeting their lease terms, and the service providers who may have helped them find housing did not follow up to make sure they were stably housed. As the proportion of tenants who were non-elderly people with disabilities increased, inquiries from elderly applicants dwindled, and elderly residents who had housing choices, moved out.

The current management staff now have a very different kind of building to manage and are taking a number of steps to respond to new management demands. Property management staff are working on revising screening criteria to make sure new residents have the skills to comply with their leases. They are also working with HUD, local service providers, the police, and others to ensure that residents who need services are receiving them. This may include providing office space for mental health service providers on site, an approach which has reportedly worked successfully at a HUD-assisted property in Nashville.

Property D, the other property where the proportion of non-elderly residents has increased, was developed under the Section 202/8 program and is located in DeSoto County, Mississippi. Although the community is still within the Memphis MSA, it is almost rural in character. According to the HUD TRACS data, there were fewer admissions of non-elderly people with disabilities in 1999 than in 1996, placing this property in the "decreasing" admissions stratum for property sample selection for this research. According to management staff, however, this apparent trend is somewhat misleading. Elderly admissions were up in 1999, but this was not typical. The property manager described how management had struggled to market to elderly households almost continuously since the property was built in the late 1980s.[132] Initially, the occupancy policy did not require admission of non-elderly people with disabilities, but, when initial rent-up was slow, the management firm requested a waiver from HUD to expand eligibility to non-elderly disabled applicants.

At present, the manager is not anxious to increase the proportion of non-elderly residents with disabilities, especially those with mental or cognitive impairments, but the vacancy rate at the time of the field visit was 12 percent and had been as high as 22 percent in the previous year. Virtually all of the applicants on the waiting list were non-elderly people with

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[132] Potential elderly applicants in this part of the county are often aging farm workers who are ready to retire, according to the manager. Their former farm employers often offer the workers housing on the farm at little or no cost, where the workers may continue to live until they die or choose to move. Although the housing may not be of particularly high quality, its low cost is very appealing to these seniors. In comparison, spending 30 percent of their limited income for HUD-assisted housing seems too costly.

disabilities, despite efforts to intensify marketing to potential elderly residents. To fill vacancies and ensure the property's cash flow, the manager anticipates requesting another waiver from HUD to increase admissions of non-elderly people with disabilities, even though non-elderly residents already accounted for 14 percent of tenants at the time of the field visit in April 2000.

A "Typical" Property

Property C is located in Crittendon County, Arkansas, across the river from Memphis in a modest neighborhood on a bus line near shopping and other services. The manager indicated the current occupancy policy allows non-elderly people with disabilities with mobility impairments to apply for accessible units. Only four of the development's units (6 percent) are wheelchair-accessible, but three of these units were occupied by non-elderly people with disabilities at the time of the field visit. According to HUD's TRACS data, there were 3 non-elderly households living in the development in both 1996 and 1999, as well. The owner/sponsor of the development, a faith-based organization, is committed to an occupancy policy that permits non-elderly admissions. The community has relatively few other options for low income people with disabilities. There are 2 other HUD-assisted developments, but (according to the property manager) these properties have had problems with crime and deferred maintenance.

2.2 Other Sources of Affordable Housing for Non-elderly People with Disabilities

The other key sources of affordable housing for non-elderly disabled persons are the public housing and tenant-based Section 8 programs administered by local housing agencies and a small number of units sponsored through other programs. In the outlying parts of the Memphis metropolitan area, subsidized housing is limited. There are few HUD-assisted properties, and they are typically small (50 units or fewer). Public housing agencies are also small. The housing agency serving most of DeSoto County is the Mississippi Regional Housing Authority, Region 2, based in Oxford. The agency serves 7 counties with only 158 Section 8 certificates and vouchers. The only other public housing agency in the county is a very small agency in Olive Branch. The Shelby and Crittendon County communities where study properties are located are each served by small public housing agencies. The Shelby County agency manages fewer than 300 units of mixed-occupancy public housing. The Crittendon County community is served by a small agency with fewer than 400 public housing units under management and fewer than 300 Section 8 certificates and vouchers. Other affordable housing options in these communities consist of privately owned rental housing and (as described in the discussion of Property D above) housing provided by farm owners to their current or former employees.

Most of the other subsidized and low-cost housing options are in the City of Memphis. Several local providers operate specialized housing for people with disabilities. The Consolidated Plan identifies housing resources for people with mental illnesses or mental retardation. There are 26 privately operated, state-licensed homes for people with severe

mental illnesses, with a total of 270 beds. There are also 11 group homes with 71 beds for residents with mental retardation and an unknown number of board and care homes. These more structured living situations are not suitable for people who wish to live more independently, however. One advocate who works with mentally disabled clients sometimes places clients in rooms for rent in boarding houses, but has found these buildings often have problems with drug and criminal activities.

The Memphis Housing Authority (MHA) is the largest provider of affordable housing in the city. MHA manages a total of 6,243 public housing units and 4,503 Section 8 certificates and vouchers. The MHA's Section 8 waiting list is closed, with roughly 1,200 applicants waiting for housing. None of MHA's tenant-based assistance is reserved for people with disabilities, although roughly one-quarter of Section 8-holders are disabled. MHA's public housing developments house a sizeable population of non-elderly people with disabilities. The agency manages four elderly public housing developments with approximately 200 units each; all are located in the downtown or midtown areas, and all are highrise towers with predominantly efficiency units. According to housing authority staff, a variety of services are available to residents of the elderly developments including commodities distribution, meals on wheels, transportation, and on-site service coordinators.

MHA's elderly developments have experienced a significant increase in non-elderly occupancy in the past five years. As of March 2000, between 41 percent and 56 percent of elderly development residents were non-elderly people with disabilities, and 86 of the 119 applicants on the waiting list (72 percent) were non-elderly people with disabilities. Staff attribute the increase in large part to the two mental hospital closures mentioned above. Beginning in 1994, staff recall MHA started getting "bombarded" with applications, just at a time when the agency was experiencing vacancy problems in its elderly highrises. At first, admissions staff tried to screen out applicants who were mentally ill, but this was stopped because of concerns about the fairness or legality of this practice. Staff began basing disability eligibility solely on receipt of SSI.

Management and social services staff report there have been many problems between elderly and non-elderly tenants in the elderly public housing properties. "The elderly live in fear," according to one staff member. Staff suspect that elderly tenants are moving out of public housing and into HUD-assisted properties, although the properties to which elderly residents are supposedly moving were widely reported to be experiencing increases in admissions of non-elderly people with disabilities as well.

The executive director of the MHA hopes to reduce admissions of non-elderly people with disabilities and encourage mainstreaming current non-elderly tenants from elderly housing into one-bedroom and efficiency apartments in the agency's family developments. MHA staff are also considering designating one elderly building as elderly-only and contracting

with a mental health service provider to provide case management for residents with mental disabilities.

Local observers uniformly reported that there has been virtually no new development of affordable housing for people with disabilities who wish to live independently. HUD's Nashville office staff report that there were only three requests statewide for Section 811 development funds in the most recent funding cycle, and there were no requests in the previous cycle. The remaining affordable options are rooms for rent or board and care arrangements.

3.0 Demand for Housing for Non-elderly People with Disabilities

Data from the Social Security Administration indicate that, in December 1999, there were approximately 20,500 people between the ages of 18 and 64 who were receiving SSI income in the three-county metropolitan area. The vast majority (about 18,200, or 88 percent) were living in Shelby County.[133] In 1998, the Memphis Housing and Community Development Department estimated the number of Shelby County residents with physical limitations was 113,750; persons with developmental disabilities numbered 26,250; and persons with alcohol or drug addictions totaled 87,500.[134] These figures include people of all ages and income levels and thus probably overstate the number potentially eligible for assisted housing. Nevertheless, advocates, housing managers, and public housing agency officials agree that, particularly in the more urban parts of the MSA, there is not enough affordable housing to meet the demands of people with disabilities, although detailed data on the size, characteristics, and needs of the low income disabled population are difficult to find. As described above, the number of people who need affordable housing has been influenced significantly by the court-ordered closing of two state mental hospitals, according to local observers. Patients from these two institutions were supposed to be housed in community-based congregate housing, but there was not nearly enough of it. Many former patients reportedly became homeless.

Local observers say that people with disabilities face a number of barriers in finding housing. One of the most difficult barriers is that there is no central source of information on Memphis-area affordable housing for people with disabilities. Advocacy organization representatives indicated that people with disabilities search for housing by asking friends, family, or service providers, obtaining referrals from hospitals or other treatment centers, or conducting their own research. None of the agencies contacted for this research had

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[133] *SSI Recipients by State and County*; Social Security Administration, December 1999.

[134] Homeless Needs Assessment Study, Memphis Housing and Community Development Department, 1998. In most cases, prevalence rates derived from national research were applied to the county's population; local experts were also consulted to determine the extent to which the national rates should be adjusted.

comprehensive, accurate information on housing options for people with disabilities. For example, one advocate maintained a list of HUD-assisted properties to which she refers clients. She reported that she understood all the of the city's highrises had elected elderly preferences, although there are clearly some exceptions to this assertion. Further, advocates seemed to have different levels of knowledge about Memphis Housing Authority's public housing and Section 8 programs. Advocates who work primarily with people with mobility impairments seemed to have limited familiarity with Memphis Housing Authority programs, while service providers who work with clients with mental health issues were more likely to know about MHA's housing resources.

Screening criteria used by property managers were also thought to limit access to housing. One advocate from a local mental health center reported that her clients are often refused admission to HUD-assisted housing because of credit problems such as bankruptcy or outstanding debts to utility companies. Clients with criminal records are also likely to be screened out by assisted housing managers. She had found that private property owners were less strict about credit and criminal records checks than multifamily property managers.

Advocates for people with mobility impairments assert that their clients have difficulty finding appropriate housing in areas with reliable, accessible public transportation. Public transportation is considered to be reasonably accessible and reliable in the downtown and midtown areas, although there are still problems with a lack of curb cuts to accommodate wheelchair users. There have reportedly been problems with bus drivers lacking proper training to operate wheelchair lifts. Beyond the central areas of the city, public transportation service is less common and less reliable, according to advocates.

4.0 Changes in Housing Availability for Non-elderly People with Disabilities

Demand for affordable housing among people with disabilities in the Memphis area is widely reported to be high. In particular, there has been an increase in the number of people with mental or cognitive impairments who need housing. HUD-assisted housing built primarily for the elderly is considered an important source of housing for people with disabilities, but the rate of admissions appeared to be decreasing in the late 1990s. The non-elderly admissions rate was 21 percent in 1996 but decreased to 14 percent in 1999.

Discussions with property managers, housing authority staff, and advocates reveal that the dynamics of occupancy are complex. Some of the study properties reflect the trend toward decreasing non-elderly admissions, but (as intended in our sampling strategy) others have experienced the opposite trend. Property managers at the two properties with low rates of admissions both indicated their properties had never served many people with disabilities, despite occupancy policies that permitted admission of non-elderly people with mobility

impairments. Management at one of these properties had elected elderly preferences as a result of the Housing and Community Development Act provisions, but the other had not made any changes to the property's policy. Both properties were in good condition, were located in desirable communities, and had few vacancies. Both managers expressed reservations about housing seniors and non-elderly people with disabilities together because of concerns about "conflicting lifestyles."

In contrast, managers of two properties reported increasing admissions of non-elderly people with disabilities. Both of these properties had higher vacancy rates and greater difficulty attracting elderly applicants than the two properties discussed above, even though their locations (one in an urban neighborhood, the other in an outlying town) are quite different. Management at the remaining property had a non-elderly occupancy rate of about 5 percent, consistent with the property's policy. No changes were anticipated. Vacancy rates and marketability thus appear to be more important factors than the Housing and Community Development Act in influencing property managers' decisions about occupancy policies.

Significantly, elderly public housing in Memphis has also experienced a sharp increase in the proportion of residents who are non-elderly people with disabilities. Local observers attribute this change both to the increase in demand among non-elderly people with disabilities and to the limited ability of public housing to attract elderly applicants. MHA's elderly units are predominantly efficiencies which are not as marketable to seniors who can find one-bedroom apartments elsewhere. The increasing proportion of disabled tenants is also thought to be a factor that is deterring potential elderly applicants. Again, vacancy rates and marketability carry more influence in determining occupancy policies than the legislative guidelines.

Miami-Dade County Metropolitan Area

1.0 Overview of the Metropolitan Area

1.1 Demographic and Economic Summary

Located on the southern tip of the Florida peninsula, the Miami-Dade County PMSA spans more than 2,000 square miles.[135] It is bounded by the Atlantic Ocean and Biscayne Bay to the east, Everglades National Park to the west, the Florida Keys to the south, and Broward County to the north. Miami-Dade County includes the City of Miami, which makes up less than two percent of the county's land area.[136] A map of the metropolitan area appears in Exhibit 1.

The county's population numbered approximately 2.18 million in 1999, an increase of 12 percent since 1990.[137] Much of the population growth is the result of immigration.[138] The county is very diverse, with about 78 percent of the population belonging to minority groups, including 57 percent Hispanic and 20 percent African American.[139] The City of Miami, which is the county's largest municipality, numbers more than 358,000 residents, 90 percent of whom are members of a racial or ethnic minority.[140] According to the 1990 Census, the median income in Dade County was $26,909.

The economy of Miami-Dade County is based on tourism, international trade and commerce, finance, agriculture, manufacturing, the television and film industry, and legal and medical services. Miami houses the largest cruise ship port in the world and is the second largest financial center in the country.[141] The county harvests more tropical produce than any other county in the United States. The overall unemployment rate in Miami Dade County has fallen steadily, from 8.4 percent in 1994 to 6.3 percent in 1999.[142]

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135 Miami-Dade County website.

136 City of Miami Consolidated Plan, 1995.

137 U.S. Census Bureau, 1999 estimates.

138 Dade County Consolidated Plan, 1995.

139 U.S. Census Bureau, 1998 estimates.

140 City of Miami Consolidated Plan, 1995.

141 Dade County Enterprise Community Strategic Plan Summary.

142 Jacksonville Area HUD Office, Dade County Rental Market Overview, September 1999.

Insert Exhibit 1 (MAP)

Despite these strengths, Miami-Dade County has some entrenched economic problems. Miami is the fourth poorest city in the country, and almost one of every three people in the city—and one of six in Dade County—is poor.[143] In addition, the economy has not fully recovered from Hurricane Andrew in 1992. And, while the overall unemployment rate has dropped in recent years, unemployment among youth exceeds 20 percent.[144]

1.2 Housing Market Overview

In 1993, Dade County had 424,269 housing units, 66 percent of which were owner-occupied and 34 percent were rental. Among households earning less than 30 percent of median income, 40 percent were owners and 60 percent renters.[145] There has been considerable growth in the supply of housing since Hurricane Andrew destroyed some 47,000 housing units in 1992: building permits averaged almost 10,800 units per year from 1990 through 1998, nearly evenly split at about 5,700 single-family and 5,100 multifamily units.[146] The overall rental vacancy rate in Dade County was 8.5 percent in 1999, down from 10.0 percent in 1997.[147] Despite the relatively balanced overall rental market, the demand for affordable housing, particularly subsidized housing, is much greater than the supply, according to Miami HUD staff, Metro Dade Housing Authority staff, and advocates. The average monthly Fair Market Rent for a two-bedroom apartment is $712 in 2000. But approximately 53 percent of renters in the Miami-Dade area cannot afford to pay the FMR for a two-bedroom apartment.[148]

Non-elderly people with disabilities have a particularly difficult time finding affordable housing. According to data compiled by the Technical Assistance Collaborative and the Consortium for Citizens with Disabilities Housing Task Force, a person with disabilities whose sole income source is SSI (and who receives no housing subsidy) must pay 91 percent of his or her income to rent an efficiency apartment priced at the HUD fair market rent in the Miami-Dade metropolitan area.[149] The waiting lists for family public housing and for tenant-based assistance are closed. The availability and quality of affordable housing is very mixed.

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143 Dade County Enterprise Community Strategic Plan Summary.

144 Dade County Enterprise Community Strategic Plan Summary.

145 Dade County Consolidated Plan, 1995.

146 Jacksonville Area HUD Office, Dade County Rental Market Overview, September 1999.

147 U.S. Census Bureau, Housing Vacancies and Homeownership Annual Statistics, 1999.

148 National Low Income Housing Coalition, Out of Reach, September 1999.

149 *Priced Out in 1998: The Housing Crisis for People with Disabilities*, Technical Assistance Collaborative, Inc. and Consortium for Citizens with Disabilities Housing Task Force, March 1999.

1.3 Data Collection Approach

Miami-Dade County was selected for this study as an example of an area with a low rate of admissions to HUD-assisted housing for non-elderly people with disabilities.[150] Administrative data from HUD indicate a very low rate of admissions of non-elderly persons in HUD-assisted housing built primarily to serve elderly households, and this rate appears to be decreasing. In the HUD-assisted properties eligible for the study sample, the number of younger disabled admissions decreased from 13 (3.5 percent) in 1996 to 10 (2.2 percent) in 1999.

The HUD-assisted housing stock eligible for the study sample includes approximately 4,694 units in 48 properties, of which 17 are assisted under the Section 8 New Construction/Substantial Rehab program, 29 were developed under the Section 8 New Construction/Substantial Rehab program with Section 202, and two are Section 236 buildings.[151] Other affordable housing options (for non-elderly disabled persons) in the Miami area include primarily elderly public housing developments, very limited tenant-based assistance designated for non-elderly people with disabilities, group homes, and tax credit properties.

The five properties selected for the study are located in a variety of neighborhoods throughout the metropolitan area. Key property characteristics are summarized in Exhibit 2.[152] As shown in the exhibit, two properties were developed in the mid- to late-1970s, while three were developed in the 1990s. Two properties are located in relatively low-income neighborhoods within a couple miles of downtown Miami, and three are in moderate-income suburbs about 15 miles from downtown. Most of the properties reported low rates of occupancy by non-elderly people with disabilities: one property had no people with disabilities, one had fewer than 2 percent, and two had 3 to 6 percent, while one had 7 to 12 percent disabled residents. At none of the properties did management representatives indicate any plans to reduce (or increase) occupancy by non-elderly people with disabilities.

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150 For further discussion of the sampling approach used to select metropolitan areas and properties for this research, see Chapter 1 of this report.

151 Source: TRACS data obtained from HUD for HUD-assisted properties. It is not possible to identify with certainty which properties were built "primarily to serve the elderly." We have used unit mix as a proxy by selecting properties in which 75 percent or more of the units in the property have fewer than two bedrooms. The sampling frame includes properties which meet the unit mix test ***and*** for which complete occupancy and admissions data were available for both 1996 and 1999. For further discussion of the sampling approach, see Chapter 1 and related Appendices.

152 According to the research design for this study, the managers who agreed to participate in the research were assured they and their properties would not be identified by name. The letter identifiers (A through E) used in Exhibit 2 are used throughout the case study to refer to the properties.

Exhibit 2
Development, Neighborhood, Occupancy and Policy Data

	Property A	Property B	Property C	Property D	Property E
DEVELOPMENT DATA					
Financing program	Newer-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted
Construction date / most recent major rehab date	1975-1979	1975-1979	1990 Onwards	1990 Onwards	1990 Onwards
Development size	Very Large	Large	Large	Medium	Large
% fully accessible units	7-10%	51-100%	13-50%	11-12%	7-10%
% units that are studios	No Studios	No Studios	11-25%	26-50%	26-50%
Building type(s)	Low-Rise	High-Rise	Low-Rise	Low-Rise	High-Rise
Unit turnover rate per year	17-40%	9-11%	17-40%	17-40%	Up to 8%
Overall property condition	Good	Excellent	Good	Good	Excellent
NEIGHBORHOOD DATA					
Neighborhood type / location	Suburban	Suburban	Urban	Suburban	Urban
Area income level	>100% AMI	>100% AMI	50-80% AMI	>100% AMI	30-50% AMI
Accessibility of nearby services	Fair	Excellent	Fair	Fair	Excellent
Overall neighborhood condition	Good	Good	Poor	Good	Fair
Negative neighborhood features	None	None	Many	None	Some
OCCUPANCY / POLICY DATA					
% NED tenants,1999 (TRACS)	Low	Low	Low	Low	Low
Current % vacant units	No vacant units	No vacant units	No vacant units	No vacant units	No vacant units
Current % NED tenants	3-6%	3-6%	Up to 2%	None	7-12%
Current % NED on waitlist	2-10%	N/A	2-10%	Up to 1%	11-45%
Policy type	Unlimited units for NED, all kinds NED	Unlimited units for NED, all kinds NED	Unlimited units for NED, all kinds NED	Unlimited units for NED, all kinds NED	Unlimited units for NED, all kinds NED
Plans to change tenant mix	No plans to change current tenant mix	No plans to change current tenant mix	No plans to change current tenant mix	No plans to change current tenant mix	No plans to change current tenant mix
Notes on policy type and plans to change tenant mix					

N/A = Not Available
Please refer to the introduction of Appendix C for an explanation of the data sources, labels, ranges and definitions used in this exhibit.

The information for this case study was compiled through a review of HUD administrative data and through in-person and telephone discussions with key informants. Local respondents included property management officials from the five properties selected for the study, staff from the Miami and Jacksonville HUD Offices, public housing agency officials, representatives of advocacy organizations serving people with disabilities, and the parents of a young wheelchair-bound person who recently searched for affordable, wheelchair-accessible housing in the Miami area.

2.0 Supply of Affordable Housing Available to Non-elderly Persons with Disabilities

The primary affordable housing options for non-elderly people with disabilities in the Miami-Dade metro area are HUD-assisted housing, public housing, Section 811, and a limited number of tenant-based Section 8 vouchers designated for non-elderly persons with disabilities. The following sections review first the HUD-assisted stock, and then other sources of affordable housing.

2.1 HUD-Assisted Properties and Their Occupancy Policies

Occupancy by non-elderly people with disabilities in HUD-assisted properties in the Miami area is low, even though occupancy policies are seemingly non-restrictive. None of the respondents, including HUD staff, representatives from the local housing authority, or advocates for people with disabilities, knew of any HUD-assisted properties with elderly-only policies. Among the study properties, none of the property managers said they have a policy of elderly preferences. However, at three of the properties (Properties A, C, and D), managers said they were unaware of the provisions of the 1992 Housing and Community Development Act allowing property managers to implement elderly preferences.

Among the Miami area study properties there is relatively little variation in terms of property condition and vacancy rate: all five properties are in good or excellent condition with no vacancies. There is some variation in location, but this seems to have little or no bearing on the demand for the properties. Properties A, B, and D are located in moderate-to-upper-income suburban areas, while properties C and E are in more centrally located, lower-income neighborhoods.

At some properties visited there was a discrepancy between the stated occupancy policy and the written occupancy policy. While management representatives of all five properties said that they have no limits on the number of non-elderly disabled admitted or on the types of disabilities allowed, the written occupancy policies at two properties clearly favored applicants with mobility impairments. Property B's written policy states that non-elderly applicants must require the accessibility features of a specially designed unit of this Section

202/8 property. Property C's policy says the "project may categorically exclude developmentally disabled, or chronically mentally ill applicants who are admittedly neither elderly nor mobility-impaired." Property C was also developed under the 202/8 program. Management representatives of Properties A and D said they did not have a written policy. At Property E, the written policy agreed with the stated policy of no preferences for a specific type of disability.

More importantly, there seems to be a mismatch between the stated occupancy policy (no limits on the number of non-elderly disabled occupants or on the type of disabilities allowed), and the occupancy by non-elderly people with disabilities at the study properties (low or very low). Understanding this apparent discrepancy may be related to how applicants learn about the properties in order that they may apply, and to factors in the admissions process that may reduce the pool of applicants.

The application process starts when the individual calls or visits the property, and this first point of contact requires that the individual seeking housing have information about the property. Management at all the study properties said they do not actively market their properties and that all applicants learn about the property by word of mouth. Staff from the Miami Area HUD Office said they refer all applicants seeking HUD-assisted developments, including non-elderly people, to the national HUD web page for a list of HUD-assisted properties. The website information on Miami-area HUD-assisted properties does not appear to be very user-friendly or accurate.[153] As described in the next section, a major problem that non-elderly people with disabilities face in finding suitable affordable housing in the Miami area is the lack of information about their housing options.

Important factors in the admissions process that may affect the proportion of non-elderly disabled residents in HUD-assisted properties include "counseling" and screening. At Property B, the manager said she discourages non-elderly applicants who reach the top of the waiting list, "counseling" them that the elderly create a hostile living environment for young residents. As described, this practice of counseling applicants is in direct violation of fair housing laws. At Properties A and E, the percentage of non-elderly disabled applicants on the waitlists was two to three times higher than the percentage of current residents who were non-elderly and disabled, suggesting that application or screening procedures may be limiting the number of people with disabilities who actually move in to the properties.

While it is unclear whether any HUD-assisted properties in Miami have formal elderly preferences, there is evidence that properties in neighboring counties do have elderly-only

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[153] To assess the usefulness of this list, the site visitor called a sample of eight Miami properties with mostly one-bedroom units in June 2000. Of these, three had wrong or disconnected phone numbers, one was no longer managed by the management company and no further information was available, one had no answer, one had a general outgoing message for the church that manages the property, one said the waitlist was closed, and one property said they accept both elderly and non-elderly disabled residents.

policies. According to Congressional testimony, a young disabled man looking for an accessible unit in Miami contacted 30 HUD-assisted properties, only to learn from each property that they accept only elderly residents.[154] According to this man's father, who was interviewed for this study, the list was obtained from the Florida State HUD Office and contained only properties located in Palm Beach.

Regardless of occupancy policies, the number of units in new construction/substantial rehab Section 8 properties available to non-elderly people with disabilities (or to the elderly) is sharply limited by long waiting lists. All five of the study properties had lengthy waiting lists, with an average of more than 180 people and a wait of several years.

2.2 Other Sources of Affordable Housing

Within Miami-Dade County, the Metro Dade Housing Authority (MDHA) operates roughly 10,500 units of public housing in nearly 100 developments. Of these, about 5,700 units are in family developments, while 4,800 units are in properties serving primarily the elderly. There are approximately 45 fully accessible units in family developments and 185 in elderly properties. In addition, one 50-unit development serves only disabled residents. All together, these accessible units make up three percent of the total public housing units. As of April 2000, the housing authority had designated only one 381-unit development (with no fully accessible units) as elderly-only.

The percentage of residents who are non-elderly and disabled in public housing is about 23 percent in the elderly public housing properties. According to housing authority staff, this figure has not changed appreciably over the past several years. As noted previously, the waiting list for family public housing is closed, and the waiting list for elderly/disabled public housing currently has approximately 7,000 people on it, of whom roughly 15 to 20 percent are disabled.[155] Housing authority staff estimate the wait to be approximately 12 to 18 months for elderly developments.

Because the regular waitlist for tenant-based Section 8 rental assistance is also closed, tenant-based Section 8 for non-elderly people with disabilities is limited to 200 designated vouchers as well as 75 mainstream vouchers awarded in 2000.[156] The housing authority had not yet

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[154] Testimony Regarding FY 2001 Appropriations, Submitted by the Consortium for Citizens with Disabilities to the Subcommittee on HUD, VA, and Independent Agencies of the House Appropriations Committee, Presented by Matthew Bausch, April 13, 2000.

[155] Interview with senior Public Housing staff at Miami Dade Housing Authority, April 20, 2000.

[156] HUD provides Section 8 rental vouchers and certificates for people with disabilities to public housing agencies through two programs. First, PHAs that have approved plans to designate certain public housing as elderly-only, disabled-only, or mixed elderly and disabled households may apply for Section 8 rental assistance to support the implementation of an approved designation plan. PHAs are required to submit housing plans that establish the need to designate while ensuring that the affordable housing needs of all

advertised or distributed these vouchers as of April 2000. In addition, the housing authority has applied for 75 more vouchers for non-elderly people with disabilities under the Fair Share NOFA.

Tax credit properties are another housing option, but they generally have rents that are unaffordable to people whose income is limited to SSI. In addition, some tax credit properties do not accept Section 8, according to local advocates, even though they are required to do so.

3.0 Demand for Affordable Housing by Non-elderly Persons with Disabilities

The 1990 Census reported that, in Dade County, 131,689 individuals age 16 to 64, or 10.7 percent of the population, have a work disability, a mobility limitation, or a self-care limitation.[157] Recent data indicate the number of non-elderly individuals age 18 to 64 receiving supplemental security income (SSI) is 35,386.[158] From our research, we were not able to gauge what proportion of these people are seeking affordable housing; however, we can assume that the non-elderly SSI recipients are disabled and have limited incomes. According to local advocates, the number of people with disabilities seeking affordable housing in the Miami area has increased over the past decade, because of a shift in philosophy that encourages developmentally disabled persons to live more independently.

According to advocates for people with disabilities, the inadequate supply of affordable housing in the Miami-Dade metro area is the greatest problem facing their clients. Public and HUD-assisted housing have long waiting lists, and the tenant-based Section 8 waiting list is closed. While a limited number of vouchers designated for non-elderly people with disabilities have recently become available, housing authority staff and advocates alike fear voucher holders will have great difficulty finding suitable units where they can use vouchers, due to the extremely tight affordable housing market. Not surprisingly, finding a wheelchair-accessible unit presents additional challenges. Landlords rarely make modifications where needed, according to advocates.

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current and prospective public housing residents are met. The Section 8 assistance is provided (through a competitive process) to help PHAs meet the needs of people with disabilities who are affected by designated housing plans. HUD also makes rental assistance available to provide mainstream housing opportunities for people with disabilities. This rental assistance is available to all PHAs, not just those with approved designation plans.

[157] U.S. Census Bureau, 1990.

[158] Social Security Administration, December 1999.

Local advocates for people with disabilities say the gap in affordable housing supply is often filled by renting rooms in private homes, by living in market rate apartments in high-poverty, high-crime neighborhoods with no services, or by moving out of the metro area. The manager of Property B suggested that many people with disabilities are going to Section 811 developments.

Contributing to the difficulty in finding suitable affordable housing is the lack of information—and indeed the abundance of misinformation—provided to non-elderly disabled persons about their housing options. A young mobility-impaired person testified before a Congressional housing appropriations committee about his tremendous difficulty in getting basic information on affordable housing in South Florida. "Getting my housing situation taken care of was a nightmare. Next to my accident, it was the worst experience my family and I ever went through," said the young wheelchair-bound man, who was severely injured in an accident in 1993.[159]

4.0 Changes in Housing Availability for Non-elderly Persons with Disabilities

According to housing authority staff and property managers, there has been little change in the supply of assisted housing for non-elderly disabled persons in the Miami area over time. The availability of affordable housing in general, and of affordable units suitable for non-elderly people with disabilities in particular, is very limited. The extent to which property managers have adopted elderly-only policies in Miami-Dade County is unclear. However, in at least one other South Florida county (Palm Beach), many HUD-assisted properties have adopted elderly-only policies, which may be influencing the demand for assisted housing by non-elderly people with disabilities in Miami-Dade County.

In addition, among the study properties there is an apparent mismatch between the occupancy policies, which place no limits on the number of non-elderly disabled residents or the type of disability, and the proportion of non-elderly disabled residents, which is low or very low at all five study properties. This mismatch may be due to a lack information available to non-elderly people with disabilities seeking affordable housing, to other factors such as screening, or to a combination of factors.

While there is a lack of reliable demand information, advocates for the disabled point to an increase in the number of persons with disabilities seeking to live independently over the past decade. As a result, there may be unmet demand and a worsening of the already difficult housing market for non-elderly people with disabilities.

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[159] Technical Assistance Collaborative, Inc., *Opening Doors* newsletter, May 2000 issue.

New York City Metropolitan Area

1.0 Overview of the Metropolitan Area

1.1 Demographic and Economic Summary

The New York City PMSA covers 1,147 square miles and includes eight counties: Bronx, Kings, New York, Queens, Richmond, Putnam, Rockland, and Westchester.[160] The first five of these counties make up New York City, the largest city in the United States. The remaining three lie immediately north of the city. A map of the metropolitan area appears in Exhibit 1.

The population of the PMSA was 8.69 million in 1998, about 1.7 percent higher than in 1990.[161] Some 86 percent of the metropolitan area's population is in New York City.[162] Within the city, Manhattan and Queens have experienced the most population growth, followed by the Bronx and Staten Island, with Brooklyn experiencing a population decline.[163] Racially, the area as a whole is very mixed, with an average of 56 percent white, 26 percent African American, 7 percent Asian American, and 22 percent Hispanic.[164] New York City has a higher concentration of members of minority groups, with an average of 25 percent African American and 24 percent Hispanic in the five New York City counties, compared to 8 percent African American and 7 percent Hispanic in the suburban counties.[165] According to the 1990 census, the median income for PMSA was $32,490, ranging from a low of $21,944 in the Bronx to over $50,000 in the Westchester and Rockland counties.

The economy of New York City is based primarily on the service sector, which provides 39 percent of the city's employment; business, health, social services, and education account for the largest share of jobs.[166] Other important sectors include wholesale and retail trade, which accounts for 17 percent of jobs; government (16 percent); finance, insurance and real estate (13 percent); manufacturing (7 percent); transportation and utilities (6 percent); and

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[160] U.S. Census Bureau, 1990.

[161] U.S. Census Bureau, 1998.

[162] U.S. Census Bureau, 1990.

[163] New York Department of Housing Preservation and Development, *Housing New York City*, 1996.

[164] U.S. Census Bureau, 1990.

[165] U.S. Census Bureau, 1990.

[166] New York State Department of Labor, Division of Research and Statistics, April 2000.

Insert Exhibit 1 (MAP)

construction (3 percent).[167] Most of the area's recent job growth has been in the services and construction, with some job loss in the manufacturing sector.[168] The area's unemployment rate was 5.8 percent in March 2000, down from 6.4 percent in March 1999.[169]

1.2 Housing Market Overview

There are almost 2.8 million households in New York City, over 70 percent of which are renters.[170] Rental units in New York are small: about half are efficiency and one-bedroom units, and another 35 percent are two-bedroom units.[171] The overall rental vacancy rate for the area was 4.7 percent in 1999, down from 5.5 percent in 1996.[172] (A rental vacancy rate of less than 5.0 percent is the standard used by New York State and City rent regulation laws to determine a housing emergency for New York City.[173]) The average monthly Fair Market Rent (FMR) for a two-bedroom apartment is $920 in 2000. Approximately 48 percent of renters in the New York metro area cannot afford to pay the FMR for a two-bedroom apartment.[174] Indeed, the lack of affordable housing is the most significant housing problem in New York City.[175]

Housing units occupied by elderly residents are a rapidly growing segment of New York City's housing stock, as many residents "age in place."[176] Among households that rent, 19 percent are one- or two-person households that include at least one elderly member. In 1990, over 70 percent of all elderly households in the city had housing problems, the most serious of which was cost burden.

People with disabilities also suffer from high rent burdens. According to data compiled by the Technical Assistance Collaborative and the Consortium for Citizens with Disabilities Housing Task Force, a person with disabilities whose sole income source is SSI (and who receives no housing subsidy) must pay 121 percent of his or her income to rent an efficiency apartment priced at the HUD Fair Market Rent in the New York metropolitan area.[177] In

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[167] New York State Department of Labor, Division of Research and Statistics, April 2000.

[168] New York State Department of Labor, Division of Research and Statistics, April 2000.

[169] New York State Department of Labor, Division of Research and Statistics, April 2000.

[170] New York City Consolidated Plan, 1995.

[171] New York City Consolidated Plan, 1995.

[172] U.S. Census Bureau, Rental Vacancy Rates.

[173] New York Department of Housing Preservation and Development, *Housing New York City*, 1996.

[174] National Low Income Housing Coalition, Out of Reach, September 1999.

[175] New York City Consolidated Plan, 1995.

[176] New York City Consolidated Plan, 1995.

[177] *Priced Out in 1998: The Housing Crisis for People with Disabilities*, Technical Assistance Collaborative, Inc. and Consortium for Citizens with Disabilities Housing Task Force, March 1999.

addition, the stock of accessible housing is limited. Only about 1,000 of the 180,000 public housing units in the city (just 0.6 percent) are wheelchair-accessible.[178] Among privately owned buildings, only 1.6 percent of units in buildings without elevators and 37.9 percent of units in elevator buildings in New York City were determined to be wheelchair-accessible in 1996.[179]

1.3 Data Collection Approach

The New York City metropolitan area was selected for this study as an example of an area with an average rate of admissions for people with disabilities and a rate that has not changed significantly in recent years.[180] In the HUD-assisted properties eligible for the study sample, 57 non-elderly people with disabilities (5.2 percent) were admitted in 1999. This represents a slight decrease from 69 (5.9 percent) in 1996.

The sampling frame for selecting HUD-assisted properties for this research included 17,209 units in 180 properties, of which 84 were developed under the Section 8 New Construction/Substantial Rehab (NC/SR) program, 87 are NC/SR with Section 202, 7 are Section 236 properties, and 2 are state agencies program properties.[181]

The five properties selected for the study are all located in New York City, with none in outlying counties. Within the city, the properties are in a wide variety of locations, including Harlem, the Upper West Side, Lower Manhattan, Brooklyn, and Staten Island. Key property characteristics are summarized in Exhibit 2.[182] As shown in the exhibit, the properties were all developed in the late 1970s or early 1980s. The communities include a very-low income neighborhood, two low- to moderate-income neighborhoods, and two more affluent areas. Three of the study properties reported low or very low rates of occupancy by non-elderly people with disabilities, while two reported somewhat higher rates. Three of the five properties have some restrictions on admissions of young people with disabilities, as described below.

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[178] Interview with NYCHA, April 2000.

[179] New York Department of Housing Preservation and Development, *Housing New York City*, 1996.

[180] For further discussion of the sampling approach used to select metropolitan areas and properties for this research, see Chapter 1 of this report.

[181] Source: TRACS data obtained from HUD for HUD-assisted properties. It is not possible to identify with certainty which properties were built "primarily to serve the elderly." We have used unit mix as a proxy by selecting properties in which 75 percent or more of the units in the property have fewer than two bedrooms. The sampling frame includes properties which meet the unit mix test ***and*** for which complete occupancy and admissions data were available for both 1996 and 1999. For further discussion of the sampling approach, see Chapter 1 and related Appendices.

[182] According to the research design for this study, the managers who agreed to participate in the research were assured they and their properties would not be identified by name. The letter identifiers (A through E) used in Exhibit 2 are used throughout the case study to refer to the properties.

Exhibit 2
Development, Neighborhood, Occupancy and Policy Data

	Property A	Property B	Property C	Property D	Property E
DEVELOPMENT DATA					
Financing program	Newer-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted
Construction date / most recent major rehab date	1975-1979	1980-1984	1980-1984	1980-1984	1980-1984
Development size	Large	Very Large	Large	Very Large	Large
% fully accessible units	7-10%	11-12%	13-50%	13-50%	7-10%
% units that are studios	26-50%	No Studios	No Studios	No Studios	1-10%
Building type(s)	High-Rise	High-Rise	High-Rise	High-Rise	High-Rise
Unit turnover rate per year	Up to 8%	Up to 8%	9-11%	12-16%	9-11%
Overall property condition	Fair	Excellent	Good	Excellent	Excellent
NEIGHBORHOOD DATA					
Neighborhood type / location	Urban	Center City / Downtown	Urban	Urban	Urban
Area income level	>100% AMI	80-100% AMI	50-80% AMI	>100% AMI	30-50% AMI
Accessibility of nearby services	Excellent	Excellent	Excellent	Excellent	Excellent
Overall neighborhood condition	Good	Good	Fair	Good	Fair
Negative neighborhood features	None	None	Many	None	Many
OCCUPANCY / POLICY DATA					
% NED tenants,1999 (TRACS)	Medium	Medium	Medium	Medium	Low
Current % vacant units	1-2%	1-2%	1-2%	1-2%	No vacant units
Current % NED tenants	7-12%	7-12%	3-6%	3-6%	Up to 2%
Current % NED on waitlist	2-10%	11-45%*	N/A	Up to 1%	Up to 1%
Policy type	Unlimited units for NED, all kinds NED	Fixed #units mobility-impaired ELD & NED	Unlimited units for NED, all kinds NED	Fixed #units mobility-impaired ELD & NED	Admits no NED
Plans to change tenant mix	No plans to change current tenant mix	No plans to change current tenant mix	No plans to change current tenant mix	No plans to change current tenant mix	Plans to reduce #NED through attrition
Notes on policy type and plans to change tenant mix					

N/A = Not Available
Please refer to the introduction of Appendix C for an explanation of the data sources, labels, ranges and definitions used in this exhibit.
* This range represents the fourth quintile in the distribution of this variable.

The information for this case study was compiled through a review of HUD administrative data and through in-person and telephone discussions with key informants. Local respondents included property management officials from the five properties selected for the study, public housing agency officials, and representatives of advocacy organizations serving people with disabilities.

2.0 Supply of Affordable Housing Available to Non-elderly Persons with Disabilities

The primary affordable housing options for non-elderly disabled persons in the New York City metro area are HUD-assisted properties, public housing, tenant-based Section 8 vouchers, tax credit and HOME properties, as well as various types of supportive housing. The following sections first discuss the HUD-assisted stock and then give an overview of the other affordable housing options.

2.1 HUD-Assisted Properties and Their Occupancy Policies

The supply of units in HUD-assisted housing available to non-elderly people with disabilities may be constrained by the occupancy policies of properties in the New York City metro area. Of the five study properties, one has a policy of admitting elderly only, and two others restrict admission of non-elderly disabled applicants to those who are mobility-impaired. The other two properties have no formal restrictions on the number of non-elderly disabled residents or the type of disability allowed, but no non-elderly applicants have been admitted to either property in recent years.

Property E, the only study property with a stated policy of accepting only elderly residents, is a well-maintained building with no vacancies in a low-income neighborhood. This property, developed under the 202/8 program, stopped accepting non-elderly disabled applicants in 1993 after a series of “bad experiences” with young disabled residents who were drug abusers. According to the management representative, elderly tenants were frightened by the drug-addicted friends of several of the non-elderly disabled residents. This policy change could not be confirmed as a consequence of the 1992 Act.

Properties B and D both restrict occupancy by non-elderly residents to mobility-impaired individuals who require the features of a wheelchair-accessible unit. Located in a moderate-income neighborhood rich with social services and amenities, Property B is a “showpiece” property, offering unusually large units with striking views, a dramatic first-floor atrium, and a café that serves both residents and the general public. Demand for the property is very high. Management changed to the current occupancy policy from one of no occupancy restrictions in 1993. This change was not the result of the 1992 Act, but instead happened after hiring a consultant to clarify HUD’s policy regarding this property. Although 12

percent of the units are wheelchair-accessible, only 7 percent of the occupants are non-elderly and disabled, in part because the first priority for accessible units is current elderly residents who develop a need for a unit with wheelchair accessibility.

Property D, the other study property that restricts occupancy by non-elderly people to those requiring wheelchair-accessible units, is an attractive, well-maintained building in a neighborhood with luxury residential buildings commanding as much as $3,000 per month for a one-bedroom apartment. With 2,000 active names on the waiting list (of which about 5 percent are non-elderly disabled applicants), the property is in high demand. Although 14 percent of the units are wheelchair-accessible, only 5 percent of the occupants are non-elderly and disabled, because the property gives priority to the needs of current elderly residents when wheelchair-accessible units become vacant. According to the management representative, this property has historically served very few non-elderly disabled residents, and applicant screening is "tough" there.

Properties A and C have no explicit policy of elderly preferences, but neither property has admitted any non-elderly residents in recent years, suggesting that selective screening procedures may be limiting admissions. Property C does not have a formal policy of elderly preferences but has not admitted any new non-elderly residents since the building opened. A well-maintained building located in a low-income neighborhood that is "on the upswing," this property enjoys high demand and a long waiting list. The management representative said information about the percentage of non-elderly people with disabilities on the waiting list was not available.

Property A, a building in fair condition in a stable, moderate-income area, also has no formal policy limiting occupancy by non-elderly people with disabilities. About 5 percent of the residents are non-elderly disabled individuals, the same proportion as on the waiting list, which had 200 names as of April 2000. However, no non-elderly residents have moved into the development in more than two years, according to the property manager, who said she personally interviews all applicants very carefully, especially disabled applicants, to make sure they "fit in well with elderly." The self-described "selective" and "tough" screening procedures in effect at these three properties may be in violation of HUD's occupancy requirements for subsidized multifamily housing programs and/or fair housing laws.

2.2 Other Sources of Affordable Housing

The New York City Housing Authority (NYCHA) administers 180,000 units of public housing in 343 developments, of which 10,100 units in 42 elderly developments and 14 elderly buildings in family developments have historically served primarily elderly households.[183] Nearly all of these—a total of 9,849 units in 41 elderly developments and 14

[183] Interview with NYCHA staff, April 2000.

elderly buildings—were formally designated as elderly-only in June 1999.[184] According to NYCHA staff, most of these developments and buildings were already serving only the elderly before the designated housing plan was implemented.

Non-elderly disabled residents are mixed with the general population in public housing buildings that are not designated for the elderly. Approximately one-fourth of current residents in all NYCHA public housing developments receive SSI.[185] Only about 1,000 of the units (about 0.5 percent) are wheelchair-accessible, although as apartments become vacant, units are retrofitted for accessibility in order to comply with Section 504. None of NYCHA's properties serves exclusively residents with disabilities.

The availability of public housing for non-elderly disabled applicants is limited not only by elderly-only designations but also by long waiting lists. As of the beginning of 2000, NYCHA's public housing waiting list had 131,289 applicants, including 17,233 elderly households, and 22,172 households receiving SSI.[186] The average wait is four to five years.

Tenant-based housing assistance in the metropolitan area is provided primarily through NYCHA, with about 77,000 Section 8 vouchers and certificates, but the Section 8 waiting list is closed except for emergency cases (involving the homeless, victims of domestic violence, and people in the witness protection program). NYCHA secured 100 Section 8 vouchers for non-elderly people with disabilities in 1997 and 1998 and 75 in 1999, and the agency will apply for another 75 in 2000. NYCHA also applied for and received 200 vouchers in support of the designated housing plan in 1999 and will apply for another 200 vouchers in 2000.[187]

In addition, through an agreement with HUD, the state Division of Housing and Community Renewal (DHCR) administers Section 8 in New York City to approximately 3,600 households.[188] However, DHCR's Section 8 waiting list for New York City is closed, and

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[184] HUD Special Applications Center, Designated Housing Plan Status Report, May 2000.

[185] Interview with NYCHA staff, who did not provide the percentage of non-elderly disabled.

[186] Interview with NYCHA staff, who did not provide the percentage of non-elderly disabled.

[187] HUD provides Section 8 rental vouchers and certificates for people with disabilities to public housing agencies through two programs. First, PHAs that have approved plans to designate certain public housing as elderly-only, disabled-only, or mixed elderly and disabled households may apply for Section 8 rental assistance to support the implementation of an approved designation plan. PHAs are required to submit housing plans that establish the need to designate while ensuring that the affordable housing needs of all current and prospective public housing residents are met. The Section 8 assistance is provided (through a competitive process) to help PHAs meet the needs of people with disabilities who are affected by designated housing plans. HUD also makes rental assistance available to provide mainstream housing opportunities for people with disabilities. This rental assistance is available to all PHAs, not just those with approved designation plans.

[188] Interview with New York State Division of Housing and Community Renewal staff, June 2000.

the wait is up to 10 years for those who are on the list.[189] About 15 percent of the people on DHCR's tenant-based waitlist are non-elderly disabled applicants, compared to about 10 percent of those currently holding vouchers under the program.[190]

Other housing options include Low-Income Housing Tax Credit (LIHTC) and HOME rental properties, although these properties are generally not affordable to people whose incomes are limited to SSI. For example, while LIHTC properties generally target households earning 60 percent of area median income, SSI provides only about 20 percent of area median income.[191] Fewer than 5 percent of the local disabled population has sufficient income for privately owned unassisted housing, advocates say.

People with disabilities, in particular mental disabilities, qualify for a range of supportive housing options in New York City. The Center for Urban Community Services (CUCS), founded at Columbia University, operates a residential placement service offering comprehensive information about supportive housing opportunities for clients with mental disabilities or other special needs. Using a computerized database of over 8,000 supportive housing units, staff refer clients to housing that is appropriate to their individual needs. Options include permanent housing in single and shared apartments with minimal support services for mentally disabled clients; SROs for people who are formerly homeless and mentally disabled, have AIDS, or who are otherwise "housing needy;" adult foster care homes providing 24-hour supervision for people with medical, psychiatric, or developmental disabilities; and various types of congregate support housing for clients diagnosed with a mental disability, a substance abuse problem, or both.

3.0 Demand for Affordable Housing by Non-elderly Persons with Disabilities

According to NYCHA's Designated Housing Plan, citing the 1998 Consolidated Plan for New York City, "there is no reliable count of New York City residents with physical, sensory, mental, or developmental disabilities."[192] The 1990 Census reported that, in the New York PMSA, 705,550 individuals age 16 to 64, or 12.5 percent, have a work disability, a mobility limitation, or a self-care limitation.[193] However, it is not known what proportion of these people also have limited incomes. A more accurate estimate of the number of non-elderly people with disabilities who have low incomes may be the number of people on

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189 Ibid.

190 Ibid.

191 *Priced Out in 1998: The Housing Crisis for People with Disabilities*, March 1999.

192 New York City Housing Authority Designated Housing Plan for Elderly-Only Developments, April 1999.

193 U.S. Census Bureau, 1990.

supplemental security income (SSI). Recent data indicate the number of non-elderly individuals age 18 to 64 receiving supplemental security income (SSI) in the PMSA is 198,021.[194]

Finding an affordable unit is the most pressing housing challenge facing non-elderly people with disabilities. As noted previously, the wait for a public housing unit is several years, and waiting lists for tenant-based assistance are closed. According to local advocates for people with disabilities, "affordable" housing such as tax credit or HOME units can be found, but without a subsidy, it generally requires an income of two to three times that of a person whose sole source of income is SSI.

At one independent living center serving people with disabilities, staff report that 95 percent of the requests for assistance are housing related, but the center had been able to find housing for only one client in the seven weeks prior to our visit, and that housing situation was only temporary. According to the representative interviewed for this study, the only affordable options are substandard units with multiple code violations, rented rooms, or homeless shelters (although virtually none of the shelters are physically equipped for people with disabilities). Some people with disabilities get help from their churches or synagogues to find property owners willing to offer units at rents well below market.

Finding wheelchair-accessible housing presents further challenges. First, landlords are reluctant to make modifications to units. In addition, advocates point to a serious "spatial mismatch" between the demand for and supply of affordable and accessible housing. Many of the disability service providers in New York City are located in lower Manhattan, but there is virtually no accessible, affordable housing available in that area. In general, affordable housing that is accessible is available only in areas far from services and/or in undesirable neighborhoods. One local advocate described the experience of a wheelchair-bound client whose neighbors would help him up the stairs to his seventh-story apartment.

4.0 Changes in Housing Availability for Non-elderly Persons with Disabilities

It is unclear whether the number of assisted housing units in the New York City metropolitan area available for non-elderly people with disabilities has declined or remained stable over the past decade. Data for the HUD-assisted properties eligible for the study sample show a slight decrease in the number of non-elderly people with disabilities admitted from 1996 to 1999. Among the properties visited for the study, one property implemented elderly preferences after the passage of the 1992 Housing and Community Development Act. Two others restrict non-elderly occupancy to mobility-impaired residents, but only one of these

[194] Social Security Administration, December 1999.

implemented this policy after 1992. To the extent that there has been any decrease in the availability of assisted housing for non-elderly people with disabilities, the 1992 provisions seem to be just one of several factors influencing availability.

Apart from occupancy policies, the availability of housing in HUD-assisted developments is severely limited by a very tight rental housing market and long waiting lists. In the view of one local advocate for people with disabilities, "Landlords do not need the 1992 Housing and Community Development Act to discriminate against people with disabilities—they can just say they have a long waiting list." Indeed, all the study properties had very long waiting lists, which might be used for this purpose.

Increasing demand for affordable housing by the growing elderly population further constrains the supply of HUD-assisted units available to non-elderly people with disabilities. At the same time, NYCHA's designation of most of its elderly public housing developments as elderly-only does not seem to have significantly affected the supply of housing for non-elderly people with disabilities, as this designation was essentially a formalization of a policy already in place.

With a four- to five-year wait for public housing and with tenant-based waiting lists closed, many non-elderly people with disabilities seeking affordable housing end up living in substandard housing, in rented rooms, or in shelters. And many in need of wheelchair-accessible units simply do not find them.

Oakland Metropolitan Area

1.0 Overview of the Metropolitan Area

1.1 Demographic and Economic Summary

The Oakland PMSA consists of two counties: Alameda, where the cities of Oakland and Berkeley are located, and Contra Costa. These two counties are among the largest in the state. Separated from San Francisco to the west by the San Francisco Bay and connected by two bridges, this entire area is known as the East Bay. It is home to 2,308,800 people, many of whom commute to work in San Francisco or in San Mateo County, the home of Silicon Valley. A map of the metropolitan area appears in Exhibit 1.

Alameda County, the larger of the two counties in the PMSA, had a population of 1,408,100, as of January 1998, while Contra Costa had a population of 900,700. The city of Oakland, located in Alameda County, saw its population grow throughout the twentieth century to its current 396,300 level.[195] Alameda has a more racially diverse population than Contra Costa, with a population of 62 percent white, 18 percent African-American, 19 percent Asian, one percent American Indian and 17 percent of Hispanic origin (who may be of any race). Contra Costa County, by comparison, has a 78 percent white population, 10 percent African American, 12 percent Asian, and 11 percent of Hispanic origin (who may be of any race).[196] Contra Costa is also a significantly more suburban county with numerous small, residential towns.

As with the rest of the Bay Area, the Oakland PMSA economy improved throughout the 1990s. The unemployment rate for the Oakland PMSA in April 2000 was 2.6 percent, less than the statewide average of 4.7 percent for the same period.[197] At $40,324, Alameda County's median income is less than that of Contra Costa County, which boasts a household median income of $47,609.[198] The range among cities in the MSA is considerable, from a low of $27,095 in Oakland to a high of $84,498 in the town of Pleasanton.[199]

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[195] Association of Bay Area Governments website: www.abag.ca.gov/abag/overview/datacenter/popdemo/sf-el-1998.html

[196] Oregon State University Government Information Sharing Project website: http://govinfo.library.orst.edu/cgi-bin/usaco-list98?01-013.cac

[197] State of California, Employment Development Department, Labor Market Information, http://www.calmis.cahwnet.gov/htmlfile/msa/oakland.htm

[198] http://govinfo.library.orst.edu/cgi-bin/usaco-list98?01-013.cac.

[199] Alameda County Planning Department, Profile 1996

Insert Exhibit 1 (MAP)

Because of its location on San Francisco Bay and its status as the terminus of the Transcontinental Railroad, the Port of Oakland has long been a leading economic force for the East Bay area. At the time of this study, it was the fourth largest container shipping port in the country.[200] Between 1940 and 1960, automobile manufacturing and steel-making were also important parts of the economy. However, after a loss of 20,000 manufacturing jobs between 1960 and 1980, the types of employment have changed over the decades. In the last decade, new jobs have been created in the service sector and in high technology fields.[201]

1.2 Housing Market Overview

In 1995, there were 515,955 housing units of all types in the Oakland PMSA, an increase of 2.15 percent above the 1990 number. Overall, the housing stock is in good condition, with a median age of 40 years in Alameda County. The Bay Area in general is experiencing an unprecedented increase in housing costs as a result of the increase in the ratio of jobs to housing units. Between 1994 and 1998, job growth has outpaced housing growth by a ratio of 5.4 to 1 in Alameda County and 2.2-to-1 in Contra Costa County.[202] According to 1999 Census figures, Oakland's metropolitan area rental vacancy rate was 4.6 percent. Public Housing agency officials report that the rental vacancy rate in the city of Oakland in April 2000 is between 2 and 3 percent.

Rents have increased dramatically over the last several years in the Oakland metro area. Increases vary among neighborhoods but range from 18 to 30 percent over a one-year period, according to a City of Oakland Community and Economic Development official. In 1999, the Fair Market Rent in Oakland for a one-bedroom apartment was $686. Affordable housing advocates have estimated that 38 percent of renters in the metro area cannot afford the Fair Market Rent for a one-bedroom apartment.

The mayor of Oakland, Jerry Brown, has begun an initiative to attract residents to downtown Oakland through the development of 10,000 units of market-rate housing, creating community spaces downtown, and revitalizing business districts in the area.[203] In the push to revitalize the city and attract more upper-income residents, building affordable housing has been assigned a low priority. Some local housing experts report that the Housing Trust Fund of Alameda County is generating some interest in a bond measure to support affordable housing development, but nothing had been passed at the time of the field visit for this research in April 2000.

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[200] www.oaklandca.com/html/history.html

[201] Oakland Empowerment Zone Application, cited in An Historical and Baseline Assessment of HOPE VI, Vol. II, HUD Office of PD&R

[202] "Locked Out: California's Affordable Housing Crisis" California Budget Project, May 2000 report http://www.cbp.org/press/pr00loc.html

[203] www.oaklandnet.com/government/mayor/goals.html

The combined effect of a tight market, rising rents, and lack of new housing production has particularly hurt residents with disabilities. A California State Independent Living Council study found that 70 percent of people with disabilities rely primarily on income from public assistance, which places this population well below the income level that landlords deem minimally acceptable. An individual relying on SSI with no housing assistance can afford monthly rent of no more than $192 a month, well below the FMR of $686. [204]

1.3 Data Collection Approach

The Oakland metropolitan area was selected for this study as an example of an area with a average rate of admissions of non-elderly people with disabilities.[205] MSA-level administrative data from HUD indicate a consistent rate of admissions of non-elderly people with disabilities in 1999 compared with 1996.[206] Admissions of non-elderly people with disabilities to housing built primarily for the elderly was 7.4 percent for both years, although the total number of admissions was somewhat higher in 1996 (390) than in 1999 (339). [207] Our interviews with property managers and other local observers in the Oakland area indicate that occupancy policies are becoming more restrictive and that the proportion of new admissions of non-elderly people with disabilities may decline in the future. However, this expected trend is attributed more to local market factors than to the elderly preferences provisions of the Housing and Community Development Act of 1992.

The sampling frame for selecting HUD-assisted properties for this research included 51 properties in this PMSA with a total of 5,066 units, the majority of which are located in Alameda County. Fifteen (15) of these properties were developed under the Section 8 New Construction/Substantial Rehabilitation (NC/SR) program, while 20 were funded by the Section 202 program with Section 8 NC/SR and 16 received Section 236 funding. [208]

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[204] National Low Income Housing Coalition report, "Out of Reach", September 1999.

[205] For further discussion of the sampling approach used to select metropolitan areas and properties for this research, see Chapter 1 of this report.

[206] HUD TRACS data.

[207] There are insufficient data available to determine whether the number of admissions is actually declining; however, from our study's small sample of HUD-assisted properties, two currently admit no people with disabilities and the other three have a fixed number of units available only to applicants (elderly or non-elderly) with mobility impairments. Therefore, the percentage of HUD-assisted units available to people with disabilities at the time of the data collection in May 2000 was low and appeared to have been reduced due to changes in types of disabilities accommodated at the properties.

[208] Source: TRACS data obtained from HUD for HUD-assisted properties. It is not possible to identify with certainty which properties were built 'primarily to serve the elderly'. We have used unit mix as a proxy by selecting properties in which 75 percent or more of the units in the property have fewer than 2 bedrooms. The sampling frame includes properties which meet the unit mix test and for which complete occupancy and admissions data were available for both 1996 and 1999. For further discussion of the sampling approach, see Chapter 1 and related Appendices.

All five of the study properties are located in Alameda County. Three are located within the city of Oakland: one is in a mixed-income neighborhood, another in a lower-income downtown area, and the third in a very poor residential section. The fourth study property is located in an economically diverse suburban town near Oakland, and the last is in a lower-income neighborhood in an outlying suburb. Three study properties were developed under the Section 8 NC/SR program, one under Section 236, and one under Section 202 with Section 8. Two properties have between 150 and 200 units each, two other properties have between 100 and 150 units, and the last has between 50 and 100 units. Key characteristics of the properties are summarized in Exhibit 2.[209]

The information for this case study was compiled through a review of HUD administrative data and in-person and telephone discussions with key informants. Local respondents included property managers from the five HUD-assisted properties selected for the study, officials from the Oakland and Alameda County Housing Authorities, Oakland HUD field office staff, local advocates for people with disabilities, and state housing and human service officials.

2.0 Supply of Affordable Housing for Non-elderly People with Disabilities

The key sources of affordable housing in the Oakland metropolitan area are public housing, HUD-assisted properties, and tenant-based Section 8 rental assistance. The existing accessible and affordable housing for people with disabilities is concentrated in the city of Oakland and in neighboring Fruitvale. Other sources of housing include a limited number of Section 811 properties and Mainstream program vouchers, as well as a few Shelter Plus Care programs scattered throughout Alameda County.

According to local observers, portions of the metropolitan area are very supportive of the needs of people with disabilities although attitudes vary among cities. The city of Berkeley in particular reportedly makes extensive accommodations for its disabled residents. Public transportation and housing have been designed to accommodate the needs of the physically disabled. There is a higher concentration of disabled persons living in the city, according to local advocates, and their higher visibility seems to have increased public awareness of issues facing them. Nevertheless, one area housing official says that people with psychiatric

[209] According to the research design for this study, the managers who agreed to participate in this research were assured that they and their properties would not be identified by name. The letter identifiers (A through E) used in Exhibit 2 are used throughout the case study to refer to the properties.

Exhibit 2
Development, Neighborhood, Occupancy and Policy Data

	Property A	Property B	Property C	Property D	Property E
DEVELOPMENT DATA					
Financing program	Older-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted
Construction date / most recent major rehab date	Pre-1975	1975-1979	1980-1984	1985-1989	1985-1989
Development size	Medium	Very Large	Large	Large	Very Large
% fully accessible units	13-50%	13-50%	0-6%	7-10%	7-10%
% units that are studios	No Studios	No Studios	11-25%	No Studios	11-25%
Building type(s)	High-Rise	High-Rise	Low-Rise	High-Rise	Low-Rise
Unit turnover rate per year	17-40%	Up to 8%	12-16%	Up to 8%	Up to 8%
Overall property condition	Fair/Good	Good	Excellent	Good	Excellent
NEIGHBORHOOD DATA					
Neighborhood type / location	Urban	Urban	Suburban	Center City / Downtown	Smaller City
Area income level	<30% AMI	50-80% AMI	50-80% AMI	<30% AMI	50-80% AMI
Accessibility of nearby services	Fair	Excellent	Good	Excellent	Fair
Overall neighborhood condition	Poor	Excellent	Fair	Fair	Excellent
Negative neighborhood features	Many	None	None	None	None
OCCUPANCY / POLICY DATA					
% NED tenants,1999 (TRACS)	Low	Medium	Low	Low	Medium
Current % vacant units	6-20%	3-5%	No vacant units	No vacant units	1-2%
Current % NED tenants	None	7-12%	None	None	7-12%
Current % NED on waitlist	Up to 1%	46-100%	Up to 1%	2-10%	46-100%
Policy type	Admits no NED	Fixed #units mobility-impaired ELD & NED	Admits no NED	Fixed #units mobility-impaired ELD & NED	Fixed #units for the NED, mob-imp only
Plans to change tenant mix	No plans to change current tenant mix	No plans to change current tenant mix	No plans to change current tenant mix	No plans to change current tenant mix	No plans to change current tenant mix
Notes on policy type and plans to change tenant mix		Up until recently had a policy admitting all kinds of NED		Project has reduced NED tenants through attrition and now has none	

Please refer to the introduction of Appendix C for an explanation of the data sources, labels, ranges and definitions used in this exhibit.

disabilities "have no easier time of it here than elsewhere." The following sections first discuss the HUD-assisted housing stock and then give an overview of other affordable housing options.

2.1 HUD-Assisted Properties and Their Occupancy Policies

Although recent admissions data for the properties in our sampling frame indicated an average rate of admissions for non-elderly persons with disabilities in the MSA, interviews with property managers at the selected HUD-assisted properties revealed that a change in this trend may be imminent in Oakland. A few large management companies own a substantial portion of the HUD-assisted stock in the Oakland metropolitan area, and at least one of these companies changed its occupancy policies in late 1999 to discontinue admissions of non-elderly disabled persons at all but one of its properties. This change will have an impact on a number of HUD-assisted properties in the Oakland area.

All five property managers reported a strong preference for elderly tenants over tenants with disabilities, citing less conflict among tenants and fewer management problems associated with older residents. As of April 2000, three of the five HUD-assisted study properties had only elderly residents, while the other two had a limited number of younger, mobility-impaired residents. None admitted people with mental disabilities of any kind, revealing a potential gap in housing supply for people suffering from a mental disability in the five properties. Because a number of HUD-assisted properties are managed by a few large management companies, it is likely a number of other HUD-assisted properties in the MSA also restrict admissions to mobility-impaired individuals.

Properties with an Elderly-Only Population

Three of the study properties currently house only elderly households. Property C, an extremely well-maintained suburban Section 8 NC/SR group of buildings with numerous amenities, admits only elderly tenants. The occupancy policy for this property states that it admits no younger people with disabilities, and the property manager stated that the property had always had only elderly residents. TRACS data from HUD, however, showed that this property did have one non-elderly disabled person in 1996.

A second development with an elderly-only population, Property A, is located in a low-income, minority community within the city of Oakland. The occupancy policy at this property also restricts admissions to elderly people. The manager of this property also said that the property had always been elderly only. However, again, TRACS data from HUD showed that the property had one non-elderly resident with a disability in 1996. This was also the only one of the five study properties that had a high turnover rate (18 percent of total units per year) and did not have a waiting list. Given the less desirable location and the mediocre condition of the building, the property manager was required to market the property actively to attract new residents. However, she stated that there were no plans to change the

occupancy policy at this location because the company that managed the development had established a company-wide elderly-only admissions policy.[210]

Property D, a building in fair condition in a lower-income, mostly minority community, differs slightly from the two above-mentioned properties. This property was financed under the Section 236 program. The property's policy allows for the admission of mobility impaired applicants, although, at the time of the study, the property had no non-elderly, disabled occupants, and had not had any for at least three years. The manager of Property D stated that the property's admissions procedures had changed since 1993, although the written policy has never been formally revised. The manager has relied on attrition and a long waiting list (almost 500 applicants, most of whom are elderly) to virtually eliminate new admissions of non-elderly disabled applicants to this property. The manager reported that the younger applicants with disabilities are "not likely to be selected," implying that non-elderly applicants are screened out. HUD TRACS data support this conclusion: in both 1996 and 1999, no non-elderly people with disabilities were admitted. The application and screening practices may be violating HUD's occupancy requirements for subsidized multifamily housing programs and/or fair housing laws.

Properties with Limited Numbers of Mobility-Impaired, Non-elderly Residents

Two of the study properties housed small numbers of non-elderly, mobility-impaired residents. Property E, a newer-assisted building, is an extremely well-maintained property adjacent to a very high-income suburban community. Its occupancy policy restricted admissions to the elderly and to mobility-impaired people (whether elderly or non-elderly) who need the special features of the development's wheelchair-accessible units. The manager stated that this policy has been in place since the property opened. Ten percent of the property's 160 units are wheelchair-accessible, and at the time of the field visit in April 2000, all were occupied by people who were non-elderly at admission. One elderly disabled tenant was non-elderly at admission and had aged in place. A resident manager who was wheelchair-bound occupied a second fully accessible unit, and younger people with mobility impairments occupied the remaining accessible units.

The other property that had a number of non-elderly disabled residents, Property B, was located in a moderate-income, residential neighborhood near downtown Oakland. This property was developed under the project-based Section 8 NC/SR program. This property's policy also limited the type of disability to mobility impairments only. At the time of the field visit, Property B had a 10 percent non-elderly disabled population; of the 24 fully-accessible units, elderly tenants were living in 10 of them. The property manager stated that the management company staff had elected an elderly-only preference for all of its properties, except this one, within the last year. This manager continues to accept mobility-

[210] It was beyond the scope of this study to examine the other properties managed by this company so it could not be determined if this policy is inconsistent with HUD requirements on specific properties.

impaired people with disabilities, but she said that the building's occupancy policy had previously permitted admissions of non-elderly people with all types of disabilities.

2.2 Other Sources of Affordable Housing

Public Housing and Tenant-based Section 8 Rental Assistance

Interviews with officials from the Oakland Housing Authority revealed a huge demand for affordable housing, especially tenant-based Section 8 vouchers and certificates. Officials reported that when they opened the waiting list for Section 8 assistance, in 1999, they received 16,000 applications in one day. As of April 2000, there were 382 disabled households on the Section 8 waiting list, which was again closed. Some 23 percent of current Section 8-holders were younger people with disabilities, and 14 percent were elderly. Agency staff reported that demand for tenant-based Section 8 vouchers had increased throughout the population, not just among non-elderly disabled applicants. One official explained that, because of the skyrocketing rental costs and the tight housing market, the success rate for applicants with tenant-based Section 8 vouchers had dropped from 72 percent to 56 percent in the last year. Staff report that landlords increasingly refuse to accept Section 8 rental assistance, which compounds the difficulty of locating appropriate housing for the non-elderly disabled.

In April 2000, the Housing Authority had 3,308 units of public housing, of which 365 are fully accessible. Overall, the vacancy rate for public housing in Oakland is less than one percent. None of the accessible units was available at the time of the field visit, and there were 191 disabled households on the waiting list for these units. The Authority has no developments reserved for either the elderly or for people with disabilities. In public housing, of a total of 2873 units, 502 or 17.5 percent house people with disabilities. The Housing Authority also has 100 Section 8 Mainstream vouchers available for eligible families with a disabled member in the household.[211] As of March 2000, 51 of these vouchers had been used to locate and lease an apartment.

Alameda County Housing Authority, while small, provides proportionally more accessible housing than the Oakland Housing Authority. Serving the balance of the county outside the cities of Berkeley and Oakland, this Housing Authority has 280 units of public housing, 116 of which serve elderly and disabled residents. There are only 11 family units. Overall, there is a 5 percent vacancy rate in the Authority's housing stock. As of April 2000, 22 percent of people on the waiting list are non-elderly and have a disability, which the Housing Authority defines as persons receiving SSI. Staff report that this number has increased as more people who are unable to meet the work requirements of the Temporary Assistance to Needy Families (TANF) program are categorized as eligible for SSI.

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[211] The Section 8 mainstream program provides competitive funding to provide rental assistance for mainstream housing opportunities for people with disabilities.

To address the need for affordable and accessible housing for non-elderly disabled persons, the Alameda County Housing Authority has implemented two targeted programs. One is a Section 8 rental assistance set–aside program of 85 certificates, all for people with disabilities. The other is a HUD-funded Shelter Plus Care program run by the Alameda County Health Care Services Agency, with 75 subsidies available for homeless people who are dually diagnosed with mental illness and substance abuse disorders. As of April 2000, neither the Oakland nor the Alameda County Housing Authorities had established an elderly designation plan; however, Alameda County Housing Authority staff stated that they were planning to submit a plan to HUD in the future.

Other Sources of Affordable Housing for People with Disabilities

The difficulty in obtaining a Section 8 certificate or voucher, combined with an insufficient supply of public housing, and other conventional sources of housing, has reportedly increased interest in less traditional housing options for low-income people with disabilities. For example, some people with disabilities have sought housing in board and care facilities. Under this arrangement, the landlord receives 80 percent of the resident's income for food and shelter, leaving little left over for the tenant's personal needs. Advocates for people with disabilities do not view this housing as an acceptable independent living situation for their clients.

Another housing option for persons with disabilities is in-law unit rentals within private homes. However, the city of Oakland has tightened the rules regarding the rental of these types of units, reducing the supply and making them difficult to locate because landlords often do not publicly advertise them.

In response to the housing crisis, there have been some local efforts designed to ease the shortage of affordable housing. In the city's just released five-year Housing and Community Development Needs plan, $16 million of HUD HOME funds was allocated to provide tenant-based subsidies to 3,860 households. As part of this plan, $155,000 of CDBG funds were allocated for matching grants to make housing units wheelchair-accessible. Yet, these funds are far less than what is needed. It is estimated by the city that 83,210 people need housing assistance and providing assistance, to all who need it would total $1 billion.[212]

3.0 Demand for Affordable Housing by Non-elderly Persons with Disabilities

Estimates of the number of persons with disabilities in the Oakland metropolitan area range widely. At the high end, the California State Independent Living Council published a report in April 1999 that estimated the number of people with disabilities by extrapolating 1997

[212] San Francisco Chronicle article, "Grim forecast for Oakland Housing", April 19,2000.

U.S. Department of Commerce figures for Alameda and Contra Costa Counties. This study estimates the percentage of people with some form of disability to be between 19.4 percent and 20.6 percent, with 9.2 percent categorized as having a severe disability. Using the 19.4 percent figure, the Council estimates that there are 275,330 people with disabilities in Alameda County and 172,026 in Contra Costa County, for a metropolitan area total of 447,356.[213] A second, similar estimate used by some advocates applies the national incidence rate for disabilities in the general population (12 percent) to Alameda and Contra Costa counties' populations, to arrive at an estimated population of 277,056 people with disabilities. The 1996 Bureau of the Census figures provide a third, more conservative estimate of 137,890 people with severe disabilities living in the Oakland MSA.[214]

The SSI-eligible population can also serve as a reasonable estimate of the number of very low-income people with disabilities in the metropolitan area who are most likely to need affordable housing. SSI data show that 21,925 individuals received SSI in Contra Costa County in 1996. Some 48,860 Alameda County residents received SSI in the same year, putting the total for the PMSA at 70,785.

SSI figures are helpful in providing an estimate of the number of low-income persons with disabilities who *may* need subsidized housing. However, no reliable data exist that show the number who already have adequate housing. It was the general consensus among those interviewed, however, that there is a substantial unmet demand for affordable and accessible housing for the disabled in the Oakland PMSA. In particular, all agreed that non-elderly people with disabilities who have a mental disability or other non-mobility related disabilities face an extreme shortage of housing.

Many of the key issues facing disabled residents of Oakland are the same housing issues that all low- and middle-income residents face. The booming high technology economy in Silicon Valley is driving up housing prices throughout the Bay Area. The high cost of rental housing is a problem for all low- and moderate-income residents, regardless of whether they have a disability. Advocates and public officials interviewed for this study are overwhelmed by the unprecedented high housing cost statistics. Bay Area rental prices increased 18 to 30 percent in the last year. The median house price increased by 36 percent from March 1999 to March 2000.

Interviews with housing advocates and public housing officials indicated that affordability is the primary obstacle to obtaining housing among people with disabilities. This is a problem throughout the state of California, but it is particularly acute in the Oakland PMSA and the Bay Area generally. The affordability issue arises from both the extremely tight housing

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[213] CA State Independent Living Council April 1999 report, "The Impact of Housing Availability, Accessibility, and Affordability on People with Disabilities."

[214] US Bureau of the Census 1996 estimates

market and the lower incomes of people with disabilities. Estimates for the disabled population in 1999 place their median income at $16,477, just under 60 percent of the general population's median income. People with disabilities who receive SSDI make only $6,058 annually or 21.9 percent of the general population's median income.[215] The lower average income among persons with disabilities is, in large part, a function of the lack of employment earnings in this population. Advocates for people with disabilities in the Oakland PMSA estimate that 60 to 70 percent of this group is outside the labor force. Even with federal or state rental subsidies to make up the difference, landlords are reluctant to accept tenants who require such assistance to pay their housing costs.[216] As one advocate described it, "When people can pay one year's rent in cash, a disabled tenant on SSI is not appealing."

A local informant summed up the attitude among landlords saying, "In this market, landlords are prejudiced against everybody." The shortage of affordable housing and the particularly severe impact it has had on people with disabilities is gaining attention among the public. In May 2000, a news story on the Bay Area public radio station highlighted the plight of two Oakland area residents who have mobility impairments and were in danger of losing their apartments because of steep and sudden rent increases. One couple (in which the husband has a disability) saw their rent increase 38 percent in a month. Because the wife worked, they were ineligible for SSI but made too little to afford the high rents. Other landlords refused to rent to them because they did not want their units to be altered in any way to accommodate people with disabilities. Another individual with a mobility impairment was forced to live in a crime-ridden neighborhood where she feared for her safety, believing herself to be an easy robbery target because of her disability. In both cases, these individuals are in precarious housing situations, yet they have no alternative because of high housing costs and landlord selectivity.

In response to the challenges facing people with disabilities when searching for affordable and accessible housing, there are a number of disabled and housing advocacy groups in the Oakland PMSA that offer housing assistance. These groups range from those conducting housing searches for disabled individuals to other, intermediary organizations that help local providers develop permanent housing for the disabled. Nonprofit groups and case managers are the primary sources of housing information. Overall, there is no centralized place where people with disabilities can learn about housing options, making the search for suitable housing a lengthy and confusing process.

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[215] CA SILC April 1999 report, "The Impact of Housing Availability, Accessibility, and Affordability on People with Disabilities."

[216] "The Impact of Housing Availability, Accessibility, and Affordability on People with Disabilities." California State Independent Living Council, April 1999.

4.0 Changes in Housing Availability for Non-elderly People with Disabilities

It appears that, while the lack of affordable and accessible housing for persons with disabilities is a serious problem in the Oakland MSA, the difficulties may not be attributable to a great extent to the Housing and Community Development Act's provisions on elderly preferences. The predominant concern among all local respondents was the affordable housing crisis in the Bay Area. The increasing rents and insufficient stock are having an adverse impact on all but the wealthiest residents of the Oakland PMSA. It is described as a 'landlord's market' and persons with disabilities, especially those with a mental disability, are considered the least desirable tenants.

Interviews with public housing authority officials in the PMSA appeared to indicate that insufficient public housing options exist for people with either mental or physical disabilities. The Section 8 program provides additional units of housing for young people with disabilities, but the waiting lists are closed at both the Oakland and Alameda County Housing Authorities. The majority of accessible housing in Alameda County serves both the elderly and the disabled. In Oakland, 365 units are wheelchair-accessible although none was available as of April 2000. None of the agencies' officials could offer an opinion as to whether the 1992 Housing and Community Development Act has had an impact on public housing for persons with disabilities.

Among the five HUD-assisted study properties, only tenants with mobility impairments were admitted—and then only at three of the five sampled properties. All of the managers stated a strong preference for elderly tenants. In April 2000, none of the property managers interviewed had plans to make future changes to their current tenant mix, although one large management company had already decided to restrict admissions to elderly applicants in late 1999. This decision may result in a future decline in the number of non-elderly disabled tenants in the Oakland metropolitan area's HUD-assisted properties.

If the policies at the study properties are indicative of a larger trend among HUD-assisted properties, it is likely that HUD-assisted housing in the Oakland metro area will shift from an average rate of disabled admissions to a decreasing admissions rate.

Phoenix Metropolitan Area

1.0 Overview of the Metropolitan Area

1.1 Demographic and Economic Summary

The Phoenix-Mesa MSA is located in south-central Arizona and includes Maricopa and Pinal counties. The MSA consists of urban and suburban areas, smaller neighboring cities, and the Gila River Indian reservation. A map of the metropolitan area appears in Exhibit 1. The largest cities in the MSA, all located in Maricopa County, are Phoenix (population 1,159,014 as of July 1996), Mesa (population 344,764 as of July 1996), Tempe, Scottsdale, and Glendale.[217] Phoenix and Mesa cover a total of 469 and 109 square miles, respectively.[218] While Maricopa County had a 1997 population of about 2.7 million which was about 96 percent urban, Pinal County had a 1997 population of about 143,000 which was roughly 60 percent urban and 40 percent rural.[219] The 372,000-acre Gila River Reservation is located in Pinal County. This case study focuses on the issues surrounding affordable housing for non-elderly people with disabilities in Maricopa County, as that is where the vast majority of the MSA population is located. All study developments are located in Phoenix and the surrounding area.

Important features of the Phoenix-Mesa MSA are that it covers an extremely large geographic area, that it has experienced continued and substantial population growth, and that it has an impressively strong economy. Maricopa and Pinal counties cover more than 14,500 square miles.[220] The entire MSA had a population of 2,753,043 in 1996, representing a 27 percent increase in population since 1990 and ranking as the sixth-fastest growing MSA in the nation.[221] It is projected that the population of the MSA will surpass 3.2 million by 2010, double the 1980 population of 1.6 million.[222] Maricopa County had the following racial and ethnic breakdown in 1996: 92 percent white, 4 percent black, and 2 percent Asian; across

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[217] State and Metropolitan Area Data Book 1997-98 – 5th Edition, as available on the U.S. Census Bureau website, http://www.census.gov/prod/3/98pubs/smadb-97.pdf, p. 176.

[218] Data came from the Wall Street Journal's website, http://homes.wsj.com/d/profiles.html.

[219] Data came from county-level searches on the American Fact Finder page of the U.S. Census Bureau website, http://factfinder.census.gov/java_prod/dads.ui.fac.CommunityFactsPage, as well as from the source in footnote 1, p. 133.

[220] See footnote 1, p.64.

[221] Ibid.

[222] Ibid, p. 64, 70.

Insert Exhibit 1 (MAP)

the MSA, among all races, 20 percent of the residents were of Hispanic origin.[223] In 1995, the minority population of Phoenix was 28 percent of the total.[224] Pinal County had the following racial and ethnic breakdown in 1990: 75 percent white, 9 percent Native American, 3 percent black, and 12 percent "other," while among all races, 30 percent were of Hispanic origin.[225]

The proportion of all residents living below the poverty line in 1993 was significantly higher in Pinal County (26 percent) than it was in Maricopa County (16 percent).[226] The HUD fiscal year 2000 median income for a family of four was $53,100 for the MSA.[227] In 1995, 23 percent of Phoenix households had incomes at or below 50 percent of the area median income, with minority households representing 40 percent of this group.[228]

The industry groups providing the most jobs in Maricopa county in 1994 were services (322,212 employees), retail (205,153 employees), and manufacturing (140,694 employees).[229] There are a large number of people working in tourism and the government sector in Phoenix. In 1995, the greater Phoenix area ranked first in the nation for the creation of new jobs, the majority of which were in small businesses.[230] Jobs in the service sector comprised 34 percent of all employees in Phoenix in 1995.[231] As the number of service sector jobs increased in Phoenix, there were more people with lower-wage employment. While the unemployment rate for Maricopa County was 3.6 percent in 1996, the rate in Pinal County was significantly higher at 5.9 percent.[232]

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[223] Ibid, p. 70, 149.

[224] City and/or County governments are required to produce a consolidated plan every five years in order to be eligible for certain types of federal funding including Community Development Block Grants (CDBG). Data came from the executive summary of the 1995 consolidated plans for Phoenix as available on the U.S. Department of Housing and Urban Development website, http://www.hud.gov/cpes/.

[225] See footnote 3.

[226] Ibid.

[227] Data came from HUD's database of fiscal year 2000 MSA-level median family incomes as searchable on the Fannie Mae website, http://www.fanniemae.com/singlefamily/doingbusiness/indexes/db_hud_median_inc_limits.html..

[228] See footnote 8.

[229] Ibid.

[230] Ibid.

[231] Ibid.

[232] See footnote 1, p.149.

1.2 Housing Market Overview

According to the 1990 census, there were a total of 422,036 housing units in the City of Phoenix.[233] At that time there were 182,000 units of rental housing, of which 17 percent were vacant.[234]

Coupled with the increase in low-wage workers, there has been a drop in area vacancy rates, from a high of 17 percent in 1988 to as low as 3 percent in the mid-to-late 1990s.[235] Low vacancy rates have driven rents upward, making affordable housing hard to find. There is an oversupply of multifamily housing, which helped maintain affordability for renters earning above 65 percent of area median income, and that trend continues with substantial numbers of units still being produced. However, the market has failed to provide enough units for people with very low incomes (near or below 50 percent of area median income).[236] The City's 1995 consolidated plan described the affordable housing stock as being in "substandard" and "poor" condition, although well-suited for renovation.

HUD estimated that in 1999, 50,000 households in the Phoenix metro area had "worst case" housing needs (i.e., they had incomes less than 50 percent of area median income and paid more than half their incomes for rent or were living in severely substandard housing).[237] Of these 50,000 households, 37,000 were estimated to live in Phoenix, Tempe and Mesa. More telling is the extremely high percentage of Phoenix area residents that these figures comprise: 42, 44 and 36 percent of metropolitan, urban and suburban residents, respectively, had worst case needs.[238] HUD further estimated that approximately 23,500 households were on waitlists for HUD housing assistance in 1999.[239] A local advocate reported, however, that Section 8 waitlists have since been purged and updated and now hold closer to 10,000 households, a formidable number nevertheless. In addition, it was estimated that at least 15,100 people were homeless at some point during the year 1995 in Phoenix.[240]

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[233] Data came from the searchable database of 1990 census data called American Fact Finder available on the U.S. Census Bureau website, http://factfinder.census.gov/java_prod/dads.ui.homePage.HomePage.

[234] Ibid.

[235] Ibid.

[236] Ibid.

[237] Data came from the U.S. Department of Housing and Urban Development (HUD) website, http://hud.gov/worsfact.

[238] Ibid.

[239] Ibid.

[240] Ibid.

1.3 Data Collection Approach

A preliminary analysis of administrative data from HUD indicated that the Phoenix-Mesa MSA had an increasing, but not especially high, rate of admissions of non-elderly people with disabilities to HUD-assisted housing built primarily to serve the elderly. However, information from property managers and a subsequent data analysis indicated that the MSA has the characteristics of our "Low Rate" sampling stratum: only about 3.5 percent of 1996 admissions to HUD-assisted housing built primarily for the elderly were non-elderly people with disabilities.[241,242] Aggregate data from the preliminary and subsequent analyses are presented below, followed by a summary of the development, neighborhood, occupancy and policy characteristics of the five study properties.

Preliminary and Subsequent Analyses of Admissions Data

In the preliminary analysis, the MSA-level aggregate admissions rate for non-elderly people with disabilities was a modest 6.2 percent of total admissions in 1996, rising to 10.4 percent in 1999. The preliminary sampling frame for selecting HUD-assisted properties for this research included 39 properties with a total of 3,125 units that were built primarily to serve the elderly. Among these HUD-assisted properties, 10 were funded by the Section 8 New Construction / Substantial Rehab (NC/SR) program (representing 937 units), 26 were funded by both the Section 8 NC/SR and Section 202 programs (1,898 units), and 2 properties were funded by the Section 221(d) or Section 236 BMIR program (290 units). In fact, an increase in admissions of the young disabled at only 11 of the 39 properties produced an aggregate, MSA-level young disabled admissions rate increase. The majority of the properties (24) admitted **no** non-elderly people with disabilities during both 1996 and 1999. Among the remaining properties, 3 admitted fewer non-elderly people with disabilities in 1999 than in 1996, and 1 admitted the same number in both years.

Information gathered during reconnaissance phone calls made to property mangers of potential study properties indicated that at least two "high admissions rate" developments, both funded by the Section 8 NC/SR and Section 202 programs, were not built primarily to serve the elderly. As a result, these two properties would not be eligible for this research. In addition, it was discovered that two very small, "high admissions rate" developments, both

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[241] The sampling frame was developed using TRACS data obtained from HUD for HUD-assisted properties. It is not possible to identify with certainty which properties were built "primarily to serve the elderly." We have used unit mix as a proxy by selecting properties in which 75 percent or more of the units in the property had fewer than two bedrooms. The sampling frame includes properties which meet the unit mix test ***and*** for which complete occupancy and admissions data were available for both 1996 and 1999. For further discussion of the sampling approach and a description of the MSA-level sampling strata, see Chapter 1 and Appendix A.

[242] Note that the selection of the Phoenix-Mesa MSA (MSA-level sampling) and the selection of the five study properties within the MSA (property-level sampling) was based on the preliminary analysis which put this MSA in the "Increasing" sampling stratum.

funded by the Section 8 NC/SR and Section 202 programs, had zero and one elderly occupant in 1999, which strongly indicated that they too would not be eligible for this research. Because a relatively small percentage of properties with increased non-elderly disabled admissions accounted for the MSA-wide increase in the rate of admissions of the young disabled, and because there were only 39 properties in the sampling frame, removing four "high admissions rate" properties from the Phoenix-Mesa MSA sampling frame would have a significant impact.

After removing the four ineligible high-rate properties described above, the subsequent analysis showed that the MSA-level aggregate admissions rate for non-elderly people with disabilities was 3.5 percent of total admissions in 1996, rising to a modest 7.1 percent in 1999. The revised property sampling frame included 35 properties with a total of 3,008 units that were built primarily to serve the elderly. Among these 35 HUD-assisted properties, 10 were funded by the Section NC/SR program (representing 937 units), 22 were funded by both the Section 8 NC/SR and Section 202 programs (1,781 units), and 2 properties were funded by the Section 221(d) or Section 236 BMIR program (290 units).

Further analysis also showed that an increase in the admissions of the young disabled at a small portion of properties caused an MSA-level increase, but now the percentages were more stark. An increase in admissions rate of the young disabled at only 8 of the properties caused the aggregate increase. The majority of properties (24) admitted **no** non-elderly people with disabilities during both 1996 and 1999. Among the remaining properties, 2 admitted fewer non-elderly people with disabilities in 1999 than in 1996, and 1 admitted the same number in both years. These aggregate patterns of admissions rates were echoed by information reported from the five study properties, discussed generally below and in further detail in Section 2.1.

The Five Study Properties

Key property, neighborhood, and occupancy characteristics are summarized in Exhibit 2.[243] The five study properties are all newer-assisted (that is, at least a portion of their financing comes from the Section 8 NC/SR program). Properties A, B, C, and D are located in urban Phoenix, while Property E is located in a neighboring city about 14 miles outside Phoenix. Four of the properties are located in predominantly residential areas, while the fifth is closer to downtown and near a mix of both large commercial and institutional areas. All properties are either large (79-113 units) or very large (114 or more units). Most are low-rise buildings, but one is a high-rise building.

[243] According to the research design for this study, the managers who agreed to participate in this research were assured they and their properties would not be identified by name. The letter identifiers (A though E) used in Exhibit 2 are used throughout the case study to refer to the properties.

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	Property A	Property B	Property C	Property D	Property E
DEVELOPMENT DATA					
Financing program	Newer-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted	Newer-Assisted
Construction date / most recent major rehab date	Pre-1975	1975-1979	1980-1984	1980-1984	1990 Onwards
Development size	Very Large	Very Large	Large	Large	Large
% fully accessible units	51-100%	0-6%	11-12%	7-10%	7-10%
% units that are studios	51-100%	51-100%	No Studios	No Studios	11-25%
Building type(s)	Low-Rise	Low- and High-Rise	Low-Rise	Low-Rise	Low-Rise
Unit turnover rate per year	12-16%	17-40%	12-16%	12-16%	17-40%
Overall property condition	Excellent	Good	Excellent	Excellent	Good
NEIGHBORHOOD DATA					
Neighborhood type / location	Urban	Urban	Urban	Urban	Smaller City
Area income level	50-80% AMI	>100% AMI	50-80% AMI	80-100% AMI	>100% AMI
Accessibility of nearby services	Good	Good	Good	Fair	Good
Overall neighborhood condition	Good	Fair/Good	Excellent	Good/Excellent	Good
Negative neighborhood features	None	Some	None	None	None
OCCUPANCY / POLICY DATA					
% NED tenants,1999 (TRACS)	Low	Medium	Low	Low	Medium
Current % vacant units	3-5%	6-20%	No vacant units	No vacant units	No vacant units
Current % NED tenants	3-6%	13-50%	3-6%	3-6%	7-12%
Current % NED on waitlist	Up to 1%	N/A	11-45%	Up to 1%	46-100%
Policy type	Admits no NED	Fixed #units for the NED, mob-imp only	Fixed #units mobility-impaired ELD & NED	Fixed #units mobility-impaired ELD & NED	Fixed #units mobility-impaired ELD & NED
Plans to change tenant mix	Plans to reduce #NED through attrition	Plans to reduce #NED through attrition	No plans to change current tenant mix	No plans to change current tenant mix	No plans to change current tenant mix
Notes on policy type and plans to change tenant mix					

N/A = Not Available
Please refer to the introduction of Appendix C for an explanation of the data sources, labels, ranges and definitions used in this exhibit.

Properties B and E are located in census tracts with median incomes higher than the MSA area median income. Properties A, C, and D are located in tracts with median incomes falling between 50 and 100 percent of area median income. Four of the five properties have good access to nearby services while only Property D has fair access. Except for Property B, all are located in neighborhoods in good to excellent condition. Note that Property B is located in a neighborhood slated for significant construction and reinvestment that will likely be in good condition within the next 3 years. Properties A, B, C, and E changed their occupancy policies in response to the 1992 Act, as detailed further in Section 2.1 below. Property A has an elderly-only occupancy policy, while the remaining four accept only mobility-impaired non-elderly people with disabilities. All of the study developments currently admit no non-elderly disabled people with histories of mental disability.

Note that two of the study developments each belong to a larger property composed of several buildings, not all of which fall under the same HUD-assistance program. Each of these larger, multiple-program properties had one property manager and one waitlist. These two multiple-program properties had the greatest breadth of services shared by all of their buildings including small stores, beauty shops, and a variety of classes and activities. One property even had a bank and a post office, allowing tenants to take care of almost all of their needs without leaving the premises. For these two developments, all data reported here relate only to the units in the portion of the development selected for study.

The information for this case study was compiled through a review of HUD administrative data and through in-person and telephone discussions with key informants. Local respondents included property management officials from the five properties selected for the study, staff from the Arizona state HUD office, public housing agency officials in Phoenix, a representative of an apartment industry group, and representatives of advocacy organizations serving people with disabilities.

2.0 Supply of Affordable Housing for Non-elderly People with Disabilities

The key sources of available housing for non-elderly people with disabilities are HUD-assisted properties (primarily for non-elderly people with mobility impairments only), public housing, Section 8 tenant-based assistance, and Section 811 developments. The City of Phoenix also acquired and renovated multifamily rental housing in the early 1990s (seven complexes with 596 units) through its General Obligation Bond Affordable Housing Program.[244] Note, however, that several of the City's other affordable housing developments

[244] See footnote 8.

were reportedly unable to obtain the financing needed to produce the units back in the early and mid-1990s, due to tightened credit.[245]

The market for affordable elderly housing in the Phoenix area varies somewhat by location, but it is generally moderately tight. Property managers remain focused on keeping developments impeccably clean and well-maintained to attract the elderly. Two managers commented that the northwest region of the city is a quiet, low-crime area that is viewed as more desirable than the southern and downtown areas of Phoenix. One of the study properties located in this area had a year-long waitlist, which is relatively uncommon in this MSA. The following sections first discuss the HUD-assisted stock, then the other affordable housing options.

2.1 HUD-Assisted Properties and Their Occupancy Policies

Judging from the five study developments, the HUD-assisted stock of elderly housing is in exceptional condition. As an industry representative for apartment owners and managers commented, "In Phoenix, if you are not improving or adding to your property, then you are falling behind, because so many newer and more attractive units are always being built." While development managers are clearly putting resources into the maintenance and quality of their developments, the HUD-assisted elderly housing market is tight enough that three of the study properties do not need to do any significant marketing to keep their units comfortably filled. Two of the study properties with no vacancies were located in the northwest area of the city, an area reported to be popular with the elderly. Several property managers noted that studio apartments are significantly more difficult to fill than one-bedroom apartments, as most elderly prefer slightly more space. Property managers in older buildings also commented that the size of older units makes them more difficult to market when the city has so many new developments available.

Just as striking as the consistently well-kept developments was the uniformity among property managers in their familiarity with the 1992 Act, their conviction that the elderly and non-elderly people with disabilities should not live together, and their choice of occupancy policies. Four of the five property managers interviewed were extremely familiar with the 1992 Act, with two commenting that they were among the people who worked to get the legislation passed. When asked what motivated such strong feelings about this issue, one manager reported problems of the elderly feeling threatened by certain populations of non-elderly people with disabilities, especially those with histories of mental disability. Two managers reported that there had not been serious conflicts at the study properties, but there had been problems at other properties managed by the same management companies. It appears from the property managers' comments that much of the tension between elderly and non-elderly residents with disabilities was exacerbated by previous federal preferences,

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[245] Ibid.

which gave priority to tenants who were formerly homeless. This reportedly mixed non-elderly tenants with disabilities and marginal skills for meeting their lease terms with elderly tenants who resented the fact that formerly homeless people were their new neighbors.

In summary, four of the five sampled developments changed their occupancy policies in response to the Act (one funded under Section 202 with Section 8 NC/SR assistance chose an elderly-only occupancy policy while the other three, two funded under Section 202 with Section 8 NC/SR assistance and one funded exclusively under Section 8 NC/SR, chose to limit the number of non-elderly tenants and to admit only non-elderly tenants with mobility impairments). The remaining sample development (Property D) did not change its policy as a result of the Act because managers already had the policy they wanted (a limit on the number of non-elderly tenants and admissions of non-elderly tenants with mobility impairments).

It seemed widely accepted on the part of property managers that, if one had to mix the elderly and non-elderly people with disabilities, it was best to mix the elderly with non-elderly people who had mobility impairments. People with mobility impairments, most of whom use wheelchairs or walkers, are much less threatening to the elderly, reported the property managers. Three of the five study developments funded under Section 202 with Section 8 NC/SR assistance, Properties C, D and E, currently have occupancy policies that only allow people with mobility impairments, regardless of age, to move into their wheelchair-accessible units. The number of wheelchair-accessible units in each of these three properties does not exceed 12 percent of total units. In effect, non-elderly people with mobility impairments compete with elderly people with mobility impairments for access to the wheelchair-accessible units at these three properties. The situation at Property B is slightly different. The units at Property B vary considerably in size and are older, so none of them are fully ADA-compliant. Therefore, the property manager does not designate particular units as “accessible” but instead has units with a range of accessibility features. Nevertheless, according to their new policy, the only non-elderly people with disabilities admitted to Property B are those with mobility impairments (Property B is funded exclusively under Section 8 NC/SR).

Explaining why it was important to change their occupancy policies as a result of the Act, managers of both Properties A and B said that they felt it was important to preserve an elderly-focused atmosphere at their developments. They reported that the non-elderly tenants simply did not fit into the “quiet and dull” routines of the elderly. Interestingly, the manager of Property A reported that because there was such a strong elderly focus at that development, the numbers of non-elderly people with disabilities were already low before they changed to an elderly-only occupancy policy (Property A is funded under Section 202 with Section 8 NC/SR assitance). To that manager’s recollection, the non-elderly tenants with disabilities had tended to move in and then move on when they found a better environment for a younger person.

Property B, however, in the past had up to 20 percent non-elderly tenants with disabilities. The manager of Property B reported that young disabled tenants tend to stay for a long time, sometimes until they are elderly. This manager noted that a number of their non-elderly tenants with disabilities are currently over 40 years old and perhaps do not really mind living in a quiet environment. While Property B still has a relatively high percentage of non-elderly tenants with disabilities, management is planning to reduce the numbers of non-elderly tenants via attrition, in accordance with their new occupancy policy.

It bears repeating that not one of the five study properties currently admits non-elderly people with histories of mental disability. One property manager, when asked what might motivate another manager to admit non-elderly people with histories of mental disability, could only suggest that if a property had a real problem with vacancy rates, the manager might want to keep his or her options open to fill the vacancies.

Because no interviews were conducted with managers at properties with an increasing number of non-elderly tenants with disabilities, it is not known what the situation is at the properties that show, in HUD's TRACS database, an increase in occupancy by non-elderly tenants with disabilities. The manager of Property B, the one sample development which had an increase in the rate of admissions of non-elderly people with disabilities according to HUD's TRACS data, could not confirm that the TRACS data were correct. In fact, the manager of Property B was working to reduce non-elderly occupancy through attrition after changing the property's occupancy policy. It is possible that some of the other "increasing" HUD-assisted properties in the Phoenix sampling frame have also changed their occupancy policies and that the increased rate between 1996 and 1999 was not indicative of their occupancy practices. It is also possible that there are some property managers who are in fact increasing the occupancy of non-elderly tenants with disabilities in their buildings, but these were not known to the respondents for this study.

2.2 Other Sources of Affordable Housing

Other sources of affordable housing for non-elderly people with disabilities in the Phoenix metropolitan area include public housing, tenant-based assistance, and private, low-rent units. Each of these sources is discussed below.

Public Housing

The City of Phoenix Housing Department, one of several public housing agencies in the MSA, administers approximately 2,864 units of public housing, including 2,228 family units and 636 units for the elderly and people with disabilities. Among the latter units, 500 (in four buildings) have been designated as elderly-only, while 136 units (in two buildings) are open to both the elderly and non-elderly people with disabilities. Only 39 of the 636 elderly and disabled public housing units are wheelchair-accessible.

When asked what led the housing department to designate 500 of its 636 elderly and disabled units as elderly-only, staff explained that the elderly were unhappy that so many of the units were occupied by non-elderly people with disabilities. Staff reported that conflicts erupted between the elderly and non-elderly disabled tenants due to lifestyle differences; the elderly were also said to resent the fact that in some buildings, well over half of tenants were non-elderly people with disabilities. Department staff reported that managing this mixed population was a real challenge, especially without adequate social services for tenants who needed assistance to meet their lease obligations.

According to managers of HUD-assisted properties, the market for elderly public housing is completely separate from the project-based HUD-assisted market, and elderly public housing does not compare in quality to what is available in the private stock. The City of Phoenix Housing Department staff reported that they have not had problems filling elderly public housing units, explaining that the supply of elderly public housing units is very small relative to the demand for these units. Among the 2,168 households on the public housing waitlist, 1,223 are waiting for family public housing and the remaining 945 are waiting for elderly and disabled public housing. According to housing department staff, the wait for public housing varies between six months and a year, depending on the size of unit desired. (Units with larger numbers of bedrooms are in very short supply.)

Public housing agencies in the surrounding communities in the MSA (including Chandler, Glendale, Maricopa and Mesa) administer approximately 1,350 additional units of public and Indian housing.

Tenant-Based Assistance

The City of Phoenix Housing Department has a sizable tenant-based Section 8 program, with approximately 4,500 certificates and vouchers in circulation as of June 2000. Housing Department staff reported that 38 percent of current certificate- and voucher holders are elderly or non-elderly people with disabilities. Among the 4,500 certificates and vouchers, 200 are designated for non-elderly people with disabilities who were displaced from elderly-designated public housing.[246] Staff reported that they found it necessary to contract with an outside provider to manage the entire process of verifying tenant eligibility, finding appropriate units, arranging transportation for applicants to visit potential units, and finalizing paperwork with the tenants after only 30 certificates and vouchers had been utilized in five months.

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[246] PHAs that have approved plans to designate certain public housing as elder-only, disabled-only, or mixed elderly and disabled households may apply for Section 8 rental assistance to support the implementation of an approved designation plan. PHAs are required to submit housing plans that establish the need to designate while ensuring that the affordable housing needs of all current and prospective public housing residents are met. The Section 8 assistance is provided (through a competitive process) to help PHAs meet the needs of people with disabilities who are affected by designated housing plans.

As in many other cities, tenant-based assistance is not a significant affordable housing resource for non-elderly people with disabilities because the waitlist for tenant-based assistance is very long. In early 1995, there were more than 20,000 households on the waitlist for tenant-based Section 8 assistance.[247] The City of Phoenix Housing Department has since purged and updated the list which included roughly 11,026 households as of June 2000. Among these households, 28 percent were elderly or non-elderly people with disabilities. The length of the current waitlist represents a 3- to 4-year wait for tenant-based assistance in the Phoenix area.

Public housing agencies in the surrounding communities in the MSA (including Chandler, Glendale, Maricopa, and Mesa) administer another 3,900 tenant-based Section 8 certificates and vouchers. In addition, the Arizona Department of Commerce administers a small number of tenant-based housing subsidies.

The 1995 Consolidated Plan pointed out the lack of physical accessibility of assisted units, but it is not clear whether the assisted units in question were project- or tenant-based HUD-assisted or have some other assistance. No respondents for this research had good information on the availability of wheelchair-accessible units in the private market (i.e., units that could be leased by recipients of tenant-based assistance).

The Arizona Multifamily Housing Association is an organization that disseminates information to housing owners, managers, developers, and advocates for their interests. This group is working on a plan whereby the Department of Commerce might fund more tenant-based vouchers that prospective low-income tenants could take to vacant units in developments owned or managed by association members. If this plan were to be implemented, it would benefit both owners and low-income tenants: owners and managers struggle with an approximately 8 percent vacancy rate in unsubsidized rental units. It would also open up more units to the low-income population. However, the extent to which private owners unfamiliar with low-income tenants will embrace voucher-carrying, non-elderly people with disabilities remains unclear.

Other Sources of Housing

No respondents for this research knew about the number of Section 811 developments in the area or the extent to which these properties contribute to the housing supply for people with disabilities.

Because of the steady housing construction in the Phoenix area in the last decade, there appears to be a moderate supply of housing that is affordable to low-income people in the Phoenix area.[248] As is the case in most other cities, this affordable housing is located in less

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[247] See footnote 8.

[248] See footnote 8.

desirable areas, according to respondents. However, because Phoenix is a relatively young city, there is much less concentrated poverty in the inner city than in older, urban areas. In addition, because tourism is such a big part of the economy, public places and downtown areas get more than their usual share of maintenance and attention from the city government, reported one respondent.

It is not clear what will happen to the supply of privately owned, low-rent housing over time. The 1995 Consolidated Plan pointed out that high construction costs, as well as the lack of tax incentives to build lower-rent properties, encourage developers to construct high-end rental properties. A representative of private developers, landlords and owners confirmed that, as of June 2000, the majority of new construction in Phoenix is for high-end units either to own or rent; he does not expect to see affordable housing produced in the near future.

3. Demand for Affordable Housing by Non-elderly People with Disabilities

Using the number of blind or disabled 18-to-64-year-olds receiving SSI in December of 1999 as a proxy, there are approximately 22,300 non-elderly disabled persons in Maricopa county and 2,000 non-elderly disabled in Pinal county for a total of around 24,300 non-elderly disabled persons in the MSA. This proxy represents about 54 percent of the state total of blind or disabled 18-to-62-year-olds receiving SSI in Arizona.

One advocate who works to integrate people with a variety of disabilities into the community reported that few clients are directed towards HUD-assisted elderly housing, for two reasons. First, this kind of housing is virtually the only option for people with mobility impairments. Second, the organization views elderly and disabled-only housing as a segregated living environment and one that is not beneficial for young tenants with disabilities. In fact, it goes against the organization's mission of integrating people with disabilities into living situations with their younger, non-disabled peers.

This advocate looks for low-rent, private market options for his clients and finds that demand for housing by young people with disabilities outstrips the supply of affordable housing. In one program, which works to bring the young disabled out of nursing homes and back into the community, progress has been slow—not for lack of appropriate candidates for reintegration, but for a lack of affordable units. The respondent reported that he often has to place clients in less desirable neighborhoods, especially because non-elderly people with disabilities tend to depend on public transportation for access to work, services, and assistance. Another frustration reported by this advocate is that not all of the newly constructed housing has been built to the accessibility standards laid out in the state's fair housing standards, because code officials have reportedly been lax on monitoring fair housing compliance in new construction. According to the respondent, it continues to be a

challenge to find wheelchair-accessible, affordable units in the private market. Very often, this advocate's clients are directed to apply for public housing and tenant-based Section 8 assistance at all of the nearby housing authorities.

Advocates also noted a significant unmet need for homeless shelters in general and for wheelchair-accessible shelters in particular. Advocates estimated that there are approximately 27,000 homeless people in the metropolitan area on any given day, a number of them struggling with mental illness and substance abuse. However, advocates and service providers for people with disabilities interviewed for this study work primarily with clients who have mobility impairments and developmental disabilities, not with clients who are mentally disabled.

Property managers do acknowledge a need for more housing for non-elderly people with disabilities. Some reported that they did not know where the non-elderly applicants with disabilities—who do not qualify to live in their properties—go to find housing.

The waitlists for public housing and tenant-based assistance at the City of Phoenix Housing Department also demonstrate that there is an unmet need for housing for non-elderly people with disabilities. As of June 2000, 3,135 elderly and non-elderly disabled households were on the waitlist for tenant-based assistance, and 1,203 elderly and non-elderly disabled households were on the waitlist for public housing. Housing department staff characterized their public housing supply as surprisingly small for such a large and growing metropolitan area with an increasing demand for affordable housing.

4. Changes in Housing Availability for Non-elderly People with Disabilities

Judging from the comments of the interviewed property managers and advocates for people with disabilities in Phoenix, the 1992 Act limited the number of units available to non-elderly people with disabilities at HUD-assisted developments. It appears that almost all HUD-assisted developments admit either only elderly people or elderly people and non-elderly people with mobility impairments. It is not clear how available the HUD-assisted developments were to the entire population of people with disabilities before the Act was passed, but it is clear that only a modest percentage of units are now available to non-elderly people with disabilities. Property managers who have chosen more restrictive admissions policies are planning to reduce occupancy by non-elderly people with disabilities through attrition, so it is likely that the percentage of units in the current stock available to the non-elderly disabled will decrease somewhat.

Nobody had good estimates of the number of non-elderly people with disabilities in the Phoenix area, so it is difficult to measure the unmet demand for affordable housing by non-

elderly people with disabilities. Because Arizona is a state popular for retirement and elderly seasonal living, the elderly and their advocates have a strong presence in Phoenix and elsewhere in the state. While state government staff and state HUD field office staff hold annual, high-profile fair housing conferences, the issue of mixing elderly with non-elderly people with disabilities in HUD-assisted housing is no longer a concern as it was in the early 1990s. Many property managers and owners in the Phoenix area had been champions of the 1992 Act. Now, mixing the elderly-only with non-elderly people with mobility impairments appears to be the accepted status quo, closing many non-elderly people with disabilities out of the HUD-assisted market.

Exhibit A-3
Detailed Information on "Eligible" MSAs

MSA NAME	Young Disabled Admitted, 1996	Young Disabled Admitted, 1999	Young Disabled as a Percent of 1996 Admissions	Young Disabled as a Percent of 1999 Admissions	Percent Change in Disabled Admissions	Projects	Units, All Programs	Units, NC/SR	Units, State-admin-istered	Units, Sec. 202	Units, Older Assisted	Region	Vacancy Rate
Group 1 - Low Rate of Young Disabled Admissions													
Los Angeles-Long Beach, CA PMSA	25	31	2.7%	3.7%	NA	130	15,993	4,761	0	5002.0	6230	WEST	7.9
Atlanta, GA MSA	18	34	3.4%	4.9%	NA	40	4,923	1,074	0	2258.0	1591	SOUTH	10.1
Miami, FL PMSA	13	10	3.5%	2.2%	NA	48	4,694	1,389	0	3067.0	238	SOUTH	9.4
San Diego, CA MSA	8	10	2.5%	3.3%	NA	30	3,262	930	0	1092.0	1240	WEST	5.4
San Francisco, CA PMSA	6	11	1.9%	3.7%	NA	49	5,256	1,559	0	1705.0	1992	WEST	2.4
Jacksonville, FL MSA	10	6	3.3%	1.4%	NA	20	2,233	404	0	750.0	1079	SOUTH	6.6
Sacramento, CA PMSA	8	6	3.3%	2.8%	NA	24	1,876	735	0	479.0	662	WEST	5.5
San Antonio, TX MSA	5	11	3.1%	5.7%	NA	20	1,455	592	0	863.0	0	SOUTH	9.0
Bergen-Passaic, NJ PMSA	2	4	1.3%	2.0%	NA	20	2,425	1,218	209	998.0	0	NORTHEAST	2.3
Fort Lauderdale, FL PMSA	2	6	1.4%	4.6%	NA	11	1,445	220	0	827.0	398	SOUTH	10.5
Middlesex-Somerset, NJ PMSA	0	1	0.0%	0.8%	NA	9	1,839	1,375	82	382.0	0	NORTHEAST	4.1
Group 2 - Declining Admissions of Young Disabled													
Detroit, MI PMSA	122	81	11.0%	7.4%	-32.8%	98	12,697	5,542	1001	4065.0	2089	MIDWEST	7.8
Minneapolis-St. Paul, MN-WI MSA	70	45	13.9%	9.0%	-35.5%	52	4,151	655	146	2206.0	1144	MIDWEST	3.9
Memphis, TN-AR-MS MSA	91	60	20.6%	13.8%	-33.2%	28	3,308	1,727	0	1010.0	571	SOUTH	5.3
Riverside-San Bernardino, CA PMSA	13	8	7.2%	4.9%	-32.1%	16	1,973	683	0	1046.0	244	WEST	6.9
Salt Lake City-Ogden, UT MSA	29	13	16.6%	7.8%	-52.7%	25	1,562	684	0	878.0	0	WEST	6.9
San Jose, CA PMSA	11	5	7.0%	2.8%	-60.1%	19	1,895	637	0	427.0	831	WEST	2.0
Group 3 - Increasing Rate of Young Disabled Admissions													
Tampa-St. Pete-Clearwater, FL MSA	60	73	8.8%	11.9%	34.7%	40	3,779	202	0	1672.0	1905	SOUTH	6.9
Milwaukee-Waukesha, WI PMSA	44	64	11.1%	14.8%	33.6%	45	5,175	3,757	0	533.0	885	MIDWEST	8.2
Phoenix-Mesa, AZ MSA	24	45	6.2%	10.4%	69.7%	35	3,145	937	0	1918.0	290	WEST	7.2
Houston, TX PMSA	33	47	8.8%	14.5%	63.5%	24	2,505	579	0	1449.0	477	SOUTH	9.1
New Orleans, LA MSA	27	34	8.4%	11.0%	30.4%	27	2,734	453	0	2281.0	0	SOUTH	9.5
Akron, OH PMSA	44	88	16.7%	28.8%	72.5%	25	2,543	1,693	0	567.0	283	MIDWEST	5.8
Syracuse, NY MSA	13	25	6.1%	11.1%	82.1%	28	2,198	737	354	1107.0	0	NORTHEAST	13.5
Tulsa, OK MSA	19	66	10.2%	25.6%	150.4%	17	1,499	719	0	385.0	395	SOUTH	7.7
Hartford, CT MSA	9	20	4.9%	9.3%	90.0%	34	3,562	2,151	0	963.0	448	NORTHEAST	10.1
Norfolk-VA Beach-Newport News, VA	7	8	4.3%	10.0%	131.4%	18	1,650	794	0	794.0	62	SOUTH	6.6
Rochester, NY MSA	21	32	14.1%	21.1%	49.4%	19	2,005	1,097	323	585.0	0	NORTHEAST	6.0

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Group 4 - High Rate of Young Disabled Admissions													
Kansas City, MO-KS MSA	98	110	13.8%	14.8%	7.4%	73	4,890	1,922	0	1633.0	1335	MIDWEST	7.4
Denver, CO PMSA	93	134	21.0%	21.6%	3.0%	65	4,985	2,332	0	1305.0	1348	WEST	3.9
Louisville, KY-IN MSA	71	64	17.0%	16.3%	-4.1%	34	3,242	1,288	0	1291.0	663	SOUTH	5.2
Providence-Fall River, RI-MA MSA	72	74	21.3%	22.9%	7.6%	49	6,362	4,562	0	737.0	1063	NORTHEAST	6.6
Birmingham, AL MSA	73	80	24.1%	25.6%	6.4%	26	1,709	739	0	970.0	0	SOUTH	10.7
Dallas, TX PMSA	51	54	17.7%	19.1%	8.1%	23	2,157	783	0	1140.0	234	SOUTH	7.2
Dayton-Springfield, OH MSA	53	49	20.2%	16.4%	-18.7%	37	2,348	1,104	0	699.0	545	MIDWEST	11.0
Portland-Vancouver, OR-WA PMSA	49	26	20.9%	16.9%	-19.4%	28	1,686	540	0	850.0	296	WEST	6.0
Group 5 - "Average" MSAs													
New York, NY PMSA	69	57	5.9%	5.2%	-12.2%	180	17,209	5,879	722	10213.0	395	NORTHEAST	5.2
Cleveland-Lorain-Elyria, OH PMSA	73	58	8.4%	7.2%	-14.1%	61	7,650	2,821	0	2157.0	2672	MIDWEST	9.6
Pittsburgh, PA MSA	44	50	5.5%	6.2%	11.8%	101	8,692	4,897	0	2513.0	1282	NORTHEAST	9.8
Boston, MA-NH PMSA	53	50	7.2%	7.6%	4.6%	107	12,723	5,483	697	4635.0	1908	NORTHEAST	4.7
St. Louis, MO-IL MSA	53	72	7.6%	9.1%	19.3%	67	6,511	3,439	0	2453.0	619	MIDWEST	8.0
Philadelphia, PA-NJ PMSA	29	38	5.0%	5.9%	17.9%	75	9,413	4,321	0	3491.0	1601	NORTHEAST	10.6
Chicago, IL PMSA	33	31	5.9%	5.0%	-15.8%	78	12,225	6,258	0	4964.0	1003	MIDWEST	8.0
Washington, DC-MD-VA-WV PMSA	33	32	6.0%	7.1%	18.1%	52	5,640	2,560	270	2035.0	775	SOUTH	8.4
Newark, NJ PMSA	42	33	8.0%	5.7%	-28.2%	50	7,876	6,157	579	1140.0	0	NORTHEAST	7.1
Baltimore, MD PMSA	41	41	7.8%	8.6%	10.8%	46	5,283	2,098	195	1886.0	1104	SOUTH	7.9
Cincinnati, OH-KY-IN PMSA	47	41	10.1%	8.1%	-19.3%	48	4,400	2,227	0	1145.0	1028	MIDWEST	9.9
Oakland, CA PMSA	29	25	7.4%	7.4%	-0.8%	51	5,066	1,776	0	1616.0	1674	WEST	5.7
Indianapolis, IN MSA	37	29	10.0%	7.8%	-22.3%	38	3,055	1,128	0	1590.0	337	MIDWEST	9.2
Seattle-Bellevue-Everett, WA PMSA	45	36	13.5%	12.6%	-6.9%	52	3,184	1,909	0	969.0	306	WEST	4.4
Nashville, TN MSA	25	28	7.6%	8.3%	9.0%	24	2,729	1,645	0	802.0	282	SOUTH	5.3
Columbus, OH MSA	32	35	10.8%	11.4%	5.1%	46	2,955	925	0	1697.0	333	MIDWEST	8.5
Albany-Schenectady-Troy, NY MSA	22	30	9.1%	11.6%	27.9%	28	2,511	1,553	167	651.0	140	NORTHEAST	16.2
Grand Rapids-Muskegon, MI MSA	32	31	13.6%	12.4%	-8.2%	28	2,545	1,574	108	610.0	253	MIDWEST	11.8
Nassau-Suffolk, NY PMSA	12	14	5.2%	6.4%	23.0%	26	3,956	2,812	42	991.0	111	NORTHEAST	4.8
Scranton--Wilkes-Barre, PA MSA	18	19	7.9%	8.6%	9.9%	22	2,238	1,086	0	758.0	394	NORTHEAST	10.4
Greensboro--Winston-Salem, NC	23	28	10.8%	11.9%	10.3%	31	2,130	1,256	0	773.0	101	SOUTH	5.8
Buffalo-Niagara Falls, NY MSA	18	23	8.8%	8.2%	-6.1%	30	2,910	1,531	55	1166.0	158	NORTHEAST	16.2
Orange County, CA PMSA	8	10	5.3%	6.6%	25.0%	21	2,256	837	0	1111.0	308	WEST	5.5
Monmouth-Ocean, NJ PMSA	8	6	5.9%	4.4%	-25.0%	14	2,412	1,678	254	480.0	0	NORTHEAST	3.7