THE EFFECT OF ELDERLY HOUSING ON THE HOUSING SUPPLY IN MCPHERSON, RENO, AND RICE COUNTIES, KANSAS

by

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CHAPTER I

INTRODUCTION

Since approximately the beginning of the New Deal Era in the 1930's, it has generally been accepted that the federal government has a duty to insure adequate housing for all its citizens. For this reason, Congress has enacted a series of housing programs, including public-private partnerships and many sophisticated financial devices.

The results of these programs have been less than amazing. The United States government has built fewer housing units in the last thirty years than Congress in 1949 said were needed by 1955. The efforts at providing public housing have failed because the basic approach is at fault. The main components of the present housing assistance program are public housing, below market interest rates, rent supplements, and interest subsidy programs. All of these aim at solving the problem by providing new housing units for the poor. This is a very expensive solution to an extensive problem.[1]

The subsidy programs provided for housing in this country are very small and have a limited effect on the housing market. Another basic policy element of governmental housing strategy appears to be the filtering concept. This is a passive attitude by which the government stimulates the production of new housing for families in the middle to upper income range. The assumption is that this added supply of housing will indirectly benefit low income households. This approach has

met some favorable reactions because it initially costs less than providing housing directly to low income households and due to the multiplier effect, the benefits accrue to more households.[2]

The length of the vacancy chain that is created by a housing unit filtering is important. It indicates the multiplier effect started by the construction of new housing. If the vacancy chain is long enough and the successive households differ in their economic characteristics, the housing chain has achieved policy objectives by improving the housing of lower income persons even if the initial construction is for higher income families. Subsidized housing, because it is usually aimed at lower income groups, is less likely to have as high a multiplier effect as is middle or higher income housing, since subsidized housing doesn't usually affect middle and high income families.[3]

A necessary element of filtering is that there must be a constant flow of people through the housing chain.[4] The typical chain consists of a new housing unit, usually of fairly high cost. A family or individual moves out of their housing unit in to a new one, which is likely to be of somewhat higher quality than their old home. This first family can be said to have upgraded their housing by moving into a new housing unit. Usually the first household moving is one that is established because a new household can rarely afford to move into a new private market housing unit at the top of the price range. A second household moves into the newly vacated unit, also moving out of a less expensive home. In the model the first household in the chain has a higher income than the second household. This same process repeats itself until either 1) a new household is created and moves into the unit, 2) the

unit is destroyed, or 3) the unit is converted to nonhousing use. Housing turnover links the flow of new housing with the removal of housing from the market.

Housing filtering is concerned with the chain of moves started by a new unit and the different families who theoretically are able to upgrade the quality of their housing by these moves. The process of changing owners and occupants that a housing unit goes through in its lifetime is a different factor. The latter process will take the lifetime of the unit to be complete while the former may occur in a few months, especially with a housing market where there is a low vacancy rate. A housing unit itself may never fall in value (and/or price) to such a level that a low income family can afford it, but the chain of vacancies it creates may ultimately affect families of low income persons. This difference is important if one is to study filtering chains as they affect low income persons as opposed to the changes that occur in a house, it values, price, or occupants as it ages.

The process of filtering in a specific geographical area can be accelerated by introducing a large amount of housing into the market at a particular level at the same time. This is the effect that was achieved over the period 1972-1977 by the construction of eight elderly housing projects in the region of McPherson, Rice, and Reno counties in the state of Kansas.

Many elderly live alone or with their spouses in older homes that are too large for their needs. By giving them the choice of a unit in an organized housing project, often at below market cost, some will choose to leave their former homes, introducing these homes into the

supply of existing housing for other families to consider. By putting housing on the market that is older and less expensive, the region may be able to house persons who want to locate here from another area and/or those already living in the region who want to improve their housing.

The purpose of this study is to determine the effect of the construction of elderly housing projects in an area on the housing supply. This will be dealt with by studying the housing turnover chains created by the elderly moving from their previous homes to the elderly housing projects within this three county region. By following the housing turnover chains until the chain moves out of the area or otherwise ends, the spillover benefits of this elderly housing on the total housing supply of the region can be measured. While elderly housing serves a very real need entirely of its own, proponents sometimes place emphasis on the spillover benefits to the housing supply and population in general. This study will attempt to measure the spillover benefits created by the elderly housing projects due to the filtering phenomena. The study will be divided as follows: 1) review of the literature relating to housing turnover and filtering, 2) a description of the Mid-State Region which is the area studied, 3) survey construction and methodology used, 4) the survey results and their analysis, and 5) conclusions drawn.

Footnotes

[1]Frank S. Kristof, "Federal Housing Policies: Subsidized Production, Filtering, and Objectives, Parts I and II," Land Economics 48, 1972, pp. 309-320, and 49, 1973, pp. 163-174.

[2]Gary Sands and Lewis Bower, Vacancy Turnover and Housing Policy: Case Studies of Vacancy Chains in New York State (New York, NY: Praeger Publishers, 1976), p. 4.

[3]Ibid., p. 9.

[4]Harrison C. White, "Multipliers, Vacancy Chains, and Filtering in Housing," Journal of the American Institute of Planners, 1977, pp. 88-94.

CHAPTER II

REVIEW OF RELATED LITERATURE

Housing filtering or housing turnover as a housing policy is a controversial subject. While the phenomena of filtering does exist within the housing market and does provide used housing for persons who could not afford or chose not to purchase new housing of comparable quality, the extent to which it substitutes successfully for an aggressive federal governmental housing policy is unknown. The success or failure of housing filtering to provide adequate housing opportunities for persons at different income levels is highly disputed among numerous authorities in the field. The federal government has been slow to develop an aggressive, effective housing policy.[1] The passive policy that most consistently emerges is a filtering strategy. The federal subsidy for housing is focused on the middle and upper income persons by way of a favorable tax treatment for home owners. This favorable tax treatment far exceeds the amount spent each year on low rent housing subsidies.[2] Since the amount spent by the federal government for low income housing is not adequate to provide decent housing for the low income sector of the population, the private market provides this housing in the form of used dwelling units that are older and generally in poorer condition than new units would be, but also less expensive.

Gary Sands, co-author with Lewis Bower of the book entitled Housing Turnover and Housing Policy: Case Studies of Vacancy Chains in New

York State,[3] reported in a study done in Rochester, Buffalo, and the Bronx, New York, that chains of moves generated by new housing construction are an important characteristic of housing market dynamics. Their work also indicates that turnover may be at best a weak policy tool. When specific objectives are identified, programs based on a trickle down theory appear to be relatively inefficient. Effective housing policies seem to require a substantial proportion of direct intervention as opposed to benign neglect with which housing turnover generally is associated.[4]

Housing assistance can be provided to needy households either directly or indirectly in order to attempt to achieve policy goals. Direct housing assistance is usually construction or acquisition of housing units for a specific needy group or subsidy. Indirect housing assistance can be achieved by providing or stimulating the provision of housing for higher income households with the expectation that the needy population will be accommodated in housing left vacant as higher income persons move to their new housing. The government uses a variety of indirect subsidies for higher income housing units, the most prevailing one being the income tax exemptions allowed home owners for the interest they pay on their mortgages. Of course, this benefit is extended to anyone who owns their home but the more expensive the home is, usually the higher the loan value, resulting in a larger amount of interest paid and a larger tax write-off.

The actual market process of filtering differs from the theoretical concept filtering as a public policy. It is usually taken for granted that the market process of filtering is an integral part of the

operation of the local housing market. Left to itself, the housing market will provide housing to families at the lower end of the income scale through the process of value decline. If this value decline can be accelerated, housing will become available to low income persons more quickly. If the filtered housing is available more quickly, it will be newer and likely in better condition. This accelerated decline can be achieved by introducing an unusually large surplus of housing into the market at a particular size and price range. The excess supply causes demand and price to fall. This starts a chain reaction which will allow persons at all levels below that to improve their housing.

There are some differences between housing filtering and housing turnover. Turnover is a more restricted concept. Policy based on housing turnover involves creating housing opportunities within the existing housing stock faster than would normally occur. It is not necessary that housing prices should fall with housing turnover. Filtering requires that these vacancies become available at bargain prices. A low income family either increases the quality or decreases the cost of their housing by moving up the filtering ladder. Turnover may not involve a change in relative prices, and in this aspect, it is less restrictive as a market function than is the traditional idea of filtering. Turnover is a short run process concerned only with the current pattern of occupancy in the housing stock while filtering is a long run market phenomena. The process of housing turnover may be achieved using only one housing chain which starts out as a new unit and ends with the chain ending for one of several reasons. Filtering involves housing units across the board and may take years for the total effects of a

filtering to be felt. The length of time required for filtering diminishes its effectiveness as a policy tool. In addition to the time factor, the two concepts differ in regard to scale also. Market filtering affects classes of housing such as those determined by factors including cost, age of dwelling, condition, geographical location. Filtering cannot appropriately be applied to a single unit, but housing turnover can be applied on a case by case basis.

The relevancy of the turnover concept in regard to public policy can be evaluated by tracing vacancy chains resulting from new housing and determining the specific characteristics of the housing units involved. If the chain is long enough or the changes in the price of the housing and the incomes of the persons affected are large enough, the turnover process may be appropriately used in the development of an aggressive housing policy. Even units in the middle and upper price range will ultimately have an effect on housing for the poor. Vacancies will occur down the turnover chain. This will happen because more expensive housing provides a greater number of housing opportunities, that is, a longer chain. The more expensive the unit and the higher the income of the initial tenant, the greater the number of moves created within each chain. It should be noted, however, that a high priced house may attract a family migrating into the area rather than allowing a family within the region to improve their housing. This terminates the housing turnover chain within that area, but the chain is transferred and resumed in another city or state. When the area studied is small and clearly defined, many chains may be terminated by their moving out of the area, but when a

larger geographical area is used, more chains continue until they are terminated by either a new household formation or the house being destroyed.[5]

Besides moving out of the area or region, there are other ways in which a housing chain is in essence terminated. There are two broad categories into which housing turnover chain terminations can be divided. The first is when there is a situation where no identifiable vacant unit can be associated with the household. An example of this is a newly married couple who had formerly been living with parents or other relatives. A divorce can produce the same effect, where part of the occupants of a dwelling unit move out of the unit while others remain living in the unit. When the study is concerned with a local housing market, households moving into the area constitute a new household formation by immigration. A second category for a housing chain termination concerns the supply side of the market. A chain of moves ends when the former unit has been physically removed from the housing market. A unit may be converted to non-residential use, or combined (a reduction in the number of housing units, or subdivided (an increase in the number of housing units). These changes in the unit usually render it unavailable for study in the housing turnover chain process.[6] A unit may also be withdrawn from the housing market with no physical change occurring. This may be due to the owner deciding he no longer wishes to rent the unit. This situation is not uncommon, especially in the case of owner-occupied two-unit structures. A chain may be terminated because the former unit was abandoned. This may happen because the unit is in excessively poor condition or was never placed on the housing market

due to fire code deficiencies or the owner's personal reasons, etc.

In reviewing the housing situation from 1950-1970, Frank Kristof found that in spite of a lack of inertia, the housing situation in this country has improved.[7] The ratio of new household formation to new housing units is about 2 to 3, or 30.5 million housing units to 20.4 million new households. The aggregate number of substandard housing units has fallen 70 percent from 17 million to five million. Crowding has reached new lows while standards of space per person have reached new highs. Since the governmental housing assistance has only increased in the later years of that period, the question arises as to the extent to which this improvement can be traced to the effective functioning of the filtering process.[8]

There are some basic parameters that are accepted by most analysis that are required if the filtering process is to function effectively:[9] 1) new construction must be greater than the rate necessary to keep up with normal population growth; 2) there must be an excess of housing supply over housing demand at the level where filtering originates; 3) new construction must place a downward pressure on rents and prices of existing housing, permitting lower income families to obtain better housing bargains relative to their present housing; 4) exogenous factors, such as the general level of incomes and the rent to income ratios need to be held constant. Decline in quality is not necessarily forced by the reduction in maintenance and repair expenditures to the extent that rents and prices are forced down; and 5) a mechanism must exist to remove the worst housing from the market without adversely affecting rents and prices of housing at the lowest level.

In many instances, filtering is a self-defeating process. It is an uncontrollable device. The end product, at the bottom of the chain, is substandard housing, thus adding to the very blight it is designed to remedy. Filtering cannot increase in effectiveness without the removal of housing as it sinks below minimum standards. If by some drastic change in market conditions the rate of filtering were accelerated to the point it was able to provide good housing even at low cost, the cost to property owners through the concomitant depreciation in value to their properties would be tremendous.[10] If the prices of housing were to fall to the extent that only standard housing was found at the bottom of the ladder, then all construction might cease due to the lack of sufficient returns on investment. Thus deterioration due to dis-investment would occur. Kristof argues that it is extremely unlikely that downward filtered dwellings will, in fact, provide satisfactory housing to occupants who obtain them at low rents or prices.

Ira Lowrey, writing in 1960, states that it would not be possible within the framework of pure housing filtering theory for value decline to be accelerated through an influx of new construction and for this decline to exceed the quality decline with a resulting improvement in housing standards.[11] It is important to distinguish the effects on housing standards produced by exogenous factors such as rising incomes from the effects produced by new construction through filtering. Confusing these two can lead to mistaken policies.

If it were strictly true that the quality of a housing unit changed rapidly and proportionately in response to changes in the market rent, the special public measures such as subsidies to encourage new

construction might result in a chain of moves but would not result in better housing at the bottom of the chain unless the families at the bottom of the line paid higher rents to support better maintenance than they had paid previously. On the other hand, if measures such as rent assistance were taken to increase the real incomes of these families, thus enabling them to spend more for housing, the housing quality would rise without the need for the special encouragement of new construction.

Simultaneously and independent of the filtering process, there is a gradual deterioration of quality over time as each unit moves lower down the scale. The effectiveness of filtering as a means of raising housing standards thus hinges on the speed of value decline relative to quality decline. If the value of the housing stock deteriorates so rapidly that even low income households can afford units which are still above the quality standards of social adequacy, then the private market is doing a good job.[12]

There are three major factors involved in quality decline.[13] 1) Style obsolescence is not necessarily important enough to cause home owners to change residences. It can make a difference to the prospective buyers or renters of the unit, though. 2) Technical obsolescence is a form of obsolescence that is intrinsic to the unit itself but is usually easily overcome. Examples are outdated heating and lighting systems and inefficient use of space within the unit. 3) Structural or physical deterioration is a type of obsolescence that includes major problems such as cracked foundations, dry rot, etc., but the majority of problems falling in this category are minor such as normal wear and tear on the unit which hasn't been kept up with. All three of these

elements affect the demand price for a dwelling unit, but quality decline really includes only the latter two. A house doesn't fall below the standards of housing adequacy by reasons of style obsolescence. Technical obsolescence may cause a house to fall below standards, but it can be brought back by updating the house, if necessary. Physical deterioration is probably the most important reason a house falls into the substandard category. This difference lends some support to the filtering argument because it suggests a slower decline of social quality as compared to market quality.

While Lowrey doesn't fully support filtering as a base for housing policy, Martin Meyerson takes an even more negative view of the filtering phenomena within the market place.[14] He states that housing as a commodity is not used up and discarded but becomes less desirable through aging, deterioration, and/or a change in the neighborhood. It is then passed on to a lower income user thus there is much less demand for new construction than if housing were taken off the market every few years or so as is the case with many consumer goods such as refrigerators, etc. It should be noted that the appeal of some dwellings doesn't decrease with age and prices of aging houses rarely decrease. The price of a used dwelling, even with appreciation, will not be as high as comparable new construction. Most owners do not accept the price decreases of even normal depreciation and expect to sell their homes for more than they paid for them. This disrupts the classic theoretical procession of the filtering process because the housing doesn't really filter down.

Even if it did work without the impediments filtering down would not be successful because the housing pyramid is so small at the top

(the new construction entry level in the private market). Filtering down could only be made to work if new construction were extended to many groups now unable to enter the market and if a reasonable number of exhausted units were entirely removed from the housing supply. "Only about one-half of all families are ever able to move into new housing units.... The rest of the population rely on used housing vacated by earlier dwellers."[15] Choices even in the new housing market are usually limited to single family homes in the suburban areas of cities. These units are expensive to purchase, build, provide services for, and maintain.[16]

The filtering process is slow in part because housing is generally long-lived and because housing styles change slowly. Also, the large initial investment necessary for housing combined with high inflation the past few years makes resale of housing at lower prices unlikely, either due to personal refusal or to market conditions. Housing is not the first choice of many investors both at the construction stage and at the individual purchaser stage due to problems of slow return on investment. For this reason, credit available for housing is often very scarce and expensive. Much of the used housing that does appear on the market is in bad shape and in need of repair. The essence of the housing filtering theory rests on a relative decline in price rather than a decline in quality. When the housing market is very tight, market forces may result in housing filtering up rather than down.

Improvement of the filtering process is necessary for a successful housing market.[17] The rate of construction of new housing needs to be increased to free up sound used housing. Deteriorated, substandard

housing and blighted housing need to be removed at a faster rate than is anticipated by urban renewal, etc. New housing construction needs to be used to create surpluses of housing. Any program to improve the filtering process must recognize and overcome the difficulties that have prevented it from working. The additions to the housing supply must be made at all levels, not just at the top.

The U. S. federal government has tended to focus public aid on the nonpoor to help the poor. This is reminiscent of President Hoover's aid to manufacturing after the crash of 1929. A high proportion of the available benefits are much more politically acceptable. There is a need to search out aid programs that 1) will persuade middle and upper class persons that their needs are being addressed and 2) have particularly great and certain trickle down benefits. Alan Altshuler[18] suggests the following: since housing investment has fallen off, the trickle down phenomena due to new construction has slowed down. To help this situation, the U. S. should use new housing materials to cut costs, standardize the housing codes, encourage private market investment and building, and introduce and use innovative new techniques of housing construction. By using some of these suggestions as policy stepping stones, programs could be developed that would help the poor but not be as objectionable to the non-poor.

Harrison White[19] also views housing filtering as basically unsuccessful, but on a different basis. The public has a hard time having their needs reconciled with what the private builder builds in the way of housing. Since new houses are built by investors, attempts may be made to anticipate consumer needs, but these are not always successful.

New houses must attract persons from existing houses in all but a few cases, so they must be designed to do so. Investors are also responding to pressures independent of consumer desires such as interest rates, taxes (and tax advantages), and alternative opportunities in consumer building. The new housing stream is not causually determined by the state of the housing system even over long time periods. For families, too, flows in and out of the housing system tend to be quite divorced from the state of the system. Death, marriage, retirement, etc., are not usually determined by the demand for houses in the market. These two flows of housing and families, even though neither is controlled by the market, add together to measure the volume of opportunity to move introduced into the housing market.

A family cannot force its way into an occupied unit. Its movement into a different dwelling is contingent on the previous occupants moving out. Moves must follow one another in chains. Turnover chains and filtering are the only way housing changes can take place without a cumbersome control by a very elaborate and complicated central office or government. "Match making" by which a family moves out of a unit before they have another unit to move in to, is not dependent on new houses or deaths of households, but on a large surplus of available housing of all kinds. Even given this large surplus, match making is unlikely because a large surplus of housing means the family would have a difficult time selling their former house in the first place.

It doesn't follow that the existing stream of new housing is optimal. It is not an endogenous variable responding to the needs expressed by consumers through a market but it is a rather arbitrary exogenous

variable. "Policy should be directed to improving the match between needs and supply without losing the multiplier effect."[20]

The fact that filtering is a process of market adjustment creates some problems in the analysis of filtering. As a house moves down the housing chain, it is necessary to determine whether a house filters merely in comparison to other housing units or if it filters in comparison to the prices of all goods. Jon Pynoos[21] concurs with Lowrey when he concludes that filtering is a change in the real value or price of a unit in constant dollars but that filtering is not necessarily a process that results in all families occupying housing above a certain minimum level.

Irving Welfeld[22] is one of the critical writers on the subject of governmental housing subsidy. The main reason for the poor performance lies with the basic approach the United States government has taken towards public housing. The present subsidy system consists of four main parts: public housing, below market rate interest, rent supplement, and the interest subsidy programs--which all aim at solving the problem by providing new dwelling units for the poor. Because there is a shortage of standard units and many poor live in substandard dwellings, the production of new housing for the poor seems a simple solution. Unfortunately, this strategy doesn't work. By choosing to provide new housing units for the poorest citizens, the federal government has adopted a most expensive strategy for increasing the nation's housing supply. The number of units that can be subsidized varies inversely with the rental paid by the occupant of the average unit. As the income of the

potential occupant declines, the amount of subsidy necessarily increases and the total number of units that can be provided declines.

Welfeld[23] questions the wisdom of using the system mentioned above as the method of providing housing for the poor. He suggests making existing housing units available to the poor. He feels this is a viable alternative to the construction of new housing units for the very poor.

The phenomena of housing filtering can be used as a tool to provide housing for the poor indirectly without relying on new housing construction. By building housing for middle and upper sectors of the housing market, it is possible to redistribute existing housing units to the poor. The persons who are involved in this housing turnover will be able to upgrade their housing conditions. The concept of housing filtering assumes that the turnover that results from new construction will be accompanied by lower rent. In Frank Kristof's 1964 study,[24] it was determined that even though rents rose, due to income increases, the median rent remained approximately one-fifth of family income. The turnover process does make housing available to persons who could not afford non-subsidized new construction.

Although there has been progress in using housing construction to result in turnover of housing to provide housing for the poor, it doesn't follow that the progress has been fast enough, that there will be further progress, or that we can trust the market to eliminate slums and adequately house the poor entirely. But it would be equally wrong to conclude that because the turnover system doesn't work perfectly, it should be disregarded completely.

The present system of public housing which called for new housing to be built for the poor faces the huge obstacle of political unpalatability. There is a basic inequality in the "new housing for poor people" approach. "A policy of taxing Peter to provide housing for Paul who would otherwise live in squalor, has a simple appeal to human generosity. But a policy of taxing Peter to provide better housing than his own for Paul requires an almost saintly degree of altruism."[25]

In order to avoid charges that the public housing programs are "penthouses for the poor," Congress has set up guidelines that limit both structural and environmental amenities, to avoid both the need for large subsidies and the possibility that those who don't have it will nevertheless be able to flaunt it. The result of some of these restrictions on amenities is that the unit starts out as undesirable and/or substandard (for example, only one bathroom in a three or four bedroom apartment). Some of the upper financial limits Congress has set on costs and rent per unit have made it impossible to build public housing in areas where land costs and construction costs are higher than the average.

Public housing also faces problems of local acceptance and approval. Local veto over housing sites often forces public housing to locate in less desirable areas. Suburban communities are notorious for excluding multi-family units in their primarily residential neighborhoods.[26]

The federal government is faced with conflicting dilemmas. The direct approach to providing new housing for the poor doesn't create a suitable framework to solve the conflicting problems of economic and

political feasibility. Very little public housing has been built, and what has been built is not directed towards the very poor.

One alternative to housing subsidies for new units is a subsidy program for existing units. The subsidy per unit even if the tenant paid nothing would be generally less than the average subsidy for a new unit. Smaller subsidies per unit would increase the number of families that would benefit from a housing subsidy program. Providing standard used housing for the poor is also somewhat more acceptable politically. There are two basic ways to provide a subsidy which bridges the gap between the rent the poor can afford and the market rent for existing housing units. The government could subsidize a particular unit, thus reducing the required rent, or the government could subsidize a particular individual, increasing the amount he has available for housing.[27]

There are some drawbacks to relying on housing turnover and/or standard used housing to provide dwelling units for the poor. Even if programs restrict the use of the subsidies to standard units, a policy of used housing subsidy and/or housing turnover is of value only in areas in which there are vacancies in standard units, but typically this is not the situation we face today.

Welfeld accepts the assumption that there is some linkage between the production of new housing and the creation, eventually, of housing opportunities for the poor, as outlined in the housing turnover model. But the process of filtering can be very slow, and it is very dependent on the existence of vacancies in standard housing units. Welfeld condemns the ineffectiveness of the federal low income housing program and its expense. He suggests subsidizing used dwelling units for low income

persons thus using the housing turnover process as housing policy. But he does not advocate housing turnover as the sole component of the housing policy for low income persons in this country.

Much of the urban public housing built in this country has followed a principle of "replacement housing." An area of housing, usually consisting of slum dwellings, is condemned and torn down, and then replaced by new low income units which are offered to the former occupants of the slum area. This replacement housing approach is an alternative to the "filtering" approach to providing better housing which is based on incremental addition of higher quality housing to the existing housing stock. When filtering takes place, these net additions set off the chain of moves where higher income persons are able to upgrade their housing by moving into the vacated units.

Many housing authorities feel that the replacement approach is superior to the filtering approach. It more directly benefits those whose needs are the greatest. The replacement approach, it is argued, can achieve an improvement in housing conditions much more quickly.[28] These statements may obscure some of the advantages of the filtering process. For example, while filtering requires that the households whose housing is to be improved must relocate, there is not a period of time when the household must move out of their old home and into temporary quarters as there is with replacement housing. The filtering method requires a much smaller expenditure of new capital. Filtering is made possible by taking maximum advantage of the existing stock of housing. If the process of housing filtering is to succeed in providing

housing opportunities for the poor, the barriers to housing mobility must be removed: racial discrimination, exclusionary zoning and limited access to mortgage credit.

Probably the most complete study of housing filtering and/or turnover was conducted by John Lansing, Charles Wade Clifton, and James N. Morgan in 1969: New Homes and Poor People.[29] This study used a base of 1,000 new housing units, a combination of single family houses and apartments. In this study, the housing turnover chain was followed out completely within the United States. The end result showed the total multiplier effect of the new housing on the housing market; rather than the effect on a limited housing market. In this study, it was determined that most housing turnover chains ended because people moving into the final link of the housing chain left no vacant dwelling unit for others to move into (as in the case where parents still live there). The average chain was 3.5 moves long. This figure is larger than for many similar studies because the geographical limits were so large and the interviewers were extremely persistent (for example, not coming to the conclusion that a unit was vacant until it had been visited several times).

The study showed that the poor are generally not benefitted directly by new private construction. The poor are affected indirectly by the construction of new housing even if they do not occupy the new dwellings, due to the filtering process. The study showed that any policy which increases the total supply of housing will be beneficial. The working of the market is such that the poor will benefit from any actions which increase the housing supply in the total market. While a

natural tendency towards housing for the poor is the direct approach, the evidence from Lansing's research project was that it is not the only approach that will be effective.

In summary, housing filtering or housing turnover occurs when new housing is introduced into the market, creating housing opportunities. These housing opportunities cause persons in existing housing to move out of their present homes into the new units. The homes that are left empty provide housing opportunities for other persons to move, generally upgrading their housing. This chain of moves continues until the housing chain is terminated, either by the unit being destroyed, being converted to non-housing use, or by a new household being formed and then moving into the housing unit.

Housing filtering is dependent on several assumptions for it to work properly. Certain market conditions must exist for housing to be able to filter. There must be housing vacancies within the system to allow for movement of families from one unit to another. If housing is to filter down, persons changing housing must be either improving their housing, or decreasing their housing cost. The substandard housing at the bottom of the housing chain needs to be removed from the housing market rather than being allowed to remain available for habitation.

Passive governmental housing strategy calls for the stimulation of production of housing units for the middle and upper income person. This opens up units to be filtered down the quality and value ladder thus providing housing that the poor can afford. This procedure is less costly than providing direct new housing subsidies but is not generally

felt to be a workable solution for the entire problem of lack of affordable housing for the poor. It is felt that if the private market continues to supply housing for the middle and upper class at the top of the chain and if the substandard housing is removed from the bottom of the chain regularly, these methods may successfully supplement the federal government's direct public housing subsidy programs.

The remainder of this study will examine the effects of introducing new housing in the form of housing for the elderly into the housing market in a specific area. The phenomena of housing turnover specifically will be examined. The area in question is composed of three counties in Kansas. They are McPherson, Reno, and Rice counties and make up the Mid-State Planning Region in the state. The next section provides some background material about this area.

Footnotes

[1]Frank S. Kristof, "Federal Housing Policies: Subsidized Production, Filteration, and Objectives, Parts I and II," Land Economics 48, 1972, pp. 309-320, and 49, 1973, pp. 163-174.

[2]Henry Aaron, Shelter and Subsidies (Washington, D.C.: The Brookings Institute, 1972).

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[5]Sands, Vacancy Turnover and Housing Policy: Case Studies of Vacancy Chains in New York State, p. 4.

[6]Ibid., p. 9.

[7]Kristof, "Federal Housing Policies," p. 318-319.

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[10]R. U. Radcliff, Urban Land Economics (New York, NY: McGraw Hill Co., 1976), pp. 333-334.

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[12]Ibid., p. 364.

[13]Ibid., p. 368.

[14]Martin Meyerson, Barbara Terrett, and William Wheaton, Housing, People, and Cities (New York, NY: McGraw Hill Co., 1962).

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[16]Lowrey, "Filtering and Housing Standards," p. 366.

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[25]Welfeld, "Toward a New Federal Housing Policy," p. 34.

[26]Ibid., p. 35.

[27]Ibid., p. 38.

[28]Charles Daniels, "The Filtering Process and Its Implications for Housing Policy," Human Ecology Forum, Winter 1974, pp. 18-20.

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CHAPTER III

DESCRIPTION OF THE MID-STATE REGION

The Mid-State Region is located in central Kansas and is composed of McPherson, Reno, and Rice counties (see Figure 3-1). The total land area of the region is 1,843,712 acres of which approximately 85 percent is engaged in agricultural activities. The climate of the region can be described as subhumid continental. The characteristics of this climate include a wide range of temperature, moderate precipitation, relatively high wind velocity and a rapid change from season to season. The 1970 population of the region was 97,863.

There are four cities in the region with over 2,500 persons. These cities are Lindsborg, McPherson, Hutchinson, and Lyons. These four urban cities account for 56.1 percent of the region's population. Those with 500-999 persons total 4.8 percent and cities with less than 500 make up 3.6 percent of the population of the region. Cities range in size from Hutchinson with 37.7 percent of the population or 36,885 persons to Frederick with a population of 39. Table 3-1 shows the breakdown in the population of the cities and counties in the region in real numbers and percentages. Figure 3-2 shows the location of the cities in the region. Over the past 30 years, 1940-1970, the region's population has grown 4.6 percent or at a rate of approximately 1.5 percent per decade. This can be compared with a 24.9 percent increase in the

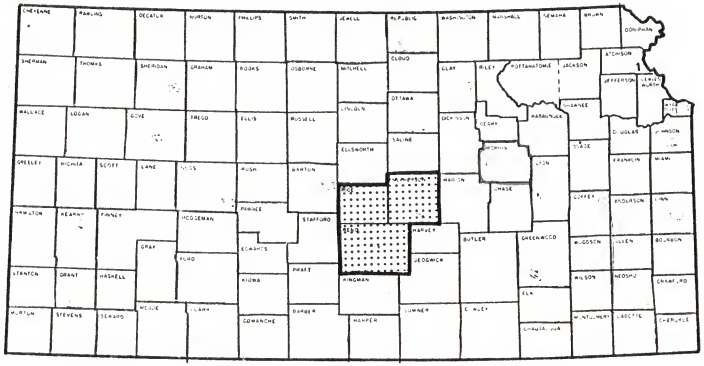


Figure 3-1. Map of Kansas Showing Mid-State Region

Mid-State Region

Table 3-1

1970 Population Mid-State Region

Area	Population	% of Population in County	% of Population in Region
McPherson County	24778	100.0	25.3
Canton	893	3.6	.9
Galva	522	2.1	.5
Inman	836	3.4	.9
Lindsborg	2764	11.2	2.8
Marquette	578	2.3	.6
McPherson	10851	43.8	11.1
Moundridge	1271	5.1	1.3
Windom	183	.7	.2
Rural Farm+	4993	20.2	5.1
Rural Non-Farm*	1887	7.6	1.9
Reno County	60765	100.0	62.1
Abbyville	143	.2	.2
Arlington	503	.8	.5
Buhler	1019	1.7	1.1
Haven	1146	1.9	1.2
Hutchinson	36885	60.7	37.7
Langdon	93	.1	.1
Nickerson	1187	2.0	1.2
Partridge	302	.5	.3
Plevna	124	.2	.1
Pretty Prairie	561	.9	.6
So. Hutchinson	1879	3.1	1.9
Sylvia	390	.6	.4
Turon	430	.7	.4
Willowbrook	100	.2	.1
Rural Farm	5990	9.9	6.1
Rural Non-Farm	10013	16.5	10.2
Rice County	12320	100.0	12.6
Alden	238	1.9	.2
Bushton	397	3.2	.4
Chase	800	6.5	.8
Frederick	39	.3	.0
Geneseo	453	3.7	.5
Little River	493	4.0	.5
Lyons	4355	35.3	4.5
Raymond	133	1.1	.1
Sterling	2312	18.8	2.4
Rural Farm	2140	17.4	2.2
Rural Non-Farm	960	7.8	1.0

Table 3-1 (Con't.)

Area	Population	% of Population in County	% of Population in Region
Region	97863		100.0
Urban Cities	54855		56.1
Cities 1000-2500	8814		9.0
Cities 500-1000	4693		4.8
Cities < 500	3518		3.6
Rural Farms	13123		13.4
Rural Non-Farms	12860		13.1

Source: Mid-State Regional Planning Commission, Population and Economics Report

+ Occupied Rural Farms

* Rural Non-Farm determined by subtracting values for the cities and rural farm from the county total.

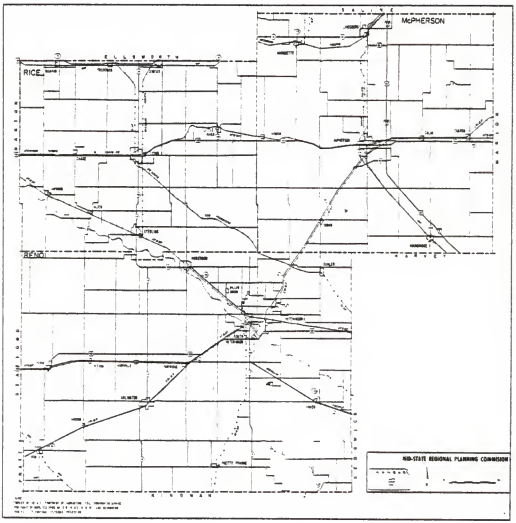


Figure 3-2. Map of the Mid-State Region

state's population or 8.3 percent per decade. The region's growth has been steady but slow while the state has experienced moderate growth.

The urban cities and cities over 1,000 population have experienced an increase in population. The cities of Moundridge, Buhler, Inman, Haven, and South Hutchinson have experienced strong growth. Table 3-2 shows the percent change in population of the region comparing 1940 and 1970. It can be seen that the cities below 1,000 and the rural areas have declined as a whole, with some exceptions. The rural non-farm population has shown a major increase in the period 1950-1970. This group has increased by 90.1 percent, while the rural farm population has declined 41.8 percent over this same period. Reno County has had the largest increase in population, 16.5 percent, while Rice County has decreased in population by 28.4 percent over the period, 1940-1970. McPherson County has experienced a small increase of 2.6 percent.

The 1970 population distribution by age and sex can be seen in the population pyramids in Figure 3-3. These show the percentage of each area's population divided into five year age groups by sex for each county, the region as a whole, the state of Kansas, and the United States. The recent decline in birth rates is reflected in the 0-4 and 5-9 age groups.

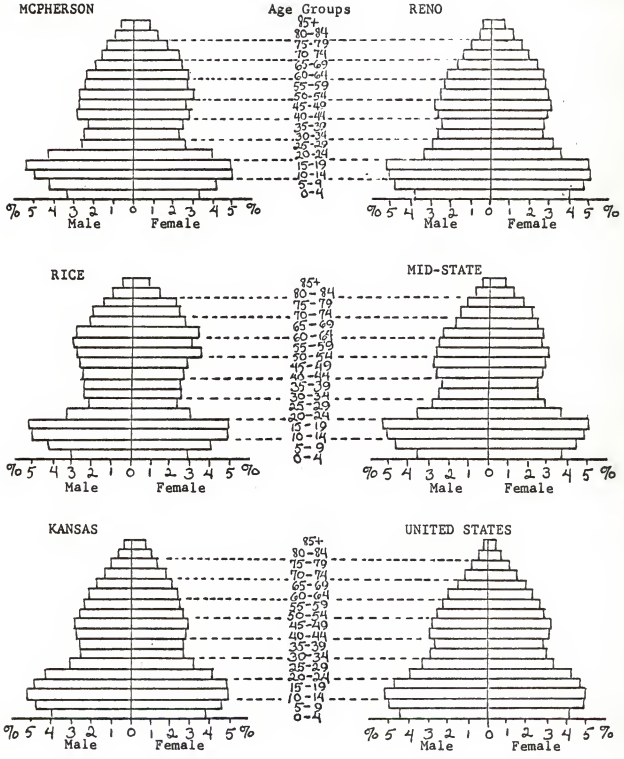
In 1970, the population of those 65 and older in the U.S. was 9.8 percent and the figure for Kansas was 12.0. The Mid-State Region had a population that was older than that of either the U.S. or Kansas with 13.7 percent being 65 or older. Rice County had the highest concentration of those 65 and older with 16.7 percent falling into the category.

Table 3-2

Changes in Region's Population

Category	% of 1940 Population	% of 1970 Population	% of change from 1940-1970
Cities 2,500	44.6	56.1	31.5
Cities 1,000-2,499	5.5	9.0	70.2
Cities 500-999	8.2	4.8	-38.5
Cities under 500	3.9	3.6	-3.3
Rural	37.8	26.5	-26.5
Region	100.0	100.0	4.6

Sources: U.S. Census of Population, 1940 and 1970
Mid-State Regional Planning Commission's Population and Economics Report



Source: Mid-State Regional Planning Commission, Population and Economics Report

Figure 3-3. 1970 Age Composition

McPherson is somewhat lower with 14.9 percent and Reno County is slightly higher than the average for Kansas with a percentage level of 12.6.

The number of elderly has been increasing faster than the national trend of increasing elderly. There has been a general out-migration of people in the age groups from 0 through 54 and a general in-migration for those 55 and over for the years 1960-1970. More males than females are migrating out and more females than males are migrating in. McPherson County showed out-migration for males between 15 and 24, and females 15 through 29. The other migration rates were small positive ones with the elderly showing higher in migration rates. In Reno County the 1960-1970 period saw an out-migration of male and female groups 0 through 54 and up to 79 for males. The out-migration was particularly high for males 10 through 24 and for females 10 through 29. Rice County also showed out-migration of male and female groups 0 through 59 with high rates for both males and females 0-24. There was an in-migration of elderly.

The 1970 census reported that there were 35,093 all year housing units in the Mid-State Region. The four urban cities account for 56.9 percent of these units. Cities the size of 1,000 to 2,499 account for 9.0 percent while cities the size 500 to 999 account for 5.2 percent and under 500 make up 4.4 percent. The rural non-farm areas account for 12.8 percent of the region's housing and the rural farm makes up 11.7 percent.

The distribution of housing varies from the distribution of population. This is particularly true in regard to the smaller two categories of cities and the rural areas. The rural areas tend to have a

larger number of persons per housing unit and this helps explain there being a smaller percentage of housing units in these areas than the population percentages would indicate. The difference in the small cities is due to small population per housing unit and a higher average vacancy rate. The housing stock in the region has grown 13.8 percent since 1950. Most of this increase was during the ten-year period 1950-1960. The number of occupied housing units also increased but only by 10.6 percent. In comparison to the state, the growth of the region's housing stock has been below average. The state's total housing stock increased 26.2 percent on the period 1950-1970 and occupied housing increased 24.0 percent. The growth of the region's housing stock in comparison to the state is very similar to the growth of the region's population in comparison to the state. The growth rate of the region's housing is .2 percent behind the growth rate of the region's population. This difference means that for the housing to have kept up with the population, 60 housing units were needed that were not constructed. Table 3-3 shows the changes in the state and regional housing stock.

The census showed that there was a strong trend towards increased owner occupied housing. Table 3-4 shows this trend over the past 20 years plus the changes in vacancy rates, mobile homes, over-crowded homes, and those lacking plumbing. The region's housing is compared with the state's housing in Table 3-5. For the year 1970, the percentage of the region's housing that lacks plumbing or is over-crowded is less than for the state as a whole. The number of houses over 30 years of age is increasing, which indicates that new housing is not being

Table 3-3

Change in the State and Regional Housing Stock
1950-1970

	1950 Number	1960 Number	1950-60 Percent Change	1970 Number	1960-70 Percent Change	1950-70 Percent Change
The Region						
Total Units	30,862	33,630	+ 9.0	35,119	+ 4.4	+13.8
Occupied Units	29,295	30,984	+ 5.8	32,399	+ 4.6	+10.6
The State						
Total Units	625,148	740,335	+18.4	789,196	+ 6.6	+26.2
Occupied Units	586,650	672,899	+14.7	727,364	+ 8.1	+24.0

Source: MSRPC Proposed Regional Housing Plan, 1976

Table 3-4

Regional Summary of Housing Characteristics
1950-1970

	1950		1960		1970	
	Number	Percent	Number	Percent	Number	Percent
Total Units*	30,862		33,630		35,119	
Occupied Units	29,295		30,984		32,399	
Owner Occupied	18,581	60.2	21,232	63.1	23,374	66.5
Renter Occupied	10,714	34.7	9,752	29.0	9,025	25.7
Available Vacant	556	1.8	1,103	3.3	1,504	4.3
Other Vacant	797	2.6	1,151	3.4	1,190	3.4
Lacking Some or All Plumbing	10,645	34.5	4,722	14.0	1,468	4.2
Overcrowded	3,556	12.1	2,432	7.8	1,541	4.8
Mobile Homes	249	.8	348	1.0	952	2.7
Units Over 30 Years Old	16,625	55.3	20,051	59.6	21,287	60.6

Source: MSRPC Proposed Regional Housing Plan, 1976

* The category total units differs from the category all year round housing that is used in most of the more detailed 1970 housing characteristics tables used in this report. This category includes seasonal and migratory housing units.

Table 3-5

Region-State Comparison of Housing Characteristics
1950-1970

	1950 Percent		1960 Percent		1970 Percent	
	Region	State	Region	State	Region	State
Owner Occupied	60.2	60.0	63.1	62.6	66.5	63.7
Renter Occupied	34.7	33.8	29.0	28.3	25.7	28.5
Available Vacant	1.8	1.9	3.3	4.0	4.3	3.9
Other Vacant	2.6	3.5	3.4	3.8	3.4	3.7
Lacking Some or All Plumbing	34.5	39.9	14.0	17.5	4.2	5.6
Overcrowded	12.1	11.4	7.8	9.4	4.8	5.9
Mobile Homes	.8	.9	1.0	1.6	2.7	3.1
Units Over 30 Years Old	55.3	57.2	59.6	55.3	60.6	50.0

Source: MSRPC Proposed Regional Housing Plan, 1976

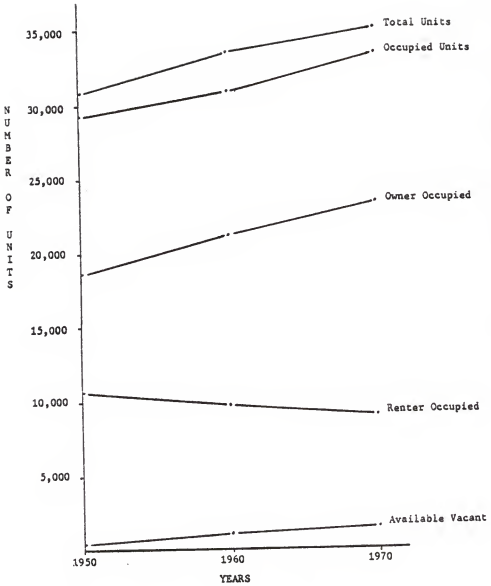
built at the same rate in the region as it is in the state. This is shown graphically in Figures 3-4 and 3-5.

From these figures and tables, it may be assumed that when this information was collected, there was no extreme housing shortage in this area. It should be noted, however, that even a vacancy rate of 4.3 percent is low to moderate and may not mean that the vacant housing available is of the same type as the housing demanded.

As a response to the high percentage of elderly in the region and the shift from nursing home care to apartments for the elderly, several elderly housing projects have been built in the region. Most of these are relatively new, the oldest being the complex located in South Hutchinson built about 1972. Some of these housing projects are a mix of elderly and families, some having income ceilings while others take a mixture of subsidized and non-subsidized tenants. The following table shows the housing projects, approximate size and type of the funding or sponsoring agency. The number of units in some cases includes family units as well as elderly.

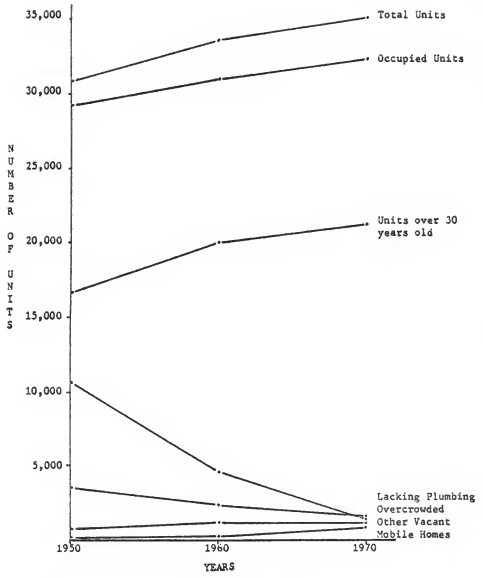
South Hutchinson	100	local public housing authority
Lindsborg	35	local public housing authority
Lyons	76	local public housing authority
Moundridge	40	local public housing authority
Sterling	25	local public housing authority
Canton	8	limited profit FmHA 515
Lakeside Plaze (McPherson)	60	local non-profit--Chamber of Comm.
Northgate Manor (McPherson)	61	limited profit--private
Pretty Prairie		236 project

The first eight housing projects participated in this study. Pretty Prairie could not be contacted by phone and did not respond to



Source: MSRPC Proposed Regional Housing Plan, 1976

Figure 3-4. Summary of Regional Housing Characteristics Part I 1950-1970



Source: MSRPC Proposed Regional Housing Plan, 1976

Figure 3-5. Summary of Regional Housing Characteristics Part 2 1950-1970

a letter. The locations of the eight projects studied are shown on the Figure 3-6.

The elderly housing projects were used in this study as the entry level housing introduced into the housing supply. Housing projects were selected rather than nursing homes for two reasons. Nursing homes are not really housing in the individual sense and thus could not be said to start the chain. The projects that were studied were all fairly new but nursing homes have been in general existence for considerably longer and to use them as a basis for housing vacancy creation would have posed problems. Persons could conceivably have lived in nursing homes for ten or more years and the information on their past addresses would be far from current. Because of the relative newness of the elderly housing projects in the region, the information obtained from the residents is generally more current and so is more useful in trying to get a view of the effect of the housing projects on the local housing market.

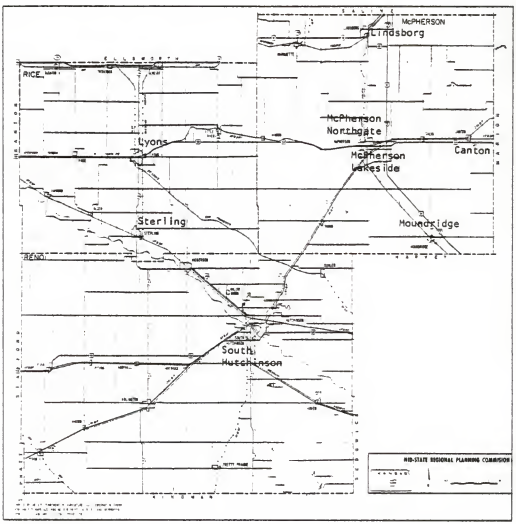


Figure 3-6. Locations of the Elderly Housing Projects Studied

CHAPTER IV

SURVEY CONSTRUCTION AND METHODOLOGY

The success of this housing turnover study depended initially on the cooperation of the elderly housing projects. The managers of the elderly housing projects were contacted in June to determine whether they would be willing to cooperate with the Mid-State Regional Planning Commission in the project. Of the nine elderly housing projects in the three-county region, seven responded favorably.

The initial response from some of the housing projects was some concern that interviewers would be "wandering around and bothering the residents." The general reactions were that personal interviews with the residents would not be satisfactory. Because of these expressed concerns and the time constraints on the project itself, a short one-page survey instrument was given to the managers to be passed out to the residents of the elderly housing project. This short questionnaire, along with the explanatory paragraph, is shown in Appendix I.

The two housing projects that initially did not participate were the Moundridge project and the Pretty Prairie project. Moundridge indicated that they did not wish to participate and Pretty Prairie did not respond to the letter and could not be contacted by phone. Later in the course of the study (late August), surveys were taken to Moundridge and given to the housing director there. Evidently their refusal was due to some misunderstanding of the study because 35 questionnaires

were returned out of the 40 total. This return is at least as high as the average of the projects that agreed to participate initially.

The assistance from the managers in getting the questionnaire distributed to the residents, filled out, and returned varied between the projects. One of the project managers filled out the surveys himself, from files of the residents' previous addresses. One manager labeled each survey with the apartment number and name of each resident and kept track of the questionnaires to determine which residents had not returned the surveys. This resulted in a return of 100 percent. Other project managers put the surveys in the residents' mail boxes and provided a collection box in the office, which resulted in somewhat lower return rates.

The questionnaire distributed to the elderly was kept as simple as possible. The ideas for the questions 2 and 3 were taken from the book New Housing and Poor People by Jon Lansing. These questions were designed to attempt to cover most possible answers. The first answer possible in question 3 gave some problems--yes, (Do you know their name). The intent was that if the interviewee knew the name of the person who had moved into his previous house, he would put this name in that space. Many people did not know the name of the person who moved in, several responded in this blank "yes," indicating either that they felt that it was none of anyone's business or that they didn't understand the intent of the question. There did not seem to be any major problems with the categories for type of dwelling or for why the dwelling is not being lived in now. Question 5 regarding the age of the

previous home yielded some interesting results, but the answers were probably not accurate in many cases. Generally the residents indicated a span, or gave an answer amended with "approximately" or "at least." Gathering addresses proved to be somewhat of a problem in itself. The manager of the South Hutchinson project mentioned that the residents ranged in age up to 87 and some of them had lived in the project for as long as seven years. These factors may have been part of the reason that many of the elderly residents gave rather vague addresses such as street corners or street names with no number. Some of the respondents who indicated they were from some of the smaller towns did not give a street name or street address. If they also were unable to supply the name of the person who had moved into their previous home, it was not possible to continue the chain any further.

Some small communities in the region did not have door to door mail delivery. Canton, Moundridge and Marquette are examples. If the previous address was in one of these communities, it was much more difficult to follow the chain of names. The post office assigns post office boxes to persons rather than to addresses or houses (as is the case in some rural areas). This means that without the name of the person, a letter will not be delivered, because the box number generally will not correspond to a specific house in town but could be anyone. For this reason, addresses given with a box number and no name or street address in towns with no walking postman could not be followed up.

A second questionnaire was constructed for the follow-up of further links in the chain. This questionnaire was sent with a cover letter, written on Mid-State Regional Planning letterhead. This was designed to do two things: explain the study and ask for the recipient's cooperation. The phone number and address of the commission's office were given in case anyone needed to contact the office about any questions they might have had with the questionnaire.

The envelopes were addressed to "Resident" or if a name was known, to that person or "the family living at" that address. This was done to discourage forwarding by the post office. After the first set of questionnaires were mailed out, subsequent ones were also labeled "do not forward." This was done because the information was needed for a particular dwelling as opposed to the family who had lived there at one time but was not living there now.

The questions on the follow-up questionnaire were designed to be brief yet to provide enough information to determine who had moved into housing vacated by the elderly now in the housing projects. Rental versus owner occupied was compared with satisfaction. Income was asked to get an idea of the income range of persons the housing that had been opened by the construction of elderly housing. Number of children and age of head of household were asked to show what kind of family was taking advantage of the housing introduced into the local housing market. Many of these questions were suggested by the extensive surveys done by John Lansing and documented in the book New Homes and Poor People.[1]

The follow-up surveys were done by mail. The time limits for the project and the lack of staff available were only two constraints. The

population was large enough that a sample could have been taken, but because much of the housing was older, this alternative was rejected. Due to the age of some of the housing, it was assumed that a major proportion might not be in use now. It was hoped that by mailing surveys out to all the complete addresses, the units that were now vacant could be pinpointed.

Each survey was coded to respond to a housing chain started by an elderly person moving into one of the housing projects. The first mailing of 175 was numbered on the front of the questionnaire sheet. After about one month had passed, fifty of the addresses that had not been heard from had surveys mailed to them a second time. Enclosed was a reminder notice and a second request to fill out and return the questionnaire plus another copy of the questionnaire itself and the cover letter. This time the questionnaire was coded so only the researchers could determine the number of the chain. A stamped, self-addressed envelope was enclosed with each questionnaire, because it was assumed that no one would return the survey if they had to locate an envelope, let alone provide their own stamp.

As each completed questionnaire was returned, it was subjected to analysis. In some cases the housing chain begun by the elderly moving into the elderly housing ended after someone moved into the vacated home. A chain was considered ended if the person who moved into the unit had not left an empty housing unit when they had moved from their previous home. An example of this is someone who lived with their parents, in their parents' home, most recently before they moved into the

unit they are now living in. If the person moved into the unit in question from outside of the three county region, the chain was also considered ended for purposes of this study.

There were some other reasons that some of the housing chains were effectively terminated. Some of the questionnaires were returned by the post office marked "vacant," "empty house," "undeliverable as addressed," or "no such address." Some of the completed questionnaires that were returned had addresses that were incomplete. These chains were effectively terminated. If the addresses supplied had been complete, these vacancy chains might have continued for several more moves.

The data gathered can generally be divided into two main sections. The first section is the data gathered from the elderly about their previous homes and where they lived before they moved into the housing projects. The second section is the data collected by following the housing chains out. The next section will show and analyze the results of both sections.

Footnotes

[1]John B. Lansing, Charles Wade Clifton, and James N. Morgan, New Homes and Poor People (Ann Arbor, Michigan: Institute for Social Research, 1969).

CHAPTER V

SURVEY RESULTS AND ANALYSIS

The questionnaires returned by the elderly were divided into two groups. The persons who had moved into the region from outside the three-county area make up one group. The housing chains created by this group were considered terminated for the purpose of this study. The second group was composed of the persons who had moved into the elderly housing projects directly from homes inside the three-county region.

A total of 296 questionnaires were returned representing a 73 percent return. Two hundred and forty-two of these questionnaires were from persons who were originally from within the region. This is 82 percent of those returned. A list of all the locations of previous homes may be found in Appendix III and IV.

Table 5-1 shows the number of responses from each elderly housing project. This table shows the actual number and the percentage of persons in each housing project who were from the region, county, and the city where the project is located. The greatest effect on the housing market in all cases is local in nature. The Lyons project has the lowest percentage of persons previously from that city, 50 percent of the occupants. The percentage of persons living in the South Hutchinson project but who are from Hutchinson is shown, along with the percentage of persons from South Hutchinson. These are two separate incorporated

Table 5-1

Location of Previous Homes of Elderly Residents

Project	Total	In Region	%	In County	%	In City	%
Canton	8	8	100.0	8	100.0	8	100.0
Sterling	15	13	86.6	13	86.6	10	66.7
McPherson Lakeside	27	21	77.7	21	77.7	19	70.3
Lindsborg	28	19	67.9	17	60.7	15	53.6
Moundridge	35	30	85.7	30	85.7	21	60.0
McPherson Northgate	58	50	86.2	47	81.0	37	63.8
Lyons	60	46	76.6	43	71.6	30	50.0
South Hutchinson	65	55	84.6	52	80.0	6	9.2
(Hutchinson)						(43)	(66.1)

cities, but they are immediately adjacent to each other. The project in South Hutchinson is quite large for the size of that city and was most likely intended to help serve the needs of Hutchinson as well. This is why the number and percentage of persons living in this project who are from Hutchinson are shown.

The percentage of elderly who now live in elderly housing projects that live in the same county and/or city as their previous homes is high, in all cases 50 percent and in most cases higher. This seems to indicate that in-migration due to the construction of these elderly housing projects is not a large factor. The projects seem to be filling a need within this geographical area.

Table 5-2 shows the number of each different type of housing unit formerly occupied by the present residents of the elderly housing projects. This table includes only those previously occupied units that were located within the region. The major concern in this study is the number and type of units placed on the housing market in this three county area. In all cases, from each project, the largest category was single family homes, 60 percent of total. The second largest category was the 2 to 4 family units, 18 percent of total. These were usually either duplexes or houses that had been broken into apartments. Most of the apartments in regular apartment buildings that the persons from the South Hutchinson project formerly lived in were located in Hutchinson. It was indicated that the mobile homes were rather advanced in age, so the possibility of these homes continuing to be in use is small. Two of the respondents indicated that their mobile homes had been torn

Table 5-2

Type of Housing Units Formerly Occupied by Project Residents

City	Single Family	2-4 Family	Apt.	Mobile Home	Lived with Member of Family	Other Retirement Home	Other	Total Units In region
Canton	8							8
Sterling	10	3						13
McPherson Lakeside	15	5		1				21
Lindsborg	16	2	1					19
Moundridge	18	6	1	1	4			30
McPherson Northgate	25	8	9	3	2	2	1	50
Lyons	33	3	4	1	2	1	2	46
So. Hutchinson	21	17	11	2	3	1		55
Totals (in region)	146	44	26	8	11	4	3	242
% (in region)	60%	18%	11%	3%	5%	2%	1%	100%

down or for some other reason were not being lived in now. At least three of the single family homes had been torn down also. The persons who had lived with another member of their family usually had lived with their children.

The elderly residents were asked if they had owned or rented their previous homes. The results of this question were not what had been expected. The percentage of former units rented exceeded the percentage of former units owned in four of the eight projects. The percentage of rented versus owned is almost 50-50 for the total project group. The question of rented versus owned could only be applied to single family units, 2 to 4 family units, apartments, and mobile homes. The percentage of single family homes owned exceeded those rented, but was only 58 percent of the total. Mobile homes were also owned at a higher rate than they were rented, but the number of mobile homes is very small (3 percent) compared to the total number of units. Table 5-3 shows this breakdown.

It was found that there was a relationship between the size of the city where the project was located and the percentage of those who rented their previous homes. Since at least 50 percent of the residents in each project were from the city where the project was located, the city itself may have influenced whether the resident owned or rented their previous home. It was determined that there was a direct relationship between city size and the percentage of renters. Table 5-4 shows this direct relationship between city size and the percentage of renters. The city of Hutchinson was considered to be the location of the South Hutchinson project.

Table 5-3

Rental vs. Owner Occupied by Housing Unit Type and by Project

City	Single Family		2-4 Family		Apt.		Mobile Homes		Total		%	
	Own	Rent	Own	Rent	Own	Rent	Own	Rent	Own	Rent	Own	Rent
Canton	6	2							6	2	75	25
Sterling	6	4	0	3					6	7	46	54
McPherson Lakeside	6	9	0	3			1		7	12	37	63
Lindsborg	8	8	0	2	0	1			8	11	42	58
Moundridge	17	1	6	0	0	1	1	0	24	2	92	8
McPherson Northgate	12	13	0	8	0	9	3	0	15	30	33	67
Lyons	17	16	3	0	3	1	1	0	24	17	59	41
So. Hutchinson	13	8	6	11	0	11	1	1	20	31	39	61
Total	85	61	15	27	3	23	7	1	110	112	49.5	50.5
%	38	27	7	12	1	10	3	.5	49.5	50.5		

Table 5-4

Previous Tenure of Project Residents by City Size

City Size	Cities	Total % of Units Rented	Total % of Units Owned
5,000 & over	Hutchinson (South Hutchinson) McPherson	64	36
2,000 to 5,000	Lyons Lindsborg Sterling	48	52
Under 2,000	Moundridge Canton	12	88

The 242 questionnaires that were returned by persons previously from within the region were looked at closely, in an attempt to determine which ones had complete addresses. From this total one hundred seventy-five questionnaires were selected to follow-up on. Twenty-four of these follow-up questionnaires were either undeliverable or the address did not exist. These made up 14 percent of the total which were not delivered due to the address being unknown or otherwise incomplete. Eighteen of the questionnaires were returned immediately by the post office because the house at that address was vacant. The vacant units ended the chain after the first move and constituted ten percent of the total. This is a skewed figure because the rate of return in this category is probably higher than the return would be for units that were not vacant. Two units were converted to nonhousing use. Five chains were ended because the elderly person had lived in someone else's home. These seven chains that also ended after the elderly person moved out constitute four percent of the total sample taken. Fourteen percent of the housing turnover chains generated by an elderly person moving into an elderly housing project ended before they could generate a second move.

There was a high percentage (41 percent) of housing chains in which the questionnaire was never returned. Much of the survey failure in these cases was due to the method of data collection. Mail generally has a low response rate. About six weeks after the first round of surveys had been mailed out, one-half of those from which there had been no response were re-sent. A reminder notice was included with the questionnaires that were sent a second time. This notice asked the recipients to please return the questionnaire and re-emphasized the confiden-

tiality of the information. There was no response from seventy-one of the surveys. Two questionnaires were returned uncompleted, with angry notes. Both of these respondents said it was "none of your business."

When the completed questionnaires were returned the address given by the household responding was used to further follow up on the housing chain. A copy of the questionnaire was sent to this address, if the previous address given was within the region and there was no other reason that would end the housing turnover chain. This process of sending questionnaires to each successive address would continue until the chain was terminated or until it moved out of the region.

There were fifty-five questionnaires returned at the second link of the housing chain. Some of these ended with this link, for example, those which were from persons from outside the region. Others were longer, including one chain that was at least five moves long. The fifty-five chains that were at least two moves long were added to the eighteen chains that had ended after the first move by a vacant unit, the five where a member of the elderly person's family still lived there, and the two units that were converted to nonhousing use. There were a total of eighty housing chains that were considered.

The length of each chain is determined by the number of households that were able to move from one housing unit to another due to the construction of the elderly housing. Each chain is at least one link or move long, just by the movement of the elderly person from his or her previous home into the housing project. If someone moved into the vacated housing unit, the chain is now two moves or links long.

There were twenty-five chains that were only one move long. Most of these were terminated because the unit the elderly person moved out of was vacant or not used for housing. The length of the chains and the reason for each chain's termination is shown in Table 5-5. There were twenty-one chains that were only two moves long. The elderly person who moved into the housing unit in the elderly housing project had started a chain that enabled at least one family to move. These moves were either by some moving from another unit in the region or by someone from outside of the region moving into it. Twelve of these 21 moves were due to someone moving into the region from outside of it. Five of the moves were made by persons who did not leave an empty housing unit of their own. These moves were either new household formations or cases where family members or roommates still lived in the previous home. Those chains in which no housing unit was left vacant totaled 24 percent of the chains two moves long.

There is only one case where someone moved into the region from outside of it at the third move of the chain. If it is assumed that the persons moving into the region are also trying to upgrade their housing as well as relocate in the region, this may mean one of two things. The housing available in the third link of the chain may not be of a very high quality, thus it may not attract persons from outside of the area. Also the persons moving into the region may be attracted by good jobs and due to that they may be able to afford better quality housing than the housing that has filtered down to this third link. This may partially explain why most of the chains that ended because persons from outside the region moved in did so after two moves.

Table 5-5

Length of Housing Turnover Chain and Reason for Termination

Reason for Chain Ending	Length of Chain: Only 1 move long	2 moves long	3 moves long	4 or more moves long
New household formation or family member living there still	5	5	1	
Moved in from outside of the region		13	1	
Former home is vacant or non-housing use	20	2		
No address or incomplete address given on returned questionnaire		1	6	1
No response to follow-up questionnaire			20	5

Total chains: 80

The majority, 71 percent, of the chains three moves long are in limbo. They are waiting for further links in the chains that have been mailed out, but not returned. Generally this is because the address is a rural route or a very small town and the name of the person who moved in is not known. Eleven percent of the housing chains were four or more moves long.

The elderly housing generated eighty housing chains that were studied in this project. These chains represent opportunities for 175 households to change dwelling units. Ninety-five of these moves are by persons other than the elderly moving into the elderly housing projects. The average length of housing chains generated was 2.2 moves. This is the minimum length. As shown in Table 5-5, 31 percent of the chains were ended because there was no response to the questionnaire. In reality, these chains may continue for several more links which would increase the average length of the chains generated by the elderly housing.

The persons who answered the questionnaires tend to own their own homes rather than rent them, somewhat of a change from the profile of the elderly. Only 18 households, 29 percent, rent their present homes, while 44 or 71 percent own them. This information is broken down by income level in Table 5-6. The income distribution is fairly heavily distributed in the range of $5,001-13,000. Forty-two of the households (68 percent) responding fell into this middle income range.

The occupations of the persons responding to the questionnaire can be broken down into the following categories:

Table 5-6

Tenure by Income of Households in Second and Succeeding Links of Housing Chains

Income Level	Persons who rent their present home	Persons who own their present home
$5,000 and under	1	4
$5,000 to $9,000	6	17
$9,000 to $13,000	8	11
$13,000 to $17,000	2	4
Over $17,000	1	8

Total respondents: 62

Agricultural	4	5%
Mining	2	2%
Construction	9	10%
Manufacturing	8	9%
Transportation, communication	2	2%
Wholesale and retail sale	12	14%
Finance, insurance, banking	2	2%
Services	19	22%
Professional services	14	16%
Retired	14	16%
Disabled	1	1%
Welfare	1	1%

These persons were employed outside the home. In 20 households the wife was not employed. Forty-six of the households responding contained a married couple. There were forty children under 18 in the households. Compiling these figures, the average family size is 2.4 persons. The ages given for the heads of the household are as follows:

Under 25	11	18%
25-34	19	31%
35-44	7	11%
45-54	6	10%
55-64	5	8%
65-74	10	16%
75 and over	4	6%

Thirty households are headed by persons younger than 35 years of age. This indicates that the housing that is opened up by the construction of the elderly housing projects is affordable by persons in this age group. This may have positive effects on the region as a whole. The out-migration of persons in this age group is a problem that part of the region is experiencing. If there is housing available that is both affordable and desirable to this age group, some of the problems the region is experiencing may be alleviated and the rate of out-migration may be slowed.

Table 5-7 shows a comparison of the level of satisfaction comparing the type of structure of previous home to the type of structure of present home. Thirty-five, or 56 percent, of all the households responding indicated that they were more satisfied in their present home than they had been in their previous home. Persons responding that they did not like living where they presently were as well as their previous home only make up 19 percent of the sample.

A person's satisfaction with his present home compared to his previous one can be used as an indicator of whether he up-graded his housing by moving. As shown in Table 5-8, only 12 households, or 19 percent, of the respondents indicated that they did not like their present home as well as their previous home. Three persons from outside the region, out of a possible 14, were dissatisfied with their present home compared to their previous home. This is very close to being the proportionate share of the total respondents who were dissatisfied. The housing seems satisfactory for both the persons relocating within the region and for those from outside of the region. The households who rent their present homes are proportionately more dissatisfied than the persons who own their present homes. People generally find home ownership more rewarding and this sample tends to reinforce that.

One yardstick of whether someone has upgraded the quality of their housing is whether the new home is larger than the old home. A way of measuring this is to compare the number of rooms in the present home with the number of rooms in the previous home. Table 5-9 shows the number of rooms in the respondents' present home compared to the number of rooms in the previous home.

Table 5-7

Satisfaction of Residents and Comparing Types of Structures of Previous and Present Homes

Present Home	Previous Home: Single Family	2-4 Family	Apartment	Other
Single Family				
like it better	16	2	5	2
about the same	7	2		
not as well	7	1		
total	32	5	5	2
2-4 Family				
like it better	4	2	2	
about the same		2		
not as well	1	2		
total	5	6	2	
Apartment				
like it better	1		1	
about the same	2			
not as well	1			
total	4		1	

Table 5-8

Comparing Satisfaction with Present Home and Owning versus Renting
for Persons from Within the Region and Those from Outside of it

	Owned Previous Home				Rented Previous Home			
	In Region		Out of Region		In Region		Out of Region	
	Total	% of total # households	Total	% of total # households	Total	% of total # households	Total	% of total # households
Owned present home	19	31	3	5	19	31	5	8
Like it better	7	11	2	3	14	23	3	5
About the same	7	11	1	1.5	4	6	1	1.5
Not as well	3	5	-		1	1.5	1	1.5
Rented present home	3	5	-		9	15	6	10
Like it better	-		-		8	13	1	1.5
About the same	1	1.5	-		-		3	5
Not as well	2	3	-		1	1.5	2	3

Table 5-9

Number of Rooms in Previous Home Compared with Number in Present Home

Number of rooms in present home	Number of rooms in previous home					
	3 or less	4	5	6	7	8 or more
3 or less	1					2
4	2	7	5	2	2	4
5	2	2	8	3	3	1
6		3	4	3		
7		1	3	1	1	
8 or more				1	1	1

At first glance, the table shows no clear improvement. Twenty-one households moved into units that had the same number of rooms as their previous home. Twenty households increased the number of rooms in their homes when they moved and twenty-one households decreased the number of rooms. It should be taken into consideration that eleven of the 21 households that decreased the number of rooms also experienced a decrease in the number of occupants of the present unit as compared to the previous unit. In all cases this decrease was two or more persons. This was due to a variety of reasons. Some cases were where children were moving out of their parents' homes into homes of their own, parents who had their children move away and wished to live in a smaller unit, divorce had occurred and the household was split up. If the eleven households where there was a decrease in family size are subtracted from the households where the number of rooms decreased, only ten households are left in this category. This means that twice as many intact households were able to increase the number of rooms in their housing unit by moving as decreased the number of rooms.

Using the number of rooms as an indicator, 20 households were able to upgrade their housing by moving. Twenty-one households showed no appreciable change. Ten of 21 households decreased in the number of rooms when they moved. Eleven of the 21 households that decreased in size also indicated a decrease in number of persons.

CHAPTER VI

CONCLUSIONS

Some of the information gathered by this study is unique to this three-county region; however, parts of it can be applied to any moderately rural area. Housing for the elderly is being built in many communities. This study has measured some of the effects of several elderly housing projects on this one region. Housing turnover has been emphasized because it suggests the phenomena that occurs when any supply of new housing is introduced into a housing market.

The elderly housing projects generally benefitted the elderly within the region. Only eighteen percent of the elderly residents came from housing outside the region. Also important, the elderly housing was occupied by a majority of residents who originally lived in the city in which the project was located. This tends to reinforce the need for elderly housing projects because these projects, most of which are locally sponsored, are being mainly used by local persons, not by an influx of "outsiders."

There was a higher percentage of elderly persons who had rented their homes rather than owning them than was expected at the beginning of the study. The fact that such a major proportion of the units left by the elderly were rental may have an adverse effect on the market. Generally rental housing is held for investment purposes. The quality of rental property is often lower than the quality of owner occupied

property and the housing that is put on the market after the elderly move out of it may be of lower quality because so much of it becomes rental property.

The housing that the elderly move out of is generally old, averaging over 30 years old. This fact decreases the possibility of housing turnover. The housing is older to start with and possibly of lesser quality than new units being built. Persons of lower incomes should be able to afford such housing, but the housing they leave will most likely have even less market potential for housing turnover. Therefore, the housing turnover chain will be shorter and the multiplier effect less.

The housing the elderly vacate may also be less desirable because of its location. In this region, distances are not overwhelming. It is common for persons to live in one community and work in another. Even so, the majority of persons would rather live near where they work. This poses new problems for the housing that is available in Hutchinson and McPherson, but some of the housing in the smaller towns and the rural areas may be less appealing.

In this study, eighty housing chains were known to be created. These housing chains had an average length of 2.2 moves each. This means that 175 moves were generated in the region by the elderly projects. When the initial elderly are subtracted, this leaves 95 families that were able to relocate due to the construction of elderly housing projects. Only 55 of these families responded to the questionnaires. These chains may, therefore, average longer than 2.2 moves, but this is only speculation on the author's part.

Elderly housing projects on an organized basis can help the elderly maintain their self-esteem and their independence. They do have some implications for housing policy in that they free up used housing. This housing varies widely in quality and location. Certain factors will determine, to a degree, the effect on the local housing market. In an area where there is a lack of available housing, elderly housing may provide a welcome relief from a housing shortage. If the local housing market is saturated, this housing may stand empty for long periods of time, due again to its average age and probable lack of maintenance. Unless the local housing market is not meeting the demands of the housing seekers, the existing housing market should not suffer. If the housing provided locally is too expensive or not the right size or type or located in an undesirable area, the elderly housing may fill these needs and capture a good proportion of the market from the existing private real estate offering.

The purpose of elderly housing projects is not to create housing turnover opportunities but to provide an alternative housing choice for the elderly. Elderly housing should not be planned as a project that will result in the area residents upgrading their housing. This may happen to some degree, but the impact is small compared to the impact elderly housing has on its target population, the elderly. A new subdivision of high-priced houses will probably generate more impact by filtering or turnover on the housing market than will new elderly housing units. The benefits that accrue directly to the elderly are the most important results of elderly housing.

A summary of the problems encountered during the course of this project may be beneficial to others contemplating a similar study and help illuminate the results presented in this report. The best time to conduct a survey of this type of the residents of an elderly housing project appears to be immediately after they move into the project. This helps assure that they will be able to supply accurate information regarding their previous home and also reduces the possibilities that the person who is now living in the vacated unit was not the person to move in immediately after the elderly person moved out. On the other hand, it also may not give the housing chain sufficient time to be completely filtered down. In this study the housing projects have been in existence for varying lengths of time prior to the data collection, which reduced the accuracy and usefulness of the information received.

Some of the questions asked were apparently confusing, notably the question asked on both questionnaires about what has happened to your previous home. This question should have been broken into two questions, the second one asking for the name of the person who moved into their previous home. There was also a problem with the questions concerning the number of persons who lived in the unit and the number of rooms in the unit. A question about the square footage of the unit might have given better results. One question asked for the number of persons living there including yourself and the other for the number excluding bathrooms. This confused some respondents. A more careful wording of the request for the respondent's previous address might have improved the questionnaire results also by giving complete addresses.

The most severe drawback encountered was the shortness of the housing turnover chains. A housing chain that is at least three moves long would include the following: the elderly person moving into the elderly housing project, the person who had moved into the unit vacated by the elderly and who filled out the follow-up questionnaire, and the person who had moved into the second vacated unit as indicated by the completed questionnaire. The information supplied by the first household after the elderly person who moved includes information about themselves and both their present and previous housing unit. No information is available on the person who moved into the second housing unit that was vacated other than perhaps the person's name. A questionnaire was sent to this person but in most cases it was not returned. The problem comes back to the issue of mail questionnaires which are not particularly effective. The 31 percent return rate on the first round of follow-up questionnaires in this instance is fairly high. If there were more information available on how the third link in the chain was affected by the construction of the elderly housing project, the effect filtering plays in improving housing would perhaps be clearer.

Elderly housing projects indirectly introduce housing into the housing market, offering families additional choices of housing units. Since the choice is available it may result in the improvement of a household's housing status. The concept of improving housing is composed of many facets. It may mean a home with more room, one with less room, a better location, the opportunity to own a home rather than rent, or the opportunity to move into a higher quality home. The phenomena of filtering exists because there is a supply of used housing available

and a demand for it. In this case, only ten percent of the units that the elderly had vacated were vacant now. This indicates that filtering was working to the extent that there was demand for the majority of this housing.

Housing filtering will not, however, replace an aggressive housing policy. Housing needs do not depend on the supply of housing that exists in the market. The author feels that housing filtering or turnover can help supplement a housing policy based on new unit construction by offering additional choices within the housing supply. It can be a useful tool, but should not be relied on wholly to supply the necessary housing in an area.

Other approaches must supplement and complement the process of providing adequate housing for all income levels in a particular region. Location, as opposed to quantity, has been the best indicator of whether or not the existing housing stock is meeting the needs of the populace. A surplus of housing, located in the rural parts of the state or region will do little to satisfy the housing needs of the urban majority. Such a problem is pointed out in Kansas 2000.[1]

This study has tried to measure the direct benefits of providing new housing for the elderly population in the region studied, and the indirect benefits of this housing due to the resulting housing turnover. In view of the results obtained, the author makes the following recommendations:

1) It should be kept in mind that elderly housing projects serve elderly residents to the greatest extent (of all age groups) and should be built where elderly need is the greatest.

2) Any spillover benefits are secondary to the primary reason for construction of elderly housing projects and should not be relied on as justification for the housing projects.

3) Housing turnover will not occur unless the housing that the elderly move out of is both in good condition and in a desirable location.

4) The housing that is vacated by the elderly constitutes used housing and the utilization of this existing housing should be encouraged whenever possible especially due to economies of scale.

5) If this used housing is to be desirable, the region should place emphasis on housing maintenance especially in older areas of the larger cities.

6) The region may want to consider assisting in the remodeling and renovation of not only the used housing the elderly move out of, but also any available used housing.

7) Employment is necessary to attract persons into a region and should go hand in hand with any housing program, especially one that attempts to utilize existing housing.

Footnotes

[1]Division of State Planning and Research, Department of Administration, State of Kansas, Kansas 2000 (n.p., 1975).

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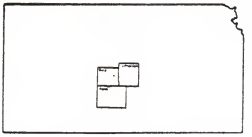
APPENDIX I

MID-STATE REGIONAL PLANNING COMMISSION



U. S. POST OFFICE BUILDING
ROOM 202

P. O. BOX 963
McPHERSON, KANSAS 67460

PHONE (316) 241-2771

KENNETH GLOVER
Executive Director

The Mid-State Regional Planning Commission is doing a study about what happens to the housing older persons move out of when they move into an elderly housing project. We have discussed this with your manager, _____, and we have decided that this information is needed for _____ County to plan for its future housing needs. Please answer the following questions about where you lived before you lived here and return this questionnaire to the manager as soon as possible. Thank you.

1. What was your street address before you moved here?

   Street/RR _____

   Box _____

   City _____

2. Was the place you lived before a

   _____ Single family house?
   _____ 2-4 family dwelling?
   _____ Apartment in an apartment building?
   _____ Another retirement or other home for older persons?
   _____ Lived with a member of my family in their home.
   _____ Other _____

3. Has someone moved into your previous house or apartment since you moved out?

   _____ Yes (Do you know their name?) _____
   _____ Don't know
   _____ No. Do you know why not?
   - _____ Home destroyed by fire or storm
   - _____ Home converted to non-housing use
   - _____ Home purposely torn down
   - _____ Your children or a relative still live there
   - _____ Home is temporarily vacant
   - _____ Other reason _____

4. Did you

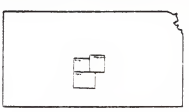
_____ Own your previous home?

_____ Rent your previous home?

5. How old was your previous home? _____

APPENDIX II

MID-STATE REGIONAL PLANNING COMMISSION



U.S. POST OFFICE BUILDING
ROOM 202

P.O. BOX 963
McPHERSON, KANSAS 67460

PHONE (316) 241 2771

KENNETH GLOVER
Executive Director

The Mid-State Regional Planning Commission is conducting a study of the effects of housing projects for the elderly on the housing supply in McPherson, Reno, and Rice Counties. We are trying to answer two questions:

1. What happens to housing units after people move out of them into projects for the elderly?

2. Who moved into the vacated housing units? Current local residents? Families from out side of the town? Families from out side the region?

By answering these questions, we will be able to give interested cities some idea of what the real impact of such a housing project will be. At present, many people have opinions on what happens, but no real facts.

We are requesting your participation in this study. As a first step in the study we surveyed the residents of projects for the elderly. From that survey we obtained your address. Please fill out and return this survey as soon as possible using the enclosed envelope.

The surveys will be used to identify the next "link" in the housing "chain", to determine what residents came directly from outside the city and/or region. We will follow the housing "chain" as far as we can in each case to determine the overall effect of the housing for the elderly on the community, the county, and the region.

We need your participation to get the best possible results from the study. If you have any questions about this study, please contact the Mid-State Regional Planning Commission offices.

Thank you for your cooperation.

Sincerely,

Debi Salberg

Debi Salberg
Research Assistant

PLEASE RETURN TO: MSRPC, P.O. BOX 963, MCPHERSON, KS. 67460

1. How long have you lived at this address? _____

2. Is this place a

   _____ single family house?
   _____ 2-4 family house?
   _____ an apartment in an apartment building?
   _____ other _____

3. Do you

   _____ rent this home?
   _____ own this home?

4. How many persons, including yourself, live in this house or apartment? _____

5. Not counting bathrooms, how many rooms does this house or apartment have? _____

6. Compared to where you lived before, how do you like living here?

   _____ like it better
   _____ about the same
   _____ don't like it as well

The following questions are about the place you lived in before moving here.

7. What was the complete address of the place you lived before you moved here? _____

8. Was your previous home a

   _____ single family house?
   _____ 2-4 family house?
   _____ an apartment in an apartment building?
   _____ other _____

9. How long did you live at your old house or apartment? _____ 0-5 yrs. _____ 6-10 yrs. _____ 11-15 yrs. _____ 16-20 yrs. _____ More than 20 yrs.

10. Approximately how old was your previous home? _____

11. Did you

    _____ rent your previous home? _____ own your previous home?

12. How many persons, including yourself, lived in your previous home?
_____

13. Not counting bathrooms, how many rooms did your previous home have?
_____

14. Has someone moved into your previous house or apartment since you moved?

_____ Yes (if so, do you know their names?) _____
_____ Don't know if anyone has moved in
_____ No. Do you know why not?

_____ Home destroyed by fire or storm
_____ Home converted to non-housing use
_____ Home purposely torn down
_____ Your roommate or members of your family still live there
_____ Home is temporarily vacant
_____ Other reason _____

15. If you have children, what are their ages? _____

16. What is your approximate family income? _____ under $5,000
_____ $5,001 _____ $9,000 _____ $9,001 _____ $13,000
_____ $13,001 _____ $17,000 _____ over $17,000

17. How old is the head of the household? _____

18. What is your occupation? _____

19. What is your spouse's occupation (if applicable)? _____

APPENDIX III

Location of previous homes outside of the Mid-State Region of elderly now living in elderly housing projects.

In State	
Wichita	6
Salina	4
Great Bend	2
Halstead	2
Caldwell	2
Augusta	
Assaria	
Durham	
Florence	
Hays	
Hesston	
Hillsboro	
Kingman	
LaCrosse	
Luray	
Lawrence	
Newton	
Oskaloosa	
New Cambria	
Pratt	
Smolan	
St. Lea	
Wilson	
Out of State	
Colorado	5
California	3
Iowa	2
Missouri	2
Nebraska	
Texas	

APPENDIX IV

Location of previous homes inside of the Mid-State Region of elderly now living in elderly housing projects.

McPherson County	
Canton	10
Galva	10
Inman	1
Lindsborg	15
Marquette	5
McPherson	60
Moundridge	22
Windom	3
	126

Reno County	
Buhler	1
Hutchinson	47
South Hutchinson	6
Sylvia	1
	55

Rice County	
Alden	1
Bushton	1
Chase	1
Geneseo	3
Little River	2
Lyons	35
Sterling	18
	61

THE EFFECT OF ELDERLY HOUSING ON THE HOUSING SUPPLY IN MCPHERSON, RENO, AND RICE COUNTIES, KANSAS

by

DEBORAH HOBBLE SALBERG

B. S., Kansas State University, 1976

AN ABSTRACT OF A MASTER'S THESIS

submitted in partial fulfillment of the

requirements for the degree

MASTER OF REGIONAL AND COMMUNITY PLANNING

Department of Regional and Community Planning

KANSAS STATE UNIVERSITY
Manhattan, Kansas

1979

The purpose of this thesis is to determine the effect of introducing a significant number of housing for the elderly on the total housing market of a geographical area. The Kansas counties of McPherson, Reno, and Rice, located in the central part of the state, were used as the study area. The elderly housing was in the form of apartment living. There were eight projects studied, ranging in size from eight units to nearly one hundred.

The phenomena of housing filtering was used to determine what spillover effects the housing units that the elderly moved out of had on the total housing supply. The attempt was made to follow the housing turnover chains until the chain either moved out of the region or for some other reason was terminated.

Two hundred ninety-six elderly housing units were studied. Two hundred forty-two of these or 82 percent were from within the region. Only 18 percent of the persons now living in the elderly housing projects were from outside of the region. The majority, 60 percent, of the persons from within the region had lived in single family homes. Eighteen percent had lived in 2-4 family dwellings and 11 percent had lived in apartments. The elderly persons who owned their previous homes only constituted 50 percent of the total.

One hundred seventy-five persons from within the region provided addresses that seemed complete enough to follow up with questionnaires to the persons now living there. Twenty-four of these questionnaires or 14 percent were either undeliverable or the addresses did not exist. Forty-one percent of the questionnaires had no response.

Eighteen questionnaires were returned by the post office marked "vacant" or "empty house." Two units were converted to non-housing use. Five chains were ended because the elderly had lived with someone in that person's home. This constitutes 14 percent of the total or 25 chains that were only one move long. Twenty-one chains were two moves long. Most of these ended because the person moving into the housing unit was from outside of the region. Twenty-eight chains were three moves long, and six were four moves long. Most of these longer chains ended because there was no response to the questionnaire sent to the last link of the chain. The average chain length was 2.2 moves long.

The persons who were affected by the elderly housing projects tended to be married couples, under 45, and having two incomes. Two-thirds owned their present home. Most respondents liked their present home better than their previous home.

Housing turnover was able to provide housing for 2.2 families per housing unit constructed in this case. The housing in question tended to be older, which may have been a determining factor in the length of the housing chain. The elderly housing projects benefited the area studied in two ways. It provided the elderly another choice beyond remaining in their old homes, moving into nursing care facilities, or sharing someone else's home. By placing the housing the elderly vacated on the housing market, other persons seeking housing are also offered a choice. They are not limited to the new housing offered by the private market. Housing filtering or turnover provides the choice of used housing, which generally is less expensive than new housing. It cannot replace an aggressive housing policy, but it can supplement it.