

Economic Stability: Housing

Henry County, Ohio

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Shelter is one of the bare necessities for human survival. It provides individuals security, personal safety, and protection from their local environment. The importance of housing in building a healthy and prosperous future is widely recognized. As Taylor (2018) succinctly states "housing stability, quality, safety, and affordability all affect health outcomes, as do physical and social characteristics of neighborhoods." Locally and globally, decent and affordable shelter is related to better opportunities for people of all ages. Unfortunately, the United States suffers from a shortage of affordable housing units, and as this brief will illustrate, so too does Henry County. Research from the National Low Income Housing Coalition (NLIHC) indicates that in Henry County an individual working minimum wage (\$8.80 an hour) would have to work 60 hours each week to afford a modest 1-bedroom rental home at Fair Market Rent. The hourly wage needed to afford a 2-bedroom residence at \$734 a month without utilities is \$14.12. Further, according to the Zillow Home Value Index, the current typical home value in Henry County is \$157,605. At current interest rates, and 5% down (\$7,880) a typical home purchased today would have a total monthly payment of \$978 (including taxes and fees).

Healthy People 2030 focuses on improving the health and safety of people in the places they live, work, and play. As such, one of the goals within the Economic Stability objective focuses on housing. An important step to understanding a community's current housing context is to undertake a housing needs assessment. The overarching goal of a housing needs assessment is to help a community focus on efforts to solve their most critical housing problems. The following brief is a subset of our local housing needs assessment and highlights homeownership, housing burden, housing availability and housing quality in Henry County, Ohio. When possible, within county variability is presented, as well as comparisons of Henry County to its neighbors, the state of Ohio, and the nation as a whole.

Homeownership

Key Points

- Henry County has a smaller share of rental properties compared to the U.S., Ohio, and many neighboring counties.
- Within Henry County, the share of rental properties differs by 20% - from only 11% in New Bavaria to 31% in Deshler.

Housing Tenure

Tenure is a term used by the U.S. Census Bureau to distinguish between owner-occupied and renter-occupied housing units. A unit is owner occupied if the owner (or co-owner) lives in the unit, even if it is mortgaged or not fully paid for. All other units are classified as "renter-occupied." These include units rented for cash rent and those occupied without payment of cash rent.

- In 2014 61% of housing units in Henry County were owner-occupied with the remaining 39% renter-occupied.
- Five years later, the share owner-occupied increased to more than three-fourths (77%).
- Within Henry County in 2019 the largest share of owner-occupied housing units was found in New Bavaria (89%) and the smallest share was found in Deshler (69%).
- On average, in 2019 66% of housing units in Ohio and 64% in the U.S. were owner-occupied.

Figure 1 Housing Tenure in Henry County, 2014 & 2019

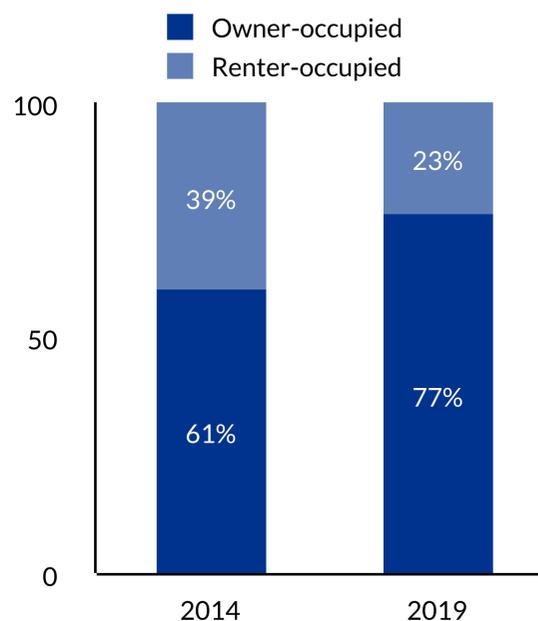
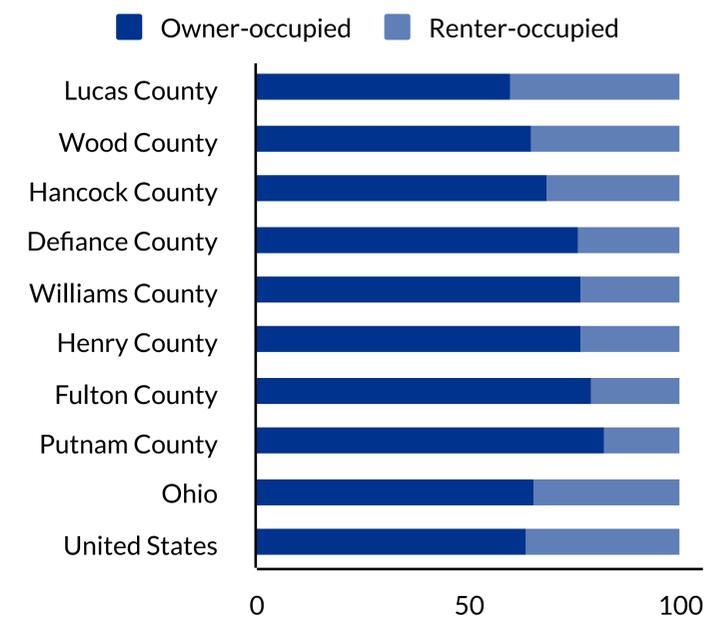
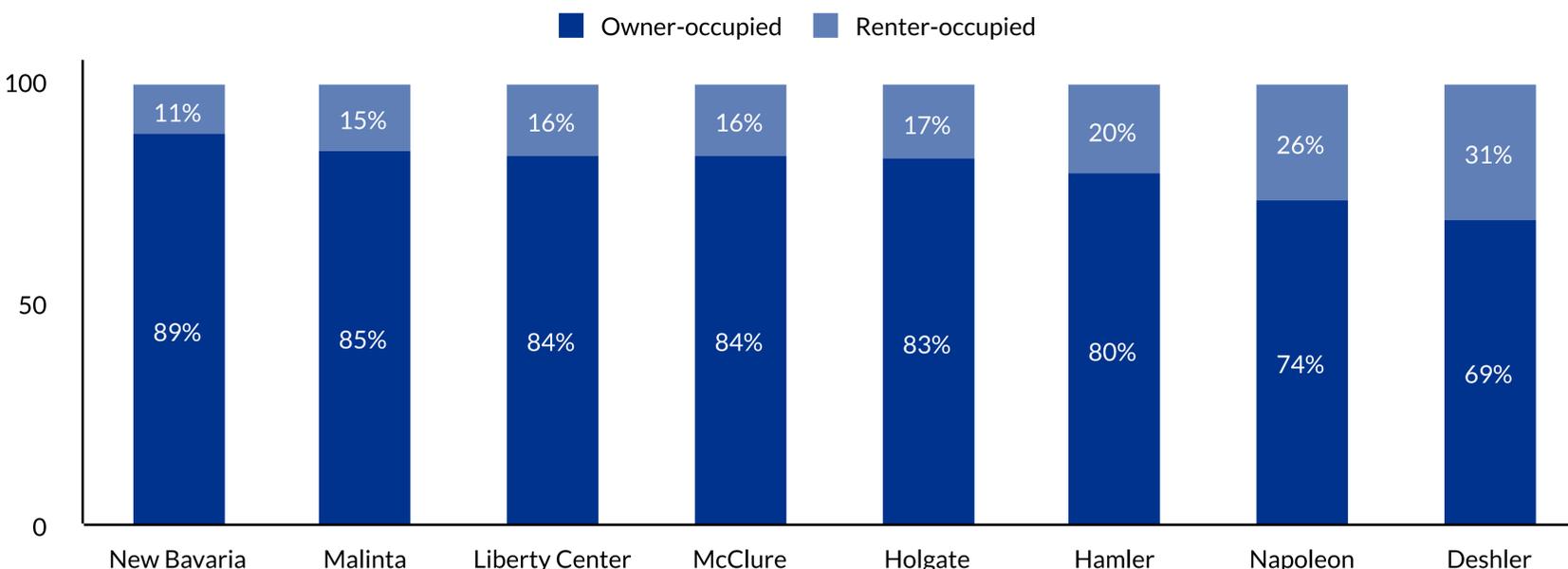


Figure 2 Housing Tenure in Henry County, its Neighbors, Ohio, and the Nation, 2019



Data Source: Table DP04, Selected Housing Characteristics, U.S. Census Bureau, ACS 2014 and 2019 5-year estimates

Figure 3 Housing Tenure in Henry County by Zip Code, 2019



Data Source: Table DP04, Selected Housing Characteristics, U.S. Census Bureau, ACS 2014 and 2019 5-year estimates

Housing Burden

Key Points

- Fewer Henry County residents experienced housing burden in 2019 compared to 2014.
- Despite the drop, 1,000 Henry County resident households experienced housing burden in 2019.
- White and Hispanic women aged 18-34 are over-represented among those facing the largest housing burden. The majority are working, but on average rely on a household income of \$500 to \$1,000 a month.

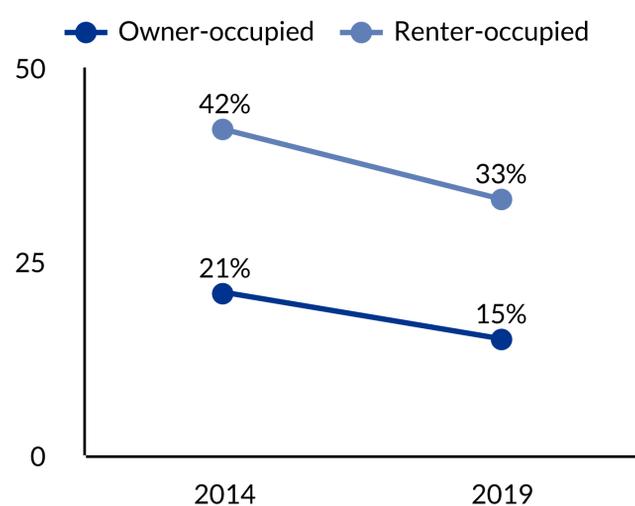
Affordable housing options significantly reduce the likelihood of individuals and families becoming homeless. Further, the availability of affordable housing enables individuals to exit homelessness more quickly (USICH, 2019). The United States Department of Housing and Urban Development (HUD) defines cost-burdened families as those "who pay more than 30 percent of their income for housing" and "may have difficulty affording necessities such as food, clothing, transportation, and medical care." Below, we investigate housing burden by housing tenure (owners versus renters) and household income. Severe housing burden is defined as those paying more than fifty percent of their income for housing.

Housing Burden by Housing Tenure

Housing burden was at least twice as prevalent among renter-occupied compared to owner-occupied housing units, regardless of time-point.

- In 2014 21% of owner-occupied and 42% of renter-occupied housing units in Henry County suffered from housing burden - more than 30% of their household income went towards housing.
- Five years later, the share was lower for both types of households, but the gap (difference between the two) widened, slightly. Among owner-occupied housing units 15% experienced burden compared to 33% of renter-occupied units.

Figure 4 Housing Burden of 30% or More Among Renter-occupied Housing Units and Housing Units with a Mortgage in Henry County by Zip Code, 2019



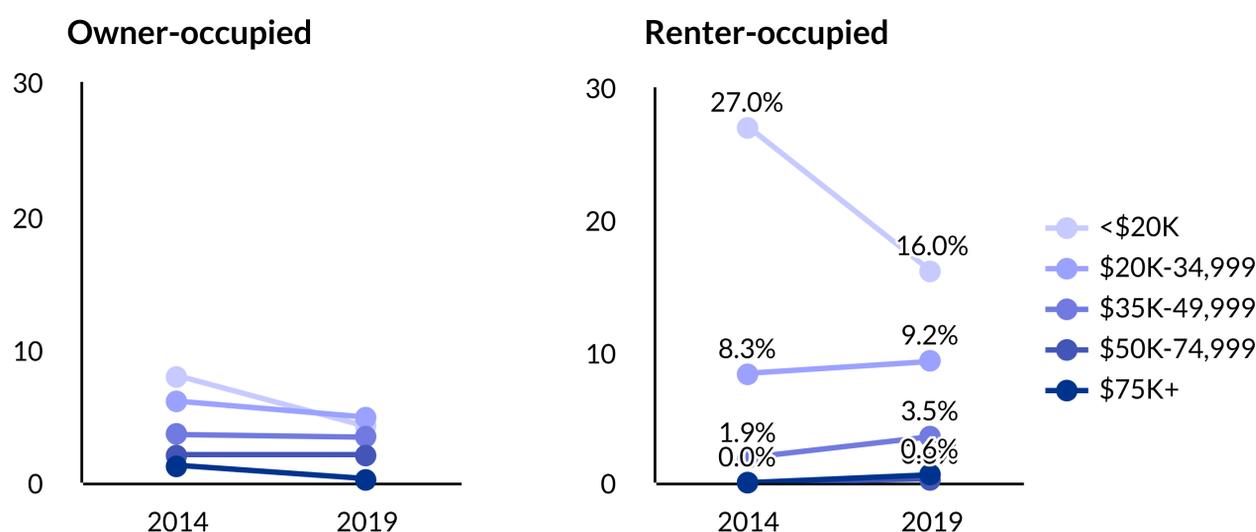
Data Source: Table DP04, *Selected Housing Characteristics*, U.S. Census Bureau, ACS 2014 & 2019 5-year estimates

Distribution of Income Among Households Experiencing Housing Burden by Housing Tenure

Housing burden is related to household income, regardless of tenure. A larger share of those with the smallest incomes experience housing burden, and as household income increases the share experiencing burden decreases.

- From 2014 to 2019 among owner-occupied housing units households earning less than \$35K and households earning \$75K or more a year both had reductions in the share experiencing a housing burden.
- Those earning between \$35K and \$74,999 a year had little-to-no-change.
- While Figure 4 provides evidence of a drop in the share of renter-occupied housing units experiencing housing burden, Figure 5 shows this drop was not distributed equally among all household income levels.
- Among renter-occupied housing units earning less than \$20K a year, the share who experienced housing burden dropped from 27% in 2014 to 16% in 2019.
- All other income groups show evidence of slight increases.

Figure 5 Housing Burden of 30% or More Among Owner- and Renter-occupied Housing Units by Household Income in the Past 12 Months in Henry County, 2014 & 2019



Data Source: Table S2503, *Financial Characteristics*, U.S. Census Bureau, ACS 2014 & 2019 5-year estimates

Housing Insecurity in Henry County, Ohio

In conjunction with Henry County Health Partners economic stability working group, partners were asked to complete an assessment of their clients. This assessment was to be completed for each of their clients who were homeless or in need of housing (due to unsatisfactory conditions) to better understand their specific characteristics and needs. The collection yielded responses regarding 35 clients and was completed during September of 2021.

Demographic Characteristics

- 80% of clients were young adults between the ages of 18 to 34.
- Three-quarters were women.
- All were White with one-quarter reporting Hispanic ethnicity.

Employment and Income

- 63% of clients lived in households with an earned income (from a job).
- Half earned between \$500 and \$1,000 a month and one-third earned less than \$500 a month.

Secure Housing Barriers

- When asked if certain conditions prevented them from holding a steady job 47% reported a functioning mental illness and 40% reported drug use.
- Regarding their ability to maintain secure housing 67% reported low income as a barrier.
- Nearly one-third (31%) reported currently fleeing or experiencing physical, emotional, or sexual abuse by a relative or other person such as a spouse, partner, brother, sister, or parent.

Vacancy Rates

Housing vacancy rates are used to determine the need for new housing programs and initiatives in specific geographic areas. The rental vacancy rate is a component of the index of leading economic indicators. It is used by the Federal Government and economic forecasters to gauge the current economic climate. Below we present rental and homeowner vacancy rates for Henry County, Ohio, and the U.S. in 2014 and 2019.

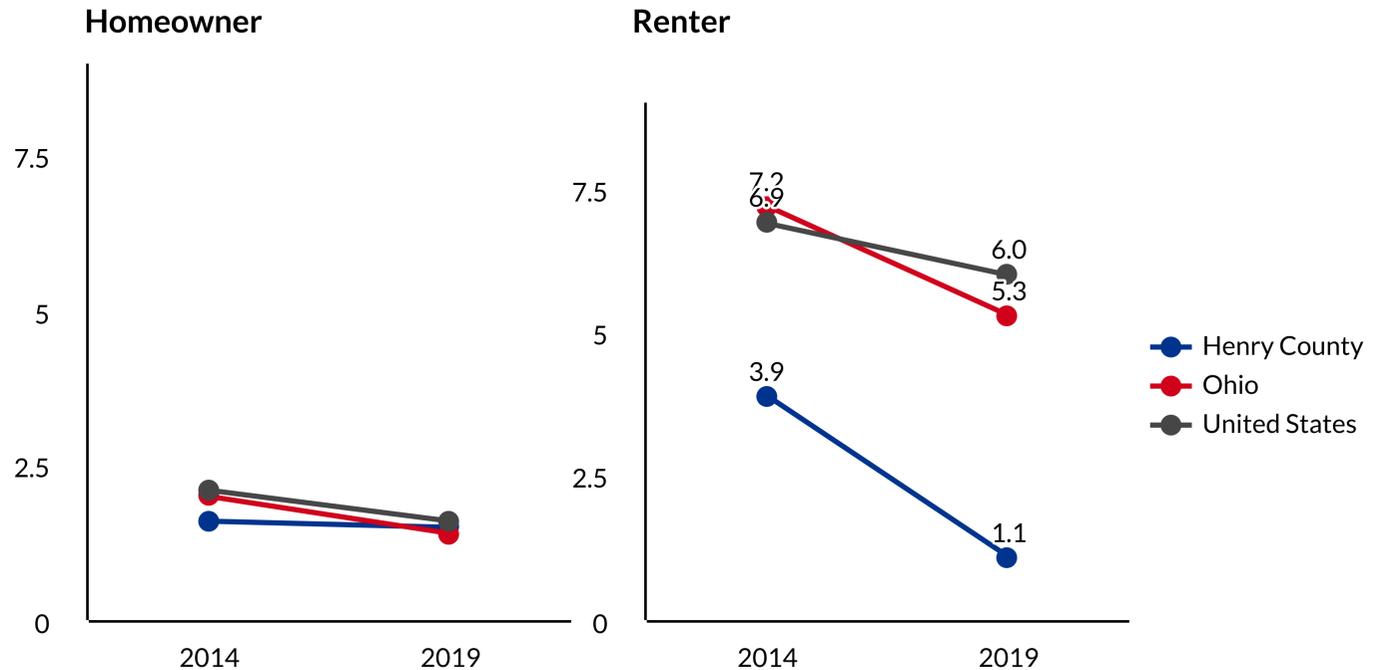
Key Points

- Owner-occupied housing vacancy has remained stable in Henry County.
- Henry County's renter-vacancy rate has dropped and is substantially lower than the state and nation.
- Henry County has a shortage of about 415 units for very- and extremely-low income renters.

Housing Vacancy Rates by Tenure

- The homeowner vacancy rate is relatively small in the U.S., Ohio, and Henry County and dropped slightly for each level of geography in the last five years.
- Henry County's rate in 2019 was 1.5 compared to 1.4 in Ohio and 1.6 for the entirety of the United States.
- Renter vacancy rates have also dropped since 2014, but more so than the homeowner rates.
- Henry County's drop was steeper than the state or nation, overall. It went from 3.9 in 2014 to only 1.1 in 2019.
- In contrast, in 2019, the renter vacancy rate for Ohio was 5.3 and for the U.S. was 6.0.

Figure 6 Homeowner and Renter Vacancy Rate for Henry County it's Neighbors, Ohio, and the United States, 2014 & 2019



Data Source: Table DP04, *Selected Housing Characteristics*, U.S. Census Bureau, ACS 2014 and 2019 5-year estimates

Affordability and Availability of Rental Housing

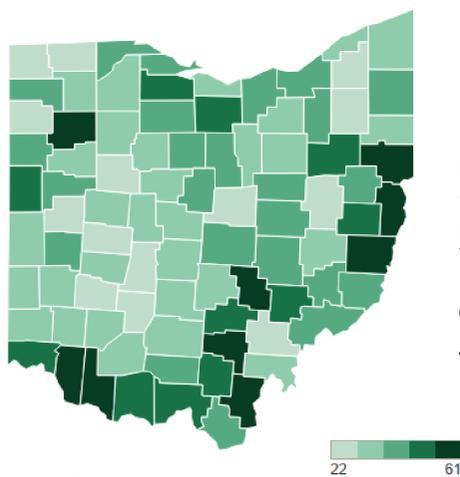
The Ohio Housing Finance Agency (OHFA) conducted an Ohio Housing Needs Assessment (HNA) as part of its annual plan. It did so to evaluate the state's current housing landscape to determine need, identify gaps, and highlight trends. To read the executive summary please follow this link:

<https://ohiohome.org/hna-20/executivesummary-hna.aspx>

Two ratios are used to estimate the affordability and availability of rental housing: the ratio for **extremely low-income renters** (ELI) and the ratio for **very low-income renters** (VLI). ELI households are those with income at or below the poverty threshold or 30% of the area median family income. VLI households are between ELI and 50% of the area median family income. Below we present county-level maps from the OHFA HNA for Ohio.

- Regarding ELI renters, the ratio for Henry County was 35 per 100 ELI renters. This translates to a county shortfall of 280 units. The ratio among ELI renters for the state of Ohio was higher than that of Henry County at 44 per 100 ELI renters.
- Regarding VLI renters, the ratio for Henry County was 84 per 100 VLI renters. This translates to a county shortfall of 135 units. This is slightly higher than the ratio for the entire state of Ohio which was 80 per 100 VLI renters.

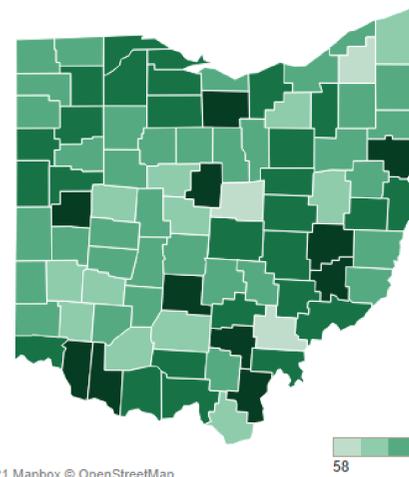
Figure 8 Affordable & Available Ratio for Extremely Low-Income (ELI) Renters by Ohio County, 2016.



Henry County:
35 per 100 ELI renters
Shortage of 280 units

Ohio:
44 per 100 ELI renters

Figure 7 Affordable & Available Ratio for Very Low-Income (VLI) Renters by Ohio County, 2016.



Henry County:
84 per 100 VLI renters
Shortage of 135 units

Ohio:
80 per 100 VLI renters

THE GAP

THE PROBLEM:
The U.S. has a shortage of **7 MILLION** rental homes affordable and available to extremely low income renter households.

THE SOLUTION: INCREASE CAPITAL INVESTMENTS & RENTAL ASSISTANCE PROGRAMS

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Data Source: IPUMS USA, University of Minnesota (based on 2014–2018 five-year estimates); 2012–2016 Comprehensive Housing Affordability Strategy (CHAS) data, Tables 14B and 15C; 2018 Income Limits, U.S. Department of Housing and Urban Development (HUD); The Gap: A Shortage of Affordable Homes, March 2020, National Low Income Housing Coalition (based on 2018 data). <https://ohiohome.org/research/rentalhousing-hna.aspx>

Housing Characteristics

Key Points

- Henry County has very little multi-unit housing.
- The housing in Henry County is old, regardless of structure type or whether owner- or renter-occupied.
- We know little about the *quality* of current housing.

Housing Structure Type

- In 2019 84% of housing units in Henry County were classified as 1-unit structures. Regarding 2-unit or more structures, they accounted for 10% of residences and 6% were classified as mobile homes.
- On average, in 2019 75% of housing units in Ohio and 69% in the U.S. were owner-occupied.

Figure 9 Housing Structure Type in Henry County, 2019

1-unit (84%) 2-or-more units (10%)
Mobile homes (6%)

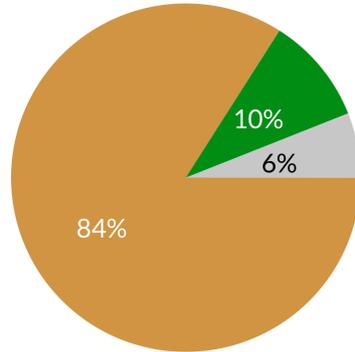
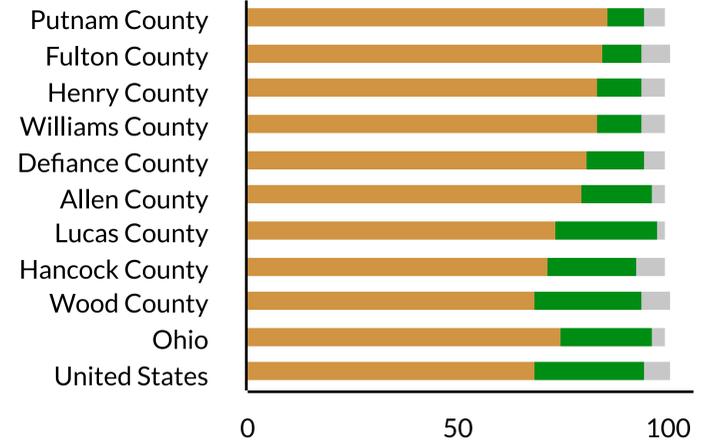


Figure 10 Housing Structure Type in Henry County, its Neighbors, Ohio, and the Nation, 2019

1-unit 2-or-more units Mobile homes



Data Source: Table DP04, Selected Housing Characteristics, U.S. Census Bureau, ACS 2014 and 2019 5-year estimates

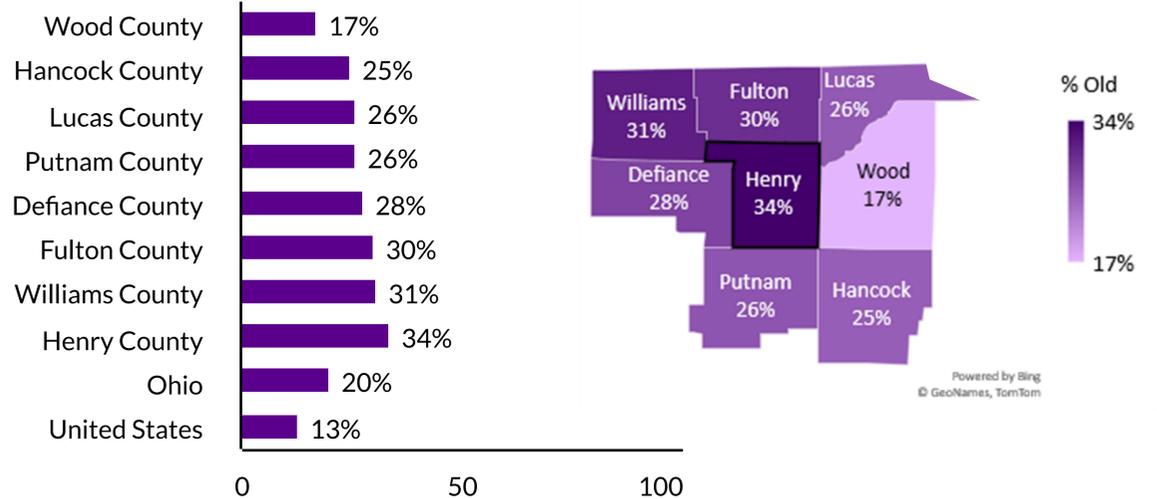
Year Housing Structures Were Built

A study conducted by researchers at Ohio State University in 2013 found that the most important predictor of elevated blood lead levels in Ohio children under the age of 6 was the share of homes in their area built before 1950. The earliest laws restricting the use of lead paint in housing in the United States were enacted in the 1950s. Further homes built before 1950 are more likely to have chipped paint or lead-contaminated dust, the presence of which increases the likelihood of ingestion by young children. While available data does not allow us to identify the share of homes in Henry County built prior to 1950, we are able to investigate the share built prior to 1940.

Practitioners in our area routinely test young children for abnormal lead levels. Data collected by the Henry County Health Department indicate Henry County does not have high rates of lead poisoning among resident children.

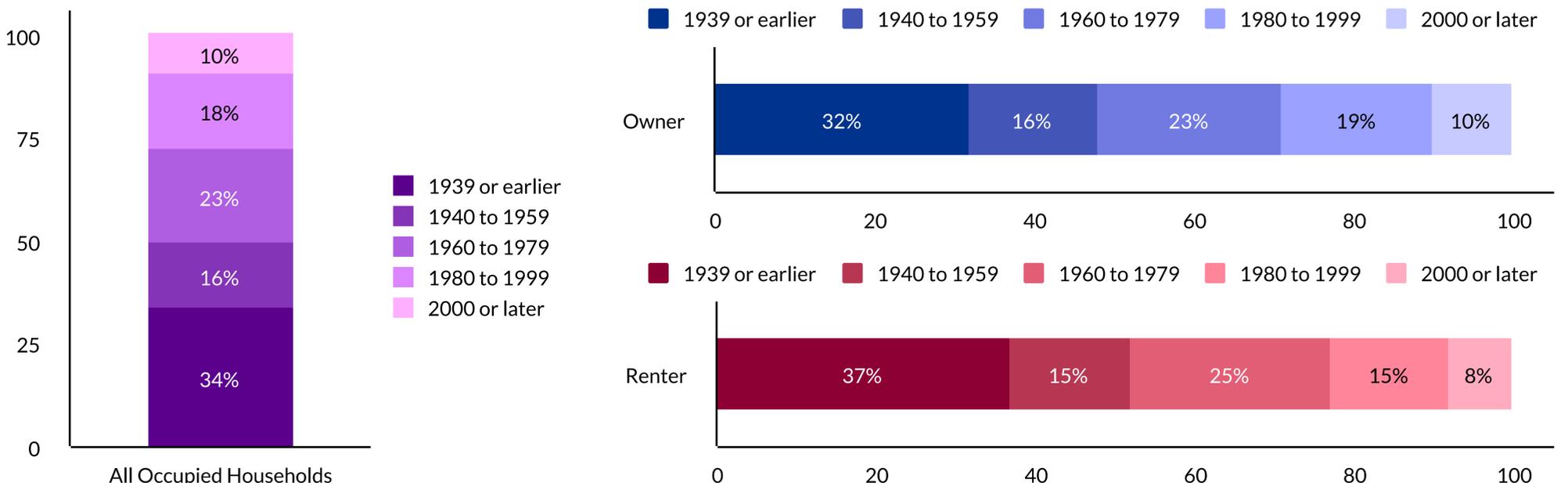
- The most recent data available for Henry County indicate 34% of housing units were built prior to 1940.
- For the state of Ohio, 20% of housing units pre-date 1940 and 13% in the U.S. do so as well.
- Not only does Henry County appear to have older homes, on average, compared to the state and U.S. overall, but it's homes appear to be older than those in neighboring counties as well.
- Differences in age of structure by tenure among Henry County housing units are small. Compared to owner-occupied housing units, those that are renter-occupied have a slightly larger share built before 1940 (32% vs. 37%, respectively).

Figure 11 Share of Occupied Housing Units Built Before 1940 for Henry County it's Neighbors, Ohio, and the United States, 2019



Data Source: Table S2504, Physical Housing Characteristics for Occupied Housing Units, U.S. Census Bureau, ACS 2019 5-year estimates

Figure 12 Years Occupied Housing Units Were Built by Tenure in Henry County Ohio, 2019



Data Source: Table S2504, Physical Housing Characteristics for Occupied Housing Units, U.S. Census Bureau, ACS 2019 5-year estimates

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