

FOR HOUSING AUTHORITY COMMISSION MEETING OF: MARCH 3, 2008

AGENDA ITEM NO. 2.3

TO: CHAIR AND HOUSING AUTHORITY COMMISSIONERS
THRU: *Linda Norris*
LINDA NORRIS, CITY MANAGER PRO TEM
FROM: *Barbara A. Roberts*
BARBARA A. ROBERTS, CPRP, DIRECTOR,
PARKS, RECREATION AND COMMUNITY SERVICES
SUBJECT: ANNUAL CLIENT INCOME CHARACTERISTICS

ISSUE

Information is presented on the income characteristics of client households participating in rental assistance programs at the end of calendar 2007.

RECOMMENDATION

No action is requested.

BACKGROUND

The Authority examines client characteristics as of the close of each calendar year to better understand the community's current and future low-income housing needs. The far right column of each table reflects statistics for the 3,306 households who lived in authority-owned housing or received a rent subsidy while residing in private market housing as of December 31, 2007. As available, comparison statistics from the year ending 2006 and the year ending 2002 (five years prior to 2007) are displayed.

FACTS AND FINDINGS

TABLE 1 – FAMILY TYPE

Family Type	Year End 2002	Year End 2006	Year End 2007
Elderly Head of Household	19.0%	20.0%	21.8%
Disabled Head of Household	31.5%	29.7%	32.7%
Family (non elderly/disabled)	49.5%	50.3%	45.5%
Total	100.0%	100.0%	100.0%

Comments: An elderly head of household is at least 62 years of age. A disabled head of household may be physically or mentally disabled or both. An elderly head of household who is also disabled is only counted as "Elderly." The majority of households receiving rental assistance from the Authority continue to be elderly or disabled. There has not been significant variation in family types during the past 5 years.

TABLE 2 – ANNUAL INCOME RANGES FOR ALL FAMILY TYPES

Income Range	Year End 2002	Year End 2006	Year End 2007
No Income	1.0%	0.7%	0.8%
\$1 to \$5,000	6.0%	3.1%	5.1%
\$5,001 to \$10,000	49.0%	38.1%	41.0%
\$10,001 to \$15,000	22.5%	24.3%	23.0%
\$15,001 to \$20,000	11.0%	14.8%	13.7%
20,001 to \$25,000	6.0%	8.4%	7.8%
\$25,001 to \$30,000	4.5%	10.6%	4.1%
\$30,001 to 35,000	Included above	Included above	1.6%
\$35,000+	Included above	Included above	2.9%
Total	100.0%	100.0%	100.0%

Prior to 2007, the highest income range evaluated was \$25,001 to \$30,000+. Two income range have been added for evaluation of 2007 and future data. For the years evaluated above, the income range representing the highest percentage of residents is \$5,001 to \$10,000. This reflects fixed incomes from Social Security retirement or disability programs as well as part-time minimum wage jobs. Nearly half (46.9 percent) of all households served by the Authority have annual income at or below \$10,000 or \$833 per month. Seventy (70) percent of assisted households have annual income at or below \$15,000.

TABLE 3 – ANNUAL INCOME RANGES FOR ELDERLY

Income Range	Year End 2002	Year End 2006	Year End 2007
No Income			0.4%
\$1 to \$5,000			0.6%
\$5,001 to \$10,000			42.5%
\$10,001 to \$15,000	Not Available	Not Available	35.0%
\$15,001 to \$20,000			15.8%
20,001 to \$25,000			3.9%
\$25,001 to \$30,000			1.0%
\$30,001 to 35,000			0.3%
\$35,000+			0.6%
Total			100.0%

The 2007 income data shown above reflect elderly heads of household only. The spread among income ranges is very similar to that shown for all family types in Table 2.

TABLE 4 – ANNUAL INCOME RANGES FOR DISABLED

Income Range	Year End 2002	Year End 2006	Year End 2007
No Income			1.0%
\$1 to \$5,000			4.3%
\$5,001 to \$10,000			52.8%
\$10,001 to \$15,000	Not Available	Not Available	24.6%
\$15,001 to \$20,000			9.1%
20,001 to \$25,000			3.8%
\$25,001 to \$30,000			2.5%
\$30,001 to 35,000			0.9%
\$35,000+			1.0%
Total			100.0%

The 2007 income data shown above is for disabled heads of household only. For this population, a total of 58.1 percent have annual income at or below \$10,000. Nearly 83 percent of this population has annual income at or below \$15,000. Disabled heads of household are clearly the lowest income group served by the Authority.

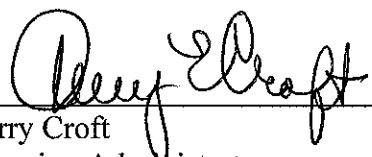
TABLE 5 – ANNUAL INCOME RANGES FOR FAMILIES

Income Range	Year End 2002	Year End 2006	Year End 2007
No Income			0.8%
\$1 to \$5,000			8.2%
\$5,001 to \$10,000			31.5%
\$10,001 to \$15,000	Not Available	Not Available	16.2%
\$15,001 to \$20,000			15.9%
20,001 to \$25,000			12.5%
\$25,001 to \$30,000			6.8%
\$30,001 to 35,000			2.8%
\$35,000+			5.2%
Total			100.0%

The income statistics for families (non-disabled and non-elderly heads of household) show a greater spread of incomes above \$15,000 than do the elderly and disabled groups. Families tend to derive income from earned wages than from income subsidy programs. Families have greater opportunity for education and employment leading to higher-wages as seen routinely among the 150 households engaged in the Family Self Sufficiency Program. Families with income above \$30,000 are frequently working toward independence from governmental assistance and plan to become homeowners.

Concluding comments:

1. There remains a strong demand for rental assistance from households headed by elderly, persons with disabilities and families with children. The proportions of these 3 groups has not changed significantly in the past 5 years.
2. About 90 percent of households assisted by the Authority are considered “extremely low income,” meaning that their income is no greater than 30 percent of median family income for Marion and Polk Counties.
3. Federal rent subsidy programs such as Public Housing and Section 8 Vouchers remain vitally important to the Salem-Keizer community. The vast majority of households served by the Authority would not be able to afford decent, safe housing were it not for the high level of rent subsidy offered through federal programs.
4. Ninety two (92) percent of the 3,307 households served by the Authority at the end of calendar year 2007 pay rent based on 30 percent of adjusted gross monthly income. The remaining 8 percent pay a fixed rent that is slightly to moderately below market rate.



 Jerry Croft
 Housing Administrator