

*HOUSING AFFORDABILITY IN THE NORTHEAST*

Phyllis Barner, Joseph Laquatra, and Joseph T. Ponessa

*ABSTRACT*

*This study documents the so-called "affordability crisis" and tests whether national data on affordable housing accurately reflects this parameter in the Northeast. Components and definitions of affordability are discussed, as well as the needs of groups especially affected by income limitations. In mid-1986, the national median income (\$28,625) was 101.4 percent of that needed to qualify for an 80 percent mortgage on an average-priced new home. In the Northeast, the average cost of a new home exceeded the national average by 33 percent, while household median income was only five percent greater than the national average. Moreover, the data on a city-by-city or regional basis indicate differences obscured by statewide data.*

*The affordability of housing is complex, with components that range from materials and labor costs to public policy. Several components of housing costs are identified that may be amenable to educational outreach. Several approaches by which Cooperative Extension may address the situation are outlined.*

*INTRODUCTION*

Throughout the past several decades, trends in shelter costs and the ability of people to meet these costs have been the focus of research, public policy initiatives, and creative approaches to development, financing, and construction of housing. Interest in these efforts has recently been spurred by dramatic increases in housing prices that have prevented many individuals from buying homes. While many factors affect the provision of an adequate supply of affordable housing, among the most critical to first-time buyers and limited-resource households are the cost of credit and the purchase price. Even during times of falling interest rates, rising purchase prices can prevent or limit access to home ownership. The problem of affordability affects other types of households: those selling the house they own to facilitate purchasing another, those who own the housing they occupy and who do not intend to move, and renters.

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Phyllis Barner is Assistant Professor, Agricultural and Extension Education, Pennsylvania State University, University Park, Pennsylvania. Joseph Laquatra is Assistant Professor, Department of Design and Environmental Design, Cornell University, Ithaca, New York. Joseph T. Ponessa is Associate Specialist in Housing and Energy, Cooperative Extension, Rutgers University, New Brunswick, New Jersey. This study was commissioned by the Extension Home Economics program leaders in the Northeast in response to a survey conducted by Luane Lange. A report of these findings was presented at the Annual Meeting of the American Association of Housing Educators pre-conference Extension program, Santa Fe, New Mexico, October, 1986.

Until the past decade, housing was considered to be affordable if its total costs amounted to no more than 25 percent of household income. The origin of this standard is considered to be the popular adage of the late 19th century, "a week's wage for a month's rent." That saying provided an accurate depiction of shelter costs for tenants at the time, but has been used since then more as a convenience than as an accurate measure to apply to all household budgets. Feins and Lane (1983) show a wide variation among households in budget shares allocated to shelter costs. Significant determinants of the shelter-income ratio identified by Feins and Lane (1983) include level of household income, tenure status (owner or renter), household size, characteristics of the household head, and features of the dwelling unit.

Components of a shelter-income ratio differ for owners and renters. For both groups, pre-tax income is considered, including earnings, transfer payments, interest, dividends, and profits. Shelter costs for owners include expenditures for mortgage payments, property taxes, insurance, utilities, and maintenance. These expenses are adjusted by a component representing equity in the home. Shelter costs for renters include contract rent and utility payments. Analyzing 1977 Annual Housing Survey data, Feins and Lane (1983) find that on average, owners pay 13 percent more for shelter costs than do renters. Other findings include lower shelter-income ratios for non-white renters than for white renters and higher ratios for female-headed renter households than for male-headed households, when income and race are considered. In comparison with other regions in the country, both renters and owners in the Northeast have higher ratios, explained in part by high utility costs.

The purpose of this study is to review trends associated with the affordability of owner- and renter-occupied housing. Specific factors considered include demographic characteristics of American households as well as the reduction of housing costs through regulatory changes and alternative production strategies. The importance of educating various segments of society about these matters is then discussed in the context of Extension programming.

A variety of mechanisms can alleviate the high cost of shelter. These range from improved materials and technologies to legislative and policy issues dealing with zoning regulations and alternative forms of housing (accessory apartments, ECHO housing for independent seniors, etc.). There are two common elements that are necessary for their implementation: understanding and acceptance.

As an educator of individuals and families, groups and organizations, and elected officials, Cooperative Extension can play an important role in disseminating knowledge of these mechanisms. Moreover, it can assist in stimulating the informed discussion of new ideas concerning housing. This will create the climate necessary for the legislative reforms that are prerequisite for most of these changes and will help assure that such changes best serve the needs of current residents and individuals in need of affordable housing.

#### *TRENDS IN HOUSING COSTS*

Trends affecting the affordability of owner-occupied housing are more erratic than those influencing the rental housing market (Feins and Lane, 1983). In addition, standardizing housing expenditure data relevant to home owners is inherently problematic because of the variety of potential mortgage positions. These range from no mortgage at all to different portions of house prices that are financed. Accordingly, the Annual Housing Survey by the U.S. Bureau of the Census computes monthly housing cost differently for owners with and without mortgages. While one-third of all home owners in the Feins and Lane (1983)

study (mostly low-income elderly) have no mortgages on their homes, other housing costs such as utilities and maintenance cause 19 percent of those respondents to pay one-quarter or more of their income for housing and 14 percent to pay at least 35 percent of their income for shelter.

According to the 1983 Annual Housing Survey (U.S. Bureau of the Census, 1985), nationally 32.7 percent of renter households paid over 35 percent of their income for rent. More than half of the renters paid over 25 percent. A trend of increasing rental costs as a portion of income is noted by Fitzstevens (1985). It is attributed to the inability of renters' incomes to keep pace with housing costs, low construction levels resulting in a decreasing supply of rental housing, condominium conversions, and abandonment. As federal tax law revisions are implemented, significant impacts on real estate investments are anticipated. Consequently, the construction of rental units, particularly those for lower-income households, is likely to suffer and the problems stemming from the loss of federal housing subsidies will be compounded. A general decline in the number of available rental units has already been documented. In New York City, for example, rental units declined by nearly 36,000 units between 1982 and 1985 (Sternlieb and Hughes, 1986).

The 1983 Annual Housing Survey (U.S. Bureau of the Census, 1985) shows housing costs continuing to rise. The situation in the Northeast is not very different from that of the nation as a whole. However, 36.8 percent of renters in this region and 15 percent of the home owners (with mortgages) are paying more than 35 percent of their income for housing.

The inflation of shelter costs during the 1970s caused the national median-sales price for a new, single-family home to more than triple from \$23,400 in 1970 to \$79,900 in 1984. Corresponding figures for the Northeast are \$30,300 in 1970 and \$88,600 in 1984 (U.S. Bureau of the Census, 1986). Recent reductions in interest rates have had some dramatic effects. In vigorous housing markets, a wave of pent-up demand caused an increase in prices in 1986. While such increases are partially offset by the improved equity position of most current home owners who relocate, prospects of finding an affordable house are, for many first-time buyers (especially in the Northeast), becoming increasingly remote.

As indicated in Table 1, the median sale price of new homes in the Northeast (\$119,500 as of June, 1986) is substantially higher than the national average. There are also comparable disparities in the cost of existing homes.

On a national basis, the median household income of \$28,625 (June, 1986) can accommodate the median price of a new home. According to the National Association of Realtors' affordability index, this income was 101.4 of that needed to qualify for an 80 percent mortgage (L. Johnson, National Association of Realtors, personal communication, August, 1986). On the other hand, while new homes in the Northeast cost some 33 percent more than the national average, median household income (in 1984) in the region was only 5 percent above the national average (G. Patterson, U.S. Bureau of the Census, personal communication, August, 1986).

Table 1. Median sales price: New home

	National	NE Region
December, 1985	\$89,300	\$105,700
March, 1986	\$88,300	\$121,500
June, 1986	\$89,600	\$119,500

(Figures from personal communication with Susan Anderson, National Association of Home Builders (NAHB) and Sherwin Weinstock, U.S. Bureau of the Census, August, 1986, and Builder, March, 1986, and July, 1986.

The cost of shelter relative to income in the Northeast stands out in the picture presented for the nation as a whole. Further analysis indicates that there are important differences within this area. Urban, suburban and rural areas exhibit both general and specific differences, influenced by the local economy and a host of other factors. Table 2 illustrates the dramatic differences in selling price for a typical 2,000 square-foot home in 16 Northeast locations. Prices in 1986 range from \$86,000 in Buffalo, New York to \$600,000 in Greenwich, Connecticut. Past-year appreciation varies from 2.9 percent (Pittsburgh) to 33.9 percent (Greenwich). Moreover, important demographic shifts may be embedded in general data. In New Jersey, employment covered by workmen's compensation and unemployment has increased by 25.4 percent during a 12-year period (1972-1984), although jobs in its six largest metropolitan areas declined by 23.4 percent during the same period (Sternlieb and Hughes, 1986). The dramatic impacts on areas losing and gaining employment are not reflected in statewide data.

The Regional Plan Association in conjunction with United Way conducted a survey of the economic, demographic and social indicators for a 33-county, three-state region around the New York City area (Regional Plan Association/United Way, 1986, p. 4). Among their findings:

If household preferences are to be fully met, the volume of housing in the region would need to expand at least threefold overall and, in some places, up to sixfold (by the year 2000).

Projections in the study indicate that by 1990, one in every two households in the region will be either a single-person or single-parent household. High demand is expected to keep prices high and may limit growth. The study describes the situation as a growing housing crisis that poses a serious impediment to the economic health of the region. This description is applicable to many other rapid-growth regions in the Northeast as well.

For another perspective on the question of housing adequacy and the distribution of housing need, it is useful to look at the growing problem of homelessness. The National Coalition for the Homeless (1986) estimates that there about 288,000 homeless individuals in 15 cities in the United States. As indicated in Table 3, some 41 percent of these are located in five Northeastern cities. The portion of this number reflecting the problem of housing affordability and its impact on low-income households in the Northeast is an important area for further research.

Table 2. Cost comparisons of typical 2,000 sq. ft., three bedroom-two bath, single-family homes in selected Northeastern cities: Market analysis as of May, 1986

State	City	1984	1985	1986	% '85	Est. days on to '86 market
CT	Greenwich	\$355,000	\$448,000	\$600,000	33.9%	66
	Hartford	92,000	102,000	125,000	22.5	45
	Stamford	168,000	231,000	295,000	27.7	7
ME	Brunswick	105,000	115,000	125,000	8.7	45
MA	Boston	120,000	150,000	180,000	20.0	45
NH	Manchester	98,000	125,000	150,000	20.0	30
NJ	Morristownship	189,000	240,000	300,000	25.0	14
NY	Buffalo	79,000	83,875	86,500	3.1	60
	New York City					
	NY Suburb	169,900	180,000	200,000	11.1	30
	NY Suburb	150,000	190,000	210,000	10.5	90
	Rochester	90,900	98,900	105,000	7.1	35
PA	Harrisburg	90,000	96,000	112,500	17.2	45
	Philadelphia	101,386	110,600	124,375	12.5	43
	Pittsburgh	95,000	102,000	105,000	2.9	57
RI	Providence	92,600	108,700	135,500	24.7	30
VT	Burlington	94,000	108,000	120,000	11.1	60

Source: Coldwell Banker Relocation Service, "The Home Price Comparison Index," June, 1986.

### DEMOGRAPHIC SHIFTS AND HOUSING OPTIONS

Major variations in the composition of American families have occurred in recent years due to demographic changes. Increasing in numbers at a rapid rate are two types of households: families with children under 18 headed by a single parent, and families with heads age 65 and older. Such drastic changes in household formation have historically had an effect on the demand for housing (Wright, 1985). Moreover, due to income limitations and other constraints, these groups are among the most severely affected in a tight housing market. It is useful to describe the characteristics of these groups and their needs, which are reflected, if not magnified, by housing availability in any region of the nation.

#### *Single-Parent Households*

Between 1970 and 1980, the number of single-parent households in the United States doubled. Women headed over 90 percent of such households. In 1984, 5.9 million of the nation's 31 million families with children under age 18 were headed by women with no spouse present; 799,000 households were



known factors influencing their present housing conditions. Utilizing annual housing census data, the U.S. Senate Special Committee on Housing (1986) reports large numbers of older Americans live independently in private homes (72 percent) built prior to 1939 (40 percent), with no mortgage debt (84 percent). Yet as a whole, they have a greater than average chance of living in housing stock considered to be inadequate. A majority of men aged 65 and older (67 percent) are married and living in a family setting. In contrast, of the almost 8 million individuals age 65 or older living alone, over 6 million are females (U.S. Bureau of the Census, 1986). Although this phenomenon may be attributed to a difference in mortality rate, it also affirms the lesser tendency of women in their later years to remarry (Newman, 1985).

There are differences in income levels among males and females. While women account for more than half of the total elderly population in 1984, they represent 71.2 percent of those who are poor. The poorest segment of all are women aged 85 and older. Regardless of age category, "older women in every age group were substantially more likely to be poor than men of the same age" (U.S. Senate Special Committee on Aging, 1986, p. 47).

Living on limited resources is not restricted to the female population. In 1984, 12.4 percent of all those age 65 and older lived below poverty level. The low incomes in general make it difficult for many older Americans to afford monthly housing expenditures, utility costs or increasing taxes. They are also not able easily to seek housing alternatives or to undertake home maintenance and repairs (Newman, 1985).

Receiving a great deal of attention in popular literature is the mobility of this segment of our population, and in particular the migration of older individuals to retirement communities in the South and West. In reality, studies indicate that only five percent of this cohort has or is seriously considering relocation. These same studies show that the five percent who have or are considering moving are generally younger (65-70 years), relatively affluent, healthy, well-educated, and have friends or family members awaiting them in the new area. The other 95 percent have lived in their present homes for most of their adult lives and express the desire to do so for as long as possible (U.S. Senate Special Committee on Aging, 1986; Warner, 1983).

"Aging in place" is not a myth, but a reality for the overwhelming majority of older Americans (Warner, 1983). As illustrated in Table 4, the over-65 population is more or less evenly distributed throughout the United States. The over-65 percentage distribution in the Northeast, is, in fact, somewhat higher than in the North, South, or West, and also slightly higher than the national average (11.9 percent aged 65 or over).

#### *MECHANISMS TO MEET NEEDS*

##### *Financing*

Rosen (1984) states that when the conventional measure of affordability--the ratio of current mortgage payments to current income--is applied to first-time homebuyers, housing costs are not affordable. When the capital cost of housing (which includes tax benefits and capital gains) is used as an alternative measure, however, housing is affordable to this group if entry barriers posed by down-payment requirements can be surmounted. The continuation or development of

Table 4. Resident population 1984 by age and region

	REGION				US Total
	Northeast	Midwest	South	West	
<b>AGE</b>					
Under 5 years	3,253	4,483	6,169	3,911	25,552
5-13 years	5,821	7,754	10,582	6,009	30,166
14-17 years	3,116	3,727	5,081	2,783	14,707
18-24 years	6,023	7,301	10,044	5,755	29,123
25-30 years	8,267	10,189	13,806	8,649	40,911
35-44 years	6,526	7,393	10,393	6,337	30,649
45-64 years	10,208	11,047	15,087	8,404	44,746
65 years & older	6,515	7,223	9,414	4,888	28,040
<b>Regional Totals</b>	<b>49,729</b>	<b>59,117</b>	<b>80,576</b>	<b>46,736</b>	<b>236,158</b>
<b>Percent 65 yrs &amp; older</b>	<b>13.1%</b>	<b>12.2%</b>	<b>11.7%</b>	<b>10.5%</b>	<b>11.9%</b>

Source: U.S. Bureau of the Census, Statistical Abstract of the United States, 1986 (106th Edition). Washington, D.C.: U.S. Department of Commerce, 1986.

government-subsidy programs targeted to this group has been advocated to overcome this problem. An alternative solution used in European countries and Canada involves the creation of special savings accounts for housing that are similar to Individual Retirement Accounts. Using this strategy, a household that has not yet owned a house would be able to save a maximum amount in such an account without paying income taxes on either the money deposited or the interest it generates. In spite of the advantage of providing housing assistance to first-time buyers without the use of direct subsidies, objections to such a plan center around lost tax revenues.

Jones (1986) reports that recent regulatory changes have resulted in closer ties between mortgage and capital markets, making funds more readily available and allowing a closer relationship between mortgage-interest rates and other investments. While monetary policy will continue to be a major factor affecting interest rates, at the present time potential buyers can more easily acquire mortgage loans than in the earlier part of this decade.

#### *Component Costs*

Advances in housing technology during the past decade include an array of building practices and products resulting in high levels of achievable thermal integrity in the built environment. Incorporating energy efficiency into the physical form of housing results in improved affordability through lower operating expenses. Whether optimal levels of energy efficiency are designed into newly constructed or rehabilitated homes depends on a number of interrelated factors within the residential sector. The localized nature of U.S. housing markets and the increasing complexity of thermal-integrity technology inhibit the diffusion of innovations. In addition, the incremental costs that are associated with energy-conserving features may restrict purchasers (particularly first-time buyers who are typically first-cost sensitive) and lenders. The latter have no uniform basis for appraising the energy efficiency of homes and rely on conventional debt-to-income ratios for maximum loan amounts. (Diez, 1986). Federal lending agencies,

however, have implemented policies that recognize the reduced operating costs of energy-efficient homes. Special underwriting considerations for buyers of homes that meet regional energy efficiency criteria allow increases of up to two percent in the monthly housing expense-to-income ratio and in the total obligations-to-income ratio (Federal National Mortgage Association, 1988).

Part of the solution to the problem of housing affordability is more extensive reliance on building techniques that result in initial-cost savings, such as Optimum Value Engineering (OVE). Among the concepts involved in OVE are modular dimensioning and other cost-cutting techniques, including the use of prefabricated plumbing and wiring systems and more efficient use of lumber (Mason, 1982). According to the research results from the National Association of Home Builders (NAHB), widespread adoption of OVE would result in one extra home for every ten produced using current practices (NAHB Research Foundation, 1979).

Housing production costs can also be reduced through widespread use of manufactured housing. This type of housing falls into two categories. The first category is built in a factory to meet specifications of local or state codes and includes modular, panelized, and pre-cut homes that are assembled at their sites on permanent foundations. The second category is factory-built to a single national code--the Manufactured Housing and Safety Standards--and is not necessarily placed on a permanent foundation. Because the U.S. Department of Housing and Urban Development (HUD) administers the safety standards, this category of housing is referred to in the industry as "HUD Code Homes". Although popularly referred to as "mobile homes" because of their evolution from the travel trailers of the '30s and '40s, only 1-3 percent of HUD Code units are ever moved from their sites once set in place (Meeks, 1980). Safety records of these homes now compare favorably with site-built homes. With appropriate placement on sites and the availability of double- and triple-wide units, this type of manufactured housing can look very much like site-built units. One of the greatest benefits of a HUD Code Home is its affordability to first-time buyers, elderly individuals no longer in need of larger conventional homes, and low-income households.

Despite the advantages of HUD Code Homes, misconceptions exist that contribute to an underutilization of this resource and its exclusion from many communities. Problems associated with mobile homes before enactment of the HUD code have been corrected. In addition, these homes no longer have to strain municipal budgets by being classified as personal property and not contributing to the real-property tax base. HUD Code Homes are now taxed as real property in 41 states if they are attached to permanent foundations, intended for occupation as permanent residences, or located on owner-occupied land (Fitzstevens, 1985). In New York state, they can be assessed as real property if they have been on their lots for six months. Concerns about these manufactured homes depreciating in value over time are no longer valid. Studies of this issue have shown that while their value is affected by such factors as location, siting, landscaping and maintenance, average rates of appreciation of five percent per year have been observed (Meeks, 1980).

The various types of manufactured housing can offer clear advantages to reducing housing costs. In fact, about one-third of all single-family homes in the United States use the technology to some extent, from pre-cut, modular, and HUD Code Homes to conventional site-built homes that use components such as pre-hung doors and factory-made roof trusses.

A recent development in the use of manufactured housing in this country has been the importation of such homes from other countries, including Sweden, Denmark, and Canada. The Swedish dwellings in particular have been the subject

of much discussion within the U.S. housing industry because of their high levels of craftsmanship and energy efficiency. Because of these factors (combined with the ability of the house designs to be adapted to individual preferences), over 90 percent of all new homes in Sweden are manufactured housing units (Schipper, Meyers, and Kelly, 1985).

The higher percentage of Swedish houses produced in a factory may be a result of fundamental differences between production processes in Sweden and the United States. The Swedish houses are not referred to as manufactured units, but as "factory-crafted" homes. They are produced by highly skilled workers using equipment and methods more common to craft than to mass production.

Housing producers in the United States have begun to exhibit an interest in the quality of imported homes. Over the past two years, they have organized travel and study tours to these exporting countries to observe manufacturing processes. Some observers suggest that the eventual assimilation of this technology into the U.S. manufactured-home market may depend on the interest of custom builders to work in conjunction with factory-home producers (Schipper et al., 1985).

#### *Categorical Approaches*

Besides modifications in the manner in which housing is planned and constructed, other means to attain affordable housing involve the categories of housing considered. While the single-family detached home is expected to remain as the American home of choice in the foreseeable future (Sternlieb and Hughes, 1986), there is still a spectrum of acceptable alternatives for those unable to afford their "first choice" in housing.

A simple quantitative approach to this situation is to build smaller houses. With typical construction costs of \$50-\$100 per square foot (excluding land costs), a relatively small home of 1,000 square feet (or less) can provide substantial savings over the average new home with 1,700 square feet. Such smaller homes can be well-suited to most housing needs if these homes are appropriately designed, especially if built with provisions for later expansion. Moreover, the number of persons in the typical household is declining. In the New York-New Jersey-Connecticut metropolitan region, the average household size was 3.0 persons in 1970 and 2.7 persons in 1980. Projections for 1990 and 2000 are 2.4 and 2.2 persons respectively (Regional Plan Association/United Way, 1986).

Efforts to accommodate these needs will necessarily recognize the changing characteristics of housing occupancy. Besides reducing the size of new housing, other approaches directed to the needs of low- and middle-income households will likely include: ECHO housing ("granny cottages"--a small, moveable unit for elderly individuals that is placed on the lot of the existing home of a son or daughter and removed when the elderly parent no longer resides there), accessory apartments established in single-family dwellings, subdivision of a large house into two or more separate units, and rehabilitation of existing, deficient units. Similarly, a variety of specialized housing types--congregate facilities, for example--can meet the needs of special groups such as the aged.

In addition to these categorical approaches to housing needs, there is a body of reforms involving land use, planning and zoning regulations that has been developed by HUD as part of its Affordable Housing Demonstration Program. Land use, zoning, and other regulations are often excessively burdensome and/or have not kept pace with modern technology. The demonstration projects involve revisions of requirements involving minimum lot size, lot lines, street dimensions

and structural features not affecting health and safety. In one instance, the simple process of speeding up local approval procedures (from two years to six months) led to substantial interest savings. On average, savings in eight such projects ranged from \$1,490 to \$10,047 per unit (U.S. Department of Housing and Urban Development, 1985).

Some of the prohibitions and restrictions embodied in current code and zoning regulations were established with good reason. Wholesale abandonment of them would likely damage many communities; this is not advocated. It is suggested, however, that burdensome restrictions be re-evaluated in terms of the needs and interests of the community at large.

#### *Legislative Remedies*

There is a widening sentiment in the courtroom to prohibit communities' use of zoning powers to systemically exclude certain categories of people (i.e. low- and moderate-income) from residing in those communities. Orange County, California has passed legislation requiring that 20 percent of large-scale housing developments consist of subsidized units set aside for lower-income occupants (Sternlieb and Hughes, 1986). The Pennsylvania Supreme Court recently upheld lower court rulings that overturned a municipality's prohibition of mobile homes on individual lots (Geiger vs. Zoning Hearing Board, 1986).

An attempt in New Hampshire to use a town's zoning and growth control regulations to block development of low- and moderate-income housing was blocked by the courts (Town can't exclude poor, NH court orders, 1984). This decision relied heavily on an earlier, landmark decision rendered by the New Jersey Supreme Court. The New Jersey justices declared exclusionary zoning unconstitutional, affirmed the obligation of communities to provide a reasonable opportunity for the construction of affordable housing, and set in motion a series of mechanisms to insure that its ruling were adhered to (Southern Burlington County NAACP, 1983).

These developments may signify a growing national trend in which the courts will overturn exclusionary zoning restrictions. While this may ultimately provide better access to housing, there will be much bitter debate as well. There will be an extraordinary need for unbiased information, as well as for creative remedies during this process.

#### *THE ROLE OF COOPERATIVE EXTENSION*

In view of the magnitudes of current and projected housing needs, as well as the size of the "affordability gap", there are numerous opportunities for Cooperative Extension to promote the delivery of affordable housing. Barriers to the construction of affordable housing exist at a variety of levels. To some degree, these obstacles can be attributed to a deficit of information or to misbegotten attitudes and are embodied in overly restrictive codes and regulations. This situation should be amenable to the technical expertise and the educational skills that are the hallmarks of Cooperative Extension.

It should be noted that the focus of such efforts may have to be radically redirected in relatively short time periods as local and national conditions change. For example, when mortgage interest rates declined to levels below 10 percent in early 1986, buyer interest in "creative financing" virtually disappeared. Builder concerns shifted from attracting buyers to keeping up with demand in most parts of the country.

A variety of factors will call for increased emphasis on non-traditional forms of housing, many of which are not permissible under current zoning ordinances (or building codes). While some of these prohibitions were enacted with good reason, others were not. Still others, appropriate in years past, have been eclipsed by modern technology. Change in such areas is not something that takes places easily or quickly. It will require shifts in the attitudes and perceptions of community residents and of code bodies and zoning boards.

Extension programming efforts to support affordable housing must address these issues. Outreach can conveniently be described in terms of the audiences to whom it is intended.

For home owners, as well as for those in need of housing, there is a need to become familiar with some of the newer housing alternatives that have become available in recent years. Along with that increased awareness should be an understanding of the advantages and disadvantages of those alternatives. Such a program of educational outreach would serve to advise those seeking housing of alternatives they might not have considered, while alleviating some of the fears and objections of current home owners. Outreach in this category would be based primarily on media presentations providing information on innovative approaches to affordable housing. When appropriate, such outreach would also deal with alternative financing. First-time home owners can also benefit from assistance with money management and basic home repair skills; assistance in dealing with realtors and negotiating a sale can help both buyer and seller.

Those who build homes--particularly smaller-volume builders (and owner-builders)--can benefit from up-to-date information on cost-saving techniques, design and product innovations, and regionally cost-effective, energy-conservation measures. Along with these refinements, there is a parallel need for information on the mitigation of potential adverse consequences of energy-saving practices as they affect, for example, moisture control and indoor air quality.

While trade organizations such as the National Association of Home Builders (NAHB) are actively involved in developing and disseminating such information, reaching builders is difficult. Cooperative Extension would seem a natural partner in this effort. The NAHB has established a special membership category for housing educators, and has recently announced cooperative educational ventures with various universities throughout the country (Money being raised for GBI curriculum, 1986). Such partnerships have been established on an informal basis with Cooperative Extension in the past, either with NAHB or with its local chapters.

In similar fashion, depending on the interests and expertise of Cooperative Extension staff, mutually beneficial relationships may be established with realty groups and banking organizations. The specialized knowledge of Cooperative Extension staff can also be profitably shared with public officials and agencies. State and local officials can be provided with information pertaining to the formulation of housing policies equitable to all affected parties. Likewise, informational programs directed to public audiences can include a component on presenting requests and opinions to the appropriate legislators.

There may be possibilities for leveraging the impact of Extension expertise through presentation to the staffs or client groups of such agencies as state (or local) housing departments. Collaborative efforts with such agencies can be mutually beneficial while helping clients as well. Training sessions can be established for code officials, zoning/planning boards and local and regional legislators.

### CONCLUSION

Data on housing costs indicate that homes in the Northeast are considerably more expensive than they are in the nation as a whole, in terms of absolute dollars and in relation to median income in this area. It is evident that the usefulness of national data to reflect conditions in a section of the country is quite limited. Moreover, disparities may exist within states. Statewide data on housing needs may even obscure important regional differences (urban/suburban, for example). It should also be recognized that, besides obscuring sharp geographical distinctions, data (expressed as median values) can also conceal the disproportionate concentration of needs among certain population groups. Among those particularly affected by such burdens are single-parent females and the elderly—even those with mortgage-free homes when the cost of maintenance exceeds the limits traditionally applied to mortgage payments.

The issue of housing affordability is one of extraordinary complexity, affected by factors ranging from federal fiscal policy to the development of advanced building components. Some aspects of this issue may be beyond the purview of Cooperative Extension--the plight of the homeless and the limitations imposed by a community's infrastructure, for example. Others will require, in addition to large capital outlays, technological and political solutions as well (disposal of solid and liquid wastes, for example, while preserving air, soil and water quality). Most of these issues are bound with matters of public policy in such a way that solutions to these problems must involve governmental or other policy-making bodies. Programs in policy education, therefore, with a focus on local, state, and national policies affecting housing affordability, could provide a valuable service to builders, buyers, and policymakers themselves. The appropriateness of this type of programming has been demonstrated in other areas that affect quality of life (House, 1981; Roland, 1985). Because of the substantial need for factual information at all levels of housing markets, Cooperative Extension could assume a vital role in facilitating the development of policies designed to improve the affordability of shelter.

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Barner, Laquatra, and Ponesse

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