

STATE OF AGING IN CENTRAL INDIANA



SECTION 4 HOUSING

January 2020



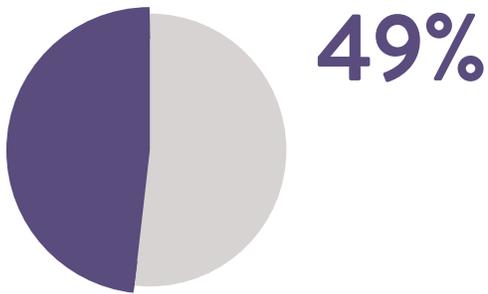
HOUSING

Housing is an important issue among older adults (those age 55 and older), as housing costs comprise a significant proportion of household expenses and can cause financial stress for those adults about to experience or already experiencing a decline in income. This section of the report discusses housing affordability, homeownership, housing instability, and barriers to obtaining housing. Key findings include:

- More than one in five older adults in Central Indiana report spending at least 30% of their income on housing costs.
- The proportion of older adult homeowners who report not having sufficient income to pay property taxes declined from 2013 to 2017, though local focus group participants said that maintenance costs and gentrification were barriers to housing affordability.
- Four in five older adults are homeowners, 1 in 3 own homes that they have paid for in full, and 1 in 5 rent their homes.
- Adults age 62 and older experienced the largest rate of increase in homelessness compared to other age groups.

Half of older adults feel housing is available and affordable.

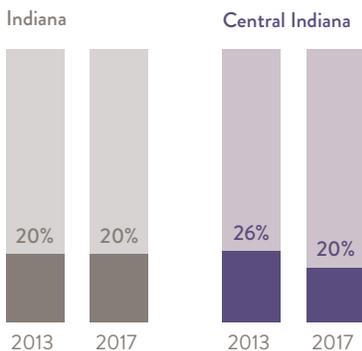
Percent of older adults in Central Indiana who say availability and affordability of housing in their community is good or excellent



Source: CASOA

Fewer older adults in Central Indiana have trouble paying their property taxes.

Percent of older adults who report having enough money to pay property taxes is at least a minor problem



The decrease between 2013 and 2017 for Central Indiana is not statistically significant.

Source: CASOA

HOUSING AFFORDABILITY

Housing affordability affects the ability of older adults to live stably and age in place across a variety of living quarters. Housing affordability affects older adults, from those who own their own homes to those who rent or experience housing instability. Because of their relatively high cost as part of the typical household budget, housing and housing related costs can place a great deal of financial stress on older adult households. A household is considered housing cost-burdened when 30% or more of its income is spent on housing costs, and severely cost-burdened when 50% or more of its income is spent on housing costs. In 2017, 21% of older adults in Central Indiana were housing cost-burdened, and 8.4% were severely cost-burdened.^{1,2}

The Community Assessment Survey for Older Adults (CASOA™) identifies the strengths and needs of older adults in Indiana age 60 and older, including the Central Indiana region. Across Central Indiana, only half (49%) of respondents indicate that the availability of affordable quality housing in their communities is either excellent or good for those in their age group. While this does not represent a significant decrease since 2013, the state as a whole experienced a 2% decline in reported affordability since 2013, with only 42% of respondents reporting excellent or good availability of affordable quality housing in 2017.³

HOUSING AFFORDABILITY AND NEIGHBORHOOD INEQUITIES

The socioeconomic status of a neighborhood is related to the health and social outcomes of residents. Adults living in high-poverty neighborhoods are more likely to experience chronic illness, mobility issues, cognitive impairment, and accelerated aging, regardless of income level. Because both Hispanic and black older adults are more than twice as likely as white older adults to live in high-poverty neighborhoods regardless of income, the former face increased risk of chronic illness, limited mobility, cognitive impairment, and accelerated aging.⁴ In Central Indiana, most black older adults live in Marion County. An analysis of American Community Survey data demonstrates that majority-black neighborhoods have a 31% poverty rate, compared to 19% in Marion County as a whole.⁵ Older adults report that in some Indianapolis

neighborhoods, changing demographics over time led to a reduction in property values, while others report that gentrification and subsequent rising property values led to unaffordable property taxes. Both of these phenomena resulted in many long-term residents moving away from these neighborhoods. In fact, in 2017, 20% of older adults surveyed in Central Indiana reported that having enough money to pay their property taxes was at least a minor problem during the past year, representing a 6% improvement since 2013. In comparison, a quarter (25%) of older adults statewide faced the same challenge.⁶

The cost of housing maintenance also affects the affordability of housing. Older adults in focus groups reported not being able to maintain their homes or properties and may not be able to afford to hire someone to do this maintenance for them. Some feel uncomfortable continually asking children or relatives for help cleaning gutters, mowing lawns, trimming trees, or other making repairs.⁷

To help offset housing costs, older adults reported using programs like the Low-Income Energy Assistance Program (LIHEAP) to help offset housing costs, but this program has experienced federal budget cuts. It is also a one-time benefit that will not cover the costs of all energy bills, and LIHEAP and similar programs require substantial documentation that some older adults may lack. Lastly, older adults in focus groups reported using services to make their homes more accessible, which is important to support aging in place.

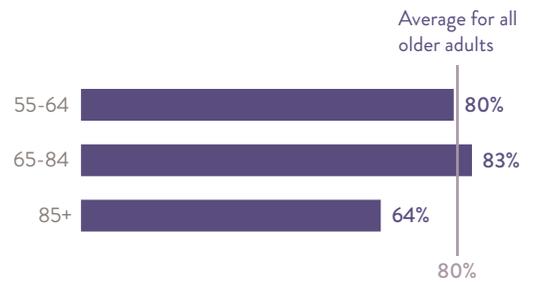
HOMEOWNERSHIP

Among older adults in the Central Indiana region, the homeownership rate is 80%. This rate varies among different age ranges. The younger old age group (age 55 to 64) has a homeownership rate of 80%, the middle old age group (age 65 to 84) has a homeownership rate of 83%, and the oldest old age group (85 and older) has a much lower homeownership rate of 64%.⁸

Housing costs for older adult households are lowered when they own their own homes and do not have a monthly mortgage payment. Among older adults in the Central Indiana region, the proportion of homeowners who own their own homes free and clear is 32%. This proportion increases as age group increases: 22% of the

Home ownership rates are high among older adults, but fall for those 85 and older.

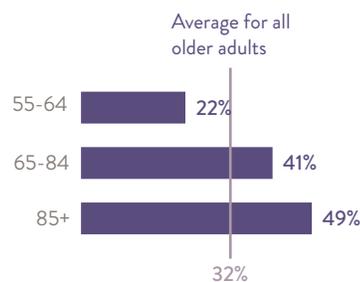
Percent of older adults in Central Indiana who own their home



Source: PUMS

Adults are more likely to have paid off their homes as they grow older.

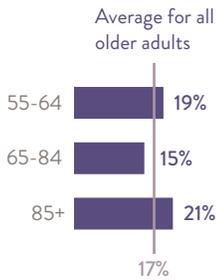
Percent of older adults in Central Indiana who fully own their homes



Source: PUMS

One-sixth of older adults rent their homes.

Percent of older adults in Central Indiana who rent their home in Central



Source: PUMS

younger old, 41% of the middle old, and 49% of the oldest old own their homes free and clear.⁹

HOUSING INSTABILITY: RENTING AND HOMELESSNESS

Though data indicate that most older adults in Central Indiana own a home, renters comprise 17% of older adult households in 2017. About 20% of older adult households in the young old and oldest old age ranges live in rental units, compared to 15% of middle old adults. A focus group at a low-income housing community for older adults indicated that their experiences were quite different from older adults who own homes. They reported substantially more financial instability and limits in housing options. Additionally, they rely more heavily on their living community for transportation, recreation, and food than other older adults.

Rental units for older adults can be subsidized through federal funding mechanisms, such as Section 42 housing, but key informants report that these have long waiting lists. Additionally, many older adults must be at least 62 years old to be eligible for certain types of affordable housing units. A lack of eligibility creates a gap in services, particularly for the younger old, which one key informant reported as “living in filth and squalor” because of the low quality of the units that are affordable.

Similar to national trends, a larger proportion of older adults in Marion County experienced homelessness compared to other age groups. According to the 2019 Point-In-Time Count of persons experiencing homelessness in Marion County, those between the ages of 50 and 61 comprised the largest proportion of homeless individuals from 2015 to 2019, even while their overall rate of homelessness decreased. Meanwhile, adults age 62 and older experienced an increase in homelessness over that time period.¹⁰ According to an analysis of data from the 2019 Point-in-Time Count, both age groups are more likely to stay in emergency shelters than become unsheltered (e.g., living on the streets).

In both the United States and Indiana, disparities in homelessness exist across race and veteran status.¹¹ For instance, older adult veterans are three times as likely to be homeless compared to older adult non-veterans.¹² Additionally, black veterans are disproportionately represented within the veteran population

experiencing homelessness.¹³ Locally, black adults are disproportionately likely to be homeless, comprising 61% of people experiencing homelessness in Marion County, but less than 30% of its residents. Meanwhile, from 2018 to 2019, the proportion of veterans experiencing homelessness increased by 3.3% in Marion County.¹⁴ Recognizing multiple disparities is crucial to preventing homelessness and housing older adults who are currently homeless.

INEQUITIES AND BARRIERS TO HOUSING

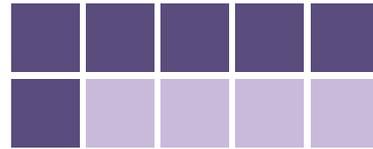
Key informants interviewed for this report noted that older adults with criminal histories find it particularly difficult to find rental housing that will accept them. Specifically, the US Fair Housing Act does not include ex-offenders as a protected class, including those who have been arrested but not convicted.¹⁵ Landlords may perceive a criminal history as a risk to a rental community's safety, which is a permitted form of discrimination. This is particularly problematic because not having an address makes it difficult for ex-offenders to maintain consistent employment and income, and older adults with criminal histories tend to be disproportionately black, Hispanic, or have disabilities, adding to existing housing inequities.

Nationally, transgender older adults also experience barriers to housing.¹⁶ Specifically, 19% of transgender older adults have been denied housing because of their gender identity, and 11% have been evicted due to transgender discrimination.¹⁷

Lastly, older adult focus group participants across multiple income groups do not believe most assisted living communities are affordable, and do not anticipate being able to live in one. Most of these participants live in their own homes or in rental units. Key informants note that the inability to purchase a new home and relocate forces lower-income older adults to remain in their existing neighborhoods.

Six in ten people experiencing homelessness are black.

Percent of people experiencing homelessness who identify as black



Source: Indiana University Public Policy Institute, 2019 Point-In-Time Count

ENDNOTES

- 1 S. Ruggles, S. Flood, R. Goeken, J. Grover, E. Meyer, J. Pacas and M. Sobek, IPUMS USA, V9.0 (2019), distributed by IPUMS, <https://doi.org/10.18128/D010.V9.0>.
- 2 PUMS data is released at the geographic level of PUMA (Public-Use Microdata Area). PUMAs must contain a minimum of 100,000 people and thus vary in geographic size. As a result, when using PUMA data, the Central Indiana region contains Putnam and Brown Counties in addition to the eight CISF Central Indiana counties of Boone, Hamilton, Hancock, Hendricks, Johnson, Marion, Morgan, and Shelby.
- 3 Community Assessment Survey for Older Adults™, (2017), National Research Center Inc. <https://cicoa.org/news-events/research/>.
- 4 J. Ailshire and C. García, "Unequal Places: The Impacts of Socioeconomic and Race/Ethnic Differences in Neighborhoods," *Generations* 42, no. 2 (2019): 20-27. <https://howhousingmatters.org/articles/inequality-aging-place/>.
- 5 Merritt, B., Pena, R, Yang, E, Camacho-Reyes (Forthcoming). Black Homeownership in Marion County: Racial Disparities in Homeownership and Valuation of Homes. Center for Research on Inclusion and Social Policy. Indiana University Public Policy Institute.
- 6 Community Assessment Survey for Older Adults™, (2017), National Research Center Inc. <https://cicoa.org/news-events/research/>.
- 7 Ibid.
- 8 S. Ruggles et al., IPUMS USA
- 9 Ibid.
- 10 Roll, A., Bailey B. (2019). Homelessness in Indianapolis: 2019 Marion County Point-in-Time Count. , Indiana University Public Policy Institute, Indianapolis, IN. https://static1.squarespace.com/static/5adf505796d455fa43a30309/t/5ce6a1e6e5e5f0f04be64171/1558618599047/2019+Point+in+Time+Homeless+Count_Final.pdf.
- 11 Ibid.
- 12 B. P. Pommerance, "Fighting on Too Many Fronts: Concerns Facing Elderly Veterans in Navigating the United States Department of Veterans Affairs Benefits System," *Hamline Law Review* 37, no. 1, article 2 (2014). Retrieved from <http://digitalcommons.hamline.edu/hlr/vol37/iss1/2>.
- 13 The U.S. Department of Housing & Urban Development Office of Community Planning and Development, The 2018 Annual Homeless Assessment Report (AHAR) to Congress Part 1: Point-in-Time Estimates of Homelessness, December 2018, Washington, D.C. <https://files.hudexchange.info/resources/documents/2018-AHAR-Part-1.pdf>.
- 14 A. Roll et al., (2019)
- 15 Fair Housing Center of Central Indiana. "Fair Housing and Criminal Background Screening." <https://www.fhcci.org/wp-content/uploads/2011/12/FHCCI-FS-16-Criminal-History-1.pdf>
- 16 SAGE (Services and Advocacy for GLBT Elders) and National Center for Transgender Equality (NCTE). Improving the Lives of Transgender Older Adults: Recommendations for Policy and Practice. <https://transequality.org/sites/default/files/docs/resources/TransAgingPolicyReportFull.pdf>
- 17 Ibid.

DATA APPENDIX

Indicator	Parameter	Geography	Age	Race	2012	Margins of error	2017	Margins of error	Absolute Change
Homeownership	Owned	Central Indiana	55+	All	78.98	1.98	80.47	1.72	1.49
			55-64	All	79.67	3.39	79.83	1.75	0.16
			65-84	All	80.88	2.5	83.36	2.72	2.48
			85+	All	58.67	6.94	64.06	7.35	5.39
	Renting	Central Indiana	55+	All	18.55	1.79	17.27	1.45	-1.28
			55-64	All	19.41	2.84	19.03	2.11	-0.38
			65-84	All	16.27	2.41	14.9	2.33	-1.37
			85+	All	28.31	7.17	21.08	7.49	-7.23
Mortgage Status	No Mortgage, Owned Free and Clear	Central Indiana	55+	All	31.01	2.27	32.44	2.33	1.43
			55-64	All	21.09	3.53	21.76	3.2	0.67
			65-84	All	40.75	3.56	41.42	3.31	0.67
			85+	All	43.85	7.24	48.72	7.81	4.87
	Not Applicable	Central Indiana	55+	All	21.15	1.84	19.6	1.58	-1.55
			55-64	All	20.45	2.9	40.82	3.2	20.37
			65-84	All	19.25	2.55	16.68	2.53	-2.57
			85+	All	41.48	8.09	35.94	8.87	-5.54
	Mortgaged or Contract to Purchase	Central Indiana	55+	All	47.85	2.38	47.97	2.68	0.12
			55-64	All	58.46	3.31	57.96	3.57	-0.5
			65-84	All	40	3.3	41.9	3.48	1.9
			85+	All	14.67	6.27	15.34	6.82	0.67
Housing Costs	Household Spends 30% or More of Income on Housing Costs	Central Indiana	55+	All	25.86	2.72	21.03	1.9	-4.83
			55-64	All	25.39	3.23	17.43	2.47	-7.96
			65-84	All	26.45	3.86	24.38	2.93	-2.07
			55+	Black	43.96	7.9	31.86	6.29	-12.1
			55+	Hispanic	11.66	10.16	34.12	20.36	22.46
			55+	White	23.76	2.85	19.29	2.18	-4.47
			85+	All	25.45	7.47	24.28	8.98	-1.17
Housing Costs	Household Spends 50% or More of Income on Housing Costs	Central Indiana	55+	All	10.46	1.84	8.41	1.24	-2.05
			55-64	All	10.2	2.4	7.07	1.58	-3.13
			65-84	All	11.06	2.31	9.25	1.7	-1.81
			55+	Black	22.57	6.45	15.37	5.01	-7.2
			55+	Hispanic	4.86	8.17	13.3	21.53	8.44
			55+	White	9.11	1.92	7.23	1.38	-1.88
			85+	All	8.13	4.89	12.69	6.57	4.56

Bold rows indicate a change between 2012 and 2017 larger than the margin of error.

Indicator	Geography	Response	2013	2017	Absolute Change
<i>Please rate each of the following characteristics as they relate to adults age 60 or over in your community:</i>					
Availability of affordable quality housing	Indiana	Excellent or Good	44%	42%	-2.0%
	Central Indiana	Excellent or Good	45%	49%	4.0%
<i>Thinking back over the last 12 months, how much of a problem, if at all, has each of the following been for you?</i>					
Maintaining your home	Indiana	At least a minor problem	44%	45%	1.0%
	Central Indiana	At least a minor problem	50%	45%	-5.0%
Maintaining your yard	Indiana	At least a minor problem	46%	46%	0.0%
	Central Indiana	At least a minor problem	50%	49%	-1.0%
Having enough money to pay your property taxes	Indiana	At least a minor problem	25%	25%	0.0%
	Central Indiana	At least a minor problem	26%	20%	-6.0%

Bold rows indicate a statistically significant change between 2013 and 2017.