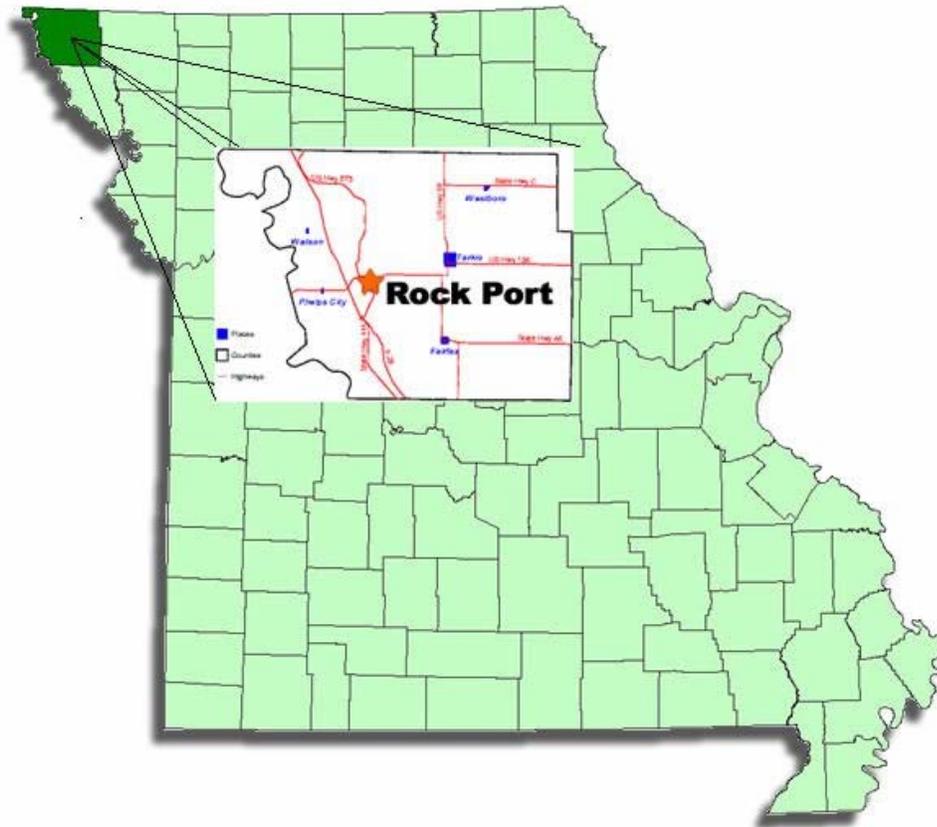


Housing Profile and Needs Assessment: Rock Port City, Atchison County, Missouri



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Map Source: OSEDA (Office of Social and Economic Data Analysis),
<http://www.oseda.missouri.edu/county/29227/countymap.gif>

**Housing Profile and Needs Assessment:
Rock Port City,
Atchison County, Missouri
1990-2003**

by

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Executive Summary

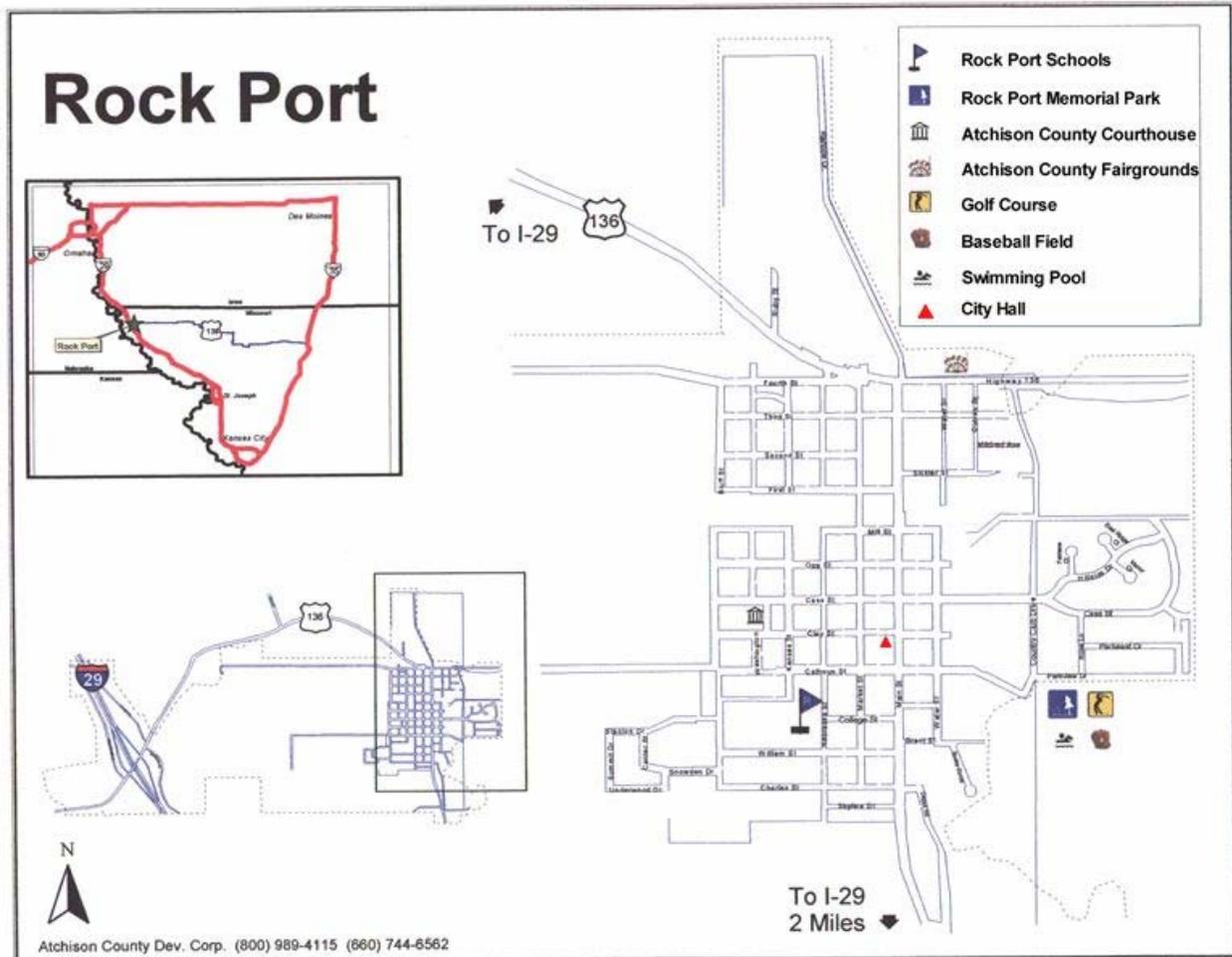
Community Profile

ATCHISON COUNTY lies in the northwestern part of the State and it has a land area of 560 square miles. It borders the State of Iowa on the north; Nodaway County – on the east; Holt County – on the south; and the State of Nebraska – on the west. The county was created in February, 1845 and it was named for David Rice Atchison, a Major General of the Missouri State Militia.¹

Market Area

Rock Port City is the county seat for Atchison County and comprises 22 percent of the county population. Located midway between Omaha, NE and Kansas City, MO, the community lies 64 miles northwest of St. Joseph, 41 mile northwest of Maryville and 19 miles east of Auburn, NE. Two highways intersect the city: US Highway 136 and US Interstate 29. Rock Port is the second largest city in the county and serves as a hub for regional trade in agricultural economy.

This report compares the data for Rock Port City with that of Atchison County and the State average.



¹ Source: Brief History of Atchison County, Missouri, <http://www.rootsweb.com/~moatchis/athistor.html>

Demographic Profile

The population in Rock Port City declined by 130 persons (or, 3 percent) between 1990 and 2000, down to 1,390 persons. The decrease in population in Rock Port City could be attributed to several factors, including the lack of opportunities for younger people that causes them to move out. Atchison County showed a population decline of 14 percent over the past decade, down to 6,430 persons in 2000. Based on the rate of decline from 1990 to 2000, the population is projected to decline down to 1,373 persons in Rock Port City and 5,883 persons in Atchison County by 2006.

While both Rock Port City and the county reported a loss in non-elderly adults, Rock Port reported a 4 percent gain in elderly people (over the age of 65). Rock Port City has a significantly larger elderly population (28 percent) in comparison to the State and the county (14 and 21 percent, respectively) that should be considered in planning for housing development. In 2000, the majority of the population in Rock Port City, Atchison County and the State of Missouri was white.

Households

Similar to the population, the number of households in Rock Port City declined, from 660 in 1990 to 647 in 2000. The average size of Rock Port households also declined: from 2.18 persons per household in 1990 to

2.08 in 2000. The number of households in Atchison County also decreased over the last decade. There were 2,722 households in Atchison County in 2000, down from 2,971 in 1990.

Rock Port City reported a somewhat smaller percentage of married couples in comparison to the State and the county, and this can be partially explained by the loss of 47 married couples from 1990 to 2000. Elderly population comprised more than twice as many households in Rock Port City in comparison to the State in percentage terms (26 vs. 10 percent, respectively), as reported in the 2000 Census.

An analysis of the tenure of householders by age in Rock Port City indicated that adults 25 to 44 years comprised 26 percent of the total population and 23 percent of the households, making up 19 percent of the owner- and 34 percent of the renter-occupied households. During the 1990s, this age cohort experienced a loss of 40 owner-occupied households and 5 renter households. In addressing housing needs, projects could be encouraged to reverse undesirable trends, for example, by expanding homeownership opportunities for middle-aged adults and providing affordable starter homes to convert non-elderly renters to homeowners.

Income

The median *household* income in Rock Port City and the county was below the State median in both 1989 and 1999. In fact, Missouri median income was 28 percent higher than that of Rock Port in 1989, and 33

percent as high in 1999. State median income was 31 percent higher than that of Atchison County in 1989, and 23 percent as high in 1999. Over the past 10 years the median household income in Rock Port City grew by 6 percent to \$28,571 and Atchison County median household income increased by 18 percent to \$30,959, while that of Missouri increased by 10 percent to \$37,934 (after being adjusted for inflation).

In 1999, household incomes in Rock Port City were heavily concentrated in the lower income brackets, with 25 percent of the households reporting income less than \$15,000 as compared to 23 percent in the county and 17 percent in the State. With a larger percentage of low-income households, this reinforces the need for a community-based approach in addressing housing needs, which would involve both public and private sectors of the community. The median income in the city for elderly people 65 to 74 years of age was \$26,500, corresponding to a maximum affordable housing cost of \$663 per month (at 30 percent of monthly income rate). Elderly people 75 years and older had median income of \$17,426 for a maximum housing cost of \$436 monthly.

The 2000 median *family* income levels in Rock Port City (\$41, 625) and Atchison County (\$38, 271) were lower than the national (\$50,046) and statewide (\$46,044) median, but higher than the median for nonmetro areas in Missouri (\$36,015). Of the 991 families in Rock Port City for whom poverty status was determined, 84 fell below the poverty level as reported in the 2000 Census. This included 31 female householders with children. If the number of single mothers were to grow, it could indicate the need for subsidized housing with support services on site such as day care or job training. With the population decrease from 1990 to 2000, the number of people in poverty in Atchison County also declined from 1,255 to 711 persons.

Between 1990 and 2001, the amount of supplemental security income payments in the county increased by 17 percent. The amounts of food stamp assistance and family assistance have declined as lower-income households are encouraged to obtain more education or job training to become employed and to become more economically self-sufficient. Even with those still receiving assistance, the benefits are small. These low-income populations require special attention when planning for housing needs.

Special Needs/Elderly

Five percent of the non-elderly people in Rock Port City reported a mobility or self-care limitation, a rate somewhat higher than that of the county but lower than that of the State. Twenty six percent of the elderly reported limitations, with comparable numbers in the county and the State. Both groups represent a need for housing with a universal design; that is, housing that can be adapted easily for those who are physically handicapped.

Economic Profile

Employment

In 2000, 58 percent of Rock Port population over 16 years of age were in the labor force as compared to 61 percent for Atchison County and 65 percent for the State. This indicates that over 40 percent of persons of working age in Rock Port City had limited incomes or were dependent on public assistance. Ninety-two percent of the labor force in Rock Port City was employed, with 96 percent reported for the county and 95 percent for the State. Of those employed, 75 percent worked in Atchison County and 25 percent commuted outside the county lines for work (both inside and outside Missouri).

The labor force (and employment) changes in Atchison County have been cyclical, with a decline between 1990 and 1993, followed by a 3-year increase, and a subsequent decline between 1996 and 2000. Both the number of employed people (employment by residence) and the total labor force in the county showed a 17 percent decline from 1990 to 2002. For comparison, the total population in Atchison County declined by 10 percent between 1990 and 2002, indicating that the labor force decline was more drastic than the population decline in the county. The unemployment rate in the State declined from 1993 through the 1999, due to the strong economy, and the effects of the Personal Responsibility and Work Opportunity Act of 1996. Between 1990 and 2002, Atchison County rate of unemployment remained lower than that of the State. This suggests that a smaller portion of the people in Atchison County was unemployed with little or no income in comparison to the State average.

In analyzing employment by industry in Atchison County, the largest growth over the last decade was seen in the transportation and public utilities, and finance, insurance and real estate sectors, while the largest decline in both absolute and percentage terms was reported in manufacturing with 315 jobs lost. In examining top occupational categories in 2000, Rock Port City reported a larger percentage of people in service and sales related occupations, with a smaller percentage of people in management, professional, and administrative support occupations in comparison to the State.

Earnings

Average earnings per job in Atchison County grew 13 percent (after being discounted for inflation) from their 1995 level reaching \$20,061 in 2001, which corresponds to an affordable housing cost of \$502 per month. Average earnings per job covered by unemployment insurance were \$19,773 in 2001, a 10 percent increase over their 1995 level.

Housing Profile

Supply/Housing Availability

Of the 714 housing units in Rock Port City reported by Census 2000, 91 percent were occupied with 62 percent of owners and 29 percent of renters. This translated into homeownership rate of 68 percent. For comparison, homeownership rate in 2000 was 70 percent statewide and 75 percent nationally for rural communities. The number of vacant units in Rock Port City increased by 15 units from 1990 to 2000, while the total number of housing units increased by 11. There was a decrease of 13 households in Rock Port City during the same period.

Eighty-eight percent of the housing units in Atchison County were occupied in 2000, with a homeownership rate of 69 percent similar to the State average (70 percent). Over the last decade, the number of vacant units in the county increased by 44. The county also reported a net loss of 195 housing units from 1990 to 2000 demonstrating decline outside the Rock Port City limits with decreases in both owner- and renter-occupied units. This corresponded to a decrease of 249 households in the county over the same period.

The homeownership vacancy rate in Rock Port City decreased from 2.9 in 1990 to 1.8 percent in 2000, indicating a tightening of the housing market. At the same time, the county homeownership vacancy rate increased from 1.8 percent in 1990 to 3.5 percent in 2000. The homeownership vacancy rate in Rock Port City was smaller in comparison to both county and the State (2.1 percent) at the time of the 2000 Census. In contrast, the rental vacancy rate of 12.7 percent in Rock Port City was higher than those of the county and the State (12.5 and 9.0, respectively) in 2000. Rock Port vacancy rates of 1.8 percent for homeownership and 12.7 percent for rentals as reported in the 2000 Census are sufficient to allow for adequate consumer choice in the market. However, 43 percent of the vacant units in Rock Port City were not actively for sale or rent. Thus, overall vacancy rates can mask a community's real housing availability situation.

Eighty nine percent of the population in Rock Port City and 83 percent of the population in the county lived in the same house or had moved within the county within a five-year period prior to the 2000 Census. This indicates that movement of new households into the area was weaker than State average of 23 percent.

In 2000, households in Rock Port and the county demonstrated a stronger preference for low-density housing including single-family homes, townhouses and structures with two to four units than the State. However, mobile homes occupied a very small percentage of the total housing stock in both the city and the county (1 and 4 percent, respectively, compared to 8 percent statewide). With the large number of low-income households in Rock Port City, mobile (and manufactured) housing could provide an affordable housing option. The city might also benefit from an upscale park targeted to owners of newer modular units, with amenities offered such as storage sheds, a storm shelter and laundry facility.

In 2000, 70 percent of the *total* housing stock in Rock Port City consisted of two or three bedrooms. Forty-three percent of the owner-occupied units had three bedrooms, with 36 percent of the stock consisting of two-bedroom units. In contrast, rental units were comprised mainly of one- and two-bedroom units. Vacant units with two bedrooms comprised 43 percent, and with one- and three-bedrooms - 26 percent each of total vacant units in the city.

Housing Adequacy

Forty-one percent of the housing units in Rock Port City were over 50 years old (built prior to 1950) at the time of the 2000 Census, vs. 52 percent for the county and 24 percent for the State. The large percentage of

older homes in Rock Port City and the county in comparison to the State is a strong indicator of the need for housing rehabilitation programs in the area. Production levels averaged 1.4 units per year between 1990-1994 and 2.6 units per year between 1995 and 2000, indicating that current levels are considerably lower than in previous decades. This means that housing with modern designs and amenities is limited. Substandard units and overcrowding do not seem to represent a problem in Rock Port.

Repetitive submittal of applications to a variety of applicable funding sources;² reliance on the service and expertise of organizations dealing with housing issues;³ building the capacity of local nonprofit agencies and the courting of for-profit developers with experience in affordable housing rehab will be necessary to improve the housing stock as well as demolish the dilapidated units in the community and eliminate blighting influences from the neighborhoods.⁴

Housing Affordability

When defining “affordability” of housing, the value of the housing stock is compared to the income of the household. Several definitions of “affordability” exist. This study examines both the

governmental definitions provided by the Congress in the National Affordable Housing Act, as well as the conventional mortgage view of affordability.

Based on the Atchison County area median income (AMI) for a family of four in 2002, affordable housing should not to exceed \$930 per month for a low-income household (80 percent of AMI), and \$581 for a very low-income household (50 percent of AMI).

Homeownership

In 2000, the median value of an owner-occupied home in Rock Port was \$57,100, as compared to \$51,600 in Atchison County and \$86,900 in the State. In 2000, the median mortgage cost in Rock Port City was \$586, with 16 percent of owners reporting a cost burden, that is, paying more than 30 percent of their income for housing. This compared to \$574 in Atchison County with a 14 percent cost burden and \$861 in the State with 16 percent reporting cost burden.

² including CDBG Neighborhood Development administered by the DED; Rural Rental Housing Program run by the USDA Missouri State office; funding available from Federal Home Loan Bank, US Department of Housing and Urban Development, and Rural Housing Development. In addition, 2003 Missouri Downtown and Economic Stimulus Act (MODESA) provides new funding for downtown revitalization and historic renovation.

³ such as USDA Rural Housing Service, National Affordable Housing Management Association, Federal Housing Administration, Fannie Mae, Ginnie Mae, Freddie Mac, Housing Assistance Council, National Low Income Housing Coalition, Housing Credit Monitoring Agencies, State Housing Finance Agencies, National Council of State Housing Agencies, National Association of Housing and Redevelopment Officials, National Housing and Rehabilitation Association, and Public Housing Authorities.

⁴ For more information on various sources of funding for housing projects and technical assistance, see Appendix C.

Rental Housing⁵

In 2000, the median gross rent was \$307 in Rock Port and \$317 in Atchison County. Fifteen percent of renters in Rock Port City reported a cost burden with similar percent for the county. In 2000, state median gross rent was \$484 with a 33 percent cost burden.

In 2002, an extremely low income household (earning \$11,790, or 30 percent of the Area Median Income of \$39,300) in Atchison County could afford monthly rent of no more than \$295, while the Fair Market Rent for a two bedroom unit was \$371. For comparison, an extremely low income household in Missouri as a whole could afford monthly rent of no more than \$409, while the state average Fair Market Rent for a two bedroom unit was \$561.

In 2002, a minimum wage earner (earning \$5.15 per hour) in Atchison County could afford a rent of no more than \$268/month (same as the State Average).

In 2002, an SSI recipient (receiving \$545 monthly) in Atchison County could afford a rent of no more than \$164/month (same as the State Average), while the Fair Market Rent for a one-bedroom unit was \$288 for Atchison County and \$442 for the State of Missouri.⁶

In the same year (2002), in Atchison County, a worker earning the minimum wage (\$5.15 per hour) had to work 56 hours/week (as compared to 84 hours/week for the State average) in order to afford a two-bedroom unit at the area's Fair Market rent.

The Housing Wage in Atchison County in 2002 was \$7.25 (vs. \$10.80 in the State as a whole). This is the amount a full time worker (working 40 hours per week) must earn per hour in order to afford a two-bedroom unit at the area's Fair Market rent. This constitutes 141 percent of the minimum wage of \$5.15/hour for the County (vs. 210 percent for the State average).

Housing Needs and Opportunities

To increase homeownership in Rock Port City, homebuyer education and credit counseling efforts should be coordinated and promoted through the housing delivery system. Education on available funding programs will better prepare realtors and mortgage lenders to help their clients attain homeownership. Housing that is affordable to median income families will be a key in transforming renters to buyers, so builders will play a vital role.

The housing delivery system within Rock Port City should band together to promote Rock Port as an attractive location to live and work. Housing-related information could be posted on the City or Chamber of Commerce Web site.

⁵ The majority of information in this section came from the National Low Income Housing Coalition report, "Rental Housing for America's Poor Families: Farther Out of Reach Than Ever", 2002, <http://www.nlihc.org/cgi-bin/oor2002.pl?state=MO>

⁶ A unit is considered affordable if it costs no more than 30 percent of the renter's income.

Introduction

Housing markets, like labor markets, are highly spatial in nature and depend on the location of jobs, the quality of public services and the demographics of local population. The “Housing Profile and Needs Assessment” report for Rock Port City was developed as a result of the Outreach Development Fund (ODF)⁷ project, called “Housing Profile and Needs Assessment” protocol. The “Housing Profile Protocol” is a tool developed to aid communities in processing housing information and identifying housing resources.

The protocol has its origins in the “Oklahoma Housing Needs Assessment and Strategic Plan” compiled by the Federal Home Loan Bank (FHLB), Topeka, Kansas. The Oklahoma template was modified and expanded in order to address Missouri-specific housing, demographic and economic conditions. This report is based on the U.S. Census Bureau (and other, more current) data sources.

The report should be used for the following purposes:

- To create awareness of local housing and economic development conditions;
- To establish action plans for community housing development and promotion;
- To document market feasibility for housing developers, lenders and appraisers;
- To permit community-to-community comparisons of solutions and strategies; and
- To facilitate obtaining funding from federal, state and other sources.

Rock Port housing report was based solely on the secondary data and no community participation was utilized in the writing of the report. The reports compiled for other pilot communities that were involved in this project were based on both secondary and primary data collection, with broad community participation.

⁷ ODF is funded by the University Outreach and Extension (UO/E), MU.