

CHAPTER 9

HOUSING

A close examination of the housing stock in the City of Hobart, based on the 1990 census, will reveal the community's level of stability and attractiveness for further growth and development. Eighty-three percent of the family-occupied households in 1990 were married-couple families. The average persons per household was low at 2.68, revealing an aging population. From 1990 to present it is expected that the 2000 census will show that this downward trend in persons per household has dramatically reversed. Since 1990, 902 single family homes have been built. This represents nearly 12% of the total single family housing stock.

Owner-occupied units accounted for 77 percent of the total in 1990, down from 84 percent in 1970. Single-family housing accounted for 84 percent of the total housing stock, down from 90 percent in 1970. An extremely low vacancy rate of 3.9 percent for rentals and .7 percent for homeowners reflected a stable, high demand status of existing housing stock in 1990. From 1994 through 1999, building permits were issued for 1,324 housing units. Of these 808 were for single family homes, and 516 were for multifamily units. Most of the multifamily units were intended to be owner-occupied town homes, duplexes or condominiums, however, 150 units were apartments. The 2000 census is expected to show a slight decrease in owner-occupied units.

Sixty-two percent of the housing units in Hobart in 1990 contained three or more bedrooms. Only ten percent of the households were on individual wells while 90 percent were on the public sewer system. The percentages of units with less than three bedrooms, and those not on public sewer and/or water systems is expected to decrease substantially, since the vast majority of the 1,324 units built since 1994 have at least three bedrooms and public utilities.

The age of the housing stock in 1990 revealed the dramatic impact of the sewer moratorium. In 1990 over 96 percent of the housing stock was built prior to 1980. Only 295 units were built from 1980 to March of 1990. From 1994 through 1999, permits had been issued for 1,324 housing units. In 1990, sixty-three percent of the existing owner-occupied households in Hobart have lived in their units a minimum of ten (10) years, while 34 percent have lived in their units a minimum of twenty (20) years. Even renter-occupied units in Hobart had a low rate of tenant turnover in 1990. Over 25 percent had lived at their current unit for at least five (5) years.

Owner-occupied housing value was relatively low, with a median of \$53,000 and with over 44 percent less than \$50,000. Only 44 units out of 5,682 had values above

\$150,000. The number and value of new single family homes built each year has climbed substantially from an average value of \$58,403 in 1990 for eight (8) homes to \$131,857 in 1998 for 121 homes.

Although the valuations are relatively low, the mortgage burden and percentage of salary is also low. Over 74 percent of owner-occupied mortgaged households paid less than \$700 per month. For almost 70 percent of the householders that represented less than 20 percent of income. It is anticipated that with younger families investing in higher priced homes, that mortgage burden will increase.

Rents were also below average with median monthly rent at \$445. Sixty-seven percent of renters paid less than \$500 per month. There were no properties which rent for more than \$1,000 per month. Based on recent marketing data, the average monthly rental payments are also expected to increase substantially in the 2000 census.

Recommendation

It is clear that residential tax abatement has worked well at stimulating growth in making Hobart competitive with neighboring communities. Abatement should be continued, however, a written policy should be established and reviewed periodically that prioritizes development by location size and type. Residential tax abatement should be granted to development which occurs within the Hobart Township portion of the city. It is difficult to present a case to show that Ross Township is depressed (one of the requirements of tax abatement). Preference should be given to individual "fill-in" lots, since they add little additional load to municipal services. Preference should be given to development, which removes a blighting influence as a consequence of development. Preference should be given to Planned Unit Developments because they are more malleable and can be required to provide higher development standards.

Residential and commercial tax abatement should be available until the City's tax rate is comparable with competing communities (i.e., Merrillville, Crown Point, Portage and Valparaiso). Abatement should be offered until a pre-defined percentage of total developable property is covered or the maximum 15 percent (statutorily established), is achieved.

By using the new census 2000 housing valuation, age, and income maps, a housing re-development designation should be assigned to low value areas. Tax abatement regulations should give these areas a higher priority. In addition, Community Block Grant Funds should be used primarily in these areas. Strict building code enforcement should also be initiated to reduce blighting influences on these marginal areas.

TABLE 25
HOUSEHOLDS BY TYPE

	<u>1990</u>	<u>2000</u>
Family households	6,071	6,977
Married-couple families	5,059	5,549
Male householder	271	407
Female householder	741	1,021
Nonfamily households	2,002	2,878
Householders living alone	1,752	2,376
Total households	8,073	9,855
Persons living in households	21,621	25,115
Persons per household	2.68	2.55

Sources: 1990 Census of Population and Housing
2000 Census

TABLE 26
OCCUPANCY

	<u>1990</u>	<u>2000</u>
Occupied	8,073	9,855
Owner (%)	6,219 (77.0)	7,905 (80.2)
Renter (%)	1,854 (23.0)	1,950 (19.8)
Vacant	229	444
Vacancy rate		
Homeowner	.7%	1.8%
Rental	3.9%	5.8%
Persons per owner-occupied unit	2.80	2.63
Persons per renter-occupied unit	2.26	2.21
>1 persons per room	167	

Source: 1990 Census of Population and Housing
2000 Census

TABLE 27
UNITS PER STRUCTURE

	<u>1990</u>	<u>2000</u>
1 unit	6,819	8,769
2 - 4	394	410
5 - 9	415	370
> 10	465	603
Mobile home, trailer, etc.	209	125

Source: 1990 Census of Population and Housing
2000 Census

TABLE 28

HOUSING CHARACTERISTICS

	<u>1990</u>	
<u>BEDROOMS</u>		
0	71	
1	582	
2	2,502	
3	4,143	
4	908	
5 or more	96	
	<u>1990</u>	
<u>SOURCE OF WATER</u>		
Public/private system	7,453	
Wells	849	
	<u>1990</u>	
<u>SEWER DISPOSAL</u>		
Public sewer	7,518	
Septic system	773	
Other	11	
	<u>1990</u>	<u>2000</u>
<u>HEATING FUEL</u>		
Utility gas	7,278	8,961
LP	45	67
Electricity	554	702
Fuel oil, kerosene	131	78
Wood	31	0
Other	13	15
No	21	11

Source: 1990 Census of Population and Housing
2000 Census (where available)

TABLE 29
AGE OF HOUSING STOCK

	<u>UNITS</u>
1990 - 1999	1,426*
1989 - MARCH '90	52
1985 - 1988	75
1980 - 1984	168
1970 - 1979	1,872
1960 - 1969	1,429
1950 - 1959	2,139
1940 - 1949	991
<1939	1,576
TOTAL	9,728

* Based on Building Permits Issued

Source: 1990 Census of Population and Housing

TABLE 30
LENGTH OF TENURE

	<u>OWNER OCCUPIED</u>	<u>RENTER- OCCUPIED</u>	<u>ALL HOUSEHOLDS</u>
1989 - March 1990	463	681	1,081
1985 - 1988	1,089	752	1,841
1980 - 1984	761	245	1,006
1970 - 1979	1,793	195	1,988
1960 - 1969	1,123	27	1,150
<1959	990	17	1,007

Source: 1990 Census of Population and Housing

TABLE 31

SELECTED TOPICS RELATING TO SUB-STANDARDNESS

<u>Units with:</u>	<u>1990</u>	<u>2000</u>
Incomplete plumbing	11	25
Incomplete kitchen	16	28
No telephone	165	45

<u>Vehicles Available</u>		
0	401	506
1	2,681	3,067
2	3,447	4,243
3 or more	1,544	2,018

Source: 1990 Census of Population and Housing
2000 Census

TABLE 32

HOUSING VALUE - OWNER-OCCUPIED

	<u>1990</u>	<u>2000</u>
< \$50,000	2,526	293
50,000 - 99,999	2,900	3,770
100,000 - 149,999	212	2,581
150,000 - 199,999	31	685
200,000 - 299,999	7	192
> 300,000	6	45
Total owner-occupied	5,682	7,566
Median	\$53,000	\$97,700

Source: 1990 Census of Population and Housing
2000 Census

TABLE 33

SELECTED HOUSING FINANCIAL INFORMATION

	<u>1990</u>	<u>2000</u>
<u>Monthly Owner-Occupied Cost</u>		
<u>With mortgage</u>	3,630	5,199
< \$300	234	24
300 - 499	1,155	413
500 - 699	1,305	1,007
700 - 999	734	2,017
1000 - 1499	190	1,360
1500 - 1999	12	330
> \$2000	0	48
Median (\$)	557	856
<u>Monthly Cost as Percent of Income</u>		
< 20%	3,989	4,700
20 - 24	690	984
25 - 29	431	582
30 - 34	232	406
> 35	393	889
<u>Gross Rent</u>		
< \$200	39	22
200 - 299	141	88
300 - 499	988	218
500 - 749	549	1,134
750 - 999	32	303
> 1,000	0	65
0	82	75
Median (\$)	445	628
<u>Rent as Percent of Income</u>		
< 20%	617	663
20 - 24	304	278
25 - 29	211	217
30 - 34	94	191
> 35	517	474

Source: 1990 Census of Population and Housing
2000 Census