

# **Poor Families and Poor Housing: The Search for Decent Housing in Virginia's Private, Unassisted Market**

A report on a survey of Virginia families receiving Aid to Families with Dependent  
Children and living in private, unassisted housing

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## Acknowledgments

Mr. Karl Bren, Non-Profit Affairs Director for the Virginia Housing Development Authority, recognized the need for this study and established an ad-hoc study committee of social service professionals, advocates for the poor, housing professionals, and university researchers. In addition to Mr. Bren, the committee included: Ms. Betty Kienast, Director of Social Services, Henrico County; Ms. Sue Capers, Director of the Virginia Coalition for the Homeless; Mr. Evan Lewis, Staff Attorney, the Virginia Poverty Law Center; Ms. Mary Ellen (Mert) Rives, Director, Policy and Evaluation, Center for Public Service, Virginia Commonwealth University (VCU); and, Dr. C. Theodore (Ted) Koebel, Director, Virginia Center for Housing Research, Virginia Polytechnic Institute and State University (VPI&SU).

Funding to off-set some of the costs of conducting the survey was provided by the Poverty & Race Research Action Council and by the Greater Richmond Community Foundation. Staff and in-kind support was provided by the Virginia Housing Development Authority; the Center for Public Service, VCU; the School of Education, under the VCU Community Associates Program; and the Virginia Center for Housing Research, VPI&SU.

This report and the survey it summarizes are the direct results of the individual and collective labors of the committee and the numerous volunteers from social service agencies across the state that administered the survey within their jurisdictions. The survey would not have been possible without the cooperation of the Virginia Department of Social Services, the Virginia League of Social Service Executives, the participating local social service departments, the volunteers who contributed their time and talent to faithfully conduct nearly 400 interviews across the state, and the respondents. The latter allowed us into their homes and shared details about their housing and their lives<sup>1</sup>. We dedicate this report to them in the hope that it leads to some improvements in their housing.

Questions about the study should be directed to: Mr. Karl Bren (804-782-1986) for the overall management of project; Ms. Mert Rives (804-367-8812) for survey methodology; and Dr. Ted Koebel (703-231-3993) for sample design and data analysis.

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<sup>1</sup>The survey was conducted through a "double-blind" technique which protected the confidentiality of the individual respondents.

## **Summary of Findings**

Low-income Virginians who do not receive rental assistance are forced to live in seriously inadequate housing, for which they have to devote virtually all of their income. Very few families who receive Aid to Families with Dependent Children (AFDC) and do not live in federally-assisted housing receive any emergency housing assistance from government--except for energy assistance--despite their serious housing problems. In addition to AFDC, Food Stamps, and energy assistance, these families rely heavily on assistance from churches and non-profit agencies, and particularly from relatives.

Unfortunately, even combining assistance from several sources is often inadequate compared with the cost of housing. Many of these families have to double-up with relatives in order to obtain shelter. However, doubling-up is not a permanent solution to their housing problems. It is only a way to temporarily cope with the residential instability--including occasional homelessness--that plagues these families.

Consider the following evidence from this state-wide survey of AFDC families living in private, unassisted housing. Over one-in-five of these families were found to be living in units with severe physical problems--almost six times the level experienced by Americans nationally and nearly four times the level experienced by Americans below poverty. (See Figure 1).

Although their rents were centered in the bottom half of rents in Virginia, these rents were by no means meager or affordable, especially considering that one-in-five of these units had severe physical problems. The median rent--for those with cash rent--was \$265, which requires 75 percent to 100 percent of the maximum AFDC payment to these families. Utilities add another \$50 to \$100 to the family's housing costs. This level of housing burden necessitates a continuous struggle to obtain decent shelter and pay for other necessities.

Despite the severity of their housing problems, only 10 percent of these families received emergency shelter assistance in the past year from governmental sources, although 38 percent received heating assistance and 89 percent received Food Stamps. (See Figure 2). Nearly one-fifth (19 percent) received some type of assistance during the previous year from churches, non-profit agencies, or other charitable organizations. This assistance was most often for food (63 percent) and less frequently for utilities (26 percent), rent (25 percent), clothes (21 percent), and cash (12 percent). But given the enormous gap between public assistance levels and housing costs, many of these families could

**FIGURES 1 & 2**

not obtain decent housing and also pay for other necessities without help from their family or friends.

The most frequent way of coping with high housing costs was doubling-up. (See Figure 3). At least 39 percent of the households were found to be in housing that was shared by adult relatives of the AFDC mother or by non-relatives. As many as 11 percent of the households classified as living independently might have been doubled-up or have been in extended, multi-generation families. Doubling-up mostly involved the AFDC family moving into the home of a relative. It occurred primarily in single-family, rental housing and did not normally cause over-crowding. On average, doubled-up households had only one more adult than independent households.

One of the biggest advantages of doubling-up is the sharing of housing costs between the guest family and the host family. Of AFDC families in doubled-up housing, 11 percent had no cash rent and 33 percent paid only some of the rent. This compares with 6 percent and 10 percent, respectively, for those living independently.

Doubling-up reduced the likelihood of minor physical housing problems, but had little impact on severe problems. Nonetheless those in doubled-up housing were less likely to have received emergency housing assistance from government (5 percent vs. 12 percent); heating assistance from government (24 percent vs. 48 percent); and assistance from churches or other charitable organizations (11 percent vs. 24 percent). (See Figures 4 and 5.)

Doubling-up is symptomatic of the instability of the residential environments of many poor families and is, for most, only a temporary solution to their housing problems. Nearly half of the families interviewed in this survey--including those doubling-up--were worried about becoming homeless; 15 percent had previously been homeless, several more than once. On average, those who doubled-up in the past did so for only a year-and-a-half. Almost one-in-five families had been evicted in the past and 50 percent wouldn't know where to go next if they were evicted from their current units. (See Figure 6.)

Despite obviously high levels of residential instability and physical housing problems for all of these families, only 21 percent were on waiting lists for assisted housing. Many families in obvious need of such assistance probably did not apply because of the long wait involved for even the lucky few who ultimately do receive help.

## **FIGURES 3 & 4**

## **FIGURES 5 & 6**

## **Policy Recommendations**

The safety-net established by public policy to protect families from extreme hardship has been seriously damaged by rising housing costs, the inadequate supply of assisted housing, and the failure of income assistance levels to keep up with increased housing costs. Inadequacies in both housing assistance and social service programs need to be addressed to help ameliorate the serious housing problems of low-income Virginians.

Housing assistance only reaches one-in-five eligible families and the federal government's rental assistance programs have not been expanded to meet critical needs. The Low-Income Housing Tax Credit program, now the primary program for producing assisted housing, is insufficiently subsidized to meet the needs of the very poor. Without expansions in federal housing assistance targeted for those most in need, Virginia will continue to find it difficult to provide housing programs that benefit families receiving AFDC. Nonetheless, the state must be as vigilant and innovative in coping with these housing problems as the families who live with the problems.

Housing assistance programs, particularly the Low-Income Housing Tax Credit program and the new HOME program, should be evaluated for all opportunities to provide housing assistance for those most in need. State funding--through the General Fund and the Virginia Housing Development Authority--should be used to the maximum extent possible in conjunction with federal programs to further this goal. Property tax relief through a "circuit-breaker program" should be considered in Virginia to reduce this aspect of the housing cost burden for poor families.

Occupancy rules regarding extended families and doubling-up in assisted housing programs should be examined to provide relatives the flexibility to help each other without undue overcrowding or violations of health codes. However, doubling-up often results in only temporary housing and should be recognized as a priority for providing housing assistance to families.

Emergency housing assistance that enables families to maintain their housing--including families living with relatives--should be expanded as a cost-effective means of avoiding homelessness and residential instability.

Housing programs alone cannot resolve these problems. They must also be addressed through social service programs. Recognizing the substantial amount of doubling-up in housing under the current system, social service programs should be designed to help these families find independent housing (which is

obviously very difficult at current AFDC payment levels) and manage the social stress that likely accompanies doubling-up. Counseling services combined with home-finding assistance could reduce the destructive residential instability that these families experience.

More than anything else, the state needs to establish AFDC payment levels and regulations that provide families sufficient funds to obtain decent housing. Earned income restrictions on AFDC recipients should be relaxed or eliminated until the family's income reaches the federal poverty level. The net value of earned income would be increased for low-income families by expansion of the federal Earned-Income Tax Credit and adoption of a state Earned-Income Tax Credit. In addition, AFDC recipients should be allowed to save enough money, without penalty, to make housing deposits and have emergency reserves for at least six months' rent. Family resources can also be expanded by improving the collection of child-support payments from fathers.

Given that housing is by far the major expense the AFDC payment needs to meet, these payments should be calculated based on housing costs, with reasonable provision for other necessities. Payment levels for families receiving only AFDC should be 3.3 times the amount required to afford a decent, but low-cost apartment<sup>2</sup> (e.g. 80 percent of Fair Market Rents). Using a housing-cost adjusted AFDC level, families receiving Food Stamps or housing assistance could have their AFDC payment reduced by the value of this assistance. Regardless of the method adopted for adjusting AFDC payments to housing costs, it is vitally important to increase AFDC payment levels for those families not receiving housing assistance.

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<sup>2</sup>This converts to the well-accepted standard of a maximum of 30% of income devoted to housing costs.

## **Introduction**

### **Purpose of the Survey**

In 1970, a typical Aid to Families with Dependent Children payment allowed poor families to afford half the rental housing units available in their communities. By 1990, 30 percent of a typical AFDC payment--the generally accepted standard for affordable housing--only allowed families in most communities to afford the bottom 5 percent of the rental housing market<sup>3</sup>.

These families are eligible for federal housing assistance, but the number of families in need of this assistance far exceeds the funding provided. Consequently, only one-in-five households below the poverty level live in governmentally assisted housing. The remainder face an almost unsolvable problem in finding decent, safe and sanitary housing they can afford within their meager incomes. Many of these families live on the edge of disaster--living in physically inadequate units; exposed to unsafe housing and neighborhood conditions; often having to move because in any given month they might not be able to pay the rent or utilities; and constantly at risk of becoming homeless. The purpose of this survey was to measure the housing conditions of poor families who obtain their housing in the private housing market without governmental housing assistance, other than Aid to Families with Dependent Children.

### **Participating Jurisdictions**

Twenty-four local social service departments participated in the survey. The 24 jurisdictions were selected to give regional representation from the entire state (as shown by Figure 7). Jurisdictions were selected based on their region, their size (number of AFDC recipients), and their potential willingness to participate in the survey. For the most part, the largest jurisdictions in each region participated. However, the following large jurisdictions were not represented in the survey: Arlington County (Northern Virginia); Lynchburg and Charlottesville cities (Central Virginia); Portsmouth, Chesapeake, Virginia

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<sup>3</sup>Based on research conducted by the Virginia Center for Housing Research to be presented in a forthcoming report. AFDC payment levels, which are established by the state, have only been increased in Virginia four times since July, 1970. In 1974 the maximum payment was increased and adjusted for regional cost of living differences. Increases ranged from 8% to 38%. The maximum payment was increased by 8% in each region in 1980, by 5% in 1984, and by 8% in 1985. There have been no adjustments since 1985. Between 1970 and 1992, these cumulative increases ranged from 32% to 70%. In contrast, the Consumer Price Index increased 265% during this same period.

**Figure 7**

Beach, and Suffolk (Tidewater); Staunton and Winchester (I-81); Wise, Lee, Tazewell, and Buchanan (Southwest Virginia); and Danville and Martinsville (Southside). Lynchburg Social Services completed its interviews, but they were unfortunately lost in the mail.

Each jurisdiction was given a random sample of cases selected from the state's computerized recipient list. Initially this sample was screened according to the record's shelter code (which supposedly identifies households living in governmentally owned or assisted housing), but this proved unreliable in describing the recipients' current housing. A second, supplementary sample was drawn without regard to the shelter code.

Given the limited resources available to conduct the survey, it was necessary to use volunteers working with the participating social service departments as interviewers. Interviewer training was provided by Susan Leone, VCU School of Education, under the VCU Community Associates Program. Interviewers were instructed to make three "call-backs" to complete an interview or to determine if the household was ineligible because of residence in governmentally assisted housing. All interviews were conducted within the home. Once the jurisdiction's quota of samples was completed, interviewing ceased, although some jurisdictions completed only a portion of their quota within the time period for interviewing.

Use of volunteer interviewers presented some advantages and disadvantages. The commitment of these interviewers to maintaining the quality of data collection was evidenced by their obvious desire to help conduct the survey, by their attendance at a half-day training session, and by the quality of the communication between the field workers and their VCU supervisor. As a group, the volunteers were well-educated and very professional, but they were also inexperienced at conducting interviews.

There were 364 completed interviews, with the following regional distribution: Northern Virginia, 59; Richmond-Petersburg, 94; Central, 18; Tidewater, 122; I-81, 31; Southwest, 15; and Southside, 25. In order to check for any regional bias due to over-representation or under-representation of jurisdictions in the sample, the cases were weighted based on their probability of selection. A comparison of the weighted and the unweighted data indicated that there were no significant differences in the results. Since there was no discernable bias due to regional representation in the sample, the unweighted results are reported herein.

## **Household Characteristics**

The typical household responding to the survey lived in an urban area and had 3.2 people--a mother, a child under age 5 and a child between the ages of 5 and 12. Although the majority lived in their own independent housing units, a surprisingly high percentage--at least 39 percent--were sharing housing with relatives not in their nuclear family unit or with non-relatives. Doubling-up most often added one more adult to the household, usually a parent or other relative of the AFDC mother<sup>4</sup>. The racial classification of households was 64 percent Black, 32 percent White, and 10 percent Other (6 percent of the households were multi-racial).

On average, the family had moved into its residence within the past two years (see Figure 8), although 16 percent had lived at the same location for ten or more years (the median length of residence was 1.6 years and the mean was 5.2 years). Of those who had moved within the previous four years, 60 percent had lived in an apartment, house, or mobile home; 28 percent had lived with their parents; 6 percent had lived in a rooming house or shelter; and 6 percent had some other living arrangement. Among movers, 36 percent moved to improve their living conditions, 19 percent moved because of a change in their family situation (marriage, divorce, moving out of parent's home), 9 percent were forced to move due to eviction or being thrown out, 7 percent moved because of an unaffordable rent increase, and the remainder moved for a variety of other reasons. (See Figure 9).

In addition to being relatively short-term occupants of their housing units, most of these households were short-term recipients of AFDC. (See Figure 8). The median length of time the family received AFDC was 1.4 years and the mean was 3.7 years. Only 14 percent received AFDC for ten or more years, belying the stereotype of welfare recipients as chronically dependent on government support.

Nearly one-in-five households (17 percent) included someone with a physical handicap. Of these households, 13 percent had already made accessibility modifications to their units and 25 percent indicated they needed additional physical modifications within their units, specifically bathroom modifications and accessible steps or ramps.

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<sup>4</sup>For the most part, the AFDC family had moved into the housing of relatives rather than the reverse.

## **FIGURES 8 & 9**

## Housing Unit Characteristics

Over two-thirds of these households (68 percent) lived in single-family housing units, most of which were rented. (See Figure 10). One-in-five families lived in houses that were owned or being purchased, presumably by the AFDC mother's parents or other relatives. However, only one-third of the respondents in owner-occupied houses described their housing as a shared living arrangement. In addition to single-family housing, 10 percent of the respondents lived in mobile homes. Despite their low-incomes, only 22 percent lived in traditional apartments (8 percent in structures with 2-4 units and 14 percent in structures with 5 or more units). In addition to the seven respondents who had moved from a shelter into their current units, one respondent was living in a shelter at the time of the survey.

Reflective of the proportion of single-family houses among the respondents' residences, the housing was fairly spacious, particularly compared with many apartments. The average number of rooms (exclusive of bathrooms) was 5.3, including 2.7 bedrooms. Two and three bedroom units predominated (37 percent and 39 percent, respectively). Even larger units were not exceptional: 17 percent of the respondents' residences had four or more bedrooms. In contrast, only six percent lived in units with one bedroom and one percent with no bedrooms.

Nearly all of the units had one or more bathrooms (80 percent with one bathroom, 17 percent with two or more bathrooms). Nineteen percent had one or more half-baths. Only three percent lacked a full bathroom and only four percent of the units lacked a complete kitchen.

**FIGURE 10**

## Housing Quality

Several indicators of interior and exterior housing quality were collected, which included: the presence of essential building systems; the functioning of these building systems; interior and exterior structural quality; safety; and selected neighborhood conditions. (See Table 1). In addition to analyzing each of these housing quality indicators individually, a composite index identifying severe and moderate housing problems was created based on an index calculated for the American Housing Survey (AHS) by the Bureau of the Census. Including the AHS housing quality measures in the Virginia survey permits comparison of the incidence of housing problems found for AFDC families in private, unassisted housing with the incidence of housing problems experienced by all households in the US and by households below poverty in the US.

Table 2 and Figure 11 present the survey results for several measures of interior and exterior housing quality. Some housing problems are so infrequent (e.g. lack of electrical wiring) that they are not reported individually, although they are included in the composite index. The results of the current survey (under the column, Va. AFDC) are provided along with the national incidence of the same housing problems for all households (US) and for households below poverty (US Below Poverty). The national data are from the published results of the 1989 American Housing Survey, the most recent available at the time of this analysis. Although the national survey was conducted three years earlier than the Virginia survey, previous American Housing Surveys indicate that the incidence of physical housing problems is highly stable. Consequently, differences between the Virginia survey results and the national data are most likely to be the result of a higher (or lower) incidence of these housing problems for the population covered in the Virginia survey than for either all households or for households below poverty (or both)<sup>5</sup>.

The survey results show that AFDC families in private, unassisted housing have higher incidences of housing quality problems than reported in the AHS for all households and, on several measures, for households below poverty.

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<sup>5</sup>It is also possible that some of the differences are due to the survey practices used in these studies. The AHS data were collected by telephone and home interviews for a national probability sample. The interviews were conducted by experienced interviewers who receive substantial training and supervision. The Virginia data is based on random samples of AFDC recipients within selected jurisdictions. The data were collected exclusively through in-home interviews and by volunteers.

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**TABLE 1**  
**Housing and Neighborhood Quality Indicators**

Lacking complete plumbing or kitchen for the exclusive use by the household  
No toilets working during last three months (and those lasting 6 hours or more)  
No electrical wiring in home  
Exposed electrical wiring  
Working electric outlet or plug in every living room and bedroom  
Water leaks during last 12 months from inside the building  
Water leaks during last 12 months from outside the building  
Lacking hot or cold piped water for household's exclusive use  
Water stoppages during last three months (and those lasting 6 hours or more)  
Sewage system breakdowns during the last 3 months (and those lasting 6 hours or more)  
Unvented gas, oil, or kerosene heaters used as primary source of heat  
Unit was uncomfortably cold for 24 hours or more during previous winter  
Heating equipment breakdowns (and those lasting 6 hours or more)  
Had to move out of unit because of lack of heat  
Open cracks or holes in inside walls or ceilings going through to the outside  
Holes in floor  
Areas of peeling paint or broken plaster bigger than 8 inches by 11 inches  
Signs of roaches, mice, or rats during the last 3 months  
Do not feel safe and secure in the neighborhood  
Would like to move because crime is so objectionable in the neighborhood  
Victim of harassment, crime, or sexual assault in the neighborhood in the household  
No working elevators in buildings of 4 or more stories  
Loose, broken, or missing steps in common stairways  
Loose, broken, or missing railings in common stairways  
Sagging roof, missing roof material, or hole in roof (for units where visible)  
Missing outside wall material  
Sloping outside walls  
Boarded up windows  
Broken windows  
Bars on windows  
Crumbling foundation or with open crack or hole

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**TABLE 2**  
**Percent of Housing Units with Physical Problems: Virginia AFDC, US, US Below Poverty**

<u>Interior Problems</u>	<u>VaAFDC</u>	<u>US</u>	<u>US Below Poverty</u>
Lacking complete kitchen*	4.1%	1.2%	2.6%
Lacking complete bath	4.4	2.7	4.4
Toilet breakdown**	16.6	5.3	9.4
Exposed or no wiring**	12.2	1.8	3.8
Leak from outside**	24.4	17.1	17.3
Leak from inside**	25.0	12.2	15.8
Lacks hot and cold water**	4.1	0.4	1.5
Water breakdown*	8.8	4.7	5.4
Cold house longer than 24 hrs.**	16.6	6.0	10.4
Heat breakdown*	6.6	2.1	3.3
Heat shut off	11.5	NA	NA
Cracks and holes in walls*	13.3	5.3	11.5
Holes in floors*	5.0	1.2	3.1
Lg. area of peeling paint/plaster**	14.4	4.3	9.2
Rats**	5.6	3.8	9.3
<u>Exterior and Neighborhood Problems</u>			
Sagging roof**	7.1	0.1	0.4
Missing roof material**	6.7	0.1	0.6
Holes in roof**	5.9	Z	Z
Missing outside wall material**	9.1	0.4	1.4
Boarded up windows**	2.7	0.2	0.6
Broken windows**	9.9	0.3	1.0
Foundation problems**	7.1	0.4	1.2
Unsafe neighborhood**	18.8	6.2	10.4
Wish to move because of crime	21.8	NA	NA
Victim of harassment	11.0	NA	NA
Victim of crime	9.4	NA	NA
Victim of sexual assault	4.2	NA	NA
Vandalized buildings*	9.9	5.0	10.4
Minor problem with trash**	33.2	29.3	40.9
Major problem with trash	4.3	3.2	6.7
Streets need minor repairs	26.7	24.3	24.3
Streets need major repairs	3.2	2.6	2.7

Z = less than 0.5%

\*Statistically significant difference between Va AFDC and US

\*\*Statistically significant difference between Va AFDC, US, and US Below Poverty

**FIGURE 11**

One-in-four AFDC families in this survey reported water leaks from both inside and outside their units. Between 10 and 17 percent reported interior housing problems with toilet breakdowns, exposed or missing electrical wiring, heat shut-off due to inability to pay utilities, uncomfortably cold houses for longer than 24 hours, major cracks and holes in walls, and large areas of peeling paint or plaster. Between 4 and 10 percent of the AFDC families reported these other serious housing problems: lacking complete kitchens or bathrooms; lacking hot and cold water; water or heating system breakdowns; and holes in floors.

The incidence of these interior housing problems for AFDC families living in private, unassisted housing was generally between two and three times the level experienced nationally by all households. For a few measures (exposed wiring, lack of hot and cold water, heating system breakdowns), the prevalence of housing problems among these AFDC families was even twice the level for all households below poverty nationally. For several more measures, the percentage of AFDC families with interior housing quality problems was several percentage points above the national average for households below poverty. And although the difference was not always large enough to be statistically significant, the incidence for all but one interior housing quality measure (presence of rats) was higher for these AFDC families than was reported nationally for all households below poverty.

Although the frequency of serious exterior housing problems is generally less than one percent nationally for all households and only one to two percent for poverty households, between six and ten percent of the families in this survey lived in houses with roof, wall, window, and foundation problems.

These housing problems are further aggravated by serious neighborhood problems of crime and deterioration. About 20 percent of these families reported their neighborhoods to be unsafe and that they wished to move because of their exposure to crime. Nine and eleven percent reported that they or someone else in their household had been a victim of harassment or crime within their neighborhoods. And four percent were victims of sexual assault. Deteriorated neighborhood conditions included vandalized buildings, trash, and streets in need of repairs.

Two composite indices of housing quality are presented in Table 3. The first (called HQ1) is nearly identical<sup>6</sup> in calculation to the index of housing problems presented in the American Housing Survey. For HQ1, housing units are classified with severe physical problems if they have any of the following five problems:

- lacking hot or cold piped water or flush toilet, or lacking both bathtub and shower, for the exclusive use of the occupant(s) of the unit;
- units were uncomfortably cold for a day or more due to heating equipment failing at least three times for at least six hours each time;
- no electrical service to the unit or with exposed wiring;
- having five of six maintenance problems (leaks from outside, leaks from inside, holes in floors, holes or open cracks in walls or ceilings, more than 8 inches by 11 inches of peeling paint or broken plaster, or signs of rats or mice in the last 90 days);
- all of four problems in public areas of multi-family buildings (no working light fixtures, loose or missing steps, loose or missing railings, and no elevator).

For the same index, housing units are classified with moderate physical problems if they have any of the following five problems:

- all of the flush toilets were broken down at the same time for 6 hours or more on at least three occasions during the last three months (or while the household was living in the unit if less than three months);
- having unvented gas, oil, or kerosene heaters as the primary heating equipment;
- having any three of the six maintenance problems listed under severe physical problems;
- having any three of the four public area problems listed under severe physical problems;
- lacking a complete kitchen (sink, refrigerator, and range or stove) for the exclusive use of the occupants.

HQ1 relies exclusively on physical problems in the interior of the structure. HQ2 augments HQ1 with measures of exterior physical problems. For HQ2, units are additionally classified with moderate physical problems or with severe physical problems if they have, respectively, one of the following exterior problems (moderate) or two or more of these problems (severe):

sagging roof; missing roofing material; hole in roof; missing bricks, siding, or other outside wall material; boarded up windows; foundation crumbling or has open crack or hole.

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TABLE 3

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<sup>6</sup>There are a few measures of housing problems used in the AHS index that were not included in this survey. Consequently, the index presented for Virginia is slightly more conservative than the AHS index.

## Composite Indices of Housing Problems

<u>Composite Indices</u>	<u>VaAFDC</u>	<u>US</u>	<u>US Below Poverty</u>
HQ1, moderate physical problems*	12.1%	4.7%	11.7%
HQ1, severe physical problems**	17.0	3.4	6.2
HQ2, moderate physical problems	15.1	NA	NA
HQ2, severe physical problems	22.3	NA	NA

\*Statistically significant difference between Va AFDC and US

\*\*Statistically significant difference between Va AFDC, US, and US Below Poverty

According to the 1989 AHS, only 3 percent of US households and 6 percent of households below poverty lived in housing units with severe physical problems. An additional 5 and 12 percent, respectively, lived in housing units with moderate physical problems. In contrast, 17 percent of AFDC households in private, unassisted housing in Virginia lived in units with severe physical problems and another 12 percent were in units with moderate problems. Using an index that includes measures of exterior housing quality, 22 percent of these households lived in units with severe physical problems and 15 percent lived in units with moderate problems. (See Figure 12). These are extremely high incidences of physical housing problems--almost six times the level experienced by Americans nationally and nearly four times the level experienced by households below poverty nationally.

**FIGURE 12**

## Rent and Utilities

Over one-in-four of the respondents (28 percent) did not pay rent for their housing, either because they were in owner-occupied housing (20 percent) or housing was otherwise being provided to them without cash rent (8 percent). Median contract rent was \$265 for those paying rent. This is below the threshold for the bottom quarter of rents (\$271) reported for Virginia in the 1990 Census. Eighty percent of the respondents with rent payments had rents below the \$411 median contract rent for all renters (1990). Although the rents paid for their housing were centered in the bottom half of rents paid in Virginia, these rents were by no means meager or affordable, particularly keeping in mind that one-in-five of these units had severe physical problems.

Most of the respondents (82 percent) felt their rent was the most important bill they had to pay, followed by food (12 percent), and utilities (3 percent). Three-fourths of the respondents reported direct utility payments, including some of the families with no cash rent. The median monthly electric bill was \$78 (reported for three-fourths of the households). The median monthly gas bill was \$53 (reported by 35 percent of the households). Twelve percent were without heat for part of the previous winter due to their inability to pay for utilities. Even more respondents (38 percent) received government energy assistance in the past year, but only 3 percent received weatherization assistance.

Maximum monthly AFDC allowance levels since 1985 ranged from \$265 for a three-person family to \$354 depending on the location within the state. At the recommended standard of affordability used in most housing programs (i.e., 30 percent of income), these families could afford rents between \$80 and \$106. Unassisted rents at these levels are virtually nonexistent. The median rent actually paid by these households was \$265 (for those paying rent), which requires 75 percent to 100 percent of the maximum AFDC payment to these families. Utilities add another \$50 to \$100 to their housing costs. This level of housing burden presents these families with a constant search for help to obtain decent shelter and to pay their other bills.

## **Other Assistance**

Most of these families (89 percent) augmented their AFDC assistance with Food Stamps, which can help free up as much as 20 percent of other income for rent, utility, and other payments<sup>7</sup>. Incomes were also augmented in 18 percent of the households where an elderly household member received supplemental security income. Households also cope by sharing housing, which can reduce or eliminate the AFDC family's direct housing expense.

The primary help with housing given to these families is free or reduced rent. Most of this help is provided by relatives. As presented earlier, 28 percent did not have to pay rent. Of those households paying rent, one-in-four (24 percent, but 17 percent of all respondents) pay only part of it. Consequently, 45 percent of all respondents pay either no rent or reduced rent<sup>8</sup>. (See Figure 13.) Of those with reduced rent payments, 71 percent were helped by family members, 13 percent by friends, 1 percent by churches, and 15 percent by other helpers.

Temporary help is often provided to needy families on an emergency basis. Only 10 percent of the households received emergency assistance for housing in the past year from governmental sources. However, nearly one-fifth (19 percent) received help during the previous year from churches, non-profit agencies, or other charitable organizations. For those receiving assistance from churches and other charitable organizations, it was most often for food (63 percent) and less frequently for utilities (26 percent), rent (25 percent), clothes (21 percent), and cash (12 percent).

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<sup>7</sup>See Koebel, C. Theodore and Arun Krishnaswamy, 1992. "The Impact of Non-Cash Transfers on Rental Affordability." Virginia Center for Housing Research, Virginia Polytechnic Institute and State University, Blacksburg, VA.

<sup>8</sup>Respondents were not asked the amount of the rent for which they were personally responsible, so it is impossible to determine the exact rent burden faced by families with only partial responsibility for the rent.

**Figure 13**

## **Landlord-Tenant Relations and Housing Discrimination**

Among those living in rental units, half had a lease, half reported there were specific policies and rules governing occupancy, and two-thirds were aware of their rights and obligations under the Landlord-Tenant Act. Eighty-two percent said they would call the landlord if repairs were needed and 73 percent knew that their landlords would pay for repairs, although a few landlords would only pay for some repairs or only a portion of the cost of repairs. One-fifth (19 percent) reported that their landlords would not pay for any repairs. Only 13 percent of those in units with landlords said they had a current problem with the landlord, mostly for reasons other than their ability to pay the rent.

Exposure to housing discrimination was relatively rare<sup>9</sup>. Only 5 percent felt they had experienced housing discrimination because of race, only 1 percent because of age, and no one because of disability or handicap. More felt they had been discriminated against because of having children (9 percent) or receiving welfare (8 percent). The most frequently cited problem was related to the person's credit rating (13 percent). Under the Virginia Fair Housing Act, it is illegal for landlords to discriminate on the basis of race, age, handicap, or familial status (i.e., children), among other prohibited categories.

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<sup>9</sup>Housing discrimination is often hard to detect by the home seeker. Research based on paired testing for discrimination report much higher incidences of illegal discrimination. See Turner, Margery Austin, 1992. "Discrimination in Urban Housing Markets: Lessons from Fair Housing Audits" Housing Policy Debate 3,2:185-216.

## **Doubling-up and Residential Instability**

One of the most frequent ways of coping with housing problems documented in this survey is doubling-up. At least 39 percent of the households were found to be in doubled-up housing. In addition, as many as 11 percent of the households classified as living independently might have been doubled-up or at least living in extended, multi-generation families: 11 percent reported they were the child or other relative of the household head and 5 percent had non-relatives living with them.

Doubling-up reduces housing costs and increases housing quality with only a small increase in crowding (as measured by persons per room). On average, doubling-up only increased household size by one person. However, 14 percent of doubled-up households were living with three or more families. (See Figure 14).

Compared with those living independently, AFDC households in doubled-up housing were more likely to be in single-family units (75 percent vs. 63 percent); to have moved into the unit within the previous 12 months (39 percent vs. 30 percent); and to have received AFDC less than a year (32 percent vs. 20 percent). Their housing was also somewhat larger (an average of 2.9 vs. 2.5 bedrooms). Respondents in doubled-up housing were much less likely to be the head of the household (33 percent vs. 74 percent), more likely to be the child or other relative of the head (55 percent vs. 11 percent); and, more likely to live with nonrelatives (20 percent vs. 5 percent).

Although doubled-up housing was larger and of slightly higher quality than independently occupied units, the median rent for doubled-up units was slightly lower than for independent units (\$250 vs. \$275). One of the biggest advantages of doubling-up is having help with the rent. Of AFDC families in doubled-up housing, 18 percent were in owner-occupied housing, 11 percent had no cash rent, and 33 percent paid only some of the rent; this compares with 22 percent<sup>10</sup>, 6 percent, and 7 percent, respectively, for those living independently. (See Figure 15). Of those receiving help with the rent in doubled-up housing, over three-fourths (77 percent) were helped by relatives.

Not only does doubling-up reduce the rent burden on AFDC households who do not receive federal housing assistance, it improves their housing quality.

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<sup>10</sup>The percentage of families living independently in owner-occupied housing suggests that many of these families were also living in houses owned or being bought by other relatives.

**FIGURES 14 & 15**

AFDC households in doubled-up housing were in units that have fewer physical problems (except for toilet breakdowns) than units occupied independently, as shown in Table 4. Some of these differences are rather substantial: for example, those in doubled-up housing were much less likely to experience leaks from inside sources, water system breakdowns, uncomfortably cold houses, utility shutoffs, cracks and holes in walls, missing roof material, missing outside wall material, and foundation problems. Those in doubled-up housing particularly benefit from safer neighborhoods: only 11 percent classified their neighborhoods as unsafe compared with 24 percent for those living independently; 16 percent wanted to move because of crime rather than 25 percent; and only 5 percent were victims of harassment compared to 15 percent for independent households.

The differences in housing quality between doubled-up and independent housing mostly reflect moderate rather than severe housing problems. Based on the housing quality index incorporating exterior as well as interior housing problems (HQ2), those in doubled-up housing were almost as likely to have severe physical housing problems as those living independently (20 percent vs. 24 percent). However, they were much less likely to be in units with moderate physical problems (9 percent vs. 19 percent). (See Figure 4, above.)

Despite doubled-up housing being as likely to have severe housing problems as units occupied independently, doubling-up reduces the likelihood of receiving more formal assistance to alleviate these problems. (See Figure 5, above.) Those doubling-up were less likely to have received emergency housing assistance from government (5 percent vs. 12 percent); heating assistance from government (24 percent vs. 48 percent); and assistance from churches or other charitable organizations (11 percent vs. 24 percent).

Although doubling-up produces modest improvements in housing quality, doubling-up is symptomatic of the instability of the residential environments of many poor families and is, for most, only a temporary solution to their housing problems. Households in doubled-up and independent housing were virtually identical in their exposure to a variety of indicators of residential instability, including homelessness. (See Table 5). Nearly half of the families interviewed in this survey--including those doubling-up--were worried about becoming homeless; 15 percent had previously been homeless (42 percent of these had been homeless two or more times). One-third had previously moved in with friends or relatives on an average of slightly more than two times and for an average of one-and-a-half years; 17 percent had been evicted in the past; and, 50

**TABLE 4**  
**Percent of Doubled-Up and Independent Housing Units with Physical Problems**

<u>Interior Problems</u>	<u>Doubled-Up</u>	<u>Independent</u>
Lacking complete kitchen	2.1%	5.4%
Lacking complete bath	3.6	5.0
Toilet breakdown	18.5	15.4
Exposed or no wiring	11.4	12.7
Leak from outside	23.4	25.0
Leak from inside*	18.4	29.2
Lacks hot and cold water	2.8	5.0
Water breakdown*	5.4	11.1
Cold house longer than 24 hrs.*	9.5	20.9
Heat breakdown	4.4	7.8
Heat shut off*	7.1	14.4
Cracks and holes in walls*	10.0	15.4
Holes in floors	3.6	5.9
Large area of peeling paint or plaster	12.1	15.8
Rats	4.3	6.4
 <u>Exterior and Neighborhood Problems</u>		
Sagging roof	4.5	8.8
Missing roof material*	2.7	9.4
Holes in roof	6.4	5.7
Missing outside wall material*	4.9	11.7
Boarded up windows	1.4	3.6
Broken windows	7.8	11.3
Foundation problems*	4.2	9.0
Unsafe neighborhood*	11.4	23.6
Wish to move because of crime*	16.3	25.3
Victim of harassment*	5.0	14.9
Victim of crime	9.2	9.5
Victim of sexual assault	2.1	5.4
Vandalized buildings	8.5	10.8
Minor problem with trash	28.8	36.0
Major problem with trash	3.8	4.7
Streets need minor repairs	29.0	25.2
Streets need major repairs	2.3	3.7
HQ2, Moderate physical problems*	9.2	18.9
HQ2, Severe physical problems	19.7	23.9

\*Statistically significant difference between doubled-up and independent housing

percent wouldn't know where to go next if they were evicted from their current units.

Despite obviously high levels of residential instability and physical housing problems, only 21 percent were on waiting lists for assisted housing. Many households in clear need of such assistance probably do not apply because of the long wait involved and the probability of never receiving assistance. Nationally, only 20 percent of households below poverty receive governmental housing assistance.

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**Table 5**  
**Indicators of Residential Instability and Homelessness**

<u>Indicator</u>	<u>Percent</u>
Worry about becoming homeless	48.9
Have been without housing	14.6
Moved in with friends or relatives in past	34.2
Previously evicted	17.1
Current problem with landlord	11.0
If evicted, would not know where to go	49.9
On housing waiting list	20.9

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## **Conclusions**

The poor house symbolized the Dickensian conditions under the social welfare policies of a pre-modern state. Unfortunately, the safety net for families established by contemporary social welfare is so moth-eaten by neglect that poor housing is the only thing poor families can afford. This study confirms that the housing conditions of many poor families living in private, unassisted housing--despite receiving welfare assistance--are terribly inadequate.

The litany of their housing problems is numbing. One-in-four live with water leaks from both inside and outside their homes. Between one-tenth and one-fifth live with broken toilets, exposed or missing electrical wiring, utilities turned off, major cracks or holes in walls, and large areas of peeling paint or plaster. Their exposure to severe housing problems is almost six times that of all US households and twenty times that for the non-poor. Their housing problems are compounded by neighborhood problems. Nearly one-fifth of these families considered their neighborhoods to be unsafe and wanted to move because of crime. And one-tenth were personally victims of harassment or crime.

Few of these households could afford the units they lived in based on anything close to acceptable standards of affordability. They live by the economics of make-do and move-often, usually in fear of becoming homeless.

And when government fails to help them find housing, they turn to family and friends. At least four-tenths live in doubled-up housing and 45 percent pay either no rent or only part of the rent. Doubling-up not only saves them money, it is of higher quality and in safer neighborhoods than occupied by poor families who live independently.

Churches, non-profit agencies, or other charitable organizations also help nearly one-fifth of these families. These voluntary efforts most often provide help with emergency food, and less frequently provide assistance with utilities, rent, and clothes.

If ever a housing emergency existed, it exists for these families. AFDC payment levels are too inadequate to obtain decent housing at today's costs. Given too little public support, they somehow manage to find emergency aid from churches and charitable organizations and to help each other. These efforts, however, cannot replace public assistance programs; they can only complement them. And for most families, these are only temporary solutions to chronic housing problems. The cost of housing has so far outpaced our meager increases in public assistance that the poor house is very much with us.