



Winter 12-2010

## A Community in Bloom: An Affordable Housing Needs Assessment of West Bloomington

Stevenson Center for Community and Economic Development  
*Bloomington, Illinois*

Follow this and additional works at: [https://digitalcommons.iwu.edu/arc\\_projects](https://digitalcommons.iwu.edu/arc_projects)

---

### Recommended Citation

Stevenson Center for Community and Economic Development, "A Community in Bloom: An Affordable Housing Needs Assessment of West Bloomington" (2010). *Projects*. 3.  
[https://digitalcommons.iwu.edu/arc\\_projects/3](https://digitalcommons.iwu.edu/arc_projects/3)

This Article is protected by copyright and/or related rights. It has been brought to you by Digital Commons @ IWU with permission from the rights-holder(s). You are free to use this material in any way that is permitted by the copyright and related rights legislation that applies to your use. For other uses you need to obtain permission from the rights-holder(s) directly, unless additional rights are indicated by a Creative Commons license in the record and/ or on the work itself. This material has been accepted for inclusion by faculty at Illinois Wesleyan University. For more information, please contact [digitalcommons@iwu.edu](mailto:digitalcommons@iwu.edu).

©Copyright is owned by the author of this document.



# A COMMUNITY IN BLOOM

An Affordable Housing Needs Assessment of West  
Bloomington

**Prepared for Habitat for Humanity  
of McLean County**

Created by the Stevenson Center For Community and Economic  
Development

Margaret L. Anderson, Llyod Banwart, David Becker, Dana Bulba, Jared Dellinger, Mimi Duong, Julie Ornee, Katie Mitchell, Andrew Piotrowski, Hillary Smith, Dustin Stoltz, Mandy Swartzendruber, Niko Valaris, and Katie Weber

**December, 2010**

## Table of Contents

Introduction.....	5
Purpose of Report .....	5
Data Sources and Methodology .....	5
Literature Review.....	5
History of Affordable Housing .....	5
Obstacles to Affordable Housing.....	6
The Current Housing Crisis .....	7
Solutions to Affordable Housing .....	8
Assessing Housing Affordability .....	9
Defining “Affordable” .....	9
Habitat for Humanity: An Overview .....	11
Fair Market Rents .....	12
A Review of Bloomington-Normal’s Non-Governmental Organizations (NGOs) .....	15
The West Bloomington Revitalization Partnership (WBRP).....	15
Habitat for Humanity .....	15
The Salvation Army .....	16
Providing Access To Help (PATH) .....	16
Mid Central Community Action .....	16
Bloomington Housing Authority (BHA) .....	17
Prairie State Legal Services .....	17
Mt. Pisgah Baptist Church .....	18
West Bloomington Infrastructure.....	18
The Sewer System.....	18
Water Delivery.....	18
Streets and Sidewalks .....	19
Infrastructure Plans and Recommendations.....	19
West Bloomington Demographics .....	19
Racial Composition.....	19
Gender.....	21
Age.....	21

Education .....	22
Income and Expenditures.....	23
Median Incomes.....	23
Low-Income Households.....	23
Renting Households.....	24
Household Characteristics .....	25
Housing Affordability.....	25
Rental Households .....	28
Special Needs Populations and Senior Citizens.....	28
Labor Statistics.....	30
Household Size .....	31
Households Receiving Public Assistance .....	31
Tenure of Households .....	32
Housing Stock Characteristics .....	33
Building Conditions .....	33
Building Conditions in West Bloomington.....	35
Vacant Properties/Empty Lots .....	36
Current Construction and Development .....	37
Current Housing Prices and Market Analysis.....	38
Source: HUD 2005, 2007, 2011 .....	39
Subsidized Housing Availability and Waiting Lists .....	39
Median Costs of New Housing .....	40
Demolition Activities.....	41
Usable Lots .....	41
Zoning Regulations.....	42
Partnerships: Success and Struggle.....	42
Financing .....	44
Non-Profit Financing Burden .....	44
The City of Bloomington and Finances .....	45
Foreclosures .....	47
Conclusions and Recommendations .....	49
Expand the Number of Affordable Housing Units .....	49
Incentivize Landlords them to Keep Up Properties .....	49

Find Sites to Build on/Utilize the Community Block Grant .....	49
Include Infrastructure Projects in Development .....	50
Work's Cited .....	51
Appendixes .....	56
Appendix A: Median Incomes .....	56
Appendix B: West Bloomington Census Information .....	57
Appendix C: Mortgage Table .....	57
Appendix D: Tenure of Households in West Bloomington .....	58
Appendix E: Population Receiving Federal Assistance in West-Bloomington .....	59
Appendix G: Review of Exterior and Interior Conditions .....	61
Appendix H: The City of Bloomington Department List of Code Violations .....	62
Appendix I: The City of Bloomington Department Demolition Checklist .....	63
Acknowledgements .....	64

## **Introduction**

### **Purpose of Report**

This report was written in response to a request from Habitat for Humanity of McLean County. The report expands upon and updates an affordable homeownership needs assessment for the Bloomington-Normal community – with an emphasis on West Bloomington – that was created in 2004. Because the housing market and economic conditions of the area have changed drastically in the last 6 years, an updated report is necessary.

### **Data Sources and Methodology**

This report uses a combination of primary and, mainly, secondary data sources. Interviews were conducted with representatives of, among others, Bloomington Housing Authority, the Economic Development Council (EDC) of Bloomington-Normal Area, Mid Central Community Action, Prairie State Legal Services, and the West Bloomington Revitalization Project. A variety of data were gathered from secondary sources, such as the U.S. Department of Housing and Urban Development (HUD), the U.S. Census, the City of Bloomington, the U.S. Bureau of Labor Statistics, Mid Central Community Action, the National Association of Realtors, and the National Low Income Housing Coalition (NLIHC).

## **Literature Review**

### **History of Affordable Housing**

Until the mid 1800s, housing policy was a non-issue in the U.S. The onset of industrialization created a surplus of jobs and, consequently, a shortage of housing for workers living in cities across the U.S. Real estate developers – who were not bound by housing policy and regulation at the time – began converting single-family homes into multiple-unit, unsafe dwellings (Martens, 2009). Families began filling the homes in numbers far beyond their previous occupancies; “despite these deplorable tenement conditions ... federal policy-makers were sluggish about any kind of response; steadfast in their belief that housing solutions were the exclusive domain of the private and charitable sectors, and best left to cities and states to wrestle with” (Martens, 2009, p. 7). However, policy was eventually enacted in response to the poor housing conditions. The New York Housing Act of 1879 “intended to make conditions safer;” however, the policy

was primarily driven by the idea that the terrible conditions would compromise the “moral character” of the tenants (Martens, 2009, p. 7).

Following New York’s lead, many east coast cities began enacting housing policy, and were followed shortly thereafter by the national government. One after the other, with both successes and failures, the U.S. presidents began enacting housing policy: Wilson’s U.S. Shipping Act of 1917 created homes on the coasts to house ship builders during WWI; Hoover’s creation of the Federal Housing Administration, the Federal Home Loan Bank, and the Federal National Mortgage Association created avenues for home ownership; as part of the National Industrial Recovery Act, Roosevelt enacted the Public Works Administration housing program in 1933 and built nearly 30,000 homes – some aimed at low-income purchasers – over a four-year period; Truman was in office when Congress passed the U.S. Housing Act of 1949 for the construction of public housing; and Kennedy revamped public housing policy with the Section 202 program that admitted elderly and the Brooke Amendment that tied rent to tenant income (Martens, 2009).

In 1990, the Cranston-Gonzales National Affordable Housing Act (HOME) was enacted to provide “federal matching block grants to local governments to fill in the funding gaps between public housing, the Section 8 program, and other smaller housing programs” (Landis & McClure, 2010, p. 321). Currently, HOME and the Community and Development Block Grant of 1974 are the only federal programs that create affordable homes for both rental and homeownership (Katz, Turner, Brown, Cunningham, & Sawyer, 2003). The goals of the 1990s seemed to be aimed at the expansion of “homeownership among minorities and other previously underserved groups;” as a result, overall homeownership increased between 1990 and 2005 (Landis & McClure, 2010, p. 326).

### **Obstacles to Affordable Housing**

Despite federal attempts to increase housing quality and decrease income segregation, lower-income households are becoming “increasingly concentrated in locations with poor access to employment” (Landis & McClure, 2010, p. 339). Within low-income areas, residential segregation is also rampant. While studies show that residential segregation is slowly decreasing, residential segregation continues to have profound impacts on minority families within these areas. Access to “quality schools, jobs, and economic opportunity is limited” as residential segregation “denies minority families full and free choice about where to live” (Katz et al., 2003,

p. 100). In addition, areas that *do* provide affordable housing for both renters and homeowners are typically found in “central cities and distressed neighborhoods, or in far-flung communities near the suburban fringe” (Katz et al., 2003, p. 91).

Exacerbating the problems associated with less-than-ideal locations is the scarcity of affordable housing that often leaves families’ needs unmet. According to Landis and McClure (2010), among the 6.7 million nation-wide renters with household incomes between \$20,000 and \$30,000, the median burden for rent and utilities was 37%; for the 2.8 million renters with incomes between \$15,000 and \$20,000, it was 47%. “Overpaying for rent and poor housing quality go hand in hand” (Landis & McClure, 2010, p. 334).

Pelletiere and Wardtip (2008) found the likelihood of American’s living in affordable housing units increased between 2001 and 2005 and remained most severe for low-income households. For some households, federal low-income housing programs can narrow the gap between housing costs and income. Unfortunately, the funding to help these households cannot keep pace with the number households who qualify. Federal housing assistance in America has declined nearly 50% since its peak in 1978 (Hacket, McElwee, Pelletiere, Schwartz, & Treskon, 2005).

Seelig and Phibbs (2006) found, of the 104 low-income renters in their study, 63% of participants never applied for public housing because they did not know about it, did not know how to apply for it, or did not think they were eligible for it; additionally, some participants felt that there was a certain social stigma surrounding public housing, did not want to seem like a failure, or thought the waiting list was too long. Seelig and Phibbs (2006) also found that the low-income renters had “a ‘hierarchy of spending’ for prioritizing the weekly household budget,” and prioritized their expenses; in order from most to least important, renters allocated funds for rent, utility and other bills, food, children’s needs, and personal needs (p. 58).

### **The Current Housing Crisis**

Since their 2006 highs, nation-wide home values have fallen 30%, and nearly 5 million homeowners have gone into foreclosure (Landis & McClure, 2010). To complicate matters further, new-home construction is at its lowest level since 1963, and “\$4 trillion of housing-based wealth has been wiped out” (Landis & McClure, 2010, p. 319). According to Landis and McClure (2010), leading up to this crisis were the federal housing policies that shifted from encouraging homeownership to “pushing mortgage loans on high-risk borrowers” (p. 328). As



interest rates started increasing and homeowners were unable to sell, make their mortgage payments, or convert to fixed-rate loans, many homeowners were forced into foreclosure. According to the Joint Center for Housing Studies of Harvard University (2010), low-income households were hit particularly hard between 2005 and 2009; “homeownership rates for low-income households fell almost twice as much as those for higher-income households on a percentage point base” (p. 17).

### **Solutions to Affordable Housing**

As recent foreclosures and ongoing housing affordability problems pose significant challenges for low-income households, it is important to understand the value and effects homeownership can have on individuals and families. Fogel, Smith and Williamson (2008) found that “owning a home translates into an enhanced quality of life for all members of the household, including children,” and generates more stability in the neighborhood, more civic involvement, and more housing satisfaction (p. 103). Complementing those findings, Belsky, Retsinas and Duda (2005) found that the “median net wealth of low-income homeowners is dramatically higher than the median net wealth of low-income renters; in 2001, the median net wealth of households with less than \$20,000 of income was \$72,750 but of renters it was only \$900” (p. 1).

Although researchers have found some positives of homeownership for low-income households, they also found that “ethnic minority groups and immigrants are less likely to buy a home even after controlling for income” possibly due to “a lack of knowledge, shortage of affordable housing, low incomes, a cultural gap and the financial system” (Atterhog & Song, 2009, p. 249). Fogel et al. (2008) found that homebuyer education and counseling programs have been successful in preventing problems that low-income populations typically face. Also, Williamson (2008) stressed the importance of beginning post purchase classes “within a few months of the closing in order to help support the new financial habits required for sustained homeownership and [the preparation of homeowners] for unexpected and/or recurring costs” (p. 117).

In addition to programs that can be instituted at local levels, Martens (2009) argued that the federal government also needs to be involved and should engage in “consistent partnership[s] of the private sector in affordable housing” (p. 12). Other research has alluded to similar sentiments; according to Landis and McClure (2010), “HUD should work with local [public housing agencies] to develop a 5-10 year national plan to transform half of the nation’s

remaining public housing projects into the next generation of HOPE IV's mixed-income, and neighborhood-based affordable housing developments" (p. 342). The goal of federal programs should be to "direct homeownership subsidies to households with much to gain from becoming homeowners but who are unable to do so without government help" (Landis & McClure, 2010, p. 341). According to Landis and McClure (2010), the government spent \$153 billion on "homeownership-oriented tax expenditures" in 2008, and of all the deductions claimed, 70% were from households with incomes exceeding \$50,000 (pp. 325 – 326).

## **Assessing Housing Affordability**

### **Defining "Affordable"**

According to HUD, "the generally accepted definition of affordability is for a household to pay no more than 30% of its annual income on housing. Families who pay more than 30% of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care." Title II of the Cranston-Gonzalez National Affordable Housing Act (also cited as the HOME Investment Partnerships ACT) outlines housing affordability. Qualifications for affordable housing differ depending on income levels and whether the unit is rental or owner-occupied.

As defined by Title II of the Cranston-Gonzalez National Affordable Housing Act Section 215:

Rental units qualify as affordable if rents are not greater than the lesser of (1) the existing fair market rent for comparable units (see figure 1.1), or (2), 30% of the adjusted income of a family whose income equals 65% of the median area income, adjusted for number of bedrooms in the unit, except income ceilings higher than or lower than 65% can be instituted if deemed necessary.

In the Bloomington-Normal area, rental units qualify as affordable if rents are less than the existing fair market rent (see figure 1.1) as 30% of the adjusted income of a family whose income equals 65% of the media area income exceeds the existing fair market rent. The median income for a family of four in the Bloomington-Normal area is \$76,600; 65% of the median income is equal to \$49,790. 30% of monthly income is equal to \$1,245 which exceeds fair market rent (see figure 1.1).

Owner occupied housing qualifies as affordable if the price does not exceed 95% of the median purchase price for similar housing in the area, and a person whose family qualifies as low-income must purchase the housing. According to the National Association of Realtors (2010), the current median home price is \$160,800 for the Bloomington-Normal area. Figure 1.1 shows Bloomington-Normal's income limit categories set by HUD for FY 2010 for a median income of \$76,600 for a family of four.

**Figure: 1.1**

Income Limit Category			
Household Size	Very Low (50%) Income Limits	Extremely Low (30%) Income Limits	Low (80%) Income Limits
1 Person	\$26,850	\$16,100	\$42,950
2 Persons	\$30,650	\$18,400	\$49,050
3 Persons	\$34,500	\$20,700	\$55,200
4 Persons	\$38,300	\$23,000	\$61,300
5 Persons	\$41,400	\$24,850	\$66,250
6 Persons	\$44,450	\$26,700	\$71,150
7 Persons	\$47,500	\$28,550	\$76,050
8 Persons	\$50,600	\$30,400	\$80,950

Source: U.S. Department of Housing & Urban Development, 2010

## **Habitat for Humanity: An Overview**

Habitat for Humanity provides affordable housing for homeownership and evaluates families on an individual basis to determine housing need. Included in their assessment, Habitat considers the percentage of a family's income. Figure 1.2 shows Habitat's 2009-2010 income guidelines for McLean County. In addition to Habitat's income guidelines, other determinants of housing need include:

**Inadequate Housing:** Lack of adequate housing may include problems with the present structure; water, electrical or sewage service systems; heating system, or failure to meet city property maintenance standards. Also taken into consideration are the number, the ages and the gender of children compared to the number of bedrooms in [the] present home

**Overcrowded Conditions:** [The] current housing will be evaluated based on the number of people living in the home, and the number, ages, and gender of children compared to the number of bedrooms in the home

**Subsidized housing:** Habitat will consider applications from families in subsidized housing. However, [families] should be aware that applications are evaluated on the basis of need, and that families living in inadequate housing, or in overcrowded conditions will be rated higher than those whose only need is subsidized housing (Habitat for Humanity of McLean County, 2010).

**Figure: 1.2**

Year 2009-2010 Maximum Income Guidelines		
Family Size	Monthly Income	Annual Income
One	\$2,645	\$31,740
Two	\$3,020	\$36,240
Three	\$3,400	\$40,800
Four	\$3,775	\$45,300
Five	\$4,075	\$48,900
Six	\$4,380	\$52,560
Seven	\$4,680	\$56,150
Eight	\$4,985	\$59,820

Source: Habitat for Humanity of McLean County, 2010

### **Fair Market Rents**

Fair Market Rents (FMRs) are primarily used to determine amounts of government subsidies for housing, “to determine initial renewal rents for some expiring project-based Section 8 contracts, to determine initial rents for housing assistance payment (HAP) contracts in the Moderate Rehabilitation Single Room Occupancy program (Mod Rehab), and to serve as a rent ceiling in the HOME rental assistance program” (U.S. Department of Housing, 2007).

FMRs include both the rent and costs of tenant-paid utilities (excluding telephone, television and internet services). HUD sets FMRs “high enough to permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible” (U.S. Department of Housing, 2007). According to HUD, families “with one full-time worker earning the minimum wage cannot afford the local fair-market rent for a two-bedroom apartment anywhere in the United States” (U.S. Department of Housing, 2010).

HUD calculates FMRs using the 40<sup>th</sup> percentile rent – “the dollar amount below which 40 percent of the standard-quality rental housing units are rented” – and draws from recent movers (U.S. Department of Housing, 2007). All non-market rental units (i.e., public housing) are

excluded from the calculation. Figure 1.3 shows FY 2010 FMRs for Bloomington-Normal. Correspondingly, Figure 1.4 shows local income-limit categories and the corresponding amount that is equal to 30% of monthly income for each income (incomes are based on median income of \$76,600 for a family of four).

**Figure: 1.3**

	FMRs By Unit Bedrooms				
	Efficiency	1-Bedroom	2-Bedrooms	3-Bedrooms	4-Bedrooms
2010 FMR	\$515	\$569	\$718	\$960	\$1,200

Source: U.S. Department of Housing and Urban Development, 2010

**Figure: 1.4**

Monthly Affordability Based on Income		
Income-Limit Category	Yearly Salary	30% of Monthly Income
Low Income		
80%	\$61,300	\$1,533
75%	\$57,450	\$1,436
70%	\$53,620	\$1,341
65%	\$49,790	\$1,245
60%	\$45,960	\$1,149
55%	\$42,130	\$1,053
Very Low Income		
50%	\$38,300	\$958
45%	\$34,470	\$862
40%	\$30,640	\$766
35%	\$26,810	\$670
Extremely Low Income		
30%	\$23,000	\$575
25%	\$19,150	\$479
20%	\$15,320	\$383
15%	\$11,490	\$287
10%	\$7,660	\$192
5%	\$3,830	\$96

Source: U.S. Department of Housing and Urban Development, 2010

## **A Review of Bloomington-Normal's Non-Governmental Organizations (NGOs)**

NGOs in the Bloomington-Normal area provide a wide range of services to local residents. The current economic climate has had a profound effect on local organizations and has caused budgets to shrink and funding sources to slowly diminish. The last few years have proved to be extremely trying; the State of Illinois' \$11 billion deficit (City of Bloomington, 2010) has drastically reduced both the span and effectiveness of social services and has left the local community with many unmet needs. Of these many unmet needs, the access to safe and affordable housing has been one of the most salient. The following NGOs provide services for local households in need of affordable housing.

### **The West Bloomington Revitalization Partnership (WBRP)**

WBRP is a collaborative organization that brings various groups in the Bloomington-Normal area together to provide services and leadership opportunities for West Bloomington residents. WBRP's governing board is comprised of West Bloomington residents; because the board is comprised of local residents, members of the community are able to engage directly in the development process of West Bloomington. Through collaboration with organizations such as the YMCA, Mid Central Community Action, and Habitat for Humanity, WBRP has been able to launch a variety of initiatives that target issues within six key areas: youth, housing, education, greening, safety, and economic development (West Bloomington Revitalization Partnership, 2010). Additionally, WBRP has hosted numerous events to bring community members together – including Saturdays in the Park and the Annual Fall Fun Festival – and was also the main organizer of the McLean County Housing Summit; the summit was the first of its kind and illustrated the need for both affordable housing and restoration of deteriorated units in West Bloomington (West Bloomington Revitalization Partnership, 2010).

### **Habitat for Humanity**

Habitat for Humanity of McLean County is a Christian housing organization designed to eliminate substandard housing and improve local communities in McLean County. With both monetary and material donations and hours of hard work from volunteers, Habitat builds and sells affordable housing units to partner families, without making a profit; Habitat finances the homes for families through no-interest loans. Homeowners' monthly mortgage payments are recycled into a revolving fund for Humanity that is used to build more houses (Habitat for



Humanity of McLean County, 2010). Habitat is entirely reliant on donations from individuals, and both local and national organizations, as they do not accept money from the government to fund building projects (Habitat for Humanity of McLean County, 2010). While a small staff runs Habitat's McLean County affiliate, a national board of directors determines local policy and monitors local operations. Board members volunteer their time and are dedicated to alleviating the problems of affordable housing. Since its 1985 inception, Habitat for Humanity of McLean County has helped over 100 local families (Habitat for Humanity of McLean County, 2010).

### **The Salvation Army**

The Salvation Army offers a rent and utility assistance program. The program is a walk-in program that assists individuals and families on a first-come, first-served basis. While each case is evaluated individually, part of the screening process is that those seeking assistance need to prove their employment. The Salvation Army's program aims to provide relief to individuals in times of financial difficulty. If a person seeking assistance is unemployed, they are in need of longer-term services available from other sources. Funding for the Salvation Army's program is limited, and is not able to address all needs in the Bloomington-Normal area (Salvation Army, personal communication, November 1, 2010).

### **Providing Access To Help (PATH)**

PATH has been in existence since 1971, and the organization links residents to a variety of programs and services in central Illinois. PATH provides intervention, as one of their many services, for those on the brink of homelessness through the HUD Continuum of Care Grant. PATH also helps individuals who are in periods of transition apply for public housing; once housing is obtained, PATH provides follow-up and case management for their clients (City of Bloomington, 2010).

### **Mid Central Community Action**

Mid Central Community Action provides many services pertaining to affordable housing such as homeownership education, foreclosure intervention, transitional housing assistance, and down payment assistance; additionally, the organization is involved in neighborhood redevelopment, and community building and organizing. Mid Central Community Action's homebuyer education program is the only HUD-approved homeownership class in the Bloomington-Normal area and focuses primarily on pre-purchase (i.e., closing costs and down payment information)

and post-purchase (i.e. savings and foreclosure risks) education. Through funding from the Illinois Housing Development Authority, Mid Central Community Action provides down-payment assistance to first-time homebuyers. Mid Central Community Actions' housing counselors are HUD certified and meet with clients in order to prevent foreclosures. As meetings with homebuyers focus on budgeting monies and creating financial plans, Mid Central Community Action staff members work with the lending institutions to negotiate the terms of the agreement. The transitional housing program provides housing to homeless individuals for up to two years at a reduced rate; however, the individuals must be employed yet not exceed income levels over 200% of the poverty line. Affordable rental units are in high demand and have long waiting lists. The Twin-Cities Neighborhood Redevelopment Program helps families achieve home ownership by providing counseling, referrals and encouragement. The Community Building and Organizing program works to organize neighborhood meetings and provides training to residents who have been identified as leaders (Mid Central Community Action, 2010).

### **Bloomington Housing Authority (BHA)**

BHA offers affordable housing opportunities and supportive services to local residents. BHA has nine affordable housing communities and provides a variety of programs and services to BHA residents; a food pantry, drug abuse prevention services, voter registration assistance, literacy courses (a GED program), computer classes and individual development accounts (IDAs) that assist residents in saving for educational or personal expenses are among the many programs and services that BHA offers. BHA also provides Housing Choice Vouchers to eligible families who want to rent outside of BHA's housing communities (Bloomington Housing Authority, 2010).

### **Prairie State Legal Services**

Prairie State Legal Services offers free legal services to eligible residents. Specific to housing, Prairie State Legal Services' "Lawyer in the Courtroom" program gives low-income residents free access to a lawyer at the local court every Thursday. Typically, those seeking services through the "Lawyer in the Courtroom" program need assistance with either an eviction or with a foreclosure. Clients may seek representation and/or counseling through the "Lawyer in the Courtroom" program or through an office appointment, and cases are assessed individually to ensure that all possible avenues are explored (Prairie State Legal Services, personal communication, November 3, 2010).

## **Mt. Pisgah Baptist Church**

Mt. Pisgah Baptist Church acts as a beacon of hope in the West Bloomington community; the church is often a primary point of contact for community members. The church provides opportunities for interaction among community members and also directs residents in need to appropriate social service agencies. A food pantry, a clothing ministry, and a health and wellness program are all services provided by the church. Additionally, the church fosters leadership among community members and has acted as a partner with WBRP (Mt. Pisgah Baptist Church, personal communication, November 3, 2010).

## **West Bloomington Infrastructure**

### **The Sewer System**

The sewer system of West Bloomington is outdated and does not adhere to current city codes. The existing structure combines sewage and storm water runoff into a single pipe for transportation. Unfortunately, the system has been unable to adequately handle the volume of both runoff and sewage that has resulted from the growing population. The inadequacies of the sewer system has resulted in the flooding of basements – due to frequent sewage backups – and the increasing pollution of nearby bodies of water. In order to combat basement flooding, the City of Bloomington offers overhead for sewer ejection systems to homeowners in single-family units. This, however, excludes those who reside in and/or own multi-family units (Department of Planning and Code Enforcement, 2008).

### **Water Delivery**

The water delivery systems of West Bloomington are as inadequate as West Bloomington's sewer system. Dating back to circa 1885-1915, the water delivery system has low water pressure and high demands of energy. The 20% of homes in West Bloomington not linked to a designated water system share a connection to the water main system with another home. Owners of sharing homes are often unaware they are sharing until the connection breaks (Department of Planning and Code Enforcement, 2008). The City of Bloomington offers the Water Service Replacement Program to remedy the two-on-one water services (City of Bloomington, 2010).

## **Streets and Sidewalks**

Most sidewalks and streets in West Bloomington are cracked and in disrepair. The City of Bloomington offers a 50/50 program for improving sidewalks. The 50/50 program partners with residents to replace deteriorating sidewalks in front of homeowners' homes. The city and homeowner split the total repair costs and both parties pay 50% (Department of Planning and Code Enforcement, 2008).

## **Infrastructure Plans and Recommendations**

The City of Bloomington has made plans to expand the network of bike paths through the Gridley, Allin and Prickett's Neighborhood Association Area, (GAP) and the Olde Towne neighborhoods (West Bloomington Revitalization Partnership, 2010) The additional bike paths will allow for easier access to area parks, schools, churches, community services, downtown Bloomington, and nearby neighborhoods (West Bloomington Revitalization Partnership, 2010)

The lack of consumer services in West Bloomington results in residents traveling considerable distances in order to access everyday necessities. West Bloomington residents are located far from shopping, places of employment, and health care. As a local attorney asserts, the area's deficiencies seem to play to the notion that West Bloomington is somehow worse than the rest of the community (personal communication, October 20, 2010).

In order to improve the infrastructure in West Bloomington, and to create opportunities for the development of business, developers need to be attracted to the area and view development as a lucrative investment. In its current state, the water infrastructure is unable to support any major manufacturing development in West Bloomington. Additionally, city codes and environmental restrictions often do not allow a building to be demolished in order to construct another in its place. According to the EDC of the Bloomington-Normal Area, a developer would most likely have to front the cost of repairs and renovations of an old building if they wanted to develop any sort of major manufacturing business (personal communication, October 19, 2010).

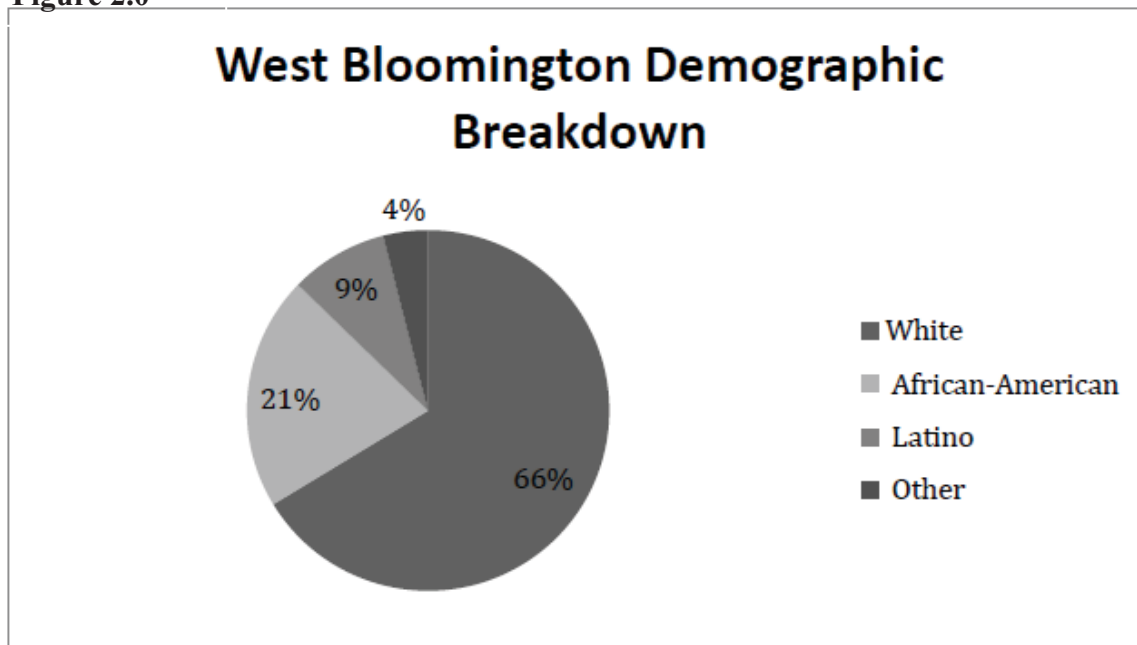
## **West Bloomington Demographics**

### **Racial Composition**

The demographics of West Bloomington, as compared to the City of Bloomington, offer interesting insights into the makeup of this community. The most obvious distinction found in

the 2000 census data was that African Americans made up 8.64% of the total City of Bloomington population (208 households), while in West Bloomington, African Americans made up nearly 22% of the total population. There were similar findings among the Latino populations – although not as large of a difference. While Latinos comprised 3.32% of the City of Bloomington’s population (61 households), Latinos comprised 9.16% of the population in West Bloomington. In fact, Asians were the only minority demographic that had higher percentages outside of West Bloomington; in the City of Bloomington, Asians comprised 3.02% of the population, while they only comprised 0.5% of the population in West Bloomington. While there were other minority populations found within West Bloomington, – such as Native Americans – the percentages were extremely small (2000 Census, McLean County Tract 15<sup>1</sup>).

**Figure 2.0**



Source: Census 2000, Tract 15

When comparing the 2000 census data with the 2009 American Community Survey (ACS) estimates, it appears that the number of minorities, as a percentage of the total population, have shifted in the City of Bloomington. The African American population has decreased slightly from 8.64% to 7.9%, while both the Latino and Asian populations have increased from 3.32% to

---

<sup>1</sup> Census Tract 15 covers the area between Rt. 9 (N), Oakland Ave. (S), Allin St. (E), and Lumber St. (W)

4.4%, and 3.02% to 4.8%, respectively (American Community Survey, 2009). Unfortunately, the 2009 ACS did not have data specific to West Bloomington.

According to WBRP, Black and Latino community members are underrepresented on their board and need more adequate representation, as they are key stakeholders in West Bloomington (personal communication, October 13, 2010).

## Gender

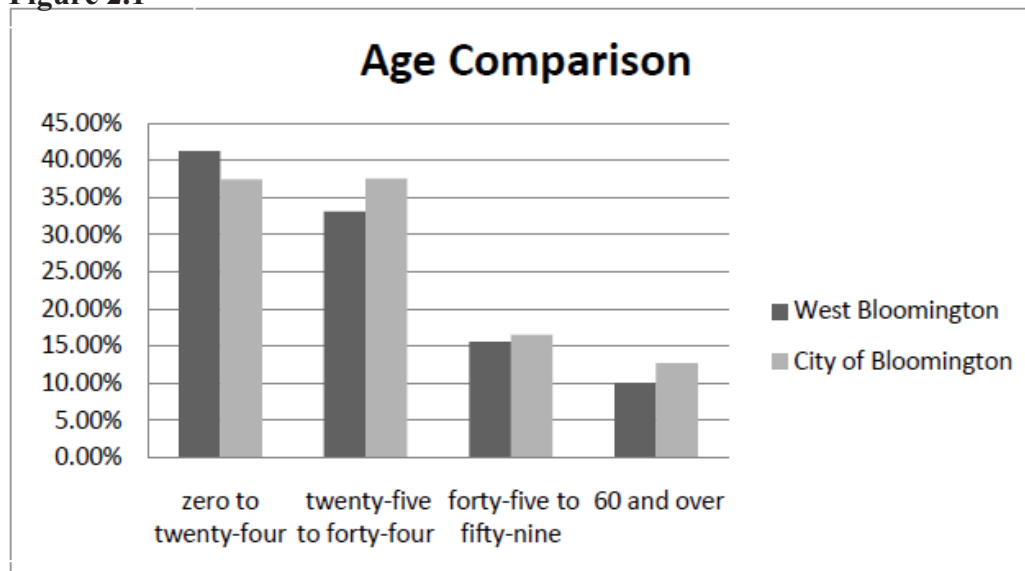
2000 census data found that females made up 62% of West Bloomington's population and 51.5% of the City of Bloomington's population. Similarly, 2009 ACS data found that females made up 51.7% of the population in the City of Bloomington (American Community Survey, 2009).

## Age

According to the 2000 census, 41.26% of the population fell between the ages of 0-24 in West Bloomington (Census, 2000, Tract 15). The data also found that 10% of the population was over 60 years of age.

These trends also seem to hold true for the City of Bloomington; the number of residents within the 25-44 range was higher in the City of Bloomington when compared to West Bloomington, 37.53% to 33.14%, respectively (Census, 2000). Additionally, only 12.73% of the population in the City of Bloomington was over 60 years of age.

**Figure 2.1**



Source: Census 2000, Tract 15

According to the 2009 ACS data, those over 60 years of age accounted for 15.6% of the population – 2.9% higher than 2000. While numbers fell in both the 0-24 and 25-44 age groups, the decreases were just barely over 1%. By looking at the 2009 ACS data, the population seems to be heading toward a more elderly demographic makeup.

### **Education**

37% of the population 25 years of age and older in West Bloomington was found to have at least some form of a college education (Census, 2000, Tract 15). Of the 575 residents with some form of college education, only 20% had a bachelor's degree (Census, 2000, Tract 15). The only demographic that had more college-educated individuals than high school or equivalent were Latinos; 26% of Latinos had received their bachelor's degree, which is higher than the aggregate mean of all racial backgrounds. Within every population, excluding Blacks, more women received a college education than men (Census, 2000, Tract 15).

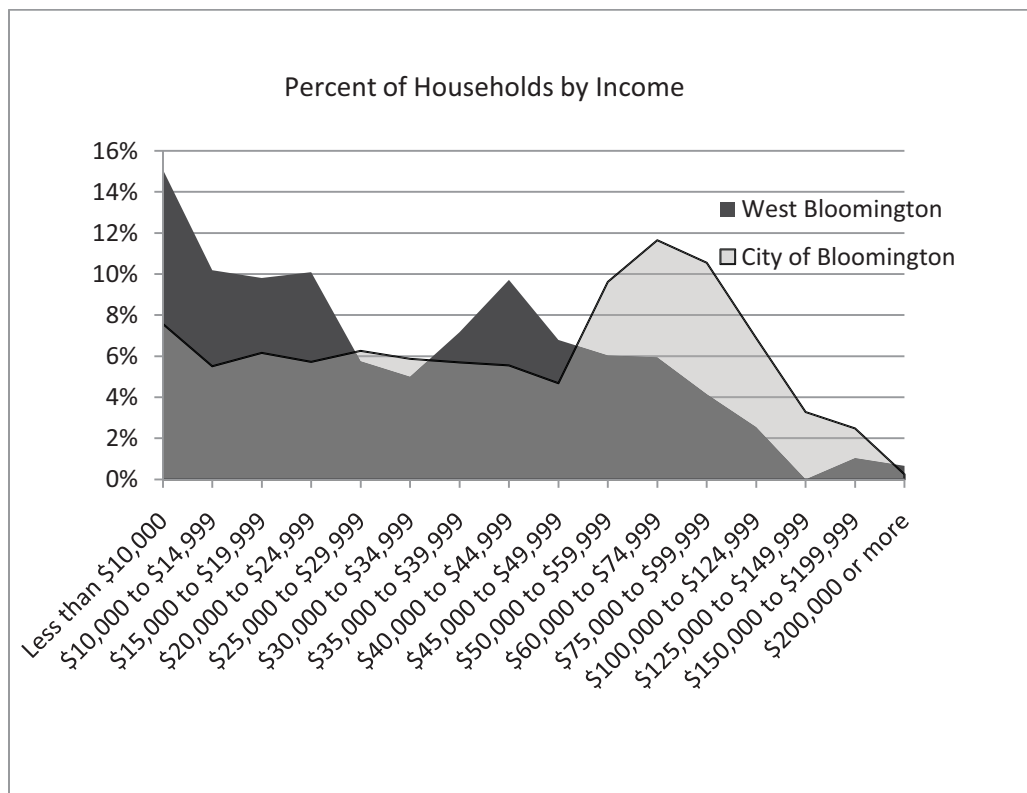
The education levels found in West Bloomington were in stark contrast to the City of Bloomington in which 65% of the population received some form of college education; of those, 61.3% of those had attained bachelor's degree or above (Census, 2000, Bloomington City Township). According to 2009 ACS survey data, the number of people who had received some form of college-level education increased to 70.3%; this increase could mean higher levels in West Bloomington as well.

## Income and Expenditures

### Median Incomes

In 2000 the median household income of the 1060 households in West Bloomington was \$29,194 – with 540 households below this level (Census, 2000a; Tract 15). When compared to the City of Bloomington, West Bloomington had a disproportionate number of households below the income level of \$29,999 (See Figure 2.2). Of the owner-occupied households, the median income was \$39,444; the median income was \$18,944 for renter occupied households.

**Figure 2.2**



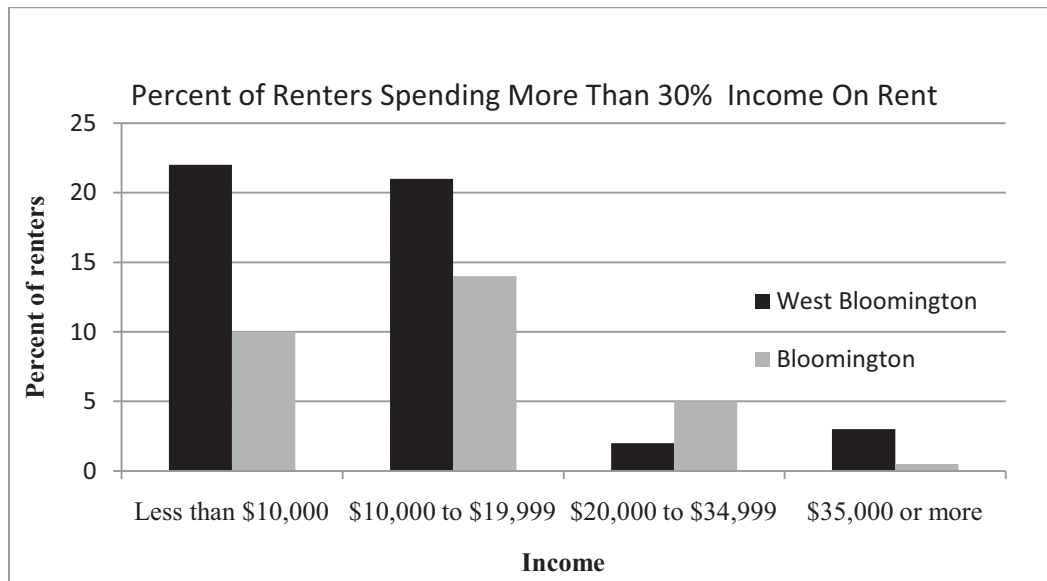
Source: Census 2002, Tract 15

### Low-Income Households

A total of 181 households, 17% of all households, in West Bloomington were below the poverty line, compared to 9% of households below the poverty line in the City of Bloomington (Census, 2000). In West Bloomington, 77 households received some form of federal housing subsidies, and 99 households, roughly 9%, received some form of public assistance income; only 2.4% of the households in the City of Bloomington received some form of public assistance income (HUD, 2008).



**Figure 2.3**

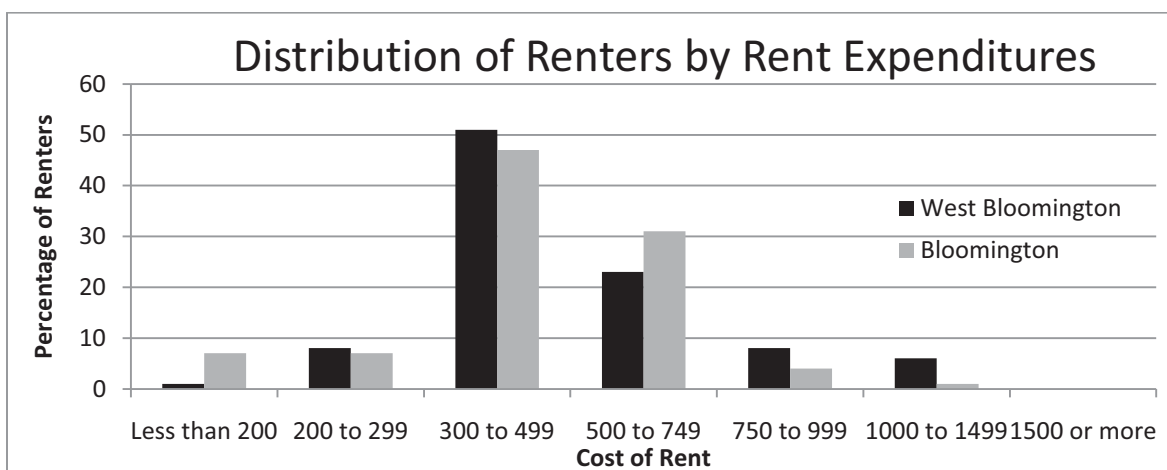


Source: Census 2000, Tract 15

### Renting Households

In 2000, there were 556 renter-occupied units in West Bloomington (Census, 2000, Tract 15). As shown in Figure 2.4 below, there were 249 units, or 48%, that paid more than 30% of their household income on rent. Of those units, 125 had a household income of less than \$10,000, 116 units had a household income between \$10,000 and \$19,000, 13 units had a household income between \$20,000 and \$34,999, and 16 units had a household income of \$35,000 or more (Census, 2000, Tract 15).

**Figure 2.4**

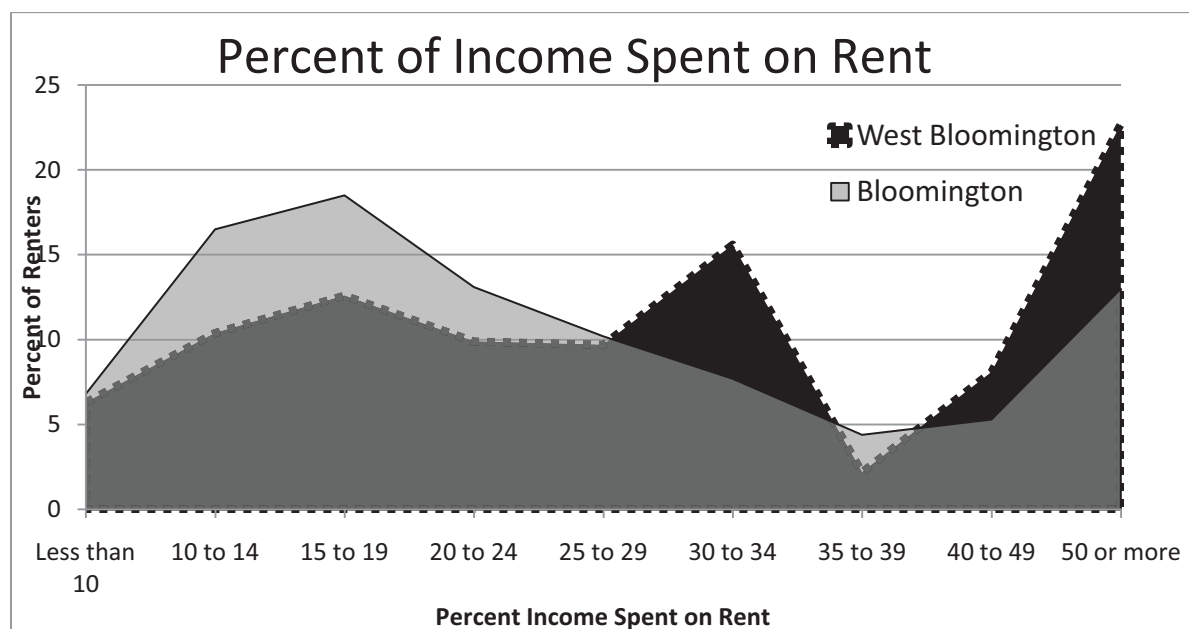


Source: Census 2000, Tract 15

As seen in Figure 2.4, more than half of renters in West Bloomington spent between \$300 and \$499 on rent, and less than 10% spent less than \$300 on rent (Census, 2000, Tract 15). In West Bloomington, nearly 75% of renters spent between \$300 and \$749 per month on rent (Census, 2000, Tract 15).

Renters in West Bloomington pay higher percentages of their income on rent than do renters in the City of Bloomington (see Figure 2.5). Over 20% of renters in West Bloomington are spending more than 50% of their income on rent (Census 2000).

**Figure 2.5**



Source: Census 2000, Tract 15

## Household Characteristics

### Housing Affordability

A crucial step in our assessment of the housing need in the City of Bloomington, specifically West Bloomington, is to determine what percentage of all households are unable to obtain affordable housing. This statistic is based on the income of residents and both the quantity and costs of existing housing units. Residents have limited influence in regard to professional opportunities and housing quantity and price. Thus people are constrained by what the market offers them, and the following information demonstrates that residents' housing needs are not being met.

As previously stated, HUD defines housing affordable as a household spending no more than 30% of their annual income on housing. An extreme cost burden is defined as housing expenditures exceeding 50% of a household's income. HUD collects housing costs data from individual households across the U.S. and groups households based on their Median Family Income MFI. Figure 2.6 shows cost-burdened households in the City of Bloomington (please note that households are grouped within their respective MFI bracket). The percentages are the total housing units within each MFI bracket by housing type (renter vs. homeowner).

Housing burdens were most severe in households that make less than 30% of MFI; of those households, housing cost burdens were found in both the renter and homeowner groups. During key informant interviews, local experts on the issue further explained the data. A representative from BHA said they had not seen an increase in the production of low-income housing; adding, there is a lack of new housing for the very-low income residents (personal communication, October 20, 2010). The shortage of housing development for households within the <50% MFI bracket can be attributed to costs; an EDC staff member explained the cost of development in this area will not provide much profit to developers (personal communication, October 19th, 2010).

In the State of the Cities Data Systems Comprehensive Housing Affordability Strategy (SOCDS CHAS) Data: Affordability Mismatch Output for All Households in Year 2000 Tables, HUD showed the discrepancy between the number of houses in the City of Bloomington within certain ranges of home value and residents' ability to pay for them. For households in the <30% MFI renter subgroup, only 295 housing units were available for rent in the year 2000. Of these units, around 25% had housing violations. Data on homes for sale in this income range was not available. In the 30%< to > 50% of MFI subgroup, there were 531 rental units and 112 homes for sale; 33.8% of the rental units had housing violations (SOCDS CHAS Data: Affordability Mismatch Output for All Households, 2000).

**Figure 2.6**

<b>Affordability Problem in Bloomington as of 2000</b>			
<u>&gt;30% MFI</u>			
	<b>Renters</b>		<b>Homeowners</b>
<b>&gt;30% housing burden:</b>	3606 rentals (72.36% rentals <30% MFI)		1074 homes (54%)
<b>&gt;50% housing burden :</b>	2696 rentals (54.1%)		905 homes (45.5%)
<b>With any housing problems:</b>	3039 rentals (61%)		1397 homes (70.3%)
<u>&gt;30% to &lt;50% MFI</u>			
<b>&gt;30% housing burden:</b>	1057 rentals (28%)		1319 homes (41.3%)
<b>&gt;50% housing burden:</b>	395 rentals (10.5%)		524 homes (16.4%)
<b>With any housing problems:</b>	1976 rentals (52.3%)		1391 homes (43.5%)
<u>&gt;50% to 80% MFI</u>			
<b>&gt;30% housing burden</b>	516 rentals	(11.3%)	1696 homes (27%)
<b>&gt;50% housing burden:</b>	74 rentals	(1.6%)	359 homes (5.7%)
<b>With any housing problems:</b>	665 rentals (14.5%)		1277 homes (20.4%)

Source: Bloomington Consolidated Plan, 2010

West Bloomington residents lack affordable housing. According to 2000 census data, there were 1041 households in West Bloomington; only 72 units were found vacant and habitable. Of those vacant households, 65 were for rent and 7 were for sale (Census 2000 Summary File). Since the private market has seemingly failed to meet the housing needs of West Bloomington residents, one would expect federal and state intervention. However, official efforts toward public housing have decreased over the past few decades; consequently, HUD has been overwhelmed the increase in housing need. A BHA staff member explained that the waiting list for Section 8 was opened this year after being closed for four years, and there are currently 800 individuals on the list. They added that it could be three to four years before someone on the latter end received a voucher (personal communication, October 20, 2000). The same staff member also said HUD has not funded traditional public housing for the very-low income residents in 30 years (personal communication, October 20, 2000). Since the government seems unable to meet residents' housing needs, and the private market seems unwilling, non-governmental organizations are left to handle local housing needs.

## **Rental Households**

The rapidly deteriorating rental market has compounded the affordable housing situation in the City of Bloomington. Currently, renters comprise a sizeable portion of the housing market. In the City of Bloomington, there were 15,639 occupied rental households valued at 80% of MFI or lower (Bloomington Consolidated Plan, 2010, p. 107). This was 60.5% of the 25,829 total households at or below 80% of MFI. In West Bloomington specifically, there were 565 renter households, 54.3%, out of 1041 total households (Census 2000 Summary File).

A local real estate attorney said that many landlords overextended themselves by buying too many properties during the housing boom and became unable to properly maintain them when market busted (personal communication, October 20, 2010). Often times, the real estate attorney asserted, units deteriorated enough that the city was forced to close the property and evict the occupants.

A representative from Prairie State Legal Services said there is a lack of affordable rentals that are decent and livable, and landlords are hesitant to improve their properties because there is no incentive; they added, Bloomington goes from luxury to slum and there is no in-between (personal communication, October 2000). A staff member from the City of Bloomington's Planning and Code Enforcement Division said there is a lack of mechanisms for forcing landlords to manage their property responsibly and a lack of a unified stance on how to handle such landlords (personal communication, October 2000).

It seems as though the local government is not directing sufficient resources toward affordable housing. The issues plaguing the rental market greatly exacerbate the greater issue of affordable housing. Undoubtedly, families who have been evicted from their rental homes in recent years are in great need of affordable housing.

## **Special Needs Populations and Senior Citizens**

Individuals with special needs that lack an adequate and steady income may be especially challenged in securing and maintaining affordable housing. The Illinois Coalition to End Homelessness reported that of the 150,000 people estimated to experience homelessness in the state in 2003, 37,000, or 25%, would be individuals disabled by mental illness (ASRU-ISU, 2003, p. 24). At the local level, these numbers are echoed by McLean County's Continuum of Care data. This consortium of local agencies and organizations directs individuals and families

experiencing homelessness towards appropriate HUD programs. Continuum of Care's 2002 data shows that nearly 28% of individuals who received services were affected by some sort of mental illness or disability. Of Continuum of Care's disabled beneficiaries, approximately 70% suffered from mental illness in 2002, a quarter were physically disabled, and the remainder were developmentally disabled (City of Bloomington, 2010).

Services such as supervision and case management –supportive housing – are tools that can combat homelessness while also helping individuals with special needs overcome some of the difficulties they may face in securing and sustaining housing. There is a variety of supportive housing programs in the Bloomington-Normal area; however, at the time of the Illinois State University's (ISU) Applied Social Research Unit's 2003 report, all of the area supportive housing providers reported substantial waiting lists for access to units. A PATH survey of local stakeholders reflected these trends – identifying the need for more supportive housing options, yet placing “the highest level of need for permanent housing for special populations [including] persons with severe mental illness, persons with developmental disabilities and unaccompanied youth” (City of Bloomington, 2010 p. 12).

While 2000 census data reported that Bloomington-Normal's elderly population was just as likely to live in West Bloomington as in other areas of the Bloomington-Normal metropolitan statistical area (MSA), community members and consulted documents suggested high levels of concern for West Bloomington's elderly population. Both PATH and the City of Bloomington noted the reluctance of the elderly to report problems with their housing for fear of losing their homes (City of Bloomington 2010, personal communication, October 19, 2010). The aging housing stock in West Bloomington compounds the difficulties faced by seniors, as those living in older homes are more likely to lack important modifications such as wider doorways and handicap-accessible bathrooms and entries (City of Bloomington, 2010). Lack of adequate income amongst the retired and elderly population makes home improvements inaccessible for many in this population.

Difficulties are compounded for individuals who are both elderly *and* disabled. Of the 7,623 persons with disabilities living in the City of Bloomington, nearly 30% are 65 years of age or older (City of Bloomington 2010, 28). Factors specific to West Bloomington, such as inadequate

infrastructure and the deteriorating housing stock, disproportionately affect elderly and disabled individuals who currently reside in the area.

### **Labor Statistics**

Data from the US Bureau of Labor Statistics (2010) show that the unemployment rate in the Bloomington-Normal MSA is 7.9%; HUD reported a slightly higher rate of unemployment for the City of Bloomington with a rate of 8.2% for the same month. The City of Bloomington's Planning and Code Enforcement (PACE) Department noted the effects of this trend through an increase in requests, citywide, for housing rehabilitation assistance. According to a code-enforcement staff member for the City of Bloomington, the current economic and employment situation has prompted many homeowners to rehabilitate their current homes rather than to upgrade by purchasing new homes. The city assisted 25 households with rehab between May and October of 2010; there is currently a waiting list of approximately 25 additional homes to be rehabbed (personal communication, October 19, 2010). While statistics regarding employment and income in the Bloomington-Normal area have been skewed upward by the presence of State Farm Insurance's national headquarters, access to affordable housing and rehabilitation seems considerably more difficult for the City of Bloomington's lower- and middle-working classes who may struggle to gather the resources for needed improvements.

According to 2009 ACS data, nearly a quarter of Bloomington-Normal's working population was employed in the fields classified as educational services, health care, and social assistance. For this sizable proportion of the population, achieving the economic stability necessary for homeownership can be a difficult task. In 2009, HUD placed the Bloomington-Normal MSA's median family income at \$75,500. A household headed by an elementary school teacher, whose 2009 median income was \$53,700 (according to the US Bureau of Labor Statistics), is earning only 72.5% of the area's MFI. Nursing aides and attendants, with a median income of \$24,930, earned only 33% of the area's MFI. Public servants fare no better; police and sheriff's patrol officers earned a median income of \$46,900 in 2009 – which placed them at 62% of the area's MFI. For community members and others in similar occupations who are the sole or primary source of income for their households, earning adequate funds to support a family, let alone own a home, can be a challenge.

### **Household Size**

Within West Bloomington, the average household size was 2.49 (Census, 2000, Tract 15). This figure was only slightly higher than Bloomington-Normal MSA whose average household size was 2.45. Average family size is slightly higher for both areas; West Bloomington was found to have an average family size of 3.25, and Bloomington-Normal MSA was found to have an average family size of 3.03.

### **Households Receiving Public Assistance**

The large gap between housing costs and income was found to be a problem in West Bloomington. Public housing, Section 8 project-based rental assistance, and programs for the elderly and disabled are aimed to serve very-low-income households, yet the average wait for households in West Bloomington to receive these types of assistance was 17 months in 2008, and for Section 8 vouchers, it was 23 months (Department of Housing and Urban Development, 2008). Figure 2.7 compares the total population in West Bloomington to households that are able avail of federal housing assistance, where 7.4 percent of households are receiving some type of federal housing assistance and 4.3 percent of households are availing of section 8 vouchers.



**Figure 2.7**

<b>Households in Census Tract 15, Mclean County, Illinois</b>			
	Total Population (Census 2000)	Households Receiving any form of Federal Assistance (HUD 2008)	Section 8 Vouchers (HUD 2008)
<b>Population 18+</b>	1875	177 (9.4% of Total Population)	145 (7.7% of Total Population)
<b>Population ALL</b>	2610		
<b>Households</b>	1041	77 (7.4% of Households)	45 (4.3% of Households)
<b>Owner Occupied Households</b>	476	81	81
<b>Renter Occupied Households</b>	565	96	96
<b>Average Household Size</b>	2.49	2.3	3.2

Source: US Census 2000 and HUD 2008

A WBRP representative said there seems to be a general lack of knowledge about the availability of assistance and added that information on housing assistance is not delivered adequately and many people are unaware of where to go (personal communication, October 13, 2010). 2000 Census data found there to be 1041 households in West Bloomington; of those households, 7.4% received federal assistance of some type (Department of Housing and Urban Development, 2008). Nearly 60% of assistance came in the form of Section 8 vouchers. Households that received Section 8 vouchers had been recipients of the vouchers for an average of seven years (Department of Housing and Urban Development, 2008).

### **Tenure of Households**

The US Census defines an owned home as having tenure. According to 2009 ACS data, 67% of households nation-wide owned their own homes in 2005; there were 22.2 million low-income owners and 23 million renters. According to HUD (2008) data, in West Bloomington 46% of households that received federal assistance owned their homes and 54% of households that received federal assistance rented their homes.

Figure 2.8 shows that owner-occupied housing in the United States grew in all income groups between 2001 and 2005, but there was shift from renting to owning among moderate- and upper-

income households. Figure 2.8 also shows that 70% of homeowners fell in the moderate- or high-income group; 37% of renting households also fell in the moderate- or high-income group.

**Figure 2.8**

	2001		2005		Percent change
	Number (thousands)	%	Number (thousands)	%	
All renters	36,450	100%	36,776	100%	1%
Extremely low income	7,854	22%	9,022	25%	15%
Very low income	5,953	16%	6,384	17%	7%
Low income	7,623	21%	7,612	21%	0%
Not low income	15,020	41%	13,758	37%	-8%
All owners	69,986	100%	74,293	100%	6%
Extremely low income	4,557	7%	4,976	7%	9%
Very low income	5,921	8%	6,305	8%	6%
Low income	10,515	15%	10,963	15%	4%
Not low income	48,993	70%	52,048	70%	6%

Source: NLIHC Tabulations of 2005 ACS PUMS

## Housing Stock Characteristics

### Building Conditions

HUD considers West Bloomington to be a deteriorated and blighted area (the City of Bloomington Consolidated Plan, 2010). The West Bloomington Plan Area and Building Conditions Report (2008) define a slum and blighted area as an area as “any predominantly urbanized area within the territorial limits of a municipality in which 25% or more of the properties [are deemed dilapidated]” (p. 13). A property is deemed dilapidated if it:

- does not provide safe and adequate shelter
- endangers the health, safety or well being of a family in its present condition
- has one or more critical defects; OR
- has a combination of intermediate defects in sufficient number or extent to require considerable repair or rebuilding. (The defects may involve original construction, or they may result from continued neglect or lack of repair or rebuilding).
- does not have operable indoor plumbing;

- does not have a usable flush toilet, bathtub or shower inside the unit for the exclusive use of a family;
- does not have electricity or has inadequate or unsafe electrical service;
- does not have safe or adequate source of heat;
- should, but does not, have a kitchen;
- has been declared unfit for habitation by an agency or unit of government.

(West Bloomington Plan Area and Building Conditions Report, 2008, p. 13)

Possible factors that generate blighted and deteriorated conditions include, but are not limited to, old structures, high population densities within dwellings, low income levels of area residents, high crime rates, excessive maintenance or rehabilitation costs, high number of rental units in the area, absentee landlords, vacant and abandoned lots, and inadequate infrastructure (West Bloomington Plan Area and Building Conditions Report, 2008). Almost all of these factors are present in West Bloomington. For example, the average age of residential buildings in West Bloomington is 110 years, and many single-family dwellings have been converted into multi-family dwellings (the City of Bloomington Consolidated Plan, 2010). Rehabilitation costs of old structures are a burden to West Bloomington residents; WBRP said that improving and rehabbing older homes is a main concern and major financial burden for many in the neighborhood (personal communication, October 13, 2010). In addition, many units in West Bloomington are rarely empty, and ‘slum’ landlords often rehabilitate units quickly and inadequately; absentee landlords attempt to maximize profits with minimal spending on property maintenance or high rents for poor quality housing. Also, some homes are far too gone and need to be torn down, while others can simply be revitalized (WBRP, personal communication, October 13, 2010). The City of Bloomington echoed these views and stated that they have seen greater requests for rehab, but there are not enough resources because of the older housing stock (the City of Bloomington, personal communication, October 19, 2010).

To further illustrate the effect that slum and blighted conditions have on the neighborhood, the City of Bloomington’s Department of Planning and Code Enforcement, Code Enforcement Division, reported 168 building condition-related complaints in 2007. Halfway through 2008,

there were 163 received complaints – almost the same number of complaints received for the whole of both 2006 and 2007 (West Bloomington Plan Area and Building Conditions Report, 2008). This indicated that conditions in the area are not improving. The majority complaints received were related to grass, weeds, debris, graffiti, refuse, and general property maintenance (West Bloomington Plan Area and Building Conditions Report, 2008).

### **Building Conditions in West Bloomington**

In 2008, 657 residential buildings – both single and family and rental units – were evaluated in regard to their conditions. The City of Bloomington conducted the survey and focused on 12 components to rank the exterior of dwellings; these included inspections of the foundation, roof, exterior wall, windows, screens, chimney tower, porch, porch steps, guttering, sidewalk and driveway, garage, and accessory structure (West Bloomington Plan Area and Building Conditions Report, 2008). The foundation, roof, exterior walls, and windows were weighted to represent 90% of the structure's overall ranking. All buildings were ranked on a scale of 1-6; if a dwelling received a rank of "1" it was considered as in the best condition (West Bloomington Plan Area and Building Conditions Report, 2008).

According to the findings, of the 657 buildings that were ranked, "125 (19%) are labeled 'sound,' 282 (43%) are labeled 'minor,' and 250 (38%) are labeled 'major/critical.'" The average overall building ranking was 2.76; this fell into the "minor" category (West Bloomington Plan Area and Building Conditions Report, 2008, 38).

Of the 403 single-family dwellings that were ranked: "90 (22%) are labeled 'sound,' 192 (48%) are labeled 'minor' and 121 (30%) are labeled 'major/critical.'" The average overall single-family building ranking was 2.65, which also fell into the "minor" category (West Bloomington Plan Area and Building Conditions Report, 2008, 38).

Of the 254 rental buildings that were ranked (exterior only): "35 (14%) are labeled 'sound,' 90 (35%) are labeled 'minor' and 129 (51%) are labeled 'major/critical.'" Although the average ranking of rental buildings overall was 2.93, within the 'sound and minor' ranking scale, it is important to note that half of the rental buildings were labeled 'major/critical' based on exterior building conditions only" (West Bloomington Plan Area and Building Conditions Report, 2008, p. 38).

### **Vacant Properties/Empty Lots**

West Bloomington is exposed to several unsafe, vacant, and empty properties. Historically, the City of Bloomington has received HUD funding to develop these areas since the early 1960s. Since 1974, funding came from the Community Development Block Grant (CDBG) program. According to HUD (2010), criteria for grant funding must match the organization's three national objectives:

1. Benefiting low- and moderate-income persons
2. Preventing or eliminating slums or blight area
3. Meeting other urgent community development needs

In the City of Bloomington, CDGB has funded single-family, owner-occupied rehabilitation, clearance, and installations (such as sidewalk replacement, curb and gutter replacement, street resurfacing, and installation of water and/or sewer mains).

In 2008, West Bloomington had 33 vacant lots (Department of Planning and Code Enforcement 2008). Of these properties, 10 lots were for sale with costs ranging between \$3,000 and \$130,500; the median price was \$48,250 (Department of Planning and Code Enforcement 2008). These lots were not the only vacancy issues West Bloomington. Figure 3.0 below shows the vacancy housing units within the West Bloomington area.

**Figure 3.0**

<b>Vacant Units in West Bloomington</b>	<b>Estimate</b>
Total housing units	32,826
Vacant housing units	3,834
Homeowner vacancy rate	3.4
Rental vacancy rate	15.3

Source: Census American Fact Finder, 2008

Comparatively, McLean County found 97 vacant houses registered within the area (see Figure 3.1). These structures are limited to residential, single-family houses.

**Figure 3.1**

<b>Vacant Housing in West Bloomington</b>	
	Vacant Houses
<b>Total</b>	97
<b>For Rent</b>	65
<b>For Sale Only</b>	7
<b>Rented or sold, not occupied</b>	10
<b>Other Vacant</b>	15

Source: Census 2000, Tract 15

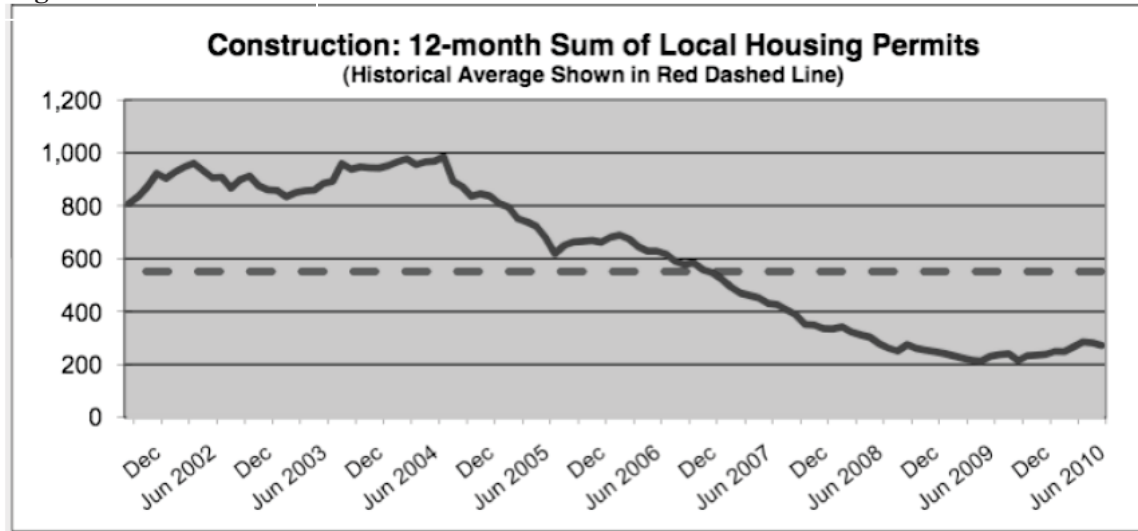
In 2008, the Department of Planning and Code Enforcement conducted a building conditions survey and identified 25 vacant buildings in West Bloomington. The area surveyed included Morris Ave to the west, Locust Street to the north, Lee Street on the east, and Taylor Street to the south (City of Bloomington, 2010). See ‘Building Conditions of West Bloomington’ section for results of the Building Conditions Survey. Nine of the structures were categorized into Class D, which means that the buildings were declared an “unsafe structure” and subject to Chapter 10, Article II “unsafe or abandoned” buildings. Additionally, 129 or 51% of rental buildings were labeled “major/critical”. Although this classification does not categorize the units as abandoned, their status enables them to receive equivalent repairs Class D structures. (City of Bloomington, 2010). For a full list of code violations from the City of Bloomington Department of Planning and Code Enforcement refer to Appendix H.

### **Current Construction and Development**

A reduction in one-unit construction in the City of Bloomington has limited any new supply of housing. The National Association of Realtors (2010) reported that the 12-month sum of one-unit building permits, through June 2010, was at 272; this was 50.7% below the long-term average level of construction.

Local housing permits in the Bloomington-Normal area have significantly decreased since 2006 and dip way below the historical average:

**Figure 3.2**



Source: National Association of Realtors Bloomington-Normal Area Local Market Report, Second Quarter 2010

YouthBuild has constructed 11 homes; this includes an affordable-apartment complex that has income limits to ensure low-income residents and has revitalized many other homes (YouthBuild, personal communication, October 3, 2010). The Woodbury Estates Subdivision development has progressed with a total of 16 Habitat Homes constructed. An additional 10 affordable homes, funded by the Tornquist Family Foundation, have been constructed (The City of Bloomington Consolidated Plan, 2010). However, construction delays, increasing development costs, the downturn in the economy, and decline of real estate sales have negatively affected the building of homes in recent years.

### **Current Housing Prices and Market Analysis**

In 2004, 67.4% of households in the Bloomington-Normal area owned their own homes and 32.6% rented (Analysis of the Bloomington-Normal Housing Market, 2004). According to the Bloomington-Normal Association of Realtors, home sales were down last year. In 2009, there were 1,684 homes sold compared to 2,252 in 2008 and 2,585 in 2007. This marks a 35% decrease from 2007 to 2009. The average cost of an existing home in Bloomington-Normal in 2009 was \$167,788 and \$304,157 for a new home (City of Bloomington, 2010).

Based on HUD's rule of thumb that families can generally purchase a home that is 2.9 times the households' annual income, Bloomington-Normal families that make the median income of \$76,600 for a family of four can generally afford to purchase homes up to \$218,950 (City of

Bloomington, 2010). In West Bloomington, on the other hand, the median income is \$24,930 which by HUD's rule of thumb, allows residents to purchase homes up to \$72,297, approximately half of the median price of all homes bought in Bloomington-Normal (Census, 200a; Tract 15). In reality, however, West Bloomington homes have a median cost of \$48,250 (West Bloomington Plan Area and Building Conditions Report, 2008). As mentioned earlier, local elementary school teachers make \$53,700 while nursing aides and attendants make \$24,930 (US Bureau of Labor Statistics, 2010). These low-salary jobs, in addition to many others held by West Bloomington residents, are substantially below the median income and this helps explain why West Bloomington residents are only able to afford homes that are far below the median cost of \$218,950 (City of Bloomington, 2010). Even though homes are less expensive in West Bloomington, fewer residents are homeowners. Approximately 75% of residents in West Bloomington are homeowners (City of Bloomington, 2010); over 90% of residents are homeowners in McLean County as a whole (West Bloomington Plan Area and Building Conditions Report, 2008).

According to HUD, in 2000, there were no vacant homes in Bloomington-Normal for sale at rates affordable for households at 30% of the median, 394 vacant homes for households at 50% of the median, and 238 vacant homes available for households at 50-80% of the median. Figure 3.3 below shows the increases that have occurred over a six-year period.

**Figure 3.3**

<b>Fair Market Rent for Bloomington-Normal</b>					
	<b>0 BR</b>	<b>1 BR</b>	<b>2 BR</b>	<b>3 BR</b>	<b>4 BR</b>
<b>2005</b>	439	485	612	818	1023
<b>2007</b>	462	510	644	861	1077
<b>2011</b>	521	575	726	971	1214

Source: HUD 2005, 2007, 2011

### **Subsidized Housing Availability and Waiting Lists**

The Bloomington-Normal community has 634 public housing units with the majority of them located in West Bloomington. BHA currently gives 650 Section 8 vouchers to low-income households to use in the private sector. Section 8 vouchers are designed for families that cannot



afford to pay the fair market rent, and while HUD subsidizes vouchers, local housing authorities always distribute them. Of the 650 vouchers, 64 are used in the West Bloomington neighborhood (The City of Bloomington, personal communication, October 18, 2010).

The waiting list to receive a Section 8 voucher recently opened back up after being closed for 4 years due to high numbers already on the list. There are approximately 950 people currently waiting to receive a voucher. It is estimated to take between 3 and 4 years for those on the list to receive assistance (The Housing Authority of The City of Bloomington, personal communication, October 18, 2010). According to a City of Bloomington employee, there is sufficient rental housing for someone at 60% of median income but not enough for those who earn less than 60% of the medium income; they said this may be why the waiting list is so long for Section 8 vouchers (personal communication, October 19, 2010).

### **Median Costs of New Housing**

In the City of Bloomington, the market of new housing developments is predominately controlled by private construction and realty companies. Therefore, the median cost of new housing in West Bloomington is not widely distributed or accessible. However, the cost of new housing could be estimated from the activity of new developments in the local area. Although the state of Illinois does not levy property taxes, McLean County does implement taxes and fees on usable lots (Economic Development Council of Bloomington-Normal Area, 2010). According to McLean County Treasurer's Office, the tax bill is calculated by multiplying the Total Tax Rate by the Taxable Assessed Value (divided by 100). This amount equals the total taxes due on the parcel for the year.

The Total Tax Rate represents the taxes paid to each taxing body per \$100.00 of Taxable Assessed Value (1). With the county taxes taken into account, the average land costs for the Bloomington-Normal area in 2009 as illustrated in Figure 3.3.

The estimate for current building permits issued in 2009 for The City of Bloomington and Normal are in Figure 3.4. However, the construction costs are averaged by the city and do not reflect the overall costs of new housing.

**Figure 3.4**

<b>Average Land Costs</b>						
	<b>Land Costs (\$ per square foot)</b>			<b>Rental Rates (\$ per square foot)</b>		
	Low	High	Typical	Low	High	Typical
<b>Retail</b>	\$5.00	\$20.00	\$8.00	\$7.00	\$25.00	\$12.00
<b>Office</b>	\$2.50	\$10.00	\$6.00	\$6.00	\$19.00	\$12.00
<b>Commercial</b>	\$2.00	\$8.00	\$5.00	\$8.00	\$12.00	\$9.00
<b>Manufacturing</b>	\$0.44	\$2.00	\$1.00	\$2.00	\$5.00	\$3.00
<b>Agricultural</b>	\$0.07	\$0.18	\$0.15			
<b>Development</b>	\$0.46	\$2.87	\$1.38			

Source: Coldwell Banker Commercial Heart of America Realtors, 2008-2009

### **Demolition Activities**

The City of Bloomington will use the Structure Checklist for Demolition (see Appendix I) to demolish six structures a year for code enforcement violations over the next three years (City of Bloomington, 2010). Properties must meet a minimum of five of the following characteristics: dilapidation, obsolescence, deterioration, presence of structures below minimum code, illegal use of individual structures, excessive vacancies, lack of ventilation, inadequate utilities, excessive land coverage and overcrowding of structures, deleterious land use or layout, environmental clean-up, lack of community planning, and total equalized assessed value of the proposed redevelopment project area that has declined for three of the last five calendar years. The expected cost will be between \$100,000 and \$150,000 a year. The structures that are beyond repair will be demolished, and the deed will be given to an affordable housing developer like YouthBuild or Habitat for Humanity (City of Bloomington, 2010).

### **Usable Lots**

The governance of healthy lots is consistently identified as the single most important reason that an area has an affordable housing issue (City of Bloomington, 2010). The local government has control through zoning, development fees, housing taxes, and CDBG (Section 108). Section 108 allows the city to borrow up to five times its annual grant; repayment is made within a 20-year period with either CDBG funds or alternative resources. Any activity that is eligible under the

CDBG program is eligible to use Section 108. Land acquisition and preparation for development is an eligible activity under the program, as are acquisition of standard units and acquisition/rehabilitation of substandard units.

### **Zoning Regulations**

Development and design standards could be controlled through planned unit developments (PUD) if compromising quality is of community concern. The City of Bloomington and the Town of Normal allow manufactured housing in parks within residential zoning districts (Voneida and Associates, 2004)

Based on the research, it is advised that new developers consider the following questions: (1) Should the community permit higher densities through approving smaller lots in single family residential districts? Neighbors might object and show up at the public hearing in heavy numbers. Or, if there are no nearby neighbors, is that because the location is undesirable for residential use and long-term retention of value for the houses developed may be a problem? (2) Should industrial land be used for single-family residential use? Will this reduce the supply of industrial land that could promote a sustainable community?

### **Partnerships: Success and Struggle**

Partnerships continue with local entities such as Mid Central Community Action, Habitat for Humanity McLean County and local banking institutes with the common goal of supplying affordable housing. Mid Central Community Action and Habitat for Humanity McLean County have received various grants through the partnerships; grants have funded infrastructure for affordable housing neighborhoods, neighborhood revitalization, and neighborhood rehabilitation. Businesses in the construction industry have also contributed to the affordable housing industry by providing technical construction training and skills, labor, and materials at reduced rates for YouthBuild, Habitat for Humanity, and Cornbelt AMBUCS – a local organization that helps local people with disabilities gain mobility and independence (The City of Bloomington Consolidated Plan, 2010).

The City of Bloomington Consolidated Plan (2010) stated that “in the next five years, the city will continue to focus housing programs to improve building/living conditions on the west and east sides of downtown where the needs are the greatest. These programs include code

enforcement, rehabilitation loans, homebuyer assistance programs, infrastructure improvements and affordable housing programs. Additionally, the city will continue developing affordable housing subdivisions for owner occupancy” (P. 33).

According to HUD’s 3-5 Year Strategic Plan (as cited in The City of Bloomington Consolidated Plan, 2010), “many of the affordable housing units can be found in and around the targeted West Bloomington neighborhood” (p. 32). This area has a stigma of being a less desirable area to live in due to factors such as increased crime, prostitution, drug activity, and urban blight. Many developers are not interested in building affordable housing due to these factors, construction cost, and lack of economic opportunity in this area (The City of Bloomington Consolidated Plan 2010). The EDC supports this and commented that there are not many opportunities to build in West Bloomington due to environmental restrictions in tearing down old structures and constructing new ones.; the EDC also said the largest barrier to affordable housing is the cost of development in an area that will only provide thin margins of profit to developers (Economic Development Council, personal communication, October 19, 2010). They suggested that studies look in to cost differentials in developing a lot in West Bloomington; they said studies relate to average footprint, cost to build in that area as opposed to another, and sites to build (Economic Development Council, personal communication, October 19, 2010).

If construction and development were to take place in West Bloomington, the 2007 GAP Form Based Zoning Ordinance and Land Use Plan would be implemented. This plan was developed to protect the character of the neighborhood by requiring new construction to conform to building standards; one such standard includes that buildings be similar in to size and design of surrounding structures. GAP’s Form-Based Zoning Code allows for and promotes the restoration of existing homes and buildings in the neighborhood (West Bloomington Revitalization Project, n.d.).

The City of Bloomington Consolidated Plan (2010) set objectives for future development that include an increase of the affordable and subsidized housing stock; to do this, they plan to obtain lots through CDBG demolition and donate obtained lots to affordable housing developers such as Habitat for Humanity; they hope to donate six lots per year.

## **Financing**

Financially, it appears as though the market is beginning to recover as the housing market is experiencing a cooling-off period from the boom of several years ago. This cooling has led to a market environment where homeownership appears particularly lucrative. For example, there are currently extremely low mortgage rates (see Appendix C for table of mortgage rates (Federal Home Loan Mortgage Corporation, 2010)) and high housing stock inventories; this translates into more choice for homebuyers. However, a representative from Mid Central Community Action stated, it is important to remember that even though the market is affordable, it does not mean residents have the funds to renovate or maintain the property (personal communication, October 20, 2010). While the market may indicate an improving housing market, evidence from key informant interviews suggested that tough financial times continue to burden both the organizational and individual capacity to create affordable housing opportunities in the local area.

Additionally, affordable housing is still a major concern among citizens. Recent focus groups in the City of Bloomington were conducted to understand the views and experiences of local residents in regard to health and human services, housing, transportation, and employment (City of Bloomington Consolidated Plan, 2008). Needing more first-time home buying options, finding reputable businesses and/or individuals to provide home repairs, finding low interest loans for home repairs and renovations, accessing emergency shelter that is not crowded, and finding both safe and affordable housing units were found as concerns of local residents (City of Bloomington Consolidated Plan, 2008).

## **Non-Profit Financing Burden**

Non-profit agencies providing services to residents in priority areas such as services to older adults, child care, housing and homeless services have all been hard hit by the recession and an 11 billion dollar deficit for the state of Illinois. Foundations and other private grant sources have also seen reductions and/or limited availability. As a result, projects which have been aimed at the development of affordable housing, have failed to reach completion. For example, Mid Central Community Action (MCCA) built 3 houses in the Livingston Subdivision and 5 homes in the Trailside Subdivision in the west side of The City of Bloomington. The latter neighborhood was supposed to have fortified homes to respond to extreme weather conditions, but with the current economy, the program proved too expensive for MCCA and was shut down.

The program “proved too expensive” because, initially, a local lender had committed to finance MCCA’s project. However, the deteriorating market conditions forced the lenders to rescind financing. The end result; 5 lots were sold to Habitat and 13 lots were left for sale. A City of Bloomington representative expressed their angst, “The homeownership lending world is changing. It is difficult to obtain grant money, for loans to accept grants and to get loans for low-moderate income families” (personal communication, October 19, 2010). While at first glance the housing market appears more welcoming, further investigation indicates otherwise.

### **The City of Bloomington and Finances**

Every five years The City of Bloomington releases its strategic plan with approaches to affordable housing that are being considered. In their most recent report, the single most important gap identified in the service delivery system to carry out the strategic plan included: resources, including funding and staffing, available to support the effort. In terms of staffing, The City of Bloomington suffers from a drain of skills given that early retirement was offered as a way to manage fiscal deficits (City of Bloomington Consolidated Plan, 2010). Many of the positions left vacant in the City will thus remain vacant. As a result, lack of sufficient staff is cited to have a direct impact on the number of new endeavors (City of Bloomington Consolidated Plan, 2010).

Given that funding is limited, the City’s Community Development department has prioritized top needs identified as unable to be funded through alternative sources. The distribution of funds is listed below. Note: the estimated dollars figure reflects an amount that the City may be able to expend, based on public service caps and past practice of contributed amounts for various public services.

**Figure 3.5**

City of Bloomington Community Development Fund	
	Amounts per year:
Rehabilitation Grants for Low-to-Moderate Income Households, Including Service Delivery costs	\$368,262
Demolition	\$150,000
Administration and General Management	\$34,300
Public Services: Homeless Outreach Worker	\$14,000
Public Services: Housing and Benefits Specialist	\$9,680
Public Services: Emergency Services Grant	\$25,000
Public Services: Peace Meals	\$25,000
Public Facilities: Misc. i.e. Job Training	\$15,000
Public Facilities: Misc.	\$100,000
<b>TOTAL</b>	<b>\$741,242</b>

Source: City of Bloomington, 2010

When asked how the characteristics of the housing market will influence the use of the City's funds the response was as follows:

*The characteristics of the current housing market, heavily impacted by the economic climate, will not substantially impact the goals and objectives for the CDBG funds. As outlined previously, the program funding will not substantially change because the needs are the same, only larger. There will be more demand for home ownership assistance and more affordable rental units. There are more people in foreclosure, but there are insufficient funds to meet the greater, growing need. (City of Bloomington Consolidated Plan, 2010).*

It seems apparent that the needs of the City are much greater than the resources available to alleviate that need. As a result of reduced funding, a representative of The City of Bloomington

expressed the difficulty of doling out limited funds. The City has to weigh who gets funding and who doesn't while attempting to create some sort of equitable program that limited funds largely impact. (personal communication, October 19, 2010) Additionally, the city receives limited funding from the state. For example, the city was turned down on its application for the Neighborhood Stabilization program (NSP) grant. A representative from the City of Bloomington notes, "The bottom line is we weren't chosen and the majority of the money went to Chicago area again. Downstate Champaign & Danville got funds; very few dollars went downstate though. We were very devastated" (personal communication, October 19, 2010).

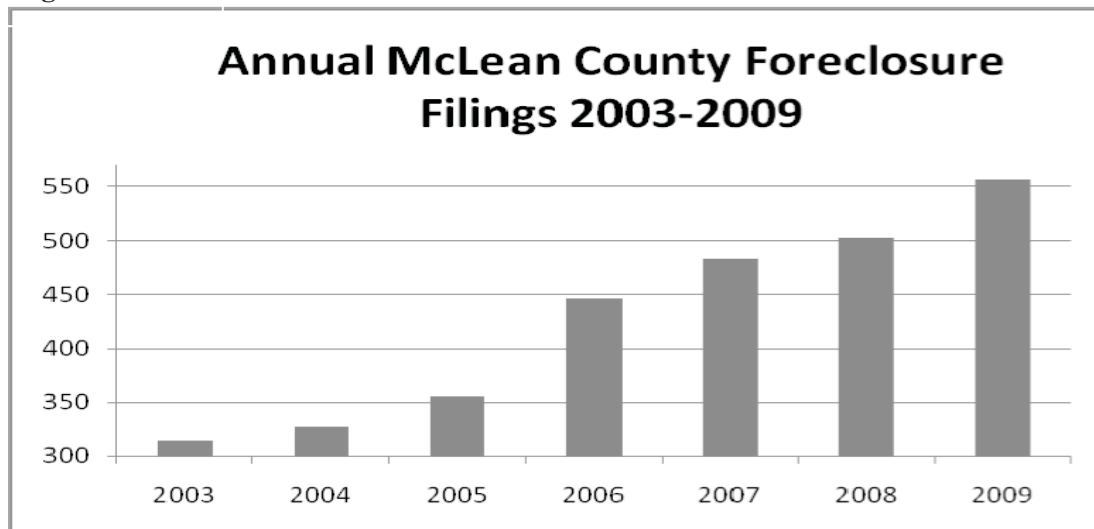
The Consolidated Plan also identifies the following problems for affordable housing: gaps in the private sector, a limited number of businesses in the construction industry (which places a strain on the ones that do exist to respond to donation request); a disaggregated, highly competitive lending community, which limit's the potential for cooperation in a pooling of resources for affordable housing.

### **Foreclosures**

Nationally, the market has been impacted by growing foreclosure rates, and McLean County is no exception. One of the characteristics most often associated with high foreclosure rates is comparable decline in property values leading to an increase in vacant lots. Essentially, foreclosure rates can be good indicators of the relative housing health of a community. An assessment of McLean County shows that annual foreclosure filings grew more than 75% from 2003 to 2009 (Economic Development Council, 2010). Figure 3.6 outlines the number of filings from 2003 to 2009.



**Figure 3.6**



Source: Economic Development Council, 2010

Foreclosure rates have increased significantly in the last year as well. From January 2009 to December 2009 there were a total of 556 foreclosures compared to 503 in 2008. Ultimately, this results in a 10.54% rise in home foreclosures compared to the last year (City of Bloomington Consolidated Plan, 2010).

In addition, the foreclosure crisis of the past year has disproportionately impacted renters. Foreclosed rental housing has evicted many from their homes. Often more than one family is affected, due to the fact that rental houses often house multiple families. The National Low Income Housing Coalition (2008) found that in Normal more than 20% of foreclosed properties are rentals. Those whose status is that of very low income, low income and minority individuals and families are disproportionately impacted by foreclosures in this regard. As a result, these groups are losing their housing at higher rates than those in higher income brackets. In addition, renters frequently are uninformed that their property is in danger of foreclosure so eviction results in an immediate crisis for these families and/or individuals (City of Bloomington Consolidated Plan, 2010).

## **Conclusions and Recommendations**

Funding for non-profits as well as individual homeowners has become ever more difficult to access; therefore local agencies must find ways to become more competitive with other regions within the state to acquire that money. Cooperation among independent NGO's and information sharing is essential to the achievement of this goal. Additionally the negative effects of foreclosures not only affect homeowners but renters as well. As landlords lose properties to foreclosure, additional burdens are placed on renters due to the limited notice they receive before they are required to vacate. Information sharing and education regarding home-owner and potential buyers' options, as well as low-interest loan availability, is essential for the expansion of a more stable financial environment in the area.

### **Expand the Number of Affordable Housing Units**

- Given the extreme number of low-income households in West Bloomington, and the number of households paying more than 30% of their income for housing, we can only recommend seeking a significant expansion of the number of affordable housing units available.
- The private market does not provide enough affordable homes for the lowest MFI brackets, and the local government does not have the resources to do so. More resources must be directed towards non-profit organizations that are dealing with this issue.

### **Incentivize Landlords to Keep Up Properties**

- Our recommendation is to work with landlords, giving them an incentive to upkeep properties properly. In addition, properties are also very old and thus extremely costly to renovate. CDBG funds may also be allocated to improve buildings. However, funds are limited and available only on a yearly basis, so their usage should be properly coordinated with the use of city funds.

### **Find Sites to Build on/Utilize the Community Block Grant**

- New development and new construction is difficult to achieve in West Bloomington. Our recommendation would be to work on finding sites to build on or obtaining them through the Community Block Grant. The sites would be demolished and the lots donated to affordable housing developers.

- Infill development through mixed-use projects could also be helpful in not only creating affordable housing units, but also in adding a commercial component to the development to increase tax revenues and spur economic activity in the neighborhood.
- Demolition of vacant non-residential units need to be included in demolition activities of The City of Bloomington; these vacant lots could also be obtained by CBG with lower property costs
- Tax cuts or credits can be given to private construction companies as encouragement to build on usable vacant lots.

### **Include Infrastructure Projects in Development**

- Infrastructure projects must be included alongside additional housing projects, with work on sewage system and water delivery being the most crucial areas of focus.

## Work's Cited

- American FactFinder*. "DP-1. Profile of General Demographic Characteristics. Census Summary File 1 (SF 1) 100 Percent Data. Census Tract 15, McLean County, Illinois" 2000. Bureau of the Census. Web. 01 Nov 2010.
- American FactFinder*. "P15. Households. Census Summary File 1 (SF 1) 100-Percent Data. Census Tract 15, McLean County, Illinois" *American FactFinder*. 2000. Bureau of the Census. Web. 01 Nov 2010.
- American FactFinder*. "QT-H1 General Housing Characteristics. Census Summary File 1 (SF 1) 100-Percent Data. Census Tract 15, McLean County, Illinois" 2000. Bureau of the Census. Web. 01 Nov 2010.
- American FactFinder*. "QT-H13. Gross Rent as a Percentage of Household Income in 1999: 2000. Census Summary File 4 (SF 4) Sample Data. Census Tract 15, McLean County, Illinois" 2000. Bureau of the Census. Web. 10 Nov 2010.
- American FactFinder*. "QT-H13. Gross Rent as a Percentage of Household Income in 1999: 2000. Census Summary File 4 (SF 4) Sample Data. Bloomington City, Illinois" 2000. Bureau of the Census. Web. 10 Nov 2010.
- American FactFinder*. "QT-H2. Tenure, Household Size, and Age of Householder. Census Summary File 1 (SF 1) 100-Percent Data. Census Tract 15, McLean County, Illinois" 2000. Bureau of the Census. Web. 01 Nov 2010.
- American FactFinder*. "QT-H3. Household Population and Household Type by Tenure. Census Summary File 1 (SF 1) 100-Percent Data. Census Tract 15, McLean County, Illinois" 2000. Bureau of the Census. Web. 01 Nov 2010.
- American FactFinder*. "May 2009 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates: Bloomington-Normal, IL." [http://www.bls.gov/oes/current/oes\\_14060.htm](http://www.bls.gov/oes/current/oes_14060.htm) (accessed 11/08/10)
- Applied Social Resources Unit, Illinois State University. 2003. "Experiencing Homelessness in Bloomington-Normal Illinois: Resources and Needs for Shelter and Supportive Services". (accessed through CAS-IT)
- Atterhog, M., & Song, S. (2009). A survey of policies that may increase access to home ownership for low-income households. *Housing, Theory, and Society*, 26(4), 248-270.
- Belsky, E.S., Retsinas, N.P., & Duda, M. (2005). The financial returns to low-income homeownership. *Joint Center for Housing Studies, Harvard University*.

City of Bloomington. 2010. "Consolidated Housing and Community Development Plan: Action Plan 2010-2011."

Dolbeare, C. N., Saraf, I., & Crowley, S. (2004). *Changing Priorities: The Federal Budget and Housing Assistance 1976-2005*. Washington D.C.: National Low Income Housing Coalition.

Economic Development Council of Bloomington-Normal Area. (2010). *2010 Demographic Profile*. Retrieved from <http://www.bnbiz.org/uploads/documents/uploader/2982010%20Demo%20Profile%20FINAL.pdf>

Economic Development Council of the Bloomington-Normal Area. "Investing in McLean County."

Fogel, S.F., Smith, M.T., & Williamson, A.R. (2008). Owning a home: new opportunities and challenges for low-income women. *Journal of Poverty*. 12(1). 102-123.

Habitat for Humanity of McClean County (2010). *About Us*. Retrieved from [http:// www.habitatmclean.org/about\\_us/index.php](http://www.habitatmclean.org/about_us/index.php)

Hackett, D., McElwee, P., Pelletiere, D., Schwartz, D., & Treskon, M. (2005). *The Crisis in America's Housing*. Annie E. Casey Foundation.

Katz, B., Turner, M.A., Brown, K.D., Cunningham, M., & Sawyer, N. (2003). Rethinking local affordable housing strategies: lessons from 70 years of policy and practice. *The Brookings Institute Center on Urban and Metropolitan Policy*.

Martens, B. (2009). A political history of affordable housing. *Journal of Housing and Community Development*. 66 (1), 6-12.

McLean County Treasurer's Office. (2010). *Treasurer's Office: Frequently Asked Questions*. Retrieved from <http://webcache.googleusercontent.com/search?q=cache:gxuqoGsTxN0J:www.mcleancountyil.gov/Treasurer/faq.htm+does+mclean+county+have+a+property+tax&cd=2&hl=en&ct=clnk&gl=us>.

Mid Central Community Action website. "MCCA Housing History". <http://www.mccainc.org/housing.htm> (accessed 11/01/10)

National Association of Realtors. (2010). *Bloomington-Normal area local market report, second quarter 2010*. Retrieved from [http://www.realtor.org/research/subscription\\_data/localmarketreports](http://www.realtor.org/research/subscription_data/localmarketreports)

- National Association of Realtors. (2010). Bloomington-Normal Area Local Market Report, Second Quarter 2010:3. The City of Bloomington. (2005). Consolidated Plan 2005-2010.
- Pelletiere, D., & Wardrip, K. (2008). *Housing At the Half: A Mid-Decade Progress Report from the 2005 American Community Survey*. Washington D.C.: National Low Income Housing Coalition.
- "Picture of Subsidized Households. Census Tract 15, Mclean County, Illinois" *Data Sets*. 2008. US Department of Housing and Urban Development. Web. 01 Nov 2010.
- Seelig, T., & Phibbs. (2006). Beyond the normative: low income private renters' perspectives of housing affordability and need for housing assistance. *Urban Policy and Research*. 24(1), 53-66.
- State of the Cities Data Systems (SOCDS). "Current Labor Force Data for Bloomington, Illinois". HUD User Policy Development and Research Information Service. <http://socds.huduser.org/index.html> (accessed 11/01/10)
- The City of Bloomington. (2010). Consolidated Housing and Community Development Plan.
- The City of Bloomington-Department of Planning and Code Enforcement Division. (2008). West Bloomington Plan Area and Building Conditions Report.
- The Joint Center for Housing Studies of Harvard University. (2010). *The state of the nation's housing 2010*. U.S. Department of Housing & Urban Development, Office of Policy Development & Research. (2007). *Fair market rents for the section 8 housing assistance payments program*. Washington, DC: Government Printing Office.
- U.S. Department of Housing & Urban Development, 3-5 Year Strategic Plan. Washington, DC: Government Printing Office.
- U.S. Department of Housing & Urban Development, Office of Policy Development & Research. (2010). *Affordable housing*. Washington, DC: U.S. Department of Housing and Urban Development. Retrieved from <http://www.hud.gov/offices/cpd/affordablehousing/index.cfm>
- U.S. Department of Housing & Urban Development, Office of Policy Development & Research. (2010). *Analysis of the Bloomington-Normal Housing Market*. Washington, DC: U.S. Department of Housing and Urban Development. Retrieved from [http://www.huduser.org/publications/pdf/cmar\\_bloomington.pdf](http://www.huduser.org/publications/pdf/cmar_bloomington.pdf)

United States Census Bureau American Community Survey (2009). *Bloomington City Profile* [data file]. Retrieved from [http://factfinder.census.gov/servlet/ADPTable?\\_bm=y&-geo\\_id=16000US1706613&-context=adp&-ds\\_name=ACS\\_2009\\_1YR\\_G00\\_&-tree\\_id=309&-\\_lang=en&-caller=geoselect&-format=](http://factfinder.census.gov/servlet/ADPTable?_bm=y&-geo_id=16000US1706613&-context=adp&-ds_name=ACS_2009_1YR_G00_&-tree_id=309&-_lang=en&-caller=geoselect&-format=)

United States Census Bureau American Fact Finder (2000). *McClean County Census Tract 15 Sex by Educational Attainment for the Population 25+ years* [data file]. Retrieved from [http://factfinder.census.gov/servlet/DTSUBJECTSERVLET?\\_ts=308078170987](http://factfinder.census.gov/servlet/DTSUBJECTSERVLET?_ts=308078170987)

United States Census Bureau American Fact Finder (2000). *Bloomington City Race (total population)* [data file]. Retrieved from [http://factfinder.census.gov/servlet/DTSUBJECTSHOWTABLESERVLET?\\_ts=308078475979](http://factfinder.census.gov/servlet/DTSUBJECTSHOWTABLESERVLET?_ts=308078475979)

United States Census Bureau American Fact Finder (2000). *Bloomington City Sex by Age (total population)* [data file]. Retrieved from [http://factfinder.census.gov/servlet/DTSUBJECTSHOWTABLESERVLET?\\_ts=308078475979](http://factfinder.census.gov/servlet/DTSUBJECTSHOWTABLESERVLET?_ts=308078475979)

United States Census Bureau American Fact Finder (2000). *Bloomington City Sex by Educational Attainment* [data file]. Retrieved from [http://factfinder.census.gov/servlet/DTSUBJECTSHOWTABLESERVLET?\\_ts=308078695245](http://factfinder.census.gov/servlet/DTSUBJECTSHOWTABLESERVLET?_ts=308078695245)

United States Census Bureau American Fact Finder (2000). *McClean County Census Tract 15 Race (total population)* [data file]. Retrieved from [http://factfinder.census.gov/servlet/DTSUBJECTSHOWTABLESERVLET?\\_ts=308078337870](http://factfinder.census.gov/servlet/DTSUBJECTSHOWTABLESERVLET?_ts=308078337870)

United States Census Bureau American Fact Finder (2000). *McClean County Census Tract 15 Sex by Age (total population)* [data file]. Retrieved from [http://factfinder.census.gov/servlet/DTSUBJECTSHOWTABLESERVLET?\\_ts=308078337870](http://factfinder.census.gov/servlet/DTSUBJECTSHOWTABLESERVLET?_ts=308078337870)

US Bureau of Labor Statistics website. "Local Area Unemployment Statistics: Unemployment Rates for Metropolitan Areas." <http://www.bls.gov/web/metro/laummtrk.htm> (accessed 11/01/10)

US Department of Housing and Urban Development website. "FY 2009 Median Family Income Documentation System." [http://www.huduser.org/portal/datasets/il/il2009/select\\_Geography\\_mfi.odp](http://www.huduser.org/portal/datasets/il/il2009/select_Geography_mfi.odp) (accessed 11/09/10)

Voneida and Associates. (2004). *Study of Affordable Homeownership Needs in the Bloomington-Normal Community*. Bloomington, IL.

West Bloomington Revitalization Partnership (2010). *WBRP Overview*. Retrieved from <https://www.cas.ilstu.edu/instructors/Default.aspx>

West Bloomington Revitalization Partnership (n.d.). *Who We Are*. Retrieved from <http://main.westbloomington.org/who-we-are>

West Bloomington Revitalization Project. (n.d.). Quality of Life Plan. Bloomington, IL.



## Appendixes

### Appendix A: Median Incomes

#### 2009 Employment & Wage Estimates, Bloomington-Normal, IL

Occupation Title	Median Hourly	Mean Hourly	Mean Annual	Mean RSE
<u>Life, Physical, and Social Science Occupations</u>	\$25.63	\$28.63	\$59,560	4.70%
<u>Community and Social Services Occupations</u>	\$18.91	\$19.69	\$40,960	3.70%
<u>Education, Training, and Library Occupations</u>	\$19.02	\$21.02	\$43,720	3.40%
<u>Healthcare Practitioner and Technical Occupations</u>	\$24.16	\$32.21	\$66,990	6.00%
<u>Healthcare Support Occupations</u>	\$11.58	\$13.29	\$27,640	3.80%
<u>Food Preparation and Serving Related Occupations</u>	\$8.96	\$9.89	\$20,570	1.40%
<u>Building and Grounds Cleaning and Maintenance Occupations</u>	\$12.62	\$14.93	\$31,050	7.90%
<u>Personal Care and Service Occupations</u>	\$9.53	\$11.67	\$24,270	4.40%
<u>Office and Administrative Support Occupations</u>	\$14.17	\$15.58	\$32,410	2.30%
<u>Farming, Fishing, and Forestry Occupations</u>	\$10.51	\$11.07	\$23,030	4.00%
<u>Construction and Extraction Occupations</u>	\$25.69	\$24.80	\$51,580	4.10%
<u>Installation, Maintenance, and Repair Occupations</u>	\$20.39	\$21.43	\$44,580	3.00%
<u>Production Occupations</u>	\$15.88	\$16.87	\$35,090	7.90%
<u>Transportation and Material Moving Occupations</u>	\$14.12	\$15.68	\$32,620	2.50%
<b>All Occupations</b>	\$16.14	\$21.29	\$44,280	5.50%

Source: US Department of Labor Bureau of Labor Statistics

## Appendix B: West Bloomington Census Information

H12. AVERAGE HOUSEHOLD SIZE OF OCCUPIED HOUSING UNITS BY TENURE [3] - Universe:

Occupied housing units

Data Set: Census 2000 Summary File 1 (SF 1) 100-Percent Data

NOTE: For information on confidentiality protection, nonsampling error, definitions, and count corrections see <http://factfinder.census.gov/home/en/datanotes/expsf1u.htm>.

	Census Tract 15, McLean County, Illinois
Average household size--	
Total	2.49
Owner occupied	2.79
Renter occupied	2.23

U.S. Census Bureau Census 2000

## Appendix C: Mortgage Table

Table (#) Mortgage Rates 2009-2010

Freddie Mac: PRIMARY MORTGAGE MARKET SURVEY

Week Ending	FIXED-RATE (30 year)			FIXED-RATE (15 year)			5/1-YR ARM			ADJ RATE MORTGAGES			SPREAD/FIXED-ARM	
	COMM. RATE	POINTS	EFF RATE*	COMM. RATE	POINTS	EFF RATE*	COMM. RATE	POINTS	EFF RATE*	COMM. RATE	POINTS	EFF RATE*	COMM. RATE	EFF RATE
Aug-09 07	5.22	0.60	5.30	4.63	0.60	4.73	4.73	0.60	4.81	4.78	0.50	4.85	0.44	0.45
Sep-09 04	5.08	0.70	5.18	4.54	0.60	4.64	4.59	0.60	4.67	4.62	0.60	4.70	0.46	0.48
Oct-09 02	4.94	0.70	5.04	4.36	0.60	4.46	4.42	0.60	4.50	4.49	0.50	4.56	0.45	0.48
Nov-09 06	4.98	0.70	5.08	4.40	0.60	4.50	4.35	0.60	4.43	4.47	0.50	4.54	0.51	0.54
Dec-09 04	4.71	0.70	4.81	4.27	0.60	4.37	4.19	0.60	4.27	4.25	0.60	4.33	0.46	0.47
Jan-10 01	5.14	0.70	5.24	4.54	0.70	4.66	4.44	0.60	4.52	4.33	0.60	4.41	0.81	0.83
Feb-10 05	5.01	0.70	5.11	4.40	0.70	4.52	4.27	0.60	4.35	4.22	0.50	4.29	0.79	0.82
Mar-10 05	4.97	0.70	5.07	4.33	0.70	4.45	4.11	0.60	4.19	4.27	0.60	4.35	0.70	0.72
Apr-10 02	5.08	0.70	5.18	4.39	0.60	4.49	4.10	0.60	4.18	4.05	0.60	4.13	1.03	1.05
May-10 07	5.00	0.70	5.10	4.36	0.70	4.48	3.97	0.70	4.06	4.07	0.60	4.15	0.93	0.95
Jun-10 04	4.79	0.80	4.90	4.20	0.70	4.32	3.94	0.70	4.03	3.95	0.70	4.04	0.84	0.86
Jul-10 02	4.58	0.70	4.68	4.04	0.70	4.16	3.79	0.70	3.88	3.80	0.70	3.89	0.78	0.78
Aug-10 06	4.49	0.70	4.59	3.95	0.60	4.05	3.63	0.60	3.71	3.55	0.70	3.64	0.94	0.94
Sep-10 03	4.32	0.70	4.41	3.83	0.60	3.93	3.54	0.60	3.62	3.50	0.70	3.59	0.82	0.82
Oct-10 01	4.32	0.80	4.43	3.75	0.70	3.86	3.52	0.60	3.60	3.48	0.70	3.57	0.84	0.86
Nov-10 05	4.24	0.80	4.35	3.63	0.70	3.74	3.39	0.60	3.47	3.26	0.70	3.35	0.98	1.00
12	4.17	0.80	4.28	3.57	0.80	3.70	3.25	0.70	3.34	3.26	0.70	3.35	0.91	0.93

\*Assumes a ten-year average life of the mortgage; calculation by NAHB; nd = no data

Source: Federal Home Loan Mortgage Corporation, Primary Market Mortgage Survey (PMMS)

Prepared by Economics Department, NAHB. Available at [www.HousingEconomics.com](http://www.HousingEconomics.com)

## Appendix D: Tenure of Households in West Bloomington

QT-H2: Tenure, Household Size, and Age of Householder: 2000  
Geographic Area: Census Tract 15, McLean County, Illinois

Subject	Number	Percent
<b>TENURE</b>		
<b>Occupied housing units</b>	<b>1,041</b>	<b>100</b>
Owner-occupied housing units	476	45.7
Renter-occupied housing units	565	54.3
<b>TENURE BY HOUSEHOLD SIZE</b>		
<b>Owner-occupied housing units</b>	<b>476</b>	<b>100</b>
1-person household	102	21.4
2-person household	144	30.3
3-person household	102	21.4
4-person household	64	13.4
5-person household	31	6.5
6-person household	23	4.8
7-or-more-person household	10	2.1
<b>Renter-occupied housing units</b>	<b>565</b>	<b>100</b>
1-person household	239	42.3
2-person household	148	26.2
3-person household	64	11.3
4-person household	66	11.7
5-person household	28	5
6-person household	13	2.3
7-or-more-person household	7	1.2
<b>TENURE BY AGE OF HOUSEHOLDER</b>		
<b>Owner-occupied housing units</b>	<b>476</b>	<b>100</b>
15 to 24 years	16	3.4
25 to 34 years	76	16
35 to 44 years	108	22.7
45 to 54 years	103	21.6
55 to 64 years	69	14.5
65 years and over	104	21.8
65 to 74 years	58	12.2
75 to 84 years	35	7.4
85 years and over	11	2.3
<b>Renter-occupied housing units</b>	<b>565</b>	<b>100</b>
15 to 24 years	91	16.1
25 to 34 years	151	26.7
35 to 44 years	162	28.7
45 to 54 years	89	15.8
55 to 64 years	41	7.3
65 years and over	31	5.5
65 to 74 years	17	3
75 to 84 years	11	1.9
85 years and over	3	0.5

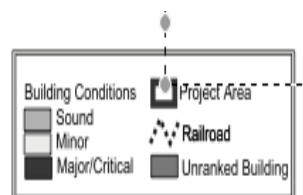
## Appendix E: Population Receiving Federal Assistance in West-Bloomington

IL MCLEAN COUNTY CENSUS TRACT 15			
Of Housholds reciving any federal assistance or reciving Section 8			
Category	All HUD	Section 8 Only	
Number of Households Receiving Federal Assistance	77	45	
Avg # of People Per Unit	2.3	3.2	
Total People "receiving" Assistance	177	145	
Avg Rent Per month	277	299	
Avg Spending Per Month	489	546	
Avg Household Income	11.5	11.9	
Avg Individual Income	5.2	3.8	
% of Housholds with Income < 5K	5	9	
% of Housholds with Income >5k and < 10K	44	40	
% of Housholds with Income >10k and < 15K	29	24	
% of Housholds with Income >15k and < 20K	18	20	
% of Housholds with Income > 20K	4	7	
% of Households where Income is derived from Wages	35	56	
% of Households where Income is derived from welfare	1	2	
% of Households where Income is derived from some other source	61	38	
% of Households with Two Spouses and one or more children	10	18	
% of Households with Single Parent and one or more children	32	56	
% of Households with a male head of house	82	98	
% of Households with a female head of house	42	71	
% of Households with a person of disability	27	12	
% of HH where head is less than 24 years of age	8	4	
% of HH where head is between 24 and 50 years of age	70	80	
% of HH where head is between 51 and 61 years of age	12	7	
% of HH where head is over 62 years of age	10	9	
% of HH where head is over 85 years of age	1	0	
% of HH that are a minority	34	56	
% of HH that are black	32	53	
% of HH that are Native American	0	0	
% of HH that are Asian	0	0	
% of HH that are hispanic	1	2	
Avg Number of Months on waiting lists	17	23	
Avg Number of months since move in	100	84	
% of HH with 0-1 bedroom units	49	13	
% of HH with 2 bedroom units	12	20	
% of HH with 3 bedroom units	39	67	
% of HH with more bedrooms than people	9	16	
% of Minorities within the census tract	33	33	
% of Population below the poverty line	16	16	
% of Households who are owner occupants	46	46	
Source:	<a href="http://www.huduser.org/portal/picture2008/form_7T4C.odb">http://www.huduser.org/portal/picture2008/form_7T4C.odb</a>		

## Appendix F: Exterior Residential Building Conditions (Single Family Dwellings and Rentals)



Source: City of Bloomington 2008



## Appendix G: Review of Exterior and Interior Conditions

Rental properties in the West Bloomington Neighborhood Plan area, registered in the City's Rental Registration Program. These properties were classified as follows:

Definition of Rental Property Classifications		
Class	Value in Model	Definition
A	4	The building is in excellent condition and has minor or no violations of applicable city codes.
B	3	The building is in good condition and has minor violations of applicable city codes and the violations do not pose an immediate threat of danger to life, health, and safety of the occupants.
C	2	The building is in sound condition and has major or minor violations of applicable city codes that do not pose an immediate threat of danger to the life, health, and safety of the occupants.
D	1	The building has critical violations and is either unsafe, contains unsafe equipment, is unfit for human occupancy or is unlawful.

Source: City of Bloomington Rental Inspection Program

This review indicates the following: there were 101 structures with “A” classifications, 107 with “B” classifications, 35 structures were classified as “C” and 9 structures have received a “D” classification. (Please note, these grades were based on the property's last rental inspection date and conditions may have changed since the inspection date.)

## **Appendix H: The City of Bloomington Department List of Code Violations**

The City of Bloomington Department of Planning and Code Enforcement identifies a list of housing code violations:

1. Exterior Property - grass & weed height exceeding 8 inches
2. Rodent Harborage & Infestation - including rodents and roaches
3. The presence of address numbers number not visible from the street
4. Deteriorated Accessory Structures - including detached garages and fences
5. Roof drainage gutters and downspouts
6. Unsanitary swimming pool Handrails/Guardrails, stairs, decks, porches & balconies not structurally sound --- Handrail/Interior
7. The presence of graffiti on exterior surfaces on private or public property
8. Windows, Doors, Interior and walking surfaces maintained decent, safe & sanitary
9. Garbage placed on the curb too early cans left on the curb too late
10. Extermination
11. Accumulation of rubbish or garbage (Exterior and Interior
12. Mechanical Systems: HVAC, Plumbing, Electrical
13. Deteriorated condition of exterior structures & walls (Peeling, flaking, chipped paint)
14. Fire Safety
15. Surface conditions of masonry joints & foundations

### Occupancy Limitations:

No habitable room shall not be less than 7 feet in any plan dimension, other than a kitchen. Kitchens shall have clear passageway of not less than 3 feet between counterfronts and appliances or counterfronts and walls.

### Bedroom Requirements:

1. Every bedroom occupied by one person shall contain at least 70 square feet of floor area, and every bedroom occupied by more than one person shall contain at least 50 square feet of floor area for each occupant thereof.

2. Every bedroom shall have access to at least one water closet and one lavatory without passing through another bedroom.

3. Kitchens and nonhabitable spaces shall not be used for sleeping purposes

For a full list of housing code violations, refer to The City of Bloomington's Building Safety Division, Community Development Division, Facility Management Division, and Planning Division document.



## **Appendix I: The City of Bloomington Department Demolition Checklist**

Item 1. The Owner shall contact the City of Bloomington Water Department Billing Section to determine the amounts of any final City services bill due the City. This amount must be paid in full prior to Item 1 being released.

Item 2. The Owner shall contact the City of Bloomington Water Department, Meter Services Section to establish a date and time that the Owner shall be at the site to provide access to the structure(s) for removal of any water meters within said structure(s). This must be done prior to Item 2 being released.

Item 3. The Owner shall contact the City of Bloomington Water Department, Distribution Section to determine the nature of the existing water service(s) to the subject address. Should the City of Bloomington Water Department, Distribution Section to determine the nature of the existing water service(s) cannot be reused at the subject address the Owner shall acquire all required permits from all other City Departments necessary to properly disconnect the existing water services from the City Water Main. Upon disconnection from the City water main and inspection by the Distribution Section, the City Water Department, Distribution Section may release the subject property for demolition.

Additionally, the Water Department of the City of Bloomington must approve and sign a proposed document by the Owner in order for the unit to be scheduled for demolition.



## **Acknowledgements**

We, the 2010-2011 Stevenson Center Class, would like to thank the Pohlman Family Foundation for their continued support of the Stevenson Center and its students. We would like to thank Dr. Joan Brehm for her patience, guidance and mentorship. Additionally we would like to express our gratitude to the Bloomington-Normal community organizations and citizens who took the time to meet with each of us and share their insight and knowledge. Lastly we would like to thank Habitat for Humanity of McLean County for its support of the Bloomington-Normal community and for giving us the opportunity to contribute to their mission.