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ENDNOTES

¹ See, in particular, Fuller 2001a, but valuable background analysis is also provided in Fuller 2000 and 2001b.

² These points are elaborated further by Fuller (2001a) and Hsu (2001).

³ The fact that the region's rate of employment growth was higher than the rate of population growth does not mean that the region failed to accommodate enough residents for its labor force. This pattern was typical nationally, because workers came to represent a higher proportion of total population as the baby boomers moved solidly into the working age groups and the fraction of women with jobs went up dramatically.

⁴ Simmons and Lang (2001) looked at trends for 36 older industrial cities and found that "many have rebounded considerably from the traumatic population losses of the 1970s" (p. 1). In the 1990s, 15 were growing again and the rest were losing population but often at sharply reduced rates. Washington, DC, fits this pattern, with loss rates of 4.9 percent in the 1980s and 5.7 percent in the 1990s, as opposed to a much larger decline of 15.6 percent in the 1970s.

⁵ The data in this section come from the IRS County-to-County Migration Data files. See appendix D for further information.

⁶ In Census 2000, respondents were allowed for the first time to select more than one racial group. About 2.4 percent of respondents in the Washington metropolitan area did so. To compare the racial composition of the population for 1990 and 2000, this report uses "bridged" counts, distributing the 2000 multiracial group into single racial categories. See appendix D under "Neighborhood Change Database" for further information.

⁷ Demographer William Frey (2001) has classified metropolitan areas like Washington, which have high concentrations of minorities, and in particular nonblack minorities, as "melting pot metros." In 2000, just over a third of the 100 largest metropolitan areas in the United States meet his definition.

⁸ See Singer et al. 2001.

⁹ Average household sizes are based on the total population living as part of households, excluding those living in group quarters.

¹⁰ In fact, most of the District's population decline can be attributed to reductions in average household size and a drop in the total population living in group quarters rather than a loss of households.

¹¹ Census 2000 data on poverty are not yet available.

¹² Carol O'Cleireacain and Alice Rivlin (2001) suggest that the District should seek a net increase averaging 5,500 households a year during this decade; this sort of increase would certainly be a stretch in relation to recent history.

¹³ It is important to note that the census count of vacant units does not include units that were open to the elements, condemned, or scheduled for demolition, but does include those that were boarded up and those under construction if they were closed to the elements.

¹⁴ The AHS, which includes only the Inner Core region (the PMSA excluding the Far Suburbs), is used to examine structure types. Because the AHS is a sample, estimates are subject to uncertainty due to sampling error. See appendixes A and D for further information.

¹⁵ Housing produced under the LIHTC program does not offer the long-term federal operating subsidies provided by public housing and other HUD site-based subsidy programs. As a result, HUD has less current information on the location of tax credit units. LIHTC unit counts in the A Picture of Subsidized Housing, 1998, data file are actually from 1994.

¹⁶ These totals come from *Housing in the District of Columbia*, a fact sheet provided to us by the Mayor's office. The neighborhood totals that follow were calculated by the Urban Institute using a HUD database called A Picture of Subsidized Housing, 1998, which allows much greater geographic detail, but produces slightly different and less current totals. In addition, because some of the records did not have valid addresses, the cluster totals do not sum to the overall District total.

¹⁷ These renewal offers can be of several types and may be at, above, or below current contract rents, depending on what HUD determines a current market rent to be. Owners with bad management or maintenance histories may not be offered a renewal. Because renewals are typically short, there are more and more of them over time as renewals come up for renewal again.

¹⁸ On January 8, 2002, the DC Council passed the Housing Act of 2001, which among other things created tax incentives to discourage owners from opting out of the Section 8 program and required them to notify the city and tenants of their decision to opt out at least one year before the end of their contract. It also contained greatly increased funding for the Housing Production Trust Fund, a key source of local subsidies for co-op conversion and other purchases of buildings terminated from the program.

¹⁹ Unpublished data on units and affordability were provided to us by the Office of the Deputy Mayor for Planning and Economic Development, in December 2001.

²⁰ In FY 1999 and FY 2000, funding included Community Development Block Grant and HOME funds, which are locally controlled federal block grants, but did not actually include local tax revenue.

²¹ In several other cities, including Philadelphia, records such as these, collected over time and updated regularly, form the core of neighborhood early warning systems, which inform city agencies, nonprofits, and often the public about buildings experiencing disinvestment and decline. The theory is that much building abandonment and blight can be prevented by timely planning and intervention. These records include nonresidential property, because an abandoned or run-down store or vacant lot can be just as much a blight on the neighborhood as an empty house.

²² This includes 1,257 vacant lots, 284 single-family residences, 84 apartment buildings, and 84 commercial properties. Among these 1,709 properties are 65 properties that the trust acquired through foreclosure and 170 liens in the process of foreclosure litigation.

²³ Under the city's Clean or Lien statute, code violations that are not abated by the owner within a certain period of time are abated by

the Department of Consumer and Regulatory Affairs (DCRA), and the cost of abatement is registered as a lien on the property. Of the 2,694 outstanding liens that list an action, 1,085 involved boarding up a building, 127 dealt with demolishing one, and 1,745 involved cleaning up trash or weeds (915 of these units were also being boarded up).

²⁴ In some cases, these properties had been vacant for a long time. In other cases, they were for sale or rent or in the midst of probate or foreclosure. Since the city created the database in 1999, many of the vacant properties have been reoccupied or demolished. However, other properties that were not vacant in 1999 have certainly become so since then. The DCRA is in the process of creating an updated database.

²⁵ In addition, as discussed earlier, the city estimates that nearly 4,000 properties are vacant, abandoned, or boarded up. Many of the units in these properties are probably not counted in census estimates of habitable vacancies.

²⁶ Homeowner units are the sum of owner-occupied units and vacant units for sale. The increase is the net result of newly built homes, rental properties changing to owner units, and any demolition of owner housing.

²⁷ Nonwhite homeowners account for a much higher share of homeowner growth in the Washington region than in the nation as a whole, where only 40 percent of the additional owners are nonwhite.

²⁸ In Census 2000, respondents could choose more than one race, which less than 2 percent of the owner householders in the region did. Though this change makes the 2000 racial categories not directly comparable to the 1990 ones, we treat the categories as equivalent for the purpose of analyzing households in this report. See appendix D for further information.

²⁹ This trend is most likely due to an increase in the number of newly arrived immigrants relative to more established Asian households.

³⁰ For a discussion on national demographic trends and their effect on homeownership, see the Joint Center for Housing Studies 2001, page 10.

³¹ The AHS, which includes only the Inner Core region (the PMSA excluding the Far Suburbs), is used to examine owner incomes. Since the AHS is a sample, estimates are subject to uncertainty due to sampling error. See appendixes A and D for further information.

³² The NAR median prices do not take into account any change in housing quality over time. *The State of the Nation's Housing* (Joint Center for Housing Studies 2001) uses an alternative measure, indexing the 1990 NAR median price value by the Conventional Mortgage Home Price Index and the Weighted Repeat Sales Index by Freddie Mac (which does control for quality), and then adjusting for inflation. The resulting 2000 median home price is \$600 higher than the unadjusted NAR figure. This method shows a greater loss (7.6 percent) over the decade, but the pattern of change over time is similar to the one presented in the text: falling median prices from 1990 to 1997 and then gains for the remainder of the decade.

³³ See Haggerty 1989.

³⁴ See Washington Area Housing Partnership (2001). In addition, although data on sales prices and house values are not directly comparable, early results from the Census 2000 Supplementary Survey for the District of Columbia indicate that when inflation is taken into account, the median value of owner-occupied homes ended the decade at \$164,800, only 3 percent higher than in 1990. Over the same period, however, the number of District homes valued at over \$500,000 climbed from 5,300 to 9,100.

³⁵ In some neighborhoods, rapidly increasing demand and rising property values can result in the displacement of original residents or the exclusion of all but the most affluent new buyers. A recent report by PolicyLink (Kennedy and Leonard 2001) features Washington, DC, as a case study on gentrification, describing the mix of factors that produce the conditions for it to occur. The authors feature Columbia Heights, but also mention the U Street Corridor, Adams Morgan, and Mount Pleasant.

³⁶ This is the amount borrowed, not the total dollar amount of sales, and likely reflects the national trend toward lower down payments.

³⁷ One of the forces behind the increase in loans is the ability of households with lower incomes or imperfect credit records to obtain subprime loans—loans that are intended for people who are unable to obtain a conventional prime loan at the standard bank rate. These loans have higher interest rates to compensate for the potentially greater risk that these borrowers represent. In some cases, however, borrowers fall prey to predatory lenders—companies that make loans with exorbitant fees and high interest rates, often through deceptive methods. The Association of Community Organizations for Reform Now (ACORN) recently (2001) issued a report analyzing subprime lending for the nation and selected metropolitan areas. In the Washington region, black home buyers were 5.5 times more likely to borrow from subprime lenders than white buyers were. Washington, DC, ranked sixth in the disparity between Hispanics and whites, with the former 3.5 times more likely to have a subprime purchase loan than whites. The difference persists even when controlling for income. See Chan and Fleishman 2001 and Fleishman 2001.

³⁸ Although a 30 percent housing cost burden is often used to examine affordability, this report focuses on a 50 percent housing cost burden for homeowners, because many banks are now tolerating higher cost-to-income ratios for home purchase mortgages. For rental housing, chapter 5 of this report examines housing cost burdens at both 30 and 50 percent.

³⁹ Affordability is the overwhelming issue for homeowners. Less than 3 percent of homeowners in the region lived in substandard housing in 1998, roughly the same as in 1993. Very low income owner households experience higher rates of inadequate housing—just over 4 percent in 1998. Owner-occupied housing in the District is about twice as likely to be substandard as housing in the region—about 5 percent for all owners and 8 percent for very low income owners. We also examined overcrowding in owner-occupied units, but the percentages were too small to report.

⁴⁰ Total rental units include both renter-occupied and vacant for-rent units.

⁴¹ Compared with the previous two decades, this represents a considerable slowdown in the loss of renter households. During the 1970s and 1980s, the city lost 13 percent and 7 percent of its renters, respectively.

⁴² The AHS, which includes only the Inner Region (the PMSA excluding the Far Suburbs), is used to examine renter incomes. Because the AHS is a sample, estimates are subject to uncertainty due to sampling error. See appendixes A and D for further information.

⁴³ Rents here are “gross rents,” meaning that they include all utilities and other standard costs. Rent increases are based on unadjusted nominal amounts. If rents are adjusted to constant 2000 dollars, no rent changes are statistically significant between 1993 and 1998.

⁴⁴ The percentage of households with excessive cost burdens (over 30 percent of income for housing) *includes* households with severe cost burdens (over 50 percent of income for housing).

⁴⁵ Note that if a surplus of affordable units was indicated for a given income level, the extra units are added to the number of affordable units for the next higher income group. This analysis supposes that households are assigned to housing units in the most efficient manner. In reality, some higher-income households will occupy units that cost less than they can actually afford, so those units would not be available to lower-income households. This analysis also does not take into account the additional cost that would be required to bring physically inadequate units up to adequacy standards.

⁴⁶ The AHS asks a series of questions intended to provide a measure of the physical quality of the housing unit where a household lives. These questions cover items such as resident satisfaction, structural damage, general upkeep and maintenance, and the adequacy of heating, plumbing, and kitchen facilities. The responses from these questions are all tabulated into a single measure called the housing quality index. Units that score above a certain level on the index are graded as “moderately inadequate,” while units that have an even higher level of problems are graded as “severely inadequate” (Hadden and Leger 1989).

⁴⁷ Because the percentage of severely inadequate units is so low, this estimate has a high degree of statistical uncertainty. Therefore, it is entirely possible that the incidence of adequacy problems for poorer households is indeed higher than it is for those with higher incomes, but the AHS sample is too small to measure this difference.

⁴⁸ Like the adequacy measures, estimates of overcrowding from AHS data are subject to statistical uncertainty. (See the previous note.)

⁴⁹ See O'Connor 2001.

⁵⁰ Community Partnership for the Prevention of Homelessness 2002.

⁵¹ DC Department of Housing and Community Development. 2000: *Consolidated Plan for the District of Columbia (FY 2001–2005)*.

⁵² See Cunningham, Sylvester, and Turner 1999.

⁵³ This chapter, which explores patterns of neighborhood change in the region as a whole, uses census tracts as its unit of analysis, rather than neighborhood clusters, which are defined only for the District of Columbia.

⁵⁴ Tracts are classified as losing households if the total number declined by more than 5 percent between 1990 and 2000 and as gaining households if the total number increased by more than 5 percent over this period.

⁵⁵ In Census 2000, respondents could choose more than one race, which less than 2 percent of householders in the region did. Though this change makes the 2000 racial categories not directly comparable to the 1990 ones, we treat the categories as equivalent for the purpose of analyzing households in this report. See appendix D for further detailed information.

⁵⁶ Almost no tracts in the Inner Core lost households between 1990 and 2000. Therefore, tracts were grouped into two categories for this analysis: those that grew by less than 5 percent and those that grew by more than 5 percent.

⁵⁷ Because of the wide range of growth patterns that occurred between 1990 and 2000, Prince George's County tracts were grouped into four categories. Tracts are classified as (1) losing households if the total number of households declined by more than 5 percent, (2) stable if the change in the number of households was less than 5 percent either way, (3) growing moderately if the number of households increased by 5 to 25 percent, and (4) growing rapidly if the number of households increased by more than 25 percent.

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