PRESENTATION

Housing Needs and Economic Conditions of Cook County’s Older Adults

Presented by the Institute for Housing Studies

May 26, 2022
Project Overview

• Develop applied research and data exploring the housing implications and policy challenges facing older adults in the Cook County

• Project goals
  • Produce original new data to help frame policy discussions
  • Raise awareness of these issues among a broad audience
  • Establish baseline information to allow for tracking conditions as they change
  • Enhance the capacity of regional stakeholders to be data-informed as they advance policy solutions
  • Build internal capacity at IHS to track housing issues related to older adults, identify emerging challenges, and respond to new data needs and technical assistance requests
  • Identify and address emerging issues as a result of the COVID-19 pandemic
Data Indicators for Older Adults in Cook County

- **The region is aging**
  - Chicago has fewer older adults and older adults make up a smaller portion of the city’s total households when compared to suburban Cook County
  - The number of older adult households and the share of all households that are headed by an older adult increased more in the city than suburbs

- **Key housing market, demographic and economic trends vary substantially between the City of Chicago and suburban Cook County**
  - Tenure shifts opposite in city and suburbs
  - Patterns in older adult households by income vary substantially

- **Similarly, there is substantial variation in housing and economic trends by senior householder race/ethnicity**
  - Total household shifts, composition of older adult households by income, and nature of cost burden and other economic indicators vary by householder race and ethnicity
Growing number of older adult (65+) headed households

Total Households Headed by an Older Adult (65+), 2012 and 2019

- **Chicago**: 184,948 (2012) to 229,787 (2019)
- **Suburban Cook**: 227,537 (2012) to 262,620 (2019)
- **Cook County**: 412,485 (2012) to 492,407 (2019)

IHS DATA CLEARINGHOUSE – ACS PUMS 1-YEAR 2012 AND 2019
Growing number of older adult (65+) headed households

Net Change in Total Households by Age of Head of Householder in Cook County, 2012 to 2019

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Net Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>75+</td>
<td>15,872</td>
</tr>
<tr>
<td>65-74</td>
<td>28,967</td>
</tr>
<tr>
<td>55-64</td>
<td>7,711</td>
</tr>
<tr>
<td>45-54</td>
<td>(12,739)</td>
</tr>
<tr>
<td>35-44</td>
<td>2,525</td>
</tr>
<tr>
<td>25-34</td>
<td>12,456</td>
</tr>
<tr>
<td>15-24</td>
<td>(5,982)</td>
</tr>
</tbody>
</table>
Older adults make up a growing share of total households

Percentage Point Change in the Share of All Households Headed by an Older Adult (65+), 2012 to 2019

Chicago
- 2012: 18.4%
- 2019: 21.8%

Suburban Cook
- 2012: 24.5%
- 2019: 28.2%

Cook County
- 2012: 21.3%
- 2019: 24.8%

IHS DATA CLEARINGHOUSE – ACS PUMS 1-YEAR 2012 AND 2019
Large and growing share of Chicago older adults live alone

Share of Older Adult (65+) Households who Live Alone, 2012 and 2019

- **Chicago**: 51.9% in 2012, 53.4% in 2019
- **Suburban Cook**: 47.3% in 2012, 43.7% in 2019
- **Cook County**: 49.4% in 2012, 48.2% in 2019

IHS DATA CLEARINGHOUSE – ACS PUMS 1-YEAR 2012 AND 2019
Variation in race/ethnic composition of older adult households

Distribution of Older Adult (65+) Headed Households by Race/Ethnicity of Householder, 2019

Chicago
- White: 37.2%
- African American: 17.6%
- Hispanic: 39.2%
- Asian: 5.1%
- Other Race or Ethnicity: 4.6%

Suburban Cook
- White: 76.1%
- African American: 13.2%
- Hispanic: 4.9%
- Asian: 5.4%
- Other Race or Ethnicity: 11.1%

Cook County
- White: 58.0%
- African American: 25.4%
- Hispanic: 4.6%
- Asian: 5.1%
- Other Race or Ethnicity: 4.9%

IHS DATA CLEARINGHOUSE – ACS PUMS 1-YEAR 2012 AND 2019
Older adult households of color are growing fastest

Percent Change in the Number of Older Adult (65+) Headed Households by Race/Ethnicity, 2012 to 2019

IHS DATA CLEARINGHOUSE – ACS PUMS 1-YEAR 2012 AND 2019
Countywide, older adult households are primarily owners

Composition of Older Adult Households (65+) by Tenure, 2019

Chicago
- Owner: 56.9%
- Renter: 43.1%

Suburban Cook
- Owner: 83.2%
- Renter: 16.8%

Cook County
- Owner: 70.9%
- Renter: 29.1%
Variation in tenure shifts in city and suburbs, however

Change in Number of Older Adult (65+) Households by Tenure, 2012 to 2019
Renters of color account for majority of older adult household growth in city

Composition of Household Net Change by Race/Ethnicity and Tenure in Chicago, 2012 to 2019

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<thead>
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<tr>
<td>Owners</td>
<td>16.5%</td>
<td>1.0%</td>
<td>12.3%</td>
<td>3.5%</td>
<td>-0.9%</td>
<td>32.4%</td>
</tr>
<tr>
<td>Renters</td>
<td>4.7%</td>
<td>31.6%</td>
<td>28.7%</td>
<td>3.0%</td>
<td>-0.5%</td>
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IHS DATA CLEARINGHOUSE – ACS PUMS 1-YEAR 2012 AND 2019
Majority of Black and Hispanic older adults are renters in Chicago

Share of Older Adult (65+) Households that Rent by Race Ethnicity in the City of Chicago, 2012 and 2019

- White: 28.9% (2012), 28.2% (2019)
- African American: 44.4% (2012), 52.9% (2019)
- Hispanic: 37.1% (2012), 52.1% (2019)
- Asian: 48.2% (2012), 47.6% (2019)

IHS DATA CLEARINGHOUSE – ACS PUMS 1-YEAR 2012 AND 2019
Older adults of color are largely lower-income in Chicago

Distribution of Older Adult (65+) Households by Income Ranged for Largest Race/Ethnic Groups in Chicago, 2019

- **White**: 23.3% < 30 Percent AMI, 16.9% 30 to 50 Percent AMI, 15.1% 50 to 80 Percent AMI, 15.5% 80 to 120 Percent AMI, 13.9% 120 to 200 Percent AMI, 15.2% More than 200 Percent AMI
- **African American**: 43.0% < 30 Percent AMI, 19.3% 30 to 50 Percent AMI, 14.6% 50 to 80 Percent AMI, 11.8% 80 to 120 Percent AMI, 6.1% 120 to 200 Percent AMI, 5.2% More than 200 Percent AMI
- **Hispanic**: 41.8% < 30 Percent AMI, 25.2% 30 to 50 Percent AMI, 11.6% 50 to 80 Percent AMI, 9.4% 80 to 120 Percent AMI, 6.6% 120 to 200 Percent AMI, 5.4% More than 200 Percent AMI
- **Asian**: 40.3% < 30 Percent AMI, 18.2% 30 to 50 Percent AMI, 13.0% 50 to 80 Percent AMI, 9.2% 80 to 120 Percent AMI, 5.2% 120 to 200 Percent AMI, 14.2% More than 200 Percent AMI
Growth in low-income Black and Hispanic older adult households

Percentage Point Change in Share of Older Adult Households that are Low-Income by Race/Ethnicity in Chicago, 2012 to 2019

| Race/Ethnicity | Change
<table>
<thead>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>-8.2%</td>
</tr>
<tr>
<td>African American</td>
<td>3.7%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>4.9%</td>
</tr>
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IHS DATA CLEARINGHOUSE – ACS PUMS 1-YEAR 2012 AND 2019
Black and Hispanic older adult renters are most cost-burdened

Share of Chicago Older Adult (65+) Renter Households that Pay more than 30% of Income Towards Housing, 2019

- White: 52.9%
- African American: 59.4%
- Hispanic: 71.4%
- Asian: 33.2%

IHS DATA CLEARINGHOUSE – ACS PUMS 1-YEAR 2012 AND 2019
Net Change in Older Adult Households that Rent

Source: 2012 to 2019 ACS 1-Year Estimates
An increasing share of older adult renters are living in 2 to 4’s

Older Adult Renter Households by Rental Unit Building Size in Chicago, 2012 to 2019

IHS DATA CLEARINGHOUSE – ACS PUMS 1-YEAR 2012 AND 2019
Vast majority of suburban older adults own their homes

Share of Older Adults (65+) Households that are Owner Occupied in Suburban Cook, 2012 and 2019
Suburban 65+ Black and Hispanic owners often have a mortgage

Share of Suburban Older Adult (65+) Owner Households with a Mortgage, 2012 and 2019
Most older adult owners live in single family homes

Older Adult Owner Households by Building Size in Suburban Cook County, 2012 to 2019
Most older adult owners live in single family homes

Older Adult Owner Households by Building Size in the City of Chicago, 2012 to 2019

- **Single-Unit**: 64.6% (2012) vs. 57.2% (2019), **Percentage Point Change**: -7.3%
- **2 to 4 Unit**: 20.4% (2012) vs. 22.3% (2019), **Percentage Point Change**: 1.9%
- **5 to 49 Unit**: 4.7% (2012) vs. 6.0% (2019), **Percentage Point Change**: 1.3%
- **50+Unit**: 10.3% (2012) vs. 14.5% (2019), **Percentage Point Change**: 4.2%

IHS DATA CLEARINGHOUSE – ACS PUMS 1-YEAR 2012 AND 2019
Challenges for Renters

• **Growing demand, limited supply appropriate for older adults**
  • Insufficient housing options are available to allow older adults to remain independent and integrated into their broader community
  • Large portions of a neighborhood’s rental housing stock may be difficult or costly to make accessible
  • Landlords have limited incentives

• ** Older adult renters in unsubsidized units are particularly vulnerable to lost affordability and displacement pressures**

• **Understanding the older adult housing rental supply**
  • **Subsidized** – Section 202, LIHTC
  • **Unsubsidized** – Naturally Occurring Retirement Communities (NORCs), supportive living facilities (SLFs), luxury senior housing
Challenges for Owners

• Property maintenance and retrofitting needs
  • Older homes require higher levels of ongoing maintenance, additional retrofits
  • Fixed incomes and limited home equity make this work difficult to afford
  • Home is primary asset for wealth accumulation, important to maintain value
  • Limited subsidy to support lower-income owners

• Home ownership preservation challenges
  • Rising property taxes, utility costs, insurance premiums
  • Fixed incomes and rising costs increase housing insecurity

• Succession planning
  • Challenge for families, transfer of wealth
  • In some market contexts, lack of succession planning or heirs can also pose challenges for communities
Housing Needs and Economic Conditions of Cook County’s Older Adults

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