Housing 101

Module 1

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# Housing 101

Welcome to Module 1 of the Housing 101 online training series.

## Website Links

Many website links are mentioned in this module. To ensure that the links remain accurate and active, we have placed them in one online location on the OLTL training page along with each of the Housing modules. These links are available as a downloadable “Resources” document.

Whenever a link is available in the “Resources” document, the following icon will be displayed in the training module, usually at the bottom of your screen.

## Welcome to Module 1

The purpose of this module is to help you understand the challenges individuals face in finding and maintaining affordable, accessible housing.

This module will also describe the basic housing terms and information needed to successfully assist individuals who wish to live in the community.

### Objectives

This course has four objectives.

* After completing this course, you will be able to:
* Describe why housing is an important part of being able to successfully live in the community,
* Explain why assisting individuals in finding affordable, accessible housing is an important part of your job,
* Outline the four basic characteristics of housing, and
* List three specific steps you can take to help individuals move back into the community.

# Lesson 1: The Importance of Housing

Let’s begin with Lesson 1: The Importance of Housing.

## Pennsylvania Statistics

In 2015, 2.2 million Pennsylvanians were aged 65 or older. This represents 16.4% of the population. By 2040, the state’s population of older adults is expected to reach 3.2 million, or 23% of the total population. This represents an astounding 40% increase.

## Disability Statistics

Nationally, 50% of elderly had one or more disabilities and another 17% of individuals aged 21-64 had a disability. A significant portion of these individuals are expected to need long-term living services. The Commonwealth of Pennsylvania is committed to ensuring that these individuals have real choices about where they live and how they receive those services in the community.

## The Need for, and Advantages of, Nursing Home Alternatives

As of May 2020, there were over twice as many individuals receiving OLTL administered home and community-based services (103,311) as there were in nursing homes (48,434).

### National Average Cost of Care

According to the 2016 DHS report Supporting Pennsylvanians Through Housing, the national average cost of care per person, per year is $62,750 for individuals in nursing homes as opposed to $31,341 for individuals in community-based services. This second figure is half the cost of the first.

### Community HealthChoices and Living Independence for the Elderly Programs

Both the Community HealthChoices (CHC) program and the Living Independence for the Elderly (LIFE) program have a major goal in common: to help individuals live and stay in their communities.

CHC is Pennsylvania’s mandatory managed care program for individuals who are 21 and older with both Medicare and Medicaid, or who receive long-term supports through Medicaid. In terms of housing, the role of service coordinators is to oversee pre-tenancy services for housing, as well as to assist in obtaining and retaining housing.

The LIFE program is also an option for eligible individuals. It is a capitated managed care model that fully integrates comprehensive long-term care services and supports, behavioral health, and physical health services to Medicare or Medicaid participants. The program focuses on individuals living independently in their home and communities for as long as possible.

## The Benefits of Aging in Place

Although there are financial benefits to individuals living and staying in the community, there are many other benefits, including:

Supporting individuals to age in the community. According to an AARP study, 90 percent of people age 65 and over would prefer to age in place as they grow older.

Maintaining independence. Enabling individuals to maintain family, religious, social, educational, financial and recreational affiliations in the community can enhance their quality of life.

Improving physical and mental health. Several studies have found that seniors who choose to age in place have better health outcomes than nursing home residents, even if in similar health. Furthermore, because individuals can keep their current social networks, decreasing cognitive function may be slowed.

## Access to Affordable Accessible Housing

Having access to affordable accessible housing is a major factor in ensuring that an individual can successfully live in the community. This can include remaining in their own home, moving in with a family member, or moving to a different home in the community.

## How You Can Help

This training course is designed to prepare you to deal with the challenges of helping individuals obtain accessible, affordable housing within the community. It will provide you with the knowledge of housing resources and the availability of those resources.

## Meet Scott and Peggy

In your work, you will encounter individuals with a variety of housing needs and preferences. In this lesson, you will hear real-life stories from Scott and Peggy, both of whom have successfully transitioned from nursing homes to the community.

### Scott

First, let’s see what led Scott to being in the nursing home and what his experiences have been since that time.

I had this Grand Mal Seizure. I hit a car head on, and now I’m in a wheelchair.

I was in a nursing home from June 5, ‘04 or ‘05 until ’09, June of ’09, but I could’ve easily moved out in ’07 and that’s actually when I started looking for an apartment.

**Did your son Brandon come to visit you in the nursing home?**

Brandon came every day. That was the highlight of my day. He would come Monday through Friday after school, and I would see him every other weekend. So that was how, ‘cause I would go to my parents on a Saturday and Sunday and stay for the afternoon, and then, I would stay or he would come to me on a Monday through Friday, so I would see him every day no matter what. And that would lift up my spirits, but it wasn’t until I moved here that everything – it’s like a rock was, or a boulder was lifted off my shoulders after I moved here.

**How has your life changed since you moved to your own apartment?**

My life has changed in a big way because I don’t have to rely on anybody else at Good Shepherd. When I was at Good Shepherd I had to live with another person in a room half this size in the living room. Now I have this big apartment, and I can – I’m dating now. I am coming and going as I please. I’m in a community, not just a room. I can relax in this chair. I can watch TV when I want to. I can take a nap when I want to. I can – my life is, you know, it has changed dramatically. I can go to Brandon’s baseball games on a Wednesday night and a Saturday morning. I can sleep in late if I have to. I can go to dinner with my girlfriend when I want to, and she picks me up, and I just – life has done a 180 on me, and it’s just great.

**Give an example of something you and Brandon enjoy doing in your new home.**

Like two weeks ago we sat here, we ate shrimp, in cocktail sauce, and we were watching wrestling together, and that makes him happy, you know. But this - sitting there and watching wrestling and eating shrimp together. That will put a smile on his face for a week and a half.

### Peggy

Now let’s see how Peggy’s experience has been in the nursing home and her transition back into the community.

I was living in Fort Worth, Texas. I had a heart attack, a bad heart attack, and it put me into a stroke. I was in a coma from January until April, and when I came out, I looked like I was maybe 200 years old.

**How long were you in the nursing home?**

Oh honey, I was in there for quite a few years. I was in a nursing home up until the 90’s. I think I got back here to Easton, ’90 or ’91, I got back home here.

**Did you receive any help moving back to the community?**

I didn’t get the housing until I moved back to Easton, and the first place I moved into was a Harlan House in Easton on Fourth Street, and Agency on Aging helped me get in there.

**What are the benefits of making the transition from the nursing home?**

Well the best part to me, and I think other people, is because they feel that they’re safe and they can feel like they’re in their own home now, and they can come and go as they please.

**What is it like for people who have transitioned into the community?**

That makes them very happy. They can either walk or grab a bus and go anyplace they want. They can go shopping if they want to. They can go to the senior citizen centers. They can have a meal or put puzzles together or do anything, and that makes them very, very happy.

**What do you like about your apartment?**

Well I like it because I feel like I’m at my own home. I like it because it makes me feel at home here, and I can have anybody in I want, or I don’t need nobody in here if I don’t want them in here, which that I like. I don’t like too much company, and I like to be by myself a lot, especially now that I got my cat. I’m very happy in my own place, and I’ve never been this happy until I got out of that nursing home.

# Lesson 2: The Four Basic Characteristics of Housing

Next let’s discuss the four basic characteristics of housing. They are:

* Affordability,
* Habitability,
* Accessibility, and
* Suitability.

As we review these items, please keep in mind that when helping a participant find housing, it is important to remember that it is ultimately the participant’s choice as to where they want to reside.

## Affordability

Let’s begin with affordability, which is likely the most critical factor for most people as to whether they can obtain the housing they want. To understand the concept of affordability, let’s start by examining the various components of housing costs.

### Household Expenses

Even though some people can afford to spend more on their housing costs than others, it is important that all households have enough income left to pay for other expenses such as food, clothing, transportation, medical expenses, and leisure activities.

### Calculation of Housing Costs

The calculation of housing costs is slightly different for homeowners than for renters:

For homeowners, housing costs include items such as mortgage principal, mortgage interest, real estate taxes, and homeowners' insurance ( often referred to as PITI), plus the total cost of utilities. Utilities include heat, electric, water, sewer, and trash.

For renters, costs include items such as the monthly rent plus the total cost of utilities and other costs or fees that are not included in the rent.

### Housing Affordability

According to the U.S. Department of Housing and Urban Development (commonly known as HUD), the rule of thumb is that a household should spend no more than 30% of its total income on housing. HUD programs generally use adjusted household income, which is calculated using total gross income of all adult household members minus allowable expenses. These allowable expenses may vary depending on the program being applied for.

It should be noted that the information in this section is based on the HUD guidelines used in many public programs. However, housing funded through other federal, state and local programs may have different guidelines. In addition, private landlords can set their own standards and may be more flexible than HUD.

### Calculation of Affordability

To calculate affordability, first write down the adjusted monthly income. Then, calculate the total monthly expenses. (Remember, the expenses will be different for homeowners and renters.) Divide the total monthly expenses by the adjusted monthly income and multiply by 100 to calculate the percentage spent on housing.

### Affordability Rule of Thumb

If this number is less than 30%, the housing costs are affordable according to the HUD rule of thumb. If this number is more than 30%, the costs are not affordable using the HUD rule of thumb.

Now let's review an example.

#### Calculation of Affordability Example

Janetta Case would like to rent an efficiency in Bradford County. She has an adjusted monthly income of $2,235. The rent for the unit she wants is $525 and she estimates she would spend $125 on utilities. Therefore, her total monthly housing expenses equal $650. Using the calculation of affordability, her total monthly housing expenses of $650 are divided by her adjusted monthly income of $2,235 and then multiplied by 100. This calculation indicates that she would spend 29% of her adjusted monthly income on housing.

According to the HUD rule of thumb, this unit is affordable.

### Affordability Gap

The problem for many individuals is that there is often a gap between the amount that is affordable to the individual and the actual cost of private-market housing in the community.

For example, if a one-bedroom apartment rents for $690 a month, and 30% of an individual’s adjusted household income is $235, there is a $455 per month affordability gap. This means that the individual will probably not be able to afford that apartment without a rental subsidy from the government.

#### Affordability Gap Statistics

Unfortunately, data on affordability from “Priced Out” by the Technical Assistance Collaborative shows that in 2016 in Pennsylvania the average person receiving Supplemental Security Income (SSI) would have to pay 103% of their income for the average one-bedroom apartment. Even an efficiency apartment would cost close to 89% of that individual's income. These numbers far exceed the HUD recommendation of 30% of adjusted household income for housing.

It is also important to remember that for lower-income households, even for those spending less than 30% of their income for housing, the actual dollars left for other household expenses may be quite limited.

Now let’s consider another example.

#### Affordability Example

1. Roy Johnson wants to move out of the nursing home. His adjusted monthly household income is $742, and he found a nice apartment in the neighborhood of his choice for $650 including utilities.

Do the calculation. Is this apartment affordable to Roy Johnson?

Yes

No

Please pause

The correct answer is No. $650 is 88% of Roy’s income, which is greater than the 30% rule of thumb.

## Habitability

Next, let’s examine the second basic characteristic of housing, habitability.

While a community may have homes that are affordable to the individuals you are assisting, it is also important that these homes be habitable.

### Habitability and Cost

Unfortunately, in some communities, homes with lower rental costs are in substandard condition or are uninhabitable. They may have dangerous wiring, inoperable heat, or be infested with insects and rodents. While affordable, these homes do not meet the general standards for habitability.

### Building Codes and Occupancy Standards

There are different standards of habitability that can apply, but most communities in Pennsylvania have local building codes and occupancy standards that must be met before a home can be occupied. In addition, homes that receive federal housing subsidies must meet Housing Quality Standards set by HUD.

### Habitability (5 Systems)

When evaluating a home, there are basic habitability requirements that should be considered. They are:

* Electrical,
* Masonry,
* Plumbing,
* Roofing, and
* Heating and cooling.

As a reminder, the role of the Service Coordinator in terms of habitability is to ensure health and safety while honoring participants’ rights and preferences. If the participant’s choice of residence is unsafe and/or poses a threat to the participant, the Service Coordinator should follow the standard guidelines of documenting the issue, educating the participant and escalating the matter to your supervisor.

### Home Repair Programs

One question that frequently arises is, can anything be done if the home is basically in decent condition, but has a few code violations that need to be addressed?

The answer is yes.

If an individual can return to their own home, but the home has a few code violations, it is a good idea to see if they qualify for a home repair program.

Most communities in PA operate a local home repair accessibility modification and/or weatherization program that can provide low-interest loans or grants. Such programs are generally operated by the local Housing and Community Development Office or Redevelopment Authority.

In addition, several communities have a handyman service through their adult services department or community action agency. Other communities have volunteer-operated home repair services.

### Habitability Example

Based on what you’ve learned about habitability, let’s review an example and answer a few questions about the example.

The individual you are assisting wants to move back to their home in the community. The home needs a ramp to meet their accessibility needs, and the family has agreed to install the ramp. However, upon further inspection it was discovered that the roof of the house has a serious leak which has compromised the overall safety of the house, and therefore violates local code standards.

1. Is this house habitable?

Yes

No

Please pause

The correct answer is No. The house is not habitable at the current time due to the roof leak.

2. Since the house is not habitable because of the roof leak, what should you do next?

Tell the client they can live there.

Research resources to assist with the repairs.

See if you can fix the roof yourself.

Please pause

The correct answer is research resources to assist with the repairs.

## Accessibility

Next, let’s examine the third basic characteristic of housing, accessibility.

### Types and Levels of Accessibility

When an individual is hoping to find housing within the community, it is important that the potential home meets their accessibility needs. This means that the home should pose no barriers to freely entering, navigating, and exiting, and it means the individual can safely use all the features of the home. The general term for this is accessible or barrier free.

There are several terms used to describe different types and levels of accessibility.

### Wheelchair Accessible Housing

Housing that is fully accessible for a person who uses a wheelchair.

#### Adaptable Housing

Housing that incorporates initial construction features so that it can easily be adapted for a person with a mobility or other impairment.

#### Visitable Housing

Housing that can be visited by a person who uses a wheelchair. Features include zero-step entrance, wider doorways and hallways and a powder room on the first floor.

#### Other Features

Features to accommodate individuals with visual and hearing impairments vary with the funding source. Some sources require 2% of the units to include these features. In addition, these features can be added if the resident requests a reasonable accommodation consistent with current fair housing laws.

Special accommodations for individuals with vision impairments could include eliminating trip hazards by removing furniture, electrical cords or loose area rugs out of pathways. Extra lighting and color coding of important household items can also be helpful. For individuals with hearing impairments, security systems, smoke detectors and doorbells with flashing lights can be installed as notifications.

### Meeting The Occupant’s Specific Needs

It is critical to understand that each home must meet the specific needs of its occupant. Even if a home is advertised as accessible, it may not meet the particular needs of the individual you are assisting.

In addition to basic accessibility features, the home should be evaluated to ensure the basic safety of each individual. Having an Occupational Therapist, Physical Therapist, or other credentialed professional assess the home will help to ensure that it meets the occupant's specific needs.

## Suitability

Next, let’s examine the fourth basic characteristic of housing, suitability.

Suitability implies that the home allows the individual to satisfy their preferences and needs while living there.

### Suitability and Preferences

Okay. Suppose the individual who is moving has found a home that is affordable, habitable, and accessible. You may think, “Wow! They found a match.” However, there is another consideration that is critical: suitability. Suitability involves being part of a neighborhood of their choice, having the size and composition of the home correspond to their needs, living in a home that enables them to feel safe and secure, and having access to opportunities for entertainment and enrichment.

Individuals will have various preferences about their new housing. This may include a home in a particular community or neighborhood, and especially one that is located near the services, employment, schools, religious congregation, or other amenities used by the individual.

#### Preferences

Suitability of the home will be determined by the individual’s preferences. For example, for an individual who does not drive or have alternate transportation, the perfect apartment located in an area with no public transportation may not be the right match. The lack of transportation would not only limit access to medical appointments but could also limit the individual’s ability to interact with friends and family, as well as participate in entertainment and enrichment opportunities.

### Family Size and Composition

The home must also meet the requirements for the family size and composition. It must have the right number of bedrooms to accommodate all members of the household, whether it includes one or more parents, grandparents, children, or a live-in aide or companion.

It is important to note, however, that it may not be possible to meet every preference. Individuals may need to prioritize their housing preferences in order to secure the most suitable housing that they’re able to afford.

# Conclusion: What Can You Do to Help?

Now that you understand the basic factors that affect the housing options of individuals, what can you do to help?

## Your Role

There are three things you can do. You can assist individuals who wish to live in the community to:

* Assess their housing needs and preferences,
* Identify resources, including homes and financial resources, and
* Develop and implement a plan to access the housing of their choice.

Subsequent modules will provide an inventory of resources for rental housing and home modifications and will provide you with the knowledge and tools to help an individual properly assess their housing needs and develop a housing plan.

# Putting It All Together

Now take a moment to answer these review questions.

1. A home is considered affordable if the household spends no more than 45% of its total income on housing costs.

True

False

Please pause

The correct answer is False. Affordable is considered no more than 30% of total household income.

2. If the cost of rent exceeds what an individual can afford to pay, they have no alternative but to give up that apartment.

True

False

Please pause

The correct answer is False. There are government subsidies that may be available to fill the gap.

3. Many communities have programs that can help to pay for correcting code violations that will make the home habitable by a person transitioning.

True

False

Please pause

The correct answer is True. Many communities have program available.

4. Even if you have found an accessible apartment, you can't be sure that every person with a disability can move right in.

True

False

Please pause

The correct answer is True. Each person with a disability has unique needs and may require modifications or changes before they can safely live in a particular home.

5. Once an individual has found an affordable, accessible home in good condition, their search is over.

True

False

Please pause

The correct answer is False. The home must also be livable. It must meet other needs such as size, location, and other preferences of the household.

6. It is relatively easy to find a home that meets the exact needs and preferences of an individual hoping to transition to the community.

True

False

Please pause

The correct answer is False. It is rare to find a home that meets all the needs and preferences of an individual. Often compromises must be made such as moving to a different neighborhood or moving into a smaller home than the individual or household wanted.

7. The role of a service coordinator includes helping individuals assess their housing needs and develop a housing plan.

True

False

Please pause

The correct answer is True. Assisting an individual to assess their housing needs and develop a housing plan is an important role performed by service coordinators.

# Congratulations

Congratulations, you have completed Module 1 of the Housing 101 online course. If you have completed all of the content in this module, go to [this website](https://oltl.deringconsulting.com/housing-module1/) to register completion of this module. Then continue with Module 2.