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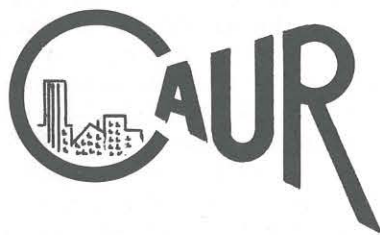
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University of Nebraska at Omaha

REVIEW

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Norfolk Study Has Application for Other Cities Concerned With Residential Land Development

Although this study covers only the City of Norfolk, those concerned with residential land development in any similar city might find applications here to their particular situations. The Center for Applied Urban Research could assist other cities in making similar studies, specifically directed toward meeting their own housing needs.

ACKNOWLEDGMENTS

This report is the result of a cooperative effort between the City of Norfolk and the Housing Division, Center for Applied Urban Research, University of Nebraska at Omaha. Mr. Richard Janulewicz, Director of Norfolk's Health Department and Community Development Program, and Ms. Kay Agnew from Norfolk's Community Development Program contributed much time and effort to local data gathering. Garneth Peterson and Gene Hanlon from the Center for Applied Urban Research conducted the surveys of builders, lenders, and realtors. In addition, Ms. Peterson assisted in drafting the report. Scott Samson from the Center for Applied Urban Research provided excellent service in map preparation. The project was directed by Jack Ruff, Housing Coordinator for the Center for Applied Urban Research.

NORFOLK is Northeast Nebraska's regional trade, education, and health services center. At the junction of two U.S. and two Nebraska highways, the City is a prime location for marketing, manufacturing, and

wholesale activities. Norfolk lies between farm land to the east and the Sandhills cattle country to the west. Metropolitan areas nearby include Sioux City, Iowa, 75 miles to the northeast; Omaha, 115 miles southeast; and Lincoln, 124 miles south. Transportation facilities include six truck lines, three bus lines, and four flights daily from the local airport. A main line of the Chicago and North Western and a branch line of the Union Pacific provide railroad transportation.

The estimated 1976 Norfolk population was 18,925, a 39 percent increase over the 1960 population of 13,640. Since 1960, manufacturing employment in Norfolk grew 408 percent, which may help explain the population expansion. The Greater Norfolk Corporation and the Industrial Action Committee work to attract new industries and

develop land for them. Currently, about 2,575 acres of land are zoned for industry in and around Norfolk and sell for \$2,000 to \$10,000 per acre. An industrial park owned by the Greater Norfolk Corporation is located southeast of the City near U.S. 275 and the Chicago and North Western railroad line. Platted lots range from 1.2 to 6.7 acres.

A variety of manufacturers operate in Norfolk. Many of the products relate to agriculture, the major livelihood of the surrounding area. Manufacturers market farm scales and automatic livestock waterers, livestock and poultry feeds, and food products such as milk, cottage cheese, ice cream, eggs, butter, dressed beef, and pork sausage. Other industries make electronic products, medical supplies, concrete, and steel products.



One of the new multi-family housing projects in Norfolk

Center for Services

Norfolk is also a center for services. Education and health care employ a number of Norfolk residents and provide northeast Nebraska with needed services. Both public and parochial schools serve Norfolk children. Northeast Nebraska Technical Community College, located in Norfolk, serves 20 counties in that section of the state. Approximately 1,500 students attend the school, which offers Associate of Arts and Associate of Applied Science degrees. The College also maintains an adult and continuing education division which conducts classes in more than 40 outlying communities for a total of 8,000 students. Nebraska Christian College offers students a curriculum in Christian education and theology, serving about 200 students.

As a center for health care, Norfolk's two hospitals provide 180 beds for a variety of services. In addition, the Norfolk Regional Hospital, a State psychiatric facility established in 1888, has 226 beds. This hospital serves 24 northeast Nebraska counties. Also located in the City is the Northern Nebraska Comprehensive Mental Health Center, which maintains outpatient clinics in each of the 22 counties it serves. This group's services include counseling, psychological testing, and consultation for community groups and organizations.

Norfolk's recreation facilities offer a variety of activities for its residents. Eight parks offer space for picnics, camping, fishing, and playing fields for various sports. Two private golf courses, several swimming pools, tennis courts, skating areas, and a bowling alley are also available. In addition, the City recreation department sponsors year-round activities including soccer, softball, flag football, volleyball, and creative arts activities for adults and children.

Comprehensive Plan

The 1977 comprehensive plan update examined other facets of life in Norfolk and made a number of suggestions for changes. One area of concentration in the update was a more efficient major thoroughfare plan. The comprehensive plan examined growth and future educational needs as well. Planners predicted that an increase of 1,370 students in elementary school enrollment would require replacement or additions to some schools. The comprehensive plan also suggested consolidation of City offices, development of a City museum, rehabilitation of the old library, and possible changes for the City fire department. The housing element of the comprehensive plan update indicated a need for construction of 1,680 additional single family units and for rehabilitation of 2,250 units between 1978 and 1988.

The Norfolk Housing Situation

As in other areas of the nation, Norfolk's housing problems stem from the increased cost of construction in relation to the growth of income. The Housing Assistance Plan indicates that as many as 2,500 households require some sort of housing assistance. Approximately 50 percent of those requiring assistance are elderly households. Although the City is utilizing Community Development Block Grant Funds to establish a rehabilitation program, concern is growing that rehabilitation is not sufficient to provide adequate housing for all those who need and desire better shelter accommodations.

The Norfolk housing need which has received the least amount of activity is moderate cost single family housing. New families find it difficult to afford home ownership. Three conditions indicate this problem: the age of existing Norfolk houses, the scarcity and cost of vacant lots, and the income of Norfolk residents in relation to housing costs.

Age of Existing Units

One measure of the potential need for lower cost units is to examine the age of existing units. Although many older houses are in good repair and quite livable, age of housing stock is generally associated with removal and replacement needs (Table 1).

| City | % | City | % |
|--------------|----|--------------|----|
| Beatrice | 63 | Scottsbluff | 50 |
| Norfolk | 60 | Grand Island | 49 |
| Hastings | 54 | Fremont | 46 |
| Kearney | 52 | Columbus | 41 |
| North Platte | 51 | Bellevue | 10 |

Housing stock has grown considerably since 1970. That expansion has contributed to the availability of rental units. From 1970-1975, 912 units were authorized for construction in Norfolk. Of that total 418 were apartment or duplex units (412 apartment and 6 duplex units).

Scarcity and Cost of Vacant Lots

The number of available vacant lots suitable for new housing in Norfolk is inadequate. This shortage has resulted in lot prices which inhibit the ability of a builder to finance moderate cost housing.

In the survey of builders, the 13 who provided information related to the lowest and highest prices paid for single family lots (utilities included), indicated that the mean low price was \$5,500, and the mean

high price was \$7,750. Not surprisingly, the builders who acquired lower cost lots tended to pass the savings on to the buyers through lower sales prices. Those who reported lower cost lots also reported some lower cost houses. The 13 builders reported building 91 of the 199 single family units which were built in Norfolk in 1977. None built a house which sold for under \$30,000. The median price for a new house was reported in the \$45,000-\$60,000 price range.

The builders indicated two other concerns. First, the supply of houses in the \$60,000 range seemed adequate for the time being. Second, the cost of lots was so high that they did not believe that the moderate cost housing needs could be met through new construction.

When asked about the use of vacant lots in older areas as a possible method of meeting the low cost housing needs, builders indicated that many of the lots were not adequately platted for building, and furthermore, too few lots were available to meet the need for moderate cost housing. Finally, the costs of building on existing lots in older neighborhoods are often increased by problems encountered during excavation. Some additional lots will be available as Norfolk acquires and demolishes dilapidated structures in the Community Development Block Grant target area. An estimated 10 lots will be cleared during 1978 which could be made available for lower cost housing.

Some concern has been expressed among planners and builders that the production of modest cost housing should be scattered throughout the community. Perhaps 20-30 existing vacant lots might be available for the purpose in older portions of the community. Nevertheless, the use of those lots will be insufficient to meet the housing needs.

Family Income and Housing Cost

Converting 1970 Census data income into 1977 consumer price dollars, the 1977 median family income for Norfolk may be estimated at \$12,935 and the 1977 mean income at \$14,382.

This essentially means that more than one-half (probably closer to two-thirds) of Norfolk households could not afford the average single family newly constructed unit without some assets to offset the difference between housing cost and family income. The Housing Assistance Plan presents the following information (Table 2).

The lack of modest cost, newly constructed single family units in Norfolk is further substantiated by the activities of the Farmers Home Administration in Norfolk in 1977. They made 19 loans, but only one was for a new home and that was an interest credit loan.

TABLE 2
STATUS OF NORFOLK HOUSEHOLDS REQUIRING ASSISTANCE^{a/}

| Households Requiring Assistance | Total | Elderly or Handicapped | Family (4 or less) | Large Family (5 or more) |
|---|-------|------------------------|--------------------|--------------------------|
| Owner Households | 1,656 | 815 | 806 | 35 |
| Renter Households | 823 | 405 | 400 | 18 |
| Additional Families Expected to Reside in Community | 65 | 25 | 33 | 7 |
| Total Housing Assistance Need | 2,544 | 1,245 | 1,239 | 60 |

^{a/}Households are defined as requiring assistance if they a) occupy a substandard structure, b) are overcrowded, or 3) have low incomes.

Moderate cost single family housing has been a neglected portion of the construction market in Norfolk.

Moderate cost single family housing has been a neglected portion of the construction market in Norfolk. That shortage must be made up through the actions of builders and developers ready to provide moderate cost homes for young families and elderly households who often find it difficult to afford home ownership. Because 60 percent of homes in Norfolk were built before 1939, they may be too large for today's smaller families, and too expensive to maintain in an energy-conscious age. Although land costs are high, some lots in established areas of the City will be available, and more will be opened up as dilapidated structures are removed. In addition, new subdivisions may be organized for moderate cost housing. Rehabilitation of older homes will continue to meet a portion of the housing market needs. The Norfolk median family income of \$12,935 in 1977 indicates that a strong market potential for moderate cost homes exists for builders and developers who want to fill the void.

Survey of Norfolk Builders

Home builders certainly play a major role in producing low cost housing. In March, 1978, 37 builders in the Norfolk area were surveyed by mail about the type and price range of dwellings built, lot costs, types of financing they used, characteristics of home-buyers, and opinions on housing needs and costs in Norfolk. Almost all the respondents indicated they had built single family homes, and seven had built multi-family dwellings. Surprisingly, 14 builders responded that they would consider building multi-family housing in the future. If there is a need for multi-family housing in Norfolk, no problem should occur in finding builders to construct these units.

During 1977, the majority of homes these builders constructed were speculative. Of the 117 homes they listed, only 40 were

custom built and 77 were speculative.

No homes listed by these builders sold for less than \$30,000. More than 85 percent of the homes sold for a price between \$30,000 to \$60,000, and only 15 sold for \$60,000 or above. These figures represent only the 104 homes listed by the builders, but they provide a good idea of the types of homes being built in Norfolk. The figures also show that low cost housing is not being built, perhaps because the new housing is being constructed in suburban areas which tend to allow only single family moderate to high cost homes. These figures indicate that if a market exists for low cost housing, its needs are not being met at the present time.

Lot costs, including pavement and utilities, were another indication of home building costs and the current state of the business. Builders were asked to record the lowest and highest prices paid for lots used for new homes in 1977. The least paid for single family home lots ranged from \$1,900 to \$8,200, while the highest costs ranged from \$3,000 to \$15,000. Although only a few builders could supply lot costs for multi-family housing, the lows ranged from \$8,000 to \$10,000 and highs from \$10,000 to \$24,000. Clearly the high cost of vacant land in and around Norfolk helps to drive up the price of housing; the lack of available low-cost land may be one of the reasons no homes selling for under \$30,000 were constructed by these builders in 1977.

Conventional Loans Used

Of the 72 single family homes for which types of financing were identified, 61 were financed by conventional loans and only five under FHA (Federal Housing Administration) loans. Evidently the variety of loans offered by FHA and FmHA (Farmer's Home Administration), the main governmental agencies for assisting home building, are not being utilized in Norfolk. Only three builders sought financing for multi-family homes, all seeking conventional loans as their source.

In an effort to discover who bought the new homes, the builders were asked to

identify whether buyers were long-time residents moving from older homes in Norfolk, rural residents moving into Norfolk, or new community residents. Of the 102 home buyers, 52 were long-time residents moving from older homes in Norfolk, another 30 were new community residents, 14 were rural residents moving into Norfolk, and six were in none of these categories. This breakdown may help explain why most homes built sold for over \$45,000.

Since half of the new buyers were long-time Norfolk residents moving from older homes, the possibility exists that they were moving voluntarily to a new home and thus could specify the type of home and price range they desired. The same possibility exists for rural residents moving into town, which could conceivably be farmers retiring to a new home in town, in which case they could specify the type of home and cost. Certainly the wants and desires of custom home buyers must be taken into account, but the figures still show that a family of low to moderate income seeking a new home in Norfolk would have difficulty finding one. The question then becomes whether existing housing can accommodate the needs of these people.

Low Cost Housing Needed

Norfolk builders were asked their opinions in several questions regarding need, location, and problems with moderate cost housing. Of 13 responses, 12 builders supported the need for additional low and moderate income housing in the City, especially single family dwellings. Several builders felt these homes would meet the needs of young families and older people who might not have the assets to put into a more expensive house.

However, builders cited several barriers to construction of moderate income housing. Some pointed out that with lot and construction costs so high, builders could not afford to sell a home for less than \$45,000. One builder stated that he believed Norfolk developers and realtors did not want moderate cost housing, and they prevented it from being constructed. For example, covenants in some new subdivisions prohibit low cost housing. The need for moderate cost housing is supported by the builders, but the economics of the situation tends to prevent the carrying out of plans for such construction.

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In regard to location of moderate cost housing, several builders suggested a new development made up entirely of this type of housing. One builder cautioned that such a development should maintain high standards so it would not deteriorate in ten or fifteen years. Other suggestions included utilization of vacant lots in older portions of the City in areas where lower land costs could keep the price lower.

Survey of Norfolk Lenders

Financial institutions in Norfolk were consulted to determine the amount and character of lending throughout 1977.

Approximately 1,000 home loans were made by the three Norfolk savings and loans and the FmHA in 1977 for new or existing homes. The percentage of all loans financing new homes ranged from 5 percent by one institution to 20-33 percent by the other three, with the remainder of the financing going toward existing dwellings. New homes were most often located in new subdivisions. One institution estimated only 50 percent of new homes they financed were in new subdivisions, but estimates for the other lenders were 75-80 percent, 95 percent, and 100 percent.

The lenders were asked to identify what percentage of their total home loans fell in each of five price categories. One savings and loan with a significant portion of the market could not supply this information.

Table 3 reveals that the number of loans for these three agencies peaks between \$30,000 and \$40,000, the value of 194 of the 494 loans reported. On either side of the peak, 94 loans were made for houses valued between \$20,000 and \$30,000, and 130 for houses valued at \$40,000 to \$50,000. The lowest numbers of loans are in the highest and lowest categories, 30 and 46 respectively.

| Home Price | Total Number of Loans-3 Lending Agencies ^{a/} | % |
|--------------------|--|----|
| Less than \$20,000 | 46 | 9 |
| \$20,000-\$30,000 | 94 | 19 |
| \$30,000-\$40,000 | 194 | 39 |
| \$40,000-\$50,000 | 130 | 26 |
| \$50,000-Above | 30 | 6 |
| | 494 | 99 |

^{a/}The number of loans was calculated by the Center for Applied Urban Research from lender estimates of the percentages of their total loans in each category.

^{b/}Percentages do not total 100 because of rounding.

The savings and loans were asked what guidelines they use in determining whether they will lend funds for a home mortgage. Besides examining the credit worthiness of the loan applicant, all agencies mentioned reliance on an appraisal of the home for its market value. Market value was defined as the value of a comparable home in a comparable area. Lenders also examine the cost to replace the home and depreciation to determine if the price is commensurate with value of the home. One lender mentioned the relation of the neighborhood to both services and schools as being an important factor which may push prices up. All lenders stressed that location makes no difference in approval of loans in Norfolk. A buyer with good credit who wants to purchase a home in good repair in Norfolk should have no trouble acquiring a loan, no matter where the home is located.

Most loans made by three lending agencies were in the price range of \$30,000 to \$40,000, well within the mortgage limits of both HUD/FHA and FmHA loans. Thus, the funding is available for families and builders who seek to utilize it, either through Federally insured loan programs or through conventional loans. The number of loans made for homes selling at \$40,000 and below demonstrates a demand for moderate cost housing that needs to be met in Norfolk.

Federal Aid Programs

Three Federal programs have potential for assisting residents and businessmen to meet their housing needs. The Veterans Administration (VA) guarantees mortgage loans made by conventional lenders to military veterans. The Farmer's Home Administration (FmHA) offers six types of low interest loans and loan insurance for purchase, rehabilitation, or rental of housing in nonmetropolitan areas. The Federal Housing Administration (FHA) offers three loan insurance programs and two loan programs for purchasing or refinancing houses, especially for families with low incomes or other hardships. The FHA also offers six programs designed specifically for construction, rehabilitation, or rent of multi-family dwellings.

Veteran's Administration Programs

The Veteran's Administration provides loan guarantees to aid veterans in purchasing homes at a reasonable interest rate. After the veteran applies for a loan from a commercial lender, either he or the lender will apply for a VA Certificate of Eligibility prior to closing the loan.

Farmer's Home Administration Programs

The Farmer's Home Administration

(FmHA), a division of the United States Department of Agriculture, provides loans in rural areas for housing and improvement of facilities. Rural areas are defined as open country and places with population of 10,000 or less that are not associated with urban areas. These loans are made in areas with 10,000 to 20,000 population if the locale is outside of a standard metropolitan statistical area and the vicinity has been determined to lack a sufficient amount of mortgage credit. Besides making insured loans, FmHA guarantees loans made and serviced by private lenders, thus limiting any loss to the lender. FmHA loans may be used to buy land for housing or to buy new or existing dwellings, and to repair or modernize a home. In addition, funds can be used to provide adequate water and waste disposal systems. FmHA loans were conceived to aid moderate and low income families in finding decent homes.

Section 502 - Basic Homeownership Program - Section 502 of the FmHA is the largest housing program administered by the organization. Named after the section of the 1949 Housing Act which created it, Section 502 provides loans to purchase existing or newly built structures, or to build, repair, or relocate single family dwellings. Income and family size determine the amount of interest credit. Houses built under the plan must be modest in size and design. FmHA representatives review interest credit arrangements every two years and may reduce or increase the credit with changes in family size and income. Section 502 has another Special Rehabilitation and Repair Program concerned exclusively with home improvement and enlargement for low income families. Rehabilitation includes improving property to "decent, safe, and sanitary conditions. . . from a condition requiring more than routine or minor repairs." Substantial rehabilitation may involve renovation or remodeling to adapt or convert a structure for new uses.

Section 504 - Home Repair Loans and Grants - Section 504 home repair loans and grants seek to reach senior citizens and others who cannot qualify for Section 502. Section 504 loans may be used to pay for minor improvements such as repairing roofs or structural supports, supplying screens, providing a sanitary water and waste disposal system or indoor bathroom facilities, or adding a room when necessary to remove hazards to the health of the family.

Rural Rental Assistance Program - This program aids low income rural families by paying the portion of their rent that exceeds 25 percent of their adjusted annual income. Families must live in FmHA-financed rental housing to be eligible for funding. These funds may be utilized for new or existing

projects. Nonprofit and limited profit organizations are eligible to participate in the program.

Section 515 - Rural Rental Program - Section 515 provides rental housing loans for construction of homes for middle and low income families and persons age 62 and older. These loans must be made in rural areas-open country and communities up to 20,000 people. Both rehabilitation and purchase of existing buildings and new construction of apartment-style housing, such as duplexes or other multi-unit dwellings, are eligible for loan assistance. Applicants for Section 515 can be individuals, associations, partnerships, state or local public agencies, and profit or nonprofit corporations.

Section 523 - Self-Help Technological Assistance Grant - This program grants loans to family groups who provide a major portion of labor required in construction of their home. Particular expenses may include payment of workmen's compensation, liability insurance, social security, purchase and rent of tools, office supplies, and payment for training or technical and consultant services. Loans can also be made to qualified public bodies and private nonprofit groups for development, administration, and coordination of efforts in assisting families in the self-help process. Private, nonprofit corporations applying for these funds must be organized for the purpose of assisting low and moderate income families attain safe and adequate housing. The organization must have local representation among its membership and be able to prove its ability by other business management or administrative projects.

Section 524 - Rural Housing Site Loans - Section 524 rural housing site loans are available to public bodies and private nonprofit organizations to finance purchase and development of adequate housing sites. The funds may be utilized for construction of streets, installation of water, sewer and utility lines, and provide landscaping, seeding, sod, walks, and driveways. Private, nonprofit organizations applying for the funds must have a membership of at least 10 community individuals. The building sites acquired may be sold only to low or moderate income families who qualify for a Section 502 loan.

HUD/FHA Financing

The U.S. Department of Housing and Urban Development (HUD) was created in 1965 to administer and coordinate the principal programs which provide Federal assistance for housing and other development in local communities. The activities of the Federal Housing Administration

(FHA) were then transferred to HUD, although many of the widely used programs continue to use the FHA designation. HUD/FHA programs include mortgage insurance, rehabilitation, rental assistance, elderly assistance, and other financial and related assistance. Most of the HUD programs related to local communities such as Norfolk are authorized by the comprehensive National Housing Act, which is amended constantly by new legislation.

Section 203(b) - Home Mortgage Insurance - Section 203(b) from Title II of the National Housing Act is the original FHA home mortgage insurance plan. This plan aids families in financing acquisition of new or existing homes or refinancing existing mortgage debts with a 30 year repayment period. Borrowers do not need to meet any special income qualifications to apply for an insured mortgage. Section 203(b) may also include smaller multi-family dwellings, up to four families. Special terms are available for veterans under this program.

Section 221(d) (2) - Home Mortgage Insurance for Low and Moderate Income Families - This program is much like Section 203(b) but serves low and moderate income families and can be used to finance rehabilitation of substandard property as well as for new construction. This program also serves families displaced by government action or those in a presidential declared disaster area.

Section 222 - Mortgage Insurance for Military Personnel - Section 222 of the National Housing Act insures mortgages to aid military personnel who have served on active duty for at least two years in purchasing single family homes. The funds may be used for purchase of existing dwellings or in building new homes within the United States or its possessions.

Section 235 - Home Ownership Subsidy Program - Section 235 provides loans to low and middle income families for purchasing new or substantially rehabilitated attached or detached homes. The program provides an interest subsidy which reduces the interest rate as low as 4 percent, in accordance with the buyer's income and housing expenses. No more than 40 percent of the houses in any one subdivision can receive Section 235 assistance. The provision was intended to limit HUD's financial exposure, but it may help to promote a greater economic mix in subdivisions and avoid an over-concentration of assisted homes in particular areas.

Section 245 - Graduated Payment Mortgage Program - Section 245 is a graduated payment mortgage program for prospective homebuyers, particularly young couples who cannot meet monthly payments under the present schedule. This program allows pur-

chasers to start home-ownership with lower monthly mortgage payments if they show increased income potential. The principal amount will increase during the initial years as unpaid interest is added to the mortgage balance.

Conclusions and Recommendations

The solutions to the problems are going to require a substantial capital outlay, particularly because of an inadequate number of existing building sites which could be suitable for the construction of modest cost housing. Many of the subdivisions presently being developed have a different purpose and are intended to serve a different housing market. Lot sizes and restrictive covenants make the development of moderate cost housing in these areas impractical. The following recommendations are suggested as steps which could assist in the provision of moderate cost housing.

Recommendation 1: Suitable vacant lots in older areas of the City and lots cleared by the City as part of their Community Development Block Grant Program should be utilized to provide some moderate cost housing.

Recommendation 2: Land should be acquired and subdivided for moderate cost single family housing. The areas to the east and northeast of the City appear to offer potential for this type of development.

Recommendation 3: The use of Federal programs for new construction of moderate cost single family housing should be increased. Since Norfolk is eligible for financing by the Farmers Home Administration, their programs should be aggressively pursued. The mortgage limits and interest rate flexibility available under FmHA could provide a valuable alternative to presently available housing options.

Recommendation 4: HUD/FHA Section 235 and 245 housing financing could provide additional options which would both complement and supplement the FmHA lending activity in the area. These programs are designed to make housing more affordable by reducing payments to fit moderate incomes.

Recommendation 5: Small multi-family projects for the non-elderly are needed. Larger complexes for both the elderly and one and two person non-elderly households have been constructed in recent years. However, there is a lack of two and three bedroom units in projects with six to eight units. Projects of this nature scattered around Norfolk would meet some of the rental needs of larger families. Indeed, the financing of these types of units with Section 8 rental assistance would greatly contribute to the fulfillment of Norfolk's Housing Assistance Plan.

Majority of Nebraskans Approve Of Mothers Who Work Outside



BY
MURRAY FROST

THE WORKING MOTHER is an increasingly common phenomenon in Nebraska as well as elsewhere in the nation. But do Nebraskans approve of this trend?

A statewide survey conducted in 1977 may serve as a gauge of opinion toward working mothers. The Nebraska Annual Social Indicator Survey (NASIS) conducted by the Bureau of Sociological Research at the University of Nebraska at Lincoln asked the following question, "Assuming some arrangement could be made to care for the children, are you in favor of mothers working outside the home if they want to, even if their husbands make enough to support the family?"¹

The results indicated that 53 percent of those who answered the question were in favor of mothers working under the conditions stated in the question and 47 percent were opposed.

Sexes Evenly Split

The overall pattern was not the result of men and women holding opposite opinions. Both sexes were almost evenly split, with men relatively more in favor of mothers working (55 percent) than women were (51 percent).

Attitude on this question was also related to education. Among both men and women, college graduates were most likely to approve (68 percent), and those with less than a high school education were least likely to approve

(33 percent). Women with less formal education were less likely than men with the same education to approve (28 percent of women with less than a high school diploma agreed compared to 38 percent of men. The difference dropped by four percentage points among those who were graduated from high school or had less than four years of college).

Attitudes towards mothers working also varied with household income. Of those who made \$25,000 or more, 65 percent favored the idea of working mothers compared to 57 percent of those earning from \$10,000 to \$25,000 and only 46 percent of those earning less than \$10,000. Perhaps those earning more were more secure and did not fear competition in the workplace from women.² Some indirect support for this hypothesis may be seen in the fact that those who reported their financial prospects to be better than two years earlier were more favorable to mothers working (65 percent) than those whose financial prospects were the same or even worse (45 percent and 43 percent respectively). Men with declining financial prospects were least likely (42 percent) to favor mothers working.

The relationship between general happiness³ and an attitude favoring mothers working was not as clear. For all respondents, those who said they were very happy were split 50-50 on the attitude question, while those who were less happy were more likely to favor the idea of working mothers (but the least happy group did not have the

lowest proportion in favor of working women). But when men and women were analyzed separately, the inverse relationship for women could be seen clearly. The happiest women were least likely (46 percent) to be in favor and the unhappiest women were most likely (58 percent) to approve. One hypothetical explanation is that unhappier women are more likely to see the workplace as a potential escape. An alternate explanation is that the unhappier woman is already working and therefore is in favor of mothers working.

The proportion of working women is likely to increase in the future.

Although no direct test of this latter hypothesis was made, an analysis of the relationship between the working status of women respondents and their attitude was done. This analysis indicated some significant differences in attitude between women in different workforce status categories. Women who worked were much more in favor of the attitude statement than those who were classified as keeping house (39 percent); and those who worked full time were more likely to favor mothers working (71 percent) than those working part time (57 percent). But the extremes—most and least agreement with the attitude—came from other groupings. Those who were classified as students were most in favor (77 percent) and those who were retired were least in favor (20 percent).

Age appears to be a major factor related to attitudes toward working mothers. This could also be seen when analyzing the relationship between marital status and the attitude question. Widowed women were least likely to favor the idea of mothers working (29 percent), and single women (who generally were younger) were most likely to favor it (74 percent). Men in those categories showed similar proportions (33 percent and 73 percent respectively).

Age is Major Factor

The strong relationship between age and being in favor of mothers working if child care were available even if their income weren't needed can be seen clearly in Table 1. Differences between the age groups were large for both men and women, with each increasingly older age group less in favor of the idea. For instance 80 percent of the women under 20 and 73 percent of those 20-29 favored the idea compared to only 34 percent of the women 50-59 and 24 percent of the women 60 years or older. A similar pattern occurred for men.

The strength of the age factor could be seen in a further analysis of the relationship between age and marital status to the

| | Female | Male | Total |
|------------------------------------|--------|------|-------|
| <u>Education</u> | | | |
| Less than high school graduate | 28% | 38% | 33% |
| High school graduate, some college | 54% | 58% | 56% |
| College graduate | 69% | 65% | 68% |
| <u>Household Income</u> | | | |
| Under \$10,000 | 45% | 47% | 46% |
| \$10,000-14,999 | 55% | 59% | 57% |
| \$15,000-24,999 | 56% | 58% | 57% |
| \$25,000 and Over | 65% | 65% | 65% |
| <u>Financial Prospects</u> | | | |
| Better | 62% | 68% | 65% |
| Same | 43% | 48% | 45% |
| Worse | 45% | 42% | 43% |
| <u>Happiness</u> | | | |
| Very happy | 46% | 55% | 50% |
| Pretty happy | 53% | 57% | 55% |
| Not too happy | 58% | 49% | 53% |
| <u>Work Status</u> | | | |
| Work full-time | 71% | 59% | |
| Work part-time | 57% | 60% | |
| Work, but ill/unemployed | 64% | 59% | |
| Retired | 20% | 26% | |
| In school | 77% | 88% | a/ |
| Keeping house | 61% | --- | a/ |
| <u>Marital Status</u> | | | |
| Married | 49% | 52% | |
| Widowed | 29% | 33% | |
| Divorced/separated | 62% | 44% | |
| Never married | 74% | 73% | |
| <u>Age</u> | | | |
| 18-19 | 80% | 78% | 78% |
| 20-29 | 73% | 73% | 73% |
| 30-39 | 63% | 65% | 64% |
| 40-49 | 47% | 53% | 50% |
| 50-59 | 34% | 42% | 37% |
| 60+ | 24% | 25% | 25% |
| Total | 51% | 55% | 53% |

a/Omitted from analysis.

attitude question. Although an impact for marital status could be seen where age was controlled, the effect of age was stronger when marital status was controlled. For instance, Table 2 indicates that younger (18-29) married women were less likely to favor the idea of mothers working (68 percent) than were single or divorced women in the same age category (83 percent). But these young married women were more likely to favor the idea than married women 30-59 (47 percent) and women still married after age 60 (27 percent). Non-married women showed similar decreases with increasing age.

Similarly, when age was taken into consideration, Table 2 shows that, with the exception of women 60 years old and over,

| <u>Marital Status</u> | | | |
|---|---------|----------------------|-------|
| Age | Married | Other Marital Status | |
| 18-29 | 68% | 83% | |
| 30-59 | 47% | 50% | |
| 60+ | 27% | 21% | |
| <u>Proportion of Household Income Contributed</u> | | | |
| Age | 0-49% | 50-100% | |
| 18-29 | 70% | 85% | |
| 30-59 | 47% | 57% | |
| 60+ | 27% | 21% | |
| <u>Residence Location</u> | | | |
| <u>Rural</u> | | | |
| Age | Farm | Non-farm | Urban |
| 18-19 | 88% | 100% | 75% |
| 20-29 | 75% | 60% | 75% |
| 30-39 | 65% | 43% | 66% |
| 40-49 | 39% | 55% | 47% |
| 50-59 | 20% | 39% | 37% |
| 60+ | 16% | 21% | 30% |
| Total | 45% | 40% | 55% |

those who contributed at least half of their household's income were more likely than the other women to support the idea of working mothers.⁴

The relationship of age to the attitude questions also blurred other apparent findings. For instance, if age was not controlled to agree with the attitude question (55 percent) and rural non-farm women least likely (40 percent). But with the age category controlled, the pattern was inconsistent. Within each group (urban, rural non-farm, and rural farm) however, the proportion of women agreeing with the statement declined with each older age group. Rural farm women 40 and over were less likely than other women to support the idea, but younger rural women were not much different from women in other areas.

This strong inverse relationship between age and a favorable attitude toward mothers working if child care were available even if their income was not needed suggests that the proportion of working women is likely to increase in the future as both women and their mates view the idea positively.

¹The survey consisted of an interview of a representative sample of 1,877 residents 18 years of age or older living in households. Two-thirds of the respondents to the survey were interviewed by telephone with the remainder interviewed in person. Telephone respondents were drawn from a simple random sample of all households in the state with a telephone; respondents to the personal interview were selected in a multi-stage stratified area probability sample of all households in the state. For

the entire sample, estimates computed from the sample data are likely to be accurate to within an average 2.5 percent margin of error with a probability of 95 out of 100 times.

²An alternate hypothesis is that higher incomes stem from both husband and wife working.

³The question used was, "Taking all things together, how would you say you are these days? Would you say you are very happy, pretty happy, or not too happy these days?"

⁴The strength of the relationship of age and this attitude could also be seen when examining these same data for men. Men under 60 who claim they contribute all of their household income were less likely to favor working mothers than other men under 60 (50 percent and 71 percent respectively); but for men over 60 the proportions were almost identical and considerably lower (28 percent and 29 percent respectively who favor working mothers under the conditions stated).

WORK IN PROGRESS

Work in progress during November at the Center for Applied Urban Research includes the following studies and reports. The principal investigator on each project is also listed.

- The Demand for Moorage Space in the Omaha-Council Bluffs Metropolitan Area (Paul S. T. Lee)
 - A Survey of Nebraska Women and Their Attitudes Toward Employment (Murray Frost and Peggy Hein)
 - The Impact of Rural Nebraska Industrial Development upon the Migration of Rural Youth (Armin K. Ludwig)
 - Minority Perception and Use of Human Services in the Nebraska Panhandle (Genevieve Burch and Carole Davis)
 - Evaluation of a Child Abuse Intervention Program (Genevieve Burch)
 - Omaha and Regional Demographic and Economic Indicators (Gene Hanlon)
 - Data on Construction Loans and Unsold Housing Inventory in the Greater Omaha Area
 - A Housing Allocation Formula for Nebraska Cities of the First Class (Jack Ruff)
 - The Use of Correlation and Regression Analyses to Determine Bus Operator Hourly Wages (Murray Frost)
- (The last two studies mentioned have been completed.)
- Preliminary research was begun on:
- A Study of the Developmental Accomplishments of Community Leaders with Various Degrees and Types of Training and/or Expertise Enhancement
 - Analysis of Rural Mobility: Movement into and out of Nebraska
 - A Study of the Feasibility of Establishing a Permanent Intrastate Personnel Data Exchange Program

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