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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL HOUSING ADMINISTRATION

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Analysis of the

**BENTON HARBOR-
ST. JOSEPH,
MICHIGAN
HOUSING
MARKET**

as of September 1, 1971

**A Report by the
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL HOUSING ADMINISTRATION
WASHINGTON, D.C. 20411**

June 1972

Housing Market Analysis

Benton Harbor-St. Joseph, Michigan, as of September 1, 1971

Foreword

This analysis has been prepared for the assistance and guidance of the Department of Housing and Urban Development in its operations. The factual information, findings, and conclusions may be useful also to builders, mortgagees, and others concerned with local housing problems and trends. The analysis does not purport to make determinations with respect to the acceptability of any particular mortgage insurance proposals that may be under consideration in the subject locality.

The factual framework for this analysis was developed by the Economic and Market Analysis Division as thoroughly as possible on the basis of information available on the "as of" date from both local and national sources. Of course, estimates and judgments made on the basis of information available on the "as of" date may be modified considerably by subsequent market developments.

The prospective demand or occupancy potentials expressed in the analysis are based upon an evaluation of the factors available on the "as of" date. They cannot be construed as forecasts of building activity; rather, they express the prospective housing production which would maintain a reasonable balance in demand-supply relationships under conditions analyzed for the "as of" date.

Department of Housing and Urban Development
Federal Housing Administration
Economic and Market Analysis Division
Washington, D. C.

ANALYSIS OF THE
BENTON HARBOR-ST. JOSEPH, MICHIGAN, HOUSING MARKET
AS OF SEPTEMBER 1, 1971

Summary and Conclusions

1. The economy of the Benton Harbor-St. Joseph Housing Market Area (HMA) is characterized by a substantial manufacturing employment base with the largest firms concentrated in the transportation and construction equipment, electrical machinery, and the printing and publishing industries. Most recent employment growth, however, has taken place in the nonmanufacturing sector, particularly in construction, trade, and services. Nonagricultural wage and salary employment in the HMA averaged 59,100 workers during the 12-month period ending July 31, 1971, reflecting a loss of 1,000 jobs over the 60,100 average of the previous 12-month period. Some of this loss results from the effect of large strikes during this period on the yearly average. On the basis of projected increases in the electrical machinery industry, printing and publishing industry, government, services, and trade, it is estimated that nonagricultural wage and salary employment will increase by an average of about 800 workers a year during the September 1971 to September 1973 forecast period.
2. The 1971 median annual income for all families, after deduction of federal income taxes, is approximately \$10,050; for renter households the median is about \$8,500.
3. As of September 1, 1971, the population of the HMA was approximately 166,400, reflecting an average increase of about 1,800 persons a year over the April 1970 population of 163,865. It is estimated that the HMA population will increase by an average of 1,500 persons a year during the next two years reaching a level of about 169,400 by September 1973.
4. The number of households in the HMA totaled about 51,950 as of September 1, 1971, indicating an increase of 850 annually since April 1970. During the forecast period, an addition of about 750 households a year is expected, producing a level of 53,450 by September 1973.
5. The housing inventory of the HMA totaled about 60,800 units as of September 1971, representing a net gain of 1,150 units over the April 1970 inventory. The net increase in inventory resulted from the completion of 1,400 units, the addition of 280 trailers, and the loss of about 530 units through demolition and other causes.
6. As of September 1971, there were about 1,450 available, vacant, non-seasonal, nondilapidated housing units in the HMA for a net vacancy ratio of 2.8. Approximately 500 units were available for sale and 950 units were available for rent, representing sales and rental vacancy ratios of 1.3 percent and 6.3 percent, respectively.

7. The demand for new privately-owned housing units during the September 1971-September 1973 forecast period is estimated at 660 units a year, 420 single-family houses and 240 units in multifamily structures.
8. A total of about 270 units of Section 235 housing a year probably could be absorbed during the next two years. Additional Section 236 housing should not be considered until the 129 units now under construction and the 160 units recently completed and still seeking occupancy are successfully absorbed. The annual occupancy potential for public housing and/or rent supplement is estimated at 115 units for elderly persons during the next two years. The occupancy potential for families under the public housing program is 185 units, while the potential for families under the rent supplement program is estimated to be 85.

ANALYSIS OF THE
BENTON HARBOR-ST JOSEPH, MICHIGAN, HOUSING MARKET
AS OF SEPTEMBER 1, 1971

Housing Market Area

The Benton Harbor-St. Joseph, Michigan, Housing Market Area (HMA) is defined as Berrien County. The HMA is located in the southwestern corner of Michigan; it is bounded on the west by Lake Michigan and on the south by the Indiana border. Van Buren and Cass Counties, Michigan, constitute the northern and eastern boundaries. The twin cities of Benton Harbor and St. Joseph both border on the shores of Lake Michigan and are separated by the St. Joseph River. Niles, the other main city in the HMA, is located in the southeast corner of the county, 20 miles from Benton Harbor.

The population of the HMA in April 1970 was 163,865 persons, of whom 25 percent lived in the three principal cities of Benton Harbor (April 1970 population, 16,481), St. Joseph (April 1970 population, 11,042) and Niles (April 1970 population, 12,988). There are five smaller cities in the HMA (Bridgman, Buchanan, Coloma, New Buffalo, and Watervliet), none of which had a population in 1970 exceeding 4,650 persons.

The HMA is served by two railroads and two bus lines; air transportation is provided at the Twin Cities Airport, located just outside the Benton Harbor city limits. The network of federal and state highways covering the HMA includes Interstates 94 and 196, and U. S. Routes 31 and 33.

Economy of the Area

History and Character

The availability of water transportation afforded by Lake Michigan and the St. Joseph River provided the initial impetus for the economic development of Berrien County. By the mid-1800's, fruit-growing had become the principal economic activity and today the HMA, as part of the Michigan Fruit Belt, is the home of the world's largest "cash-to-grower" market, the Benton Harbor Fruit Market. During peak summer months, the area has attracted as many as 15,000 migrant workers to harvest fruit and vegetables, but this number has been declining in recent years as a result of the increased mechanization of harvesting. Industrialization transformed the economic character of Berrien County in the latter part of the nineteenth century, and with the incorporation of the Clark Equipment Company in 1912, the county's dominant industry was established. Today, the HMA has a substantial manufacturing employment base; its industrial products include automotive parts, steel castings, construction equipment, refrigeration equipment, canned goods, dress patterns, electronic equipment and plastics, and it serves as a research and development center for several firms.

To a limited extent, the Benton Harbor-St. Joseph area also serves as a resort area and has a substantial number of seasonal housing units, although this number declined considerably during the 1960-1970 decade. This aspect of the economy is expected to be of even less importance in the future.

Employment

Current Estimate. Nonagricultural wage and salary employment in the HMA averaged 59,100 jobs for the twelve-month period ending July 31, 1971, a decrease of 1,000 from the 12-month period ending July 31, 1970 (see tables I and II). Total employment in nonmanufacturing increased by 1,900 jobs between these two periods, but this was more than offset by a decrease of 2,900 jobs in manufacturing.

Past Trend. Until the recent decrease in nonagricultural wage and salary employment, employment had increased every year since 1961. The largest annual gain occurred between 1968 and 1969, when employment increased by 4,100; major increases occurred in government (800) and in the metals industries (600).

Trend of Nonagricultural Wage and Salary Employment Benton Harbor-St. Joseph, Michigan, Labor Market Area 1960-1971

<u>Year</u>	<u>Average nonagricultural wage and salary employment</u>	<u>Change from preceding year</u>
1960	44,700	-
1961	44,000	-700
1962	45,400	1,400
1963	46,800	1,400
1964	47,500	700
1965	49,600	2,100
1966	53,000	3,400
1967	53,600	600
1968	55,400	1,800
1969	59,500	4,100
1970	58,900	-600
1969-1970 <u>a/</u>	60,100	-
1970-1971 <u>b/</u>	59,100	-1,000

a/ 12-month period ending July 31, 1970.

b/ 12-month period ending July 31, 1971.

Source: Michigan State Department of Labor, Bureau of Employment Security.

Employment by Industry

Manufacturing. Employment in the durable goods sector comprised 75 percent of total manufacturing employment in 1970, down slightly from 77

percent in 1960. In 1970, total employment in the durable goods industries consisted of 7,300 jobs in the metal industries, 3,500 in the nonelectrical machinery industry, 5,600 in the electrical machinery industry, and 5,100 in the remaining "all other durables."

Employment in the nondurable goods industries consisted of 2,800 workers in the printing and publishing industry, 1,400 employees in the food products industry, 1,200 jobs in the paper products industry, and 1,700 employed in all other nondurable goods industries.

After a decline of 1,000 jobs between 1960 and 1961, employment in manufacturing increased from 22,300 in 1961 to 31,100 in 1969. The largest annual gain occurred between 1965 and 1966, when employment in manufacturing increased by 2,600 (10 percent); the bulk of this increase is explained by the expansion of a transportation equipment plant at Buchanan. In 1970, employment in manufacturing was affected by a five-month 2,000-worker strike and dropped sharply to 28,500 from its 1969 peak of 31,100; in the first half of 1971, manufacturing employment has averaged 27,300 workers, growth being hampered by a three-month 2,100-worker strike in Buchanan. Despite the recent and temporary drop, manufacturing employment has increased by 4,100 (18 percent) during the period from 1960 to the twelve-month average ending July 31, 1971. This increase was comprised of 2,700 additional workers in the durable goods industries and 1,400 workers in the nondurable goods industries. In the durables sector, the metals industry accounted for the largest single increase (1,500). In the nondurable goods sector printing and publishing was the leading industry with a 1,900-job increase, but a large part of this increase reflected the redefining of a pattern firm in Niles as a printing industry rather than a paper products firm. Employment trends by industry are shown in table II.

Nonmanufacturing. The trade (10,200 jobs), government (7,200 jobs) and services industries (7,100 jobs) were the major nonmanufacturing industries in the 12-month period ending July 31, 1971. Employment averaged 2,000 jobs in the transportation, communications, and utilities industries, 3,800 in construction, and 1,500 in finance, insurance and real estate.

Employment in nonmanufacturing increased from 21,400 in 1960 to 31,700 in 1971 (48 percent). The largest gain occurred between 1968 and 1969 when nonmanufacturing employment increased by 2,300 with the largest component increase occurring in government (800). Between the 12-month period ending July 31, 1970, and the 12-month period ending July 31, 1971, nonmanufacturing employment increased by 1,900 jobs with the largest component increase occurring in construction (1,400). Most of this increase was caused by the expansion of construction on the Cook Nuclear Power Plant located on Lake Michigan approximately 15 miles southwest of Benton Harbor and St. Joseph. Construction on the plant began in 1969 and reached its peak employment level of 3,000 workers in August 1971.

Principal Employment Sources

As of September 1971, the Benton Harbor-St., Joseph HMA had six manufacturing firms with over 1,000 employees. Clark Equipment Company is the largest firm, with three plants in Berrien County; the largest is located at Buchanan and produces automotive parts and also serves as a research division. The Benton Harbor plant produces construction equipment, and the Niles plant manufactures commercial refrigeration equipment. Clark Equipment Company expanded substantially in the mid-1960's and grew steadily throughout the latter part of the decade, but in 1970 was forced to lay off several hundred workers. Except for a two-month strike, 1971 has been a better year and by September all but a few of the laid-off workers had been hired back.

Whirlpool Corporation, a manufacturer of major home appliances, is the second largest manufacturer in the HMA and was a steady growth firm throughout the 1960's; since 1970, however, it has been beset by a six-month strike and its employment level is now slightly below that of 1970. Moderate growth is expected in the future, however.

Simplicity Patterns, a producer of dress patterns, has been one of the HMA's growing firms in recent years. Auto Specialties Manufacturing Company is another large firm which produces malleable iron castings for autos, tractors and aircraft brakes, and car and truck jacks. Another large firm is the Heath Company, a manufacturer of electronic equipment. The Bendix Hydraulic Division has been another growth firm in the area recently and it produces iron castings and auto parts.

Unemployment

Unemployment averaged 5,500 persons or 7.3 percent of the work force during the 12-month period ending July 31, 1971, compared to 4.3 percent during the previous 12-month period and a previous peak of 4,100 (6.9 percent) in 1961. From the high in 1961, unemployment drifted down steadily to a low of 2,200 in 1966 and then began to rise steadily until the present period, with the sole exception of 1969 when unemployment dropped to 3.2 percent from the 1968 level of 4.1 percent.

Unemployment Trend
Benton Harbor-St. Joseph, Michigan, Housing Market Area
1960-1971

<u>Year</u>	<u>Number unemployed</u>	<u>Percent unemployed</u>
1960	3,100	5.2
1961	4,100	6.9
1962	4,000	6.6
1963	3,100	5.1
1964	3,200	5.2
1965	2,400	3.8
1966	2,200	3.4
1967	2,700	4.0
1968	2,800	4.1
1969	2,300	3.2
1970	4,100	5.6
1960-1970 <u>a/</u>	3,100	4.3
1970-1971 <u>b/</u>	5,500	7.3

a/ 12-month period ending July 31, 1970.

b/ 12-month period ending July 31, 1971.

Source: Michigan State Department of Labor, Bureau of Employment Security.

Estimated Future Employment

Based on the general employment trend in the Benton Harbor-St. Joseph HMA and on the specific employment prospects of some of the major employers, total nonagricultural wage and salary employment is expected to reach a level of about 60,700 as of September 1, 1973. This represents an increase of 1,600 jobs (800 a year) over the 1971 average of 59,100 jobs; since the 1971 average was significantly lowered by large numbers of workers out on strike in the manufacturing sector, about 500 jobs out of the 1,600 increase reflect only the rehiring of the workers involved in strikes. An additional 200 new jobs in the manufacturing sector can be expected from small increases in the electrical machinery, printing and publishing, and metals industries. The nonmanufacturing sector is expected to follow recent trends and provide the major portion of new jobs in the area. Total nonmanufacturing employment gains should add 900 jobs over the forecast period. Increases in the trade, services, and government areas should more than offset decreases in the construction industry caused by a gradual drop in construction employment at the Cook Nuclear Power Plant as it nears its mid-1974 completion date.

Income

As of September 1, 1971, the estimated after-tax income of all families in the Benton Harbor-St. Joseph HMA was \$10,050; the median annual after-tax income of renter households of two or more persons was \$8,500. About 50 percent of all families and 37 percent of renter households had annual incomes of \$10,000 or more. Distributions of all families and renter households by income classes are shown in table III.

Demographic Factors

Population

Current Estimate and Past Trend. As of September 1, 1971, the population of the Benton Harbor-St. Joseph HMA was approximately 166,400 persons, reflecting an increase of about 2,500 over the April 1, 1970 Census count of 163,875 persons. The population gain during the April 1970-September 1971 period averaged 1,800 persons annually, representing an increase of 1.1 percent a year (see table IV). Between 1960 and 1970, the HMA population increased by approximately 14,000 (9.3 percent). Most of this increase took place at the very beginning and during the last half of the decade as industrial expansion beginning in 1965 attracted increased in-migration.

As of September 1, 1971, the population of Benton Harbor was estimated to be 16,650 persons, reflecting an increase of about 170 over the 1970 population of 16,481. This represents a reversal of the 1960-1970 trend when Benton Harbor's population declined from 19,136 in 1960 to 16,481 in 1970. Trends were similar in the other two principal cities in the HMA. The population of the twin city of St. Joseph declined from 11,755 in 1960 to 11,042 in 1970, but population has stabilized at around 11,150 in September 1971. The population of Niles declined from 13,842 in 1960 to 12,988 in 1970 and increased slightly to 13,100 in September 1971.

Most population growth in the HMA still takes place outside the three central cities, particularly in the townships immediately south of St. Joseph -- Lincoln, St. Joseph, Royalton, and Oronoko -- and the township of Niles. As of September 1971, there were approximately 125,500 persons residing outside the major cities; this represents 75.4 percent of the total HMA population, a slight increase over the 1970 proportion of 75.3 percent and a significant increase over the 1960 figure of 70.1 percent.

Net Natural Increase. During the April 1960-April 1970 period, the population of the Benton Harbor-St. Joseph HMA increased by 14,000 persons. Between 1960 and 1970, the net natural increase (resident live births minus resident deaths) totaled 20,300; thus, net out-migration over the decade amounted to 6,300. Most of the out-migration occurred in the first half of the decade when the economy was sluggish and unemployment was high. In the latter part of the decade, the rate of net out-migration has diminished while migration into the county has increased because of higher levels of employment and greater numbers of migrant farm workers who dropped out of the agricultural labor force to seek industrial employment. From April 1970 to September 1971, total population in the HMA increased by about 2,500 persons; during the same period, the net natural increase amounted to 2,700 persons. This suggests net out-migration of about 200 persons during this period, thus continuing the trend in the late 1960's of a decreasing rate of net out-migration.

Components of Population Change
Benton Harbor-St. Joseph, Michigan, Housing Market Area
April 1, 1960-September 1, 1971

<u>Component</u>	<u>Total change</u>		<u>Average annual change</u>	
	<u>April 1960- April 1970</u>	<u>1970-71</u>	<u>April 1960- April 1970</u>	<u>1970-71</u>
Total population change	14,000	2,500	1,400	1,800
Net natural increase	20,300	2,700	2,030	1,950
Net migration	-6,300	-200	-630	-150

Sources: U. S. Public Health Service, Vital Statistics; Michigan State Department of Health and estimates by Housing Market Analyst.

Estimated Future Population. The population of the Benton Harbor-St. Joseph HMA is expected to increase by about 1,500 persons annually during the two-year forecast period, reaching a total of 169,400 by September 1973. As in the past, most population growth should occur outside the main cities and especially in the townships of Lincoln, St. Joseph, Niles, and Oronoko. Increasing population growth can also be expected to occur in Berrien Township if the Michigan Credit Union League carries through with its plans to build a 900-unit moderate to upper income housing complex over a ten year period.

Households

Current Estimate and Past Trend. In September 1971, there were an estimated 51,950 households in the Benton Harbor-St. Joseph HMA, representing an average annual gain of 850 households since April 1970. During the April 1960-1970 decade, the number of households in the HMA increased by an average of 630 annually, from 44,412 to 50,758. The bulk of the increase between 1960 and 1970 occurred in the latter part of the decade, accompanying the relatively high levels of employment.

There were an estimated 5,325 households in the city of Benton Harbor as of September 1, 1971. Since April 1, 1970, the number of households in the city has increased by about 60; this represents a reversal of the 1960-1970 trend when households declined by 810 from 6,077 in 1960 to 5,267 in 1970. Households in the twin city of St. Joseph numbered about 4,175 on September 1, 1971, an increase of around 60 over the April 1970 figure. During the 1960-1970 decade, households in St. Joseph increased by 243 from 3,874 in 1960 to 4,117 in 1970. The increasing number of households coupled with the decline in population which took place during the decade reflects the increasing dominance of the elderly portion of the population in St. Joseph. As of September 1971, there were about 4,475 households in Niles, representing an increase of about 45 units over April 1970. During the 1960-1970 decade, the number of households in Niles declined from 4,486 in 1960 to 4,431 in 1970. About 73 percent of the households in the HMA were located outside the three major cities in September 1971. Since April 1970, approximately 85 percent of household growth has occurred in this area; this proportion is lower than the 1960-1970 average of 95 percent. There were about 37,975 households outside the major cities as of September 1971, an increase of about 1,030 since April 1970.

Household Size. The average number of persons per household in the Benton Harbor-St. Joseph HMA was calculated to be 3.16 in September 1971, reflecting a continuation of the downward trend of the 1960-1970 decade when household size declined from 3.35 in 1960 to 3.18 in 1970. The average number of persons per household in the city of Benton Harbor in September 1971 was 3.12, the same average as recorded in April 1970. From 1960 to 1970, the average number of persons per household declined slightly from 3.14 to 3.12. In St. Joseph, as of September 1971, the average number of persons per household was 2.56, compared with 2.61 in 1970 and 2.95 in 1960. The average household size in Niles was 2.90 in September 1971, continuing the downward trend from 3.08 in 1960 to 2.91 in 1970. In the remainder of the HMA the average number of persons per household was 3.27 in September 1971, compared with 3.30 in 1970 and 3.48 in 1960.

Future Households. Based on the anticipated growth in population and on household size trends evident in the area, there will be a total of about 53,500 households in the HMA by September 1973. The expected rate of household growth (775 a year) is below that of the past two years, but still above the 1960-1970 annual average of 630.

Housing Market Factors

Housing Supply

Current Estimate and Past Trend. As of September 1, 1971, there were approximately 60,800 housing units in the Benton Harbor-St. Joseph HMA. This inventory represented a net increase of about 1,150 units over the April 1970 count of 59,650. The increase in the housing inventory resulted from the construction of approximately 1,400 new units, the addition of 280 trailers, and the loss of about 530 units by demolition, fire, conversion, and other inventory changes. During the April 1960-April 1970 decade, the number of housing units increased from nearly 53,900 to 59,650, a gain of 5,750.

Units in Structure. About 81 percent of all housing units in the HMA were in one-unit structures as of September 1971, compared with 82 percent in 1970 and 87 percent in 1960. This trend is indicative of the rising preference within the HMA for multifamily housing beginning in the latter part of the 1960-1970 decade. The number of units in two- or more-unit structures increased from 6,100 (11 percent of all units) in 1960 to about 9,750 (16.3 percent) in 1970; by September 1971, it has reached 10,300 units (16.9 percent of the total). The number of mobile homes also has increased rapidly, particularly between April 1970 and September 1971 when 280 mobile homes were added to the inventory. Growth of multifamily housing and mobile homes during this period was influenced to a great extent by the preferences of the large number of relatively transient construction workers at the Cook Nuclear Plant needing only temporary housing during the period of construction. During the 1960-1970 decade, mobile homes increased from 770, or 1.4 percent of the total housing inventory in 1960 to 1,300 or 2.2 percent in 1970.

Housing Inventory by Units in Structure
Benton Harbor-St. Joseph, Michigan, Housing Market Area
April 1, 1960-September 1, 1971

<u>Units in structure</u>	<u>April 1, 1960</u>		<u>April 1, 1970</u>		<u>Sept. 1, 1971</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number^{a/}</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
1 unit	47,006	87.2	48,600	81.5	48,925	80.5
2 or more units	6,118	11.4	9,750	16.3	10,300	16.9
Mobile homes	772	1.4	1,300	2.2	1,575	2.6
Total	53,896	100.0	59,650	100.0	60,800	100.0

^{a/} Rounded.

Sources: 1960 and 1970 Censuses of Housing; 1971 estimated by Housing Market Analyst.

Year Built. Based on data derived from 1960 Census of Housing and on construction and demolition data obtained locally, it is estimated that about 1.9 percent of the HMA housing inventory as of September 1971 has been built since March 1970. Between 1960 and 1970, 9.5 percent of the total was added, and between 1950 and 1960 approximately 22.5 percent was built. During the 1940's, about 15.8 percent was built, and slightly over 50 percent of the total housing stock was built prior to 1940.

Housing Inventory by Year Built
Benton Harbor-St. Joseph, Michigan, Housing Market Area
As of September 1, 1971

<u>Year built</u>	<u>Housing units</u>	
	<u>Number</u>	<u>Percent</u>
April 1970-Sept. 1, 1971	1,153	1.9
April 1960-March 1970	5,751	9.5
1959-March 1960	1,825	3.0
1955-1958	5,041	8.3
1950-1954	6,833	11.2
1940-1949	9,622	15.8
1930-1939	6,682	11.0
1929 or earlier	23,893	39.3
Total	60,800	100.0

Source: Estimated by Housing Market Analyst, based on 1960 and 1970 Censuses of Housing, and local construction and demolition data.

Housing Condition. About 6,700 housing units, 11 percent of the units in the Benton Harbor-St. Joseph HMA, are estimated to have been dilapidated or lacking one or more plumbing facilities as of September 1971. This indicates an improvement in the housing stock since 1960 when 9,375 units, 17.4 percent of the inventory, were substandard in condition or plumbing. The 1970 Census indicates an even more substantial reduction in the number of units lacking one or more plumbing facilities which dropped from 5,247 units, or 9.7 percent of the total inventory in 1960, to 2,267 units, or

3.8 percent in 1970. It is estimated, however, that the proportion of dilapidated units has increased during this period. The overall improvement of the housing inventory can be ascribed to urban renewal activity along with the demolition of some substandard units throughout the county and stricter code enforcement within Benton Harbor.

Residential Building Activity

Trend. It is estimated that approximately 1,150 housing units were completed in the Benton Harbor-St. Joseph HMA in the interval between April 1, 1970, and September 1971, representing a rate of construction of 810 units a year.

Building permits are issued by 38 incorporated areas in the HMA and cover virtually all residential building activity. During the 1960-1970 decade, nonsubsidized housing units authorized by building permits totaled approximately 8,800, including 7,200 single-family houses and 1,600 multifamily units. From 1960 through 1970, authorizations for construction of single-family houses declined steadily from a high of about 990 in 1960 to a low of 460 in 1969. In 1970, the number of single-family house permits issued rose to 490, but, based on partial data, the number probably will be slightly lower in 1971. The number of multifamily units authorized has evidenced a relatively steady trend upward, rising from a low in 1961 of about 20 units to a high in 1968 of almost 570 units. In 1969, multifamily permits dropped to 190 units and increased slightly in 1970 to 210; this number probably will increase by 50 to 75 units in 1971.

Lincoln, Benton, St. Joseph, Niles, and Oronoko Townships accounted for about 50 percent of all private residential units authorized during the 1960-1970 decade. Lincoln Township, with a total of about 1,580 units authorized in this period, has had by far the greatest volume of building activity. During this period, about 800 private residential units were authorized in Benton Township, 750 in St. Joseph Township, 680 in Niles Township, and 520 in Oronoko Township.

Units Currently Under Construction. Based on building permit data and a postal vacancy survey conducted in September 1971, it is estimated that there were 400 private housing units under construction in the HMA in September 1971, including 150 single-family homes and 250 units of multifamily housing. In addition to the privately-financed housing under construction, there were about 20 homes to be insured under Section 235 being built, a 76-unit public housing project in Buchanan, and a 53-unit apartment project in Niles subsidized under Section 236.

Demolitions and Other Inventory Losses. Between April 1960 and April 1970, there was a loss of approximately 4,000 units from the housing inventory of the HMA brought about by a combination of urban renewal, building code enforcement, conversion, fire, and other changes in the housing supply. A large portion of the demolitions, about 900, occurred in Benton Harbor where the largest urban renewal project in the county took place. Approximately 3,100 housing units were demolished in the remainder of the county.

Current Estimate and Past Trend. As of September 1971, there were estimated to be approximately 51,950 occupied housing units in the HMA, of which 37,900 (73.0 percent) were owner-occupied and 14,050 (27.0 percent) were renter-occupied. During the 1960-1970 decade, there was no change in the proportion renter-occupied; it was 26.5 percent in both 1960 and 1970.

Tenure of Occupancy Trend
Benton Harbor-St. Joseph, Michigan, HMA
April 1, 1960-April 1, 1970

<u>Tenure</u>	<u>April 1 1960</u>	<u>April 1 1970</u>	<u>Sept. 1 1971</u>
Total occupied units	<u>44,412</u>	<u>50,758</u>	<u>51,950</u>
Owner-occupied	32,659	37,301	37,900
Percent of total	73.5%	73.5%	73.0%
Renter-occupied	11,753	13,457	14,050
Percent of total	26.5%	26.5%	27.0%

Sources: 1960 and 1970 Censuses of Housing; 1971 estimated by Housing Market Analyst.

Vacancy

1970 Census. The 1970 Census of Housing reported 1,510 vacant, non-seasonal and nondilapidated housing units in the Benton Harbor-St. Joseph HMA available for sale or rent, representing an available vacancy rate of 2.9 percent. Vacant units available for sale totaled 435, indicating a homeowner vacancy rate of 1.2 percent. The 1,075 vacant units available for rent reflected a rental vacancy rate of 7.4 percent. In addition, the 1970 Census reported 7,379 "other" vacancies including, especially, seasonal units.

September 1971 Postal Vacancy Survey. A postal vacancy survey conducted in the Benton Harbor-St. Joseph HMA during the first week in September covered 42,287 possible deliveries to residences and apartments and 980 possible deliveries to house trailers, or about 70 percent of the total housing inventory. An overall vacancy rate of 1.8 percent was indicated in residences and apartments.

About 38,300 of the total possible deliveries were listed as residences and about 4,000 were apartments. It is estimated, however, that about 20 percent of the units listed as residences are rented. The 400 vacant residences and the 380 vacant apartments represented vacancy rates of 1.0 and 9.6, respectively. The survey results are shown in table VII.

In interpreting the results of the postal vacancy survey, it is important to note that in an area which has a substantial number of seasonal units of housing such as the Benton Harbor-St. Joseph HMA (4,750 units in 1970), many seasonal units would still be occupied the first week in September and may have been counted as such in the postal vacancy survey, lowering the overall vacancy from that based on census definitions, which exclude seasonal units.

Current Estimate. On the basis of the postal vacancy survey and other vacancy data, and on personal observation in the HMA, it is estimated that there were about 1,450 vacant, nondilapidated, nonseasonal housing units available as of September 1, 1971, reflecting a total available vacancy rate of 2.8 percent. Of these vacant units, about 500 were available for sale, representing a homeowner vacancy rate of 1.3 percent; the remaining 950 were available for rent, reflecting a renter vacancy rate of 6.3 percent. These vacancy rates indicate a moderate increase in the sales vacancy rate and a moderate decrease in the renter vacancy rate since April 1970.

Vacancy Trends
Benton Harbor-St. Joseph, Michigan HMA
1960-1971

	<u>April 1</u> <u>1960</u>	<u>April 1</u> <u>1970</u>	<u>Sept. 1</u> <u>1971</u>
Total vacant units	<u>9,484</u>	<u>8,889</u>	<u>8,850</u>
Available vacant units	<u>1,245</u>	<u>1,510</u>	<u>1,450</u>
For sale	408	435	500
For rent	837	1,075	950
Other vacant units	8,239	7,379	7,325
Homeowner vacancy rate	1.2%	1.2%	1.3%
Renter vacancy rate	6.6%	7.4%	6.3%

Sales Market

General Market Conditions. The market for new and existing sales housing in the HMA has weakened slightly since April 1970, but remains relatively strong, as evidenced by the homeowner vacancy rate of 1.3 percent and a low rate of foreclosures. FHA foreclosures amounted to only 11 homes in 1970. This modest softening of the market can be attributed in part to the general downturn of the local economy during this period and to undue optimism in residential construction in 1970. A slight excess of new homes available for sale exists in the moderate- to upper-price range from \$25,000 and up. This fact is corroborated by the Unsold Inventory Survey of New Houses in selected subdivisions which was conducted by Grand Rapids Insuring Office in January 1971. The survey reported seven (19 percent) of the 36 speculatively built homes surveyed as remaining unsold at the time of the survey; four of these homes had been on the market for less than four months.

Subdivis on activity in the Benton Harbor-St. Joseph HMA has generally been declining throughout the 1960-1970 decade as has also the proportion of speculative units built. A major reason for this decline, apart from rising construction costs and rising mortgage rates, has been the depletion of the better vacant land, leaving only undeveloped land surrounding the urban area which has poor swampy soil and inadequate water supplies. Hence, Lincoln Township, where a great deal of small subdivision activity has taken place, particularly in the higher-priced ranges, has called a halt to new

subdivision activity until a more adequate water supply system than the present one of buying water from St. Joseph is developed.

The speculative activity in the lower and moderate priced homes ranging from \$19,000 to \$25,000 has been and continues to be strong. The unsold inventory survey reports that of the 36 speculative homes surveyed, 16 (or almost half) were built in this price range and all of them were sold before completion. According to local sources, demand is particularly strong in this price range in the small subdivisions around Niles where a number of Section 235 subsidized homes are being built also. The big problem for the builders in this price range has been to find suitable lots cheap enough on which to build lower-priced housing. This was more of a problem for the small subdivision developers in Benton Township, but controversy in the Benton Harbor School District has eclipsed other problems and has seriously retarded all residential growth in Benton Harbor and Benton Township.

Rental Market

General Market Conditions. The soft market condition indicated by the April 1970 Census has dissipated somewhat since then. The rental vacancy rate declined from 7.4 percent in 1970 to 6.3 percent currently. Although this vacancy rate is rather high for an area of moderate growth, the majority of the vacancies are in older apartments, converted units and the less desirable single-family houses. Absorption of new multifamily units has been very favorable; practically all new apartment projects reported no vacancies and substantial waiting lists as of September 1, 1971.

The trend in multifamily construction in the Benton Harbor-St. Joseph HMA is away from the two-to-four-unit structures of the early 1960's toward large projects offering more amenities such as carpeting and laundry facilities. Competitive rents for new efficiency apartments, including utilities, range from \$130 to \$140, for one-bedroom units from \$175 to \$185, and for two-bedroom units from \$190 to \$210. Local sources indicate that there is a need for more moderately-priced units with more bedrooms which would be suitable for families with children since most of the new apartments permit only one child, if any, per family.

Current tenure of occupancy estimates and increasing multifamily housing production, particularly since 1966, indicate a notable shift from owner to renter occupancy since 1966. Although the 1960 and 1970 Census data showed a virtually unchanged renter occupancy proportion, this can be explained by the shifts toward homeownership which took place earlier in the decade, with a reversal in a shift toward rental occupancy beginning around 1966, it was not until 1970 that the same renter occupancy proportion that prevailed in 1960 was reached.

Mortgage Market. Local financial institutions indicate that the mortgage market is in relatively good condition. The typical interest rate on conventional mortgage loans is 7.5 percent, the downpayment is 20 percent, and the repayment period is 20 to 25 years.

FHA Participation. During the 1960-1970 period, approximately 1,630 home mortgages were insured by FHA in the Benton Harbor-St. Joseph HMA. The yearly totals ranged from a low of 69 in 1963 to a high of 335 in 1970.

FHA Home Mortgage Activity
Benton Harbor-St. Joseph, Michigan, HMA, 1960-1970
Sections 203(b), 221(d)(2), 222, 223(e), 235 & 220

<u>Year</u>	<u>Home mortgages insured</u>		
	<u>Existing</u>	<u>New</u>	<u>Total</u>
1960	79	80	159
1961	76	57	133
1962	47	31	78
1963	44	25	69
1964	48	50	98
1965	86	40	126
1966	71	44	115
1967	80	18	98
1968	103	17	120
1969	286	12	298
1970	293	42	335
Total	1,213	416	1,629

Source: Federal Housing Administration, Division of Research & Statistics.

Public Housing. As of September 1, 1971, the Benton Harbor Housing Authority had 635 housing units under management. In the city of Benton Harbor there are 335 units of public housing, including a high-rise project for the elderly of 100 units and 55 units of Section 23 leased housing. In Benton Township there are two projects totaling 300 units of which 140 are for the elderly. All units are filled, and there are long waiting lists for each project with about 150 elderly and 120 families on the waiting list. No new projects are planned for the Benton Harbor area at the present time.

In St. Joseph, there is a 107-unit high-rise project for the elderly with a waiting list of 100 in September 1971. Niles also has a high-rise project for the elderly with 122 units plus 50 scattered site units of public housing. In Buchanan, construction started in August 1971 on a 76-unit project for the elderly.

Urban Renewal. Benton Harbor completed its first urban renewal project in early 1970. This was the largest of 12 areas slated for renewal and/or redevelopment over a 20-year period. The project began in 1967 and resulted in the demolition of about 360 substandard units in the Old Market Area on the riverfront. Re-use of the area has been completely commercial and industrial; a planned regional shopping mall for the area has never materialized. In June 1970, a Concentrated Code Enforcement project was initiated on the east side of Benton Harbor accompanying the establishment of a Model Cities Agency. Currently, the Model Cities and Urban Renewal agencies are awaiting approval of the Neighborhood Development Project

which foresees the demolition of about 160 dwelling units in the Model Cities area over a five-year period with 50 to 70 units demolished within the first two years. In addition, about 580 units are slated for rehabilitation during the five-year period, of which 150 units would be rehabilitated in the first two years.

Niles is on the verge of completing its Central Business District Urban Renewal Area project which is bounded by Main Street to the east, Broadway to the north, and the St. Joseph River to the west. The area is a commercial one and will remain so after the project is completed. About 20 units have been demolished. The urban renewal projects in both St. Joseph and Buchanan were completed in 1970. About 50 dwelling units were demolished in St. Joseph; commercial buildings and a 107-unit public housing high-rise for the elderly have taken their place. In Buchanan the 45 dwelling units demolished have been more than replaced by about 15 single-family homes and about 70 multifamily units, plus a few commercial buildings.

Demand for Housing

Quantitative

The demand for new housing in the Benton Harbor-St. Joseph HMA during the two-year forecast period ending September 1, 1973, is based on the projected increase in the number of households during each of the next two years. To this basic factor, adjustments are made for units expected to be lost from the housing inventory and consideration is given to the current level of vacancies and of new construction. Based on these adjustments, the demand for additional nonsubsidized housing units in the HMA is estimated at 660 units a year, consisting of 420 single-family houses and 240 multifamily units. The forecast demand for both single-family houses and multifamily units is somewhat below the 1970-1971 construction rates, reflecting an anticipated slowing of population growth and only moderate recovery in the local economy.

Qualitative

Single-family Housing. Based on current family income, on typical ratios of income to purchase price, and on recent market experience, the annual demand for 420 new single-family houses is expected to approximate the sales price pattern presented in the following table.

Estimated Annual Demand for New Single-family Houses Benton Harbor-St. Joseph, Michigan, HMA September 1, 1971-September 1, 1973

<u>Sales price</u>	<u>Number of houses</u>
Under \$20,000	70
\$20,000 - 22,499	50
22,500 - 24,999	80
25,000 - 29,999	130
30,000 - 34,999	60
35,000 and over	30
Total	420

Multifamily Housing. The distribution of demand for the 240 nonsubsidized net additions to the multifamily inventory at the rents associated with market-interest-rate financing are indicated by size of unit and by monthly gross rent in the following table. As indicated by past multifamily building trends and marketing experience, new multifamily accommodations would be absorbed most readily in Lincoln, St. Joseph, Niles, and Oronoko Townships. If the Michigan Credit Union League carries through with its plans to build a 900-unit single-family and multifamily complex near Berrien Springs over a ten-year period, then Berrien Township would become a multifamily growth area also.

If sufficient vacant lots could be obtained, construction of moderate-income rental housing in St. Joseph and Benton Harbor could help prevent and also help stem somewhat the erosion of the tax base as pressures to desert the inner cities mount.

Estimated Annual Demand for New Private Multifamily Housing
Benton Harbor-St. Joseph, Michigan, HMA
September 1971-September 1973

<u>Unit size</u>	<u>Gross monthly rent</u>	<u>Number of units</u>
Efficiency	\$130 and over	15
One-bedroom	\$170 - \$189	40
	\$190 and over	60
Two-bedroom	\$190 - \$209	50
	\$220 and over	60
Three-bedroom	\$220 and over	15
Total		<u>240</u>

Occupancy Potential for Subsidized Housing

Federal assistance in financing costs for new housing for low- or moderate-income families may be provided through a number of different programs administered by FHA: monthly rent supplements in rental projects financed under Section 221(d)(3); partial payment of interest on home mortgages insured under Section 235; partial interest payment on project mortgages insured under Section 236; and federal assistance to local housing authorities for low-rent public housing.

The estimated occupancy potentials for subsidized housing are designed to determine, for each program, (1) the number of families and individuals who can be served under the program and (2) the proportion of these households that can reasonably be expected to seek new subsidized housing during the forecast period. Household eligibility for the Section 235 and Section 236 programs is determined primarily by evidence that household or family income is below established limits but sufficient to pay the minimum achievable rent or monthly payment for the specified program. Insofar as the income requirement is concerned, all families and individuals with income below the income limits are assumed to be eligible for public housing and rent supplement; there may be other requirements for eligibility, particularly the requirement that current living quarters be substandard for

families to be eligible for rent supplements. Some families may be alternatively eligible for assistance under more than one of these programs or under other assistance programs using federal or state support. The total occupancy potential for federally assisted housing approximates the sum of the potentials for public housing and Section 236 housing. For the Benton Harbor-St. Joseph HMA, the total occupancy potential is estimated to be 465 units annually.

The annual occupancy potentials^{1/} discussed below are based on 1971 incomes, the occupancy of substandard housing estimates of the elderly population, income limits in effect on September 1, 1971, and on available market experience.^{2/}

Section 235 and Section 236. Subsidized housing for households with low to moderate incomes may be provided under either Section 235 or Section 236. Moderately-priced, subsidized sales housing for eligible families can be made available through Section 235. Subsidized rental housing for the same families may be alternatively provided under Section 236; the Section 236 program contains additional provisions for subsidized rental units for elderly couples and individuals. In the Benton Harbor-St. Joseph, Michigan, HMA, it is estimated (based on regular income limits) that, for the period September 1971-September 1973, there is an occupancy potential for an annual total of 270 subsidized family units utilizing either Section 235 or Section 236, or a combination of the two programs. In addition, there is an annual potential for about 60 units of Section 236 rental housing for elderly couples.

One project of Section 236 housing with 160 units was completed in August 1971 in Benton Township and had 20 occupants by September 1, 1971, but the lack of proximity of the project to stores plus the likelihood of its being almost totally occupied by ADC families cast doubt upon its long-run viability. Construction began in August 1971 on a 76-unit Section 236B project for the elderly in Buchanan. In view of this large increase in Section 236 housing units, no new Section 236 units should be considered until the successful absorption of those units occurs.

^{1/} The occupancy potentials referred to in this analysis have been calculated to reflect the strength of the market in view of existing vacancy. The successful attainment of the calculated potentials for subsidized housing may well depend upon construction in suitable accessible locations, as well as distribution of rents and sales prices over the complete range attainable for housing under the specified programs.

^{2/} Families with income inadequate to purchase or rent nonsubsidized housing generally are eligible for one form or another of subsidized housing.

Moderately-priced rental units have been provided also in the Benton Harbor-St. Joseph HMA by a Section 221(d)(3)BMIR project with 150 units located in Benton Township. The Section 221(d)(3) project has been highly successful; the last 34 units were completed in June 1971 and by August were completely filled and there was a waiting list.

The Section 235 program of new sales housing has been well received in the Benton Harbor-St. Joseph HMA, but the existing Section 235 sales housing program was beset with many problems. Since January 1969, a total of about 150 houses have been insured under Section 235 in the HMA, of which 55 were existing units. The number of new homes insured has increased from only one in 1969 to 34 in 1970 to an estimated 60 thus far in 1971 with existing homes no longer being insured in 1971. A large proportion of the forecasted demand for Section 235 housing during the September 1971-September 1973 period could be absorbed in Benton Harbor as the code enforcement program there expands. Indeed, most of the new housing constructed in Benton Harbor in the last year and a half has been Section 235 housing. Benton Harbor has been an area of racial transition for several years, but the recent concentration of low-income, nonwhite families in Benton Harbor has almost completely dried up the market for nonsubsidized new housing in Benton Harbor.

Current housing allowances paid to families receiving aid to dependent children are sufficiently high that all families receiving these payments have the income capability required for Section 235 housing. About 70 percent of the families eligible under Section 235 also are eligible for public housing and all families are eligible under Section 236.

Rental Units Under the Public Housing and Rent Supplement Programs. These two programs serve essentially the same low-income households. The principal differences arise from the manner in which net income is computed for each program and other eligibility requirements. The annual occupancy potential for public housing is estimated at 185 units for families and 115 units for elderly occupants over the next two years. In the case of the somewhat more restrictive rent supplement program, the potential for the elderly remains the same, but the potential for families drops to 85 units. Given the high level of welfare payments in Michigan, about 35 percent of the elderly and 70 percent of the families are eligible also for housing under Sections 235 and 236. As of September 1971, all public housing projects, especially those for the elderly, had long waiting lists.

Table I
Trend of Work Force Components
Benton Harbor-St. Joseph, Michigan, Labor Market Area
Annual Averages 1960-1971

Components	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	Year ending in July	
												1970	1971
Total work force	<u>59,100</u>	<u>59,400</u>	<u>60,500</u>	<u>61,900</u>	<u>61,400</u>	<u>63,100</u>	<u>65,400</u>	<u>66,800</u>	<u>68,100</u>	<u>71,300</u>	<u>73,300</u>	<u>73,000</u>	<u>75,200</u>
Unemployment	3,100	4,100	4,000	3,100	3,200	2,400	2,200	2,700	2,800	2,300	4,100	3,100	5,500
Percent unemployed	5.2	6.9	6.6	5.1	5.2	3.8	3.4	4.0	4.1	3.2	5.6	4.3	7.3
Total employment	<u>56,000</u>	<u>55,200</u>	<u>56,500</u>	<u>57,700</u>	<u>58,200</u>	<u>60,200</u>	<u>63,200</u>	<u>63,600</u>	<u>65,000</u>	<u>69,100</u>	<u>68,200</u>	<u>69,500</u>	<u>68,700</u>
Agricultural employment	4,200	4,000	3,900	3,800	3,600	3,500	3,400	3,300	3,200	3,100	2,900	3,000	2,900
Percent	7.5	7.2	6.9	6.6	5.9	5.8	5.4	5.2	4.9	4.5	4.3	4.1	3.9
Nonagricultural employment	<u>51,800</u>	<u>51,200</u>	<u>52,600</u>	<u>53,900</u>	<u>54,600</u>	<u>56,700</u>	<u>59,800</u>	<u>60,300</u>	<u>61,800</u>	<u>66,000</u>	<u>65,300</u>	<u>66,500</u>	<u>65,800</u>
Wage and salary	44,700	44,000	45,400	46,800	47,500	49,600	53,000	53,600	55,400	59,500	58,900	60,100	59,100
Other ^{a/}	7,100	7,200	7,200	7,100	7,100	7,100	6,800	6,700	6,400	6,500	6,400	6,400	6,700
Workers involved in labor-management disputes	-	100	-	200	-	500	-	500	300	-	1,000	500	1,000

^{a/} Includes self-employed, domestics, and unpaid family workers.

Note: Components may not add to totals because of rounding.

Source: Michigan Employment Security Commission.

Table II

Trend of Nonagricultural Wage and Salary Employment
Benton Harbor-St. Joseph, Michigan, HMA
Annual Averages 1960-1971

Industry	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	Year ending in July	
												1970	1971
Total wage & salary employ.	44,700	44,000	45,400	46,800	47,500	49,600	53,000	53,600	55,400	59,500	58,900	60,100	59,100
Manufacturing	23,300	22,300	23,500	24,500	24,600	25,700	28,300	28,600	29,300	31,100	28,500	30,300	27,400
Durables	17,900	17,000	18,000	18,900	19,100	20,000	22,600	22,400	22,700	23,900	21,400	23,000	20,500
Metal industries	5,600	5,300	5,500	5,700	5,900	6,400*	7,100	6,900*	6,900*	7,500	7,300*	7,500*	7,100*
Nonelectrical machin.	3,300	2,800	2,800	2,900*	3,000	3,200	3,800	4,000	3,700	3,700	3,500	3,600	3,300*
Electrical machinery	5,500	5,800	6,100	6,400	6,000	6,100	6,500	6,300*	6,700	7,200	5,600*	6,500*	5,600*
All other durables	3,500	3,200	3,600	3,900	4,300	4,200*	5,100*	5,200	5,400	5,500	5,100*	5,400	4,700*
Nondurables	5,500	5,300	5,500	5,600	5,600	5,700	5,700	6,200	6,600	7,200	7,100	7,300	6,900
Food products	1,500	1,400	1,400	1,300*	1,500	1,500	1,200	1,200	1,200	1,400	1,400	1,400	1,300
Paper products	2,000	2,000	1,900	2,000	1,900	2,100	2,200	1,300	1,200	1,200	1,200	1,200	1,100
Printing-publishing	900	800	800	800	700	600	600	2,100	2,400	2,800	2,800	2,900	2,800
All other nondurables	1,000	1,100	1,400	1,500	1,500	1,600	1,600	1,600	1,800	1,900	1,700	1,800	1,700
Nonmanufacturing	21,400	21,700	21,900	22,300	22,900	23,700	24,700	25,000	26,100	28,400	30,400	29,800	31,700
Construction	1,400	1,300	1,300	1,400	1,500	1,600	1,500*	1,700	1,600	2,000	2,700	2,400	3,800
Trans., comm., & utilit.	2,200	2,200	2,200	2,100	2,000	2,000	2,100	2,100	2,000	2,100	2,000	2,000	2,000
Trade	7,700	7,600	7,700	7,800	8,000	8,700	9,200	9,000	9,000	9,600	10,000	10,000	10,200
Wholesale	1,100	1,000	1,100	1,100	1,100	1,200	1,300	1,200	1,200	1,300	1,300	1,300	1,300
Retail	6,600	6,600	6,600	6,700	6,900	7,500	7,900	7,800	7,800	8,300	8,700	8,700	8,900
Fin., insur., real estate	1,000	1,100	1,100	1,200	1,200	1,200	1,300	1,300	1,500	1,500	1,500	1,500	1,500
Service	4,700	4,700	4,800	4,900	5,200	5,500	5,800	5,900	6,300	6,700	7,000	7,000	7,100
Government	4,500	4,700	4,800	4,900	4,900	4,800	4,900	5,000	5,700	6,500	7,200	7,000	7,200

Asterisk (*) indicates that a labor-management dispute involving more than 100 workers existed in that industry during at least one month of the year.

Note: Totals may not equal summations because of rounding.

Source: Michigan Employment Security Commission.

Table III

Estimated Percentage Distribution of Families by Annual Income
After Deduction of Federal Income Tax
Benton Harbor-St. Joseph, Michigan, HMA, 1959 and 1971

<u>Family income</u>	<u>1959</u>		<u>1971</u>	
	<u>All families</u>	<u>Renter households^{a/}</u>	<u>All families</u>	<u>Renter households^{a/}</u>
Under \$4,000	26	35	10	14
\$4,000 - 4,999	13	19	5	6
5,000 - 5,999	16	17	5	6
6,000 - 6,999	14	10	6	9
7,000 - 7,999	10	8	7	10
8,000 - 8,999	7	4	8	9
9,000 - 9,999	4	2	9	9
10,000 - 12,499	6	1	19	18
12,500 - 14,999	2	1	12	9
15,000 - 19,999	1	2	13	6
20,000 and over	<u>1</u>	<u>1</u>	<u>6</u>	<u>4</u>
Total	100	100	100	100
Median	\$5,700	\$4,850	\$10,050	\$8,500

^{a/} Excludes one-person renter households.

Source: Estimated by Housing Market Analyst.

Table IV
Population and Household Trends
Benton Harbor-St. Joseph, Michigan, HMA
April 1960-September 1973

<u>Population</u>	<u>April 1 1960</u>	<u>April 1 1970</u>	<u>Sept. 1 1971</u>	<u>Sept. 1 1973</u>	<u>Average annual change</u>					
					<u>1960-1970</u>		<u>1970-1971</u>		<u>1971-1973</u>	
					<u>Number</u>	<u>Rate^{a/}</u>	<u>Number</u>	<u>Rate^{a/}</u>	<u>Number</u>	<u>Rate^{a/}</u>
HMA total	<u>149,865</u>	<u>163,865</u>	<u>166,400</u>	<u>169,400</u>	<u>1,400</u>	0.9	<u>1,800</u>	1.1	<u>1,500</u>	0.9
Benton Harbor	19,136	16,481	16,650	16,550	-265	-1.5	120	0.7	-50	-0.3
St. Joseph	11,755	11,042	11,150	11,200	- 70	-0.6	80	0.7	25	0.2
Niles	13,842	12,988	13,100	13,300	- 85	-0.6	70	0.6	100	0.8
Remainder	105,132	123,354	125,500	128,350	1,860	1.6	1,500	1.2	1,425	1.1
<u>Households</u>										
HMA total	<u>44,412</u>	<u>50,758</u>	<u>51,950</u>	<u>53,450</u>	<u>630</u>	1.3	<u>850</u>	1.6	<u>750</u>	1.5
Benton Harbor	6,077	5,267	5,325	5,275	-80	-1.4	40	0.8	-25	-0.5
St. Joseph	3,874	4,117	4,175	4,250	25	0.6	40	1.0	40	0.9
Niles	4,486	4,431	4,475	4,575	- 5	-0.1	30	0.7	50	1.1
Remainder	29,975	36,943	37,975	39,350	700	2.1	740	2.0	685	1.8

^{a/} Derived through the use of a formula designed to calculate the rate of change on a compound basis.

Note: Components may not add to totals because of rounding.

Source: 1960 and 1970 Censuses of Housing and estimates by Housing Market Analyst.

Table V

Nonsubsidized Housing Units Authorized by Building Permits
Benton Harbor-St. Joseph, Michigan, HMA
1960-1971

Year	HMA total			Benton Harbor			St. Joseph			Niles			"Selected Townships" ^{b/}			HMA Remainder		
	Total	Single-family	Multi-family	Total	Single-family	Multi-family	Total	Single-family	Multi-family	Total	Single-family	Multi-family	Total	Single-family	Multi-family	Total	Single-family	Multi-family
1960	1,046	993	53	19	15	4	30	30	-	27	27	-	539	495	44	431	426	5
1961	851	832	19	6	6	-	26	25	1	24	24	-	434	422	12	361	355	6
1962	785	731	54	11	7	4	17	17	-	18	18	-	427	407	20	312	292	30
1963	857	792	65	12	5	7	21	19	2	27	21	6	488	474	14	309	273	36
1964	943	758	185	10	6	4	146	10	136	34	30	4	444	432	12	309	280	29
1965	961	802	159	2	2	-	10	10	-	56	25	31	583	485	98	310	280	30
1966	775	619	156	1	1	-	72	72	-	93	69	24	99	84	15	510	393	117
1967	800	607	193	2	2	-	12	8	4	59	22	37	411	301	110	316	274	42
1968	1,182	613	569	11	11	-	209	8	201	43	29	14	592	299	293	327	266	61
1969	649	458	191	9	9	-	6	6	-	10	10	-	327	232	95	297	201	96
1970	704	494	210	8	2	-	5	5	-	41	15	26	382	239	143	274	233	41
1971 ^{a/}	620	390	230	1	1	-	63	3	60	39	9	30	272	172	100	245	205	40
Total	10,173	8,089	2,084	86	67	19	617	213	404	471	299	172	4,998	4,042	956	4,001	3,468	533

^{a/} 1971 estimated to September 1 by Housing Market Analyst.

^{b/} "Selected Townships" are Lincoln, Benton, St. Joseph, Niles and Oronoko Townships: they are the five townships which have had the largest number of building permits since 1960 and which as a group accounted for over 50 percent of all building permits issued in 1970.

Sources: U. S. Bureau of Census, Construction Reports C-40; local building permit offices, and estimates by Housing Market Analyst.

Table Va

Subsidized Housing Units Authorized by Building Permits
Benton Harbor-St. Joseph, Michigan, HMA
1960-1971

<u>Year</u>	<u>HMA total</u>	<u>Section 235</u>	<u>Section 236</u>	<u>Section 221 (d)(3) BMIR</u>	<u>Low rent public housing</u>
1960	-	-	-	-	-
1961	-	-	-	-	-
1962	200	-	-	-	200
1963	-	-	-	-	-
1964	-	-	-	-	-
1965	-	-	-	-	-
1966	100	-	-	-	100
1967	107	-	-	-	107
1968	180	-	-	-	180
1969	56	1	-	55	-
1970	389	34	160	95	100
1971 ^{a/}	<u>189</u>	<u>60</u>	<u>53</u>	<u>-</u>	<u>76</u> (236B)
Total	1,221	95	213	150	763

a/ 1971 estimated to September 1 by Housing Market Analyst.

Sources: U. S. Bureau of Census, Construction Reports, C-40;
local building permit offices, and estimates by Housing Market Analyst.

Table VI

Estimated Annual Occupancy Potential for Subsidized Rental Housing
Benton Harbor-St. Joseph, Michigan, HMA
September 1, 1971 to September 1, 1973

	<u>Section 236^{a/}</u> <u>exclusively</u>	<u>Eligible for</u> <u>both programs</u>	<u>Public housing</u> <u>exclusively</u>	<u>Total for</u> <u>both programs</u>
A. <u>Families</u>				
1 bedroom	15	15	10	40
2 bedrooms	55	60	20	135
3 bedrooms	35	35	20	90
4+ bedrooms	<u>40</u>	<u>15</u>	<u>10</u>	<u>65</u>
Total	145 ^{b/}	125	60 ^{c/}	330
B. <u>Elderly</u>				
Efficiency	10	25	60	95
1 bedroom	<u>10</u>	<u>15</u>	<u>15</u>	<u>40</u>
Total	20	40 ^{d/}	75 ^{d/}	135

a/ Estimates are based on regular income limits.

b/ These families are alternatively eligible for subsidized sales housing under Section 235.

c/ About 50 percent of these families also are eligible for rent supplements.

d/ All of these elderly couples and individuals also are eligible for rent supplements.

Table VII

Benton Harbor-St. Joseph, Michigan, Area Postal Vacancy Survey
September 1, 1971

<u>Type of dwelling^{a/}</u>	<u>Total possible deliveries^{b/}</u>	<u>Vacant units</u>				<u>Under Construction</u>
		<u>All</u>	<u>Percent</u>	<u>Used</u>	<u>New</u>	
Residences	38,302	401	1.0	332	69	164
Apartments	<u>3,985</u>	<u>381</u>	9.6	<u>190</u>	<u>191</u>	<u>266</u>
Total	42,287	782	1.8	522	260	430
House trailers	980	18	1.8	-	-	-

a/ The definitions of "residence" and "apartment" are those of the Post Office Department, i.e.: A residence represents one possible stop with one possible delivery on a carrier's route; an apartment represents one possible stop with more than one possible delivery.

b/ The survey covers units in residences, apartments, and house trailers, including military, institutional, public housing units, and units used only seasonally. The survey does not cover stores, offices, commercial hotels, or dormitories, nor does it cover boarded-up residences or apartments that are not intended for occupancy.