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CANTON, Ohio

Oct. 1, 1967

*Analysis of the*  
**CANTON, OHIO**  
**HOUSING MARKET**

**as of October 1, 1967**

**(A supplement to the July 1, 1965 analysis)**

A Report by the  
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
FEDERAL HOUSING ADMINISTRATION  
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ANALYSIS OF THE  
CANTON, OHIO, HOUSING MARKET  
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Field Market Analysis Service  
Federal Housing Administration  
Department of Housing and Urban Development

## Foreword

As a public service to assist local housing activities through clearer understanding of local housing market conditions, FHA initiated publication of its comprehensive housing market analyses early in 1965. While each report is designed specifically for FHA use in administering its mortgage insurance operations, it is expected that the factual information and the findings and conclusions of these reports will be generally useful also to builders, mortgagees, and others concerned with local housing problems and to others having an interest in local economic conditions and trends.

Since market analysis is not an exact science, the judgmental factor is important in the development of findings and conclusions. There will be differences of opinion, of course, in the interpretation of available factual information in determining the absorptive capacity of the market and the requirements for maintenance of a reasonable balance in demand-supply relationships.

The factual framework for each analysis is developed as thoroughly as possible on the basis of information available from both local and national sources. Unless specifically identified by source reference, all estimates and judgments in the analysis are those of the authoring analyst and the FHA Market Analysis and Research Section.

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ANALYSIS OF THE  
CANTON, OHIO, HOUSING MARKET  
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(A supplement to the July 1, 1965, analysis)

Summary and Conclusions

1. Nonagricultural wage and salary employment in the Canton Housing Market Area (HMA) averaged 125,700 during the twelve-month period ending August 1, 1967, up 17,600 (4,900 a year) jobs over the 1963 level. The rate of economic growth slowed in late 1966 and early 1967, however; the total of 127,000 wage and salary jobs in August 1967 was just 100 above August 1966. Based on the trend of nonmanufacturing employment in past years, information provided by some of the larger employers in the area, and on known plans of plant expansion, a gain of around 5,500 wage and salary jobs (2,750 annually) appears to be a reasonable expectation for the October 1967-October 1969 period.
2. During the 1961 recession year, unemployment increased to 11,900 persons, or 8.9 percent of the work force. There was a reduction in the jobless rate every year until 1966, when unemployment averaged 3.1 percent of the work force. During the twelve-month period ending August 1, 1967, the rate increased slightly (to 3.2 percent).
3. The **median** 1967 after-tax income of all families in the HMA is estimated at \$7,575, and the median after-tax income of renter households (excluding one-person households) at \$6,125. By 1969 all family income will increase to a median of around \$8,000, and renter households will have a median income of about \$6,525.
4. As of October 1967, the population of the Canton HMA was about 375,200 persons, reflecting an increase of some 10,800 since July 1965, or about 4,800 (1.3 percent) annually. During the two-year forecast period, the population is expected to increase by about 9,000, or 4,500 (1.2 percent) annually.
5. Households (occupied housing units) numbered about 110,400 as of October 1967, up 3,400 (1,500 annually) since July 1965. The number of households will increase by about 2,900 (1,450 annually) during the October 1967-October 1969 period.
6. As of October 1967, there were approximately 115,300 housing units in the Canton HMA, reflecting a net gain of 2,800 since July 1965. Building permit activity increased from 1,125 units authorized in 1963 to about 1,925 in 1965. Activity decreased somewhat in 1966, to about 1,750 units. During the first seven months of 1967, only 860 units were authorized, compared to almost 1,175 in the corresponding period in 1966.

7. As of October 1967, there were about 4,900 vacant housing units in the Canton HMA, of which 2,500 were not dilapidated and were available for rent or for sale, an over-all available vacancy rate of 2.2 percent. About 900 vacant units were for sale only, a homeowner vacancy rate of 1.1 percent; 1,600 units were available for rent, a renter vacancy rate of 5.4 percent. Both the homeowner and renter vacancy rates have decreased since July 1965, from 1.5 percent and 6.5 percent, respectively.
8. There will be an annual demand for about 1,950 units of privately-financed housing in the HMA during the October 1967-October 1969 period, including 1,300 units of single-family housing and 650 units in multifamily structures. The demand for multifamily housing includes 300 units at the lower rents achievable only with below-market-interest-rate financing or assistance in land acquisition or cost. This estimate of demand is exclusive of public low-rent housing and rent-supplement accommodations.
9. The demand for new single-family housing is expected to approximate the price range distribution shown on page 14. The forecast demand for multifamily housing is distributed by unit size and rent range on page 15 .

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Housing Market Area

The Canton, Ohio, Housing Market Area is defined as being coterminous with the Canton Standard Metropolitan Statistical Area, which consists of Stark County, Ohio. In 1960, the population of the area was about 340,350 persons <sup>1/</sup>.

Situated in northeastern Ohio, the city of Canton is about 55 miles south of Cleveland, 115 miles northeast of the Ohio State Capital, Columbus, and 25 miles south of Akron. North-south Interstate 77 is now under construction through the HMA. The completion of the segment of I-77 connecting Canton and Akron has helped to increase worker commutation between the two cities.

Economy of the Area

Employment

Current Estimate and Past Trend. Nonagricultural wage and salary employment averaged 125,700 during the twelve-month period ending August 1, 1967, reflecting a net gain of 17,600 jobs (11.3 percent) over the average for 1963, when the recent employment boom started (see table I).

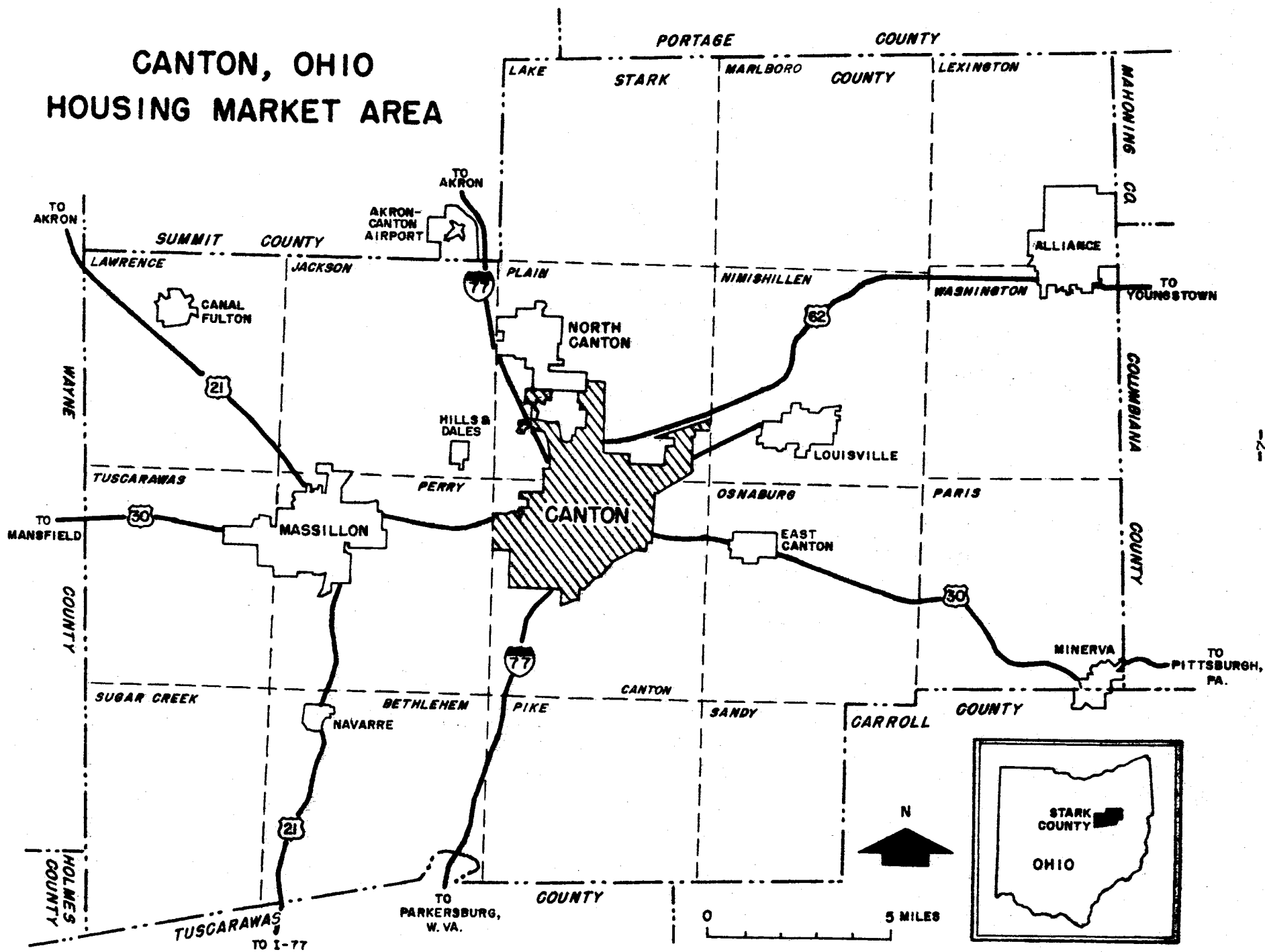
The economy of the Canton HMA has a history of instability. During the late 1950's company closings, move-outs, and increased efficiency in work force utilization caused employment declines. Wage and salary employment did not again reach the levels of the mid-1950's until 1966.

The area economy was buoyed during the 1963-1966 period by national economic prosperity (including the stimulus of the military effort in southeast Asia). While job totals increased moderately from 1961 to 1963 (1,150 a year), from 1963 to 1967 <sup>2/</sup> the average increase was over 4,900 annually. The rate of economic growth slowed in late 1966 and early 1967, however; the 127,000 non-agricultural wage and salary jobs during August 1967 was just 100 above the August 1966 level. The table below summarizes nonagricultural wage and salary employment trends during the 1963-1967 period.

<sup>1/</sup> Inasmuch as the rural farm population constituted only 2.6 percent of the total in 1960, all demographic and housing data used in this analysis refer to the total of farm and nonfarm data. All estimates of demographic and housing data and housing market conditions as of July 1965 are from previous analysis, adjusted to reflect information not available at the time of the field work for the 1965 analysis.

<sup>2/</sup> As used in this section of the analysis, all references to 1967 are for the twelve-month period ending August 1, 1967.

# CANTON, OHIO HOUSING MARKET AREA





Average Annual Nonagricultural Wage and Salary Employment  
Canton, Ohio, HMA, 1963-1967  
(in thousands)

<u>Year</u>	<u>Manufacturing</u>		<u>Total</u>	<u>Nonmanu- facturing</u>	<u>Total<sup>a/</sup></u>	<u>Change in total from preceding date</u>
	<u>Durable goods</u>	<u>Non- durable</u>				
1963	42.0	10.2	52.2	55.9	108.1	-
1964	44.3	10.3	54.6	57.4	112.1	4.0
1965	47.9	10.7	58.6	60.6	119.1	7.0
1966	50.7	11.0	61.6	63.2	124.8	5.7
<u>12 months ending August 1</u>						
1966	49.1	10.8	59.9	62.3	122.2	-
1967	50.6	10.8	61.5	64.2	125.7	3.5

a/ Details may not add to totals because of rounding.

Source: Ohio Bureau of Unemployment Compensation.

Major Industries. Manufacturing employment is the mainstay of the Canton economy. In 1967 manufacturing accounted for 49 percent of all non-agricultural wage and salary jobs in the Canton HMA compared to 40 percent in Ohio, one of the most highly industrialized states in the United States, and 30 percent in the nation as a whole. Over 82 percent of all Canton area manufacturing workers were engaged in durable goods production. This concentration tends to add a degree of instability to the local economy.

Despite the closings of an important heat exchanger manufacturer and of obsolescent steel production facilities during the 1963-1967 period, durable goods manufacturing accounted for 49 percent of the over-all increase in wage and salary employment.

With the exception of stone, clay, and glass products manufacturing, employment in every durable goods classification increased each year from 1963 to 1966. Durable goods employment in 1967 was 100 jobs below the average for 1966, however. The largest of the durable goods manufacturing industries, with 20,800 employees in 1967, is primary metals. Iron and steel are the most important primary metal industries in the Canton HMA, with prominent iron and steel producers, rolling mills, forges, and foundries. Aluminum casting is a large primary metals employer also. Modernization of production facilities has caused declining employment in steel production, but increased employment in

other classifications of primary metals production resulted in overall employment gains in the industries between 1963 and 1967. "All other durables", with 19,700 workers, is the second largest durable-goods employment classification. A single producer of roller bearings employs around half of the workers in this industry. Other manufacturers of both electrical and nonelectrical machinery make up most of the remainder of the "all other durables" classification. Employment gains in this category between 1963 and 1967 accounted for almost one-half of the over-all increase in total durable goods employment (4,100 jobs of an 8,600 total). Fabricated metals and stone, clay, and glass products are the least important durable goods industries, with 7,200 workers and 2,900 workers, respectively, in 1967.

The nondurable goods industries are relatively unimportant in the manufacturing sector of employment in the Canton HMA, but have been growing. Employment amounted to 10,800 in 1967. Much of the employment in "all other nondurables" (6,600 jobs in 1967) consists of rubber and plastic product manufacture, both of which have gained in employment somewhat since 1963. The processing of food is an important industry in Ohio; food and kindred product manufacturing accounted for 4,200 wage and salary workers during 1967 in the Canton HMA.

Employment in nonmanufacturing industries averaged 64,200 in 1967. The Canton HMA receives little basic economic support from nonmanufacturing; most employment is of a local service and supply nature. As shown in table 1, however, nonmanufacturing jobs have been increasing steadily in recent years--up an average of almost 2,325 annually between 1963 and 1967.

#### Principal Employers

No single firm has been more important to the economy of the Canton area than the Timken Roller Bearing Company. Originally established in Canton in 1902, Timken is now the largest employer in the area. Employment at Timken declined somewhat during the early 1960's, but has been increasing since 1963. The company reportedly expects employment to change little from present levels during the two-year forecast period.

The second largest employer in the Canton HMA is the Republic Steel Corporation. At one time, Republic was the largest employer in the Canton area. A series of plant closing and conversions to modern labor-saving oxygen process steel furnaces reduced employment to present levels. Although expansion at other, smaller steel producers has tempered the effect of the work force reductions somewhat, the communities in which the old plants that have been idled are located (especially Massillon) have suffered economic dislocations.

The third largest employer in the HMA is the Hoover Company. Hoover is an old-line vacuum cleaner manufacturer which has diversified over the years into many other electrical home appliance lines. The company originally contracted the production of appliances sold with the "Hoover" trademark to other firms. Hoover has, in more recent years, invested in additional plant facilities and has assumed production of many of these appliances. The result has been a substantial increase in work force at the North Canton plant. Hoover is now engaged in a \$20 million five-year expansion and modernization program; a \$2 million plant addition is now under construction. Within the two-year forecast period of this report, there is expected to be an increase in employment at Hoover.

The fourth largest manufacturing employer in the HMA is the Hercules Engines Division of the White Motor Company. Employment at the company is up somewhat since 1965. Hercules was acquired by White in January 1967. The company plans to start construction as soon as possible after January 1968 on a new \$40 million plant to be located in a nearby urban renewal area, which is to be cleared. New jobs are expected to be created by the expansion, but most will be added after the two-year forecast period of this report.

#### Unemployment

During the 1961 recession year unemployment increased to 11,900 persons, or 8.9 percent of the work force. There was a reduction in the jobless rate every year until 1966, when unemployment averaged 4,500 persons, or 3.1 percent of the work force. During the twelve-month period ending August 1, 1967, the rate increased slightly--to 3.2 percent--reflecting the slow-down in economic expansion.

#### Future Employment Prospects

Forecasts of employment are hazardous in an area heavily influenced by durable goods industries. Generally, a local economy of this type is tied directly to the national economy, except that reactions to changes may be more severe. Even a relatively minor alteration in the growth of the national economy could change completely what appears to be a reasonable expectation of employment growth in a specific local economy.

The economy of the Canton area was carried upward on the crest of the growth in demand for durable goods of near boom proportions during the 1963-1966 period. A slow-down in national economic growth was reflected in the plateau reached in the area economy during late 1966 and 1967. Given the known plans for expansion of existing firms, the forecasts of a rate of national economic expansion at a level somewhere between the growth during the 1963-1966 period and the static conditions of the first months of 1967, and barring further unforeseeable developments, the economy of the Canton HMA should expand at a moderate rate during the two-

year forecast period of this analysis. Based on the trend in non-manufacturing employment of past years, on information provided by some of the larger employers in the area, and on known plans of plant expansion (notably Hercules and Hoover), a gain of around 5,500 nonagricultural wage and salary jobs (2,750 annually) appears to be a reasonable expectation during the October 1967-October 1969 period. This annual gain is half the rate of growth in average annual wage and salary employment during the 1963-1966 period, when increases averaged almost 5,575 annually. The forecast represents a recovery from the static conditions of late 1966 and 1967, however, and is believed to be compatible with the character and long-term history of the Canton HMA and with expectations as to sustainable national economic growth.

#### Income

Average Weekly Wages. Reflecting the importance of the high-wage durable goods industries, the Canton HMA is a relatively high-wage area. As shown in the table below, the average 1966 weekly earnings of manufacturing production workers in the Canton HMA, at \$129, was 15 percent higher than in the nation as a whole.

Average Weekly Hours and Earnings  
Of Manufacturing Production Workers  
1963-1966

<u>Year</u>	<u>Canton HMA</u>		<u>Ohio</u>		<u>United States</u>	
	<u>Earnings</u>	<u>Hours</u>	<u>Earnings</u>	<u>Hours</u>	<u>Earnings</u>	<u>Hours</u>
1963	\$115	39.8	\$116	41.1	\$100	40.5
1964	119	40.6	121	41.6	103	40.7
1965	124	40.9	127	42.2	107	41.2
1966	129	41.6	132	42.2	112	41.3

Source: U. S. Bureau of Labor Statistics.

Family Income. The 1967 median after-tax income of all families in the Canton HMA is estimated at \$7,575, and the median after-tax income of renter households<sup>1/</sup> at \$6,125. By 1969, all family incomes will increase to a median of around \$8,000, and renter households will have a median income of about \$6,525.

About 22 percent of all families and 35 percent of the renter households have annual after-tax incomes of less than \$5,000. Approximately 15 percent of all families and seven percent of the renter households have after-tax incomes in excess of \$12,000 annually. Percentage distributions by income are contained in table II.

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<sup>1/</sup> Excludes one-person renter households.

Demographic Factors

Population

October 1, 1967, Estimate and Trends. As of October 1967, the population of the Canton HMA was about 375,200 persons, an increase of some 10,800 since July 1965 (about 4,800 annually). During the 1960-1965 period, the population had increased by an average of about 4,575 yearly. The October 1967 population of the city of Canton was about 116,000, 31 percent of the HMA total.

The following table summarizes trends in the population of the Canton HMA since 1960, including a projection to 1969. Table III provides a more detailed presentation of population trends by geographic area.

Population Trends  
Canton, Ohio, HMA  
1960-1969

<u>Date</u>	<u>Number of persons</u>	<u>Average annual change from preceding date</u>	
		<u>Number<sup>a/</sup></u>	<u>Percent</u>
April 1960	340,345	-	-
July 1965	364,400	4,575	1.3
October 1967	375,200	4,800	1.3
October 1969	384,200	4,500	1.2

a/ Rounded.

Sources: 1960 Census of Population and estimates by Housing Market Analyst.

Annexations. Canton has an active annexation program. Since 1960, about 3.7 square miles (all in Plain township) have been annexed to Canton. The annexed areas had a population of about 7,100 persons at the time of annexation. Areas containing about 2,900 persons were annexed after July 1965. The population of Canton within the 1960 boundaries of the city declined by about 4,725 between 1960 and 1967.

Net Natural Increase and Migration. During the 1960-1965 period, there was a calculated net in-migration of an average of 800 persons a year to the Canton HMA. During the July 1965-October 1967 period, net natural increase (excess of resident births over resident deaths) averaged 2,975 annually. The population of the area increased by an average of 4,800 persons annually, suggesting that net in-migration increased to about 1,825 persons a year.

Estimated Future Population. Based on anticipated increases in employment and on a continued increase in the work force participation rate, the population of the Canton HMA is expected to increase by about 9,000 (4,500 annually) during the two-year forecast period of this analysis. A lower rate of economic expansion is expected during the immediate future than in the 1965-1967 years, and a somewhat smaller population increment during the forecast period seems likely. The work force of the Canton area appears to be quite flexible, however, which tends to smooth the effects of changes in employment opportunities and stabilizes population increases. In 1960, there were approximately 39.5 work force participants for every 100 persons in the population. Economic expansion during the 1960-1965 period was relatively low (an average of only 930 jobs a year), but the population of the HMA increased by an average of about 4,575 annually as the work force participation rate declined to 37.2 per 100 persons in 1965. Much of the added work force necessary for the rapid economic expansion of the 1965-1967 period was supplied by increased work force participation--to 38.8 per 100 population--rather than by in-migration. If the anticipated gains in employment materialize during the next two years, the work force participation rate is expected to continue to increase slightly.

#### Households

October 1, 1967, Estimate and Trends. Households (occupied housing units) numbered about 110,400 as of October 1967, up 1,500 annually since July 1965. As shown below, during the April 1960-July 1965 period, the number of households increased by an average of about 1,475 annually.

#### Household Trends Canton, Ohio, HMA 1960-1969

<u>Date</u>	<u>Number of households</u>	<u>Average annual change from preceding date</u>	
		<u>Number<sup>a/</sup></u>	<u>Percent</u>
April 1960	99,306	-	-
July 1965	107,000	1,475	1.5
October 1967	110,400	1,500	1.4
October 1969	113,300	1,450	1.3

a/ Rounded.

Sources: 1960 Census of Housing and estimates by Housing Market Analyst.

Estimated Future Households. Based on the expected population increment and no material change in average household size, the number of households will increase by about 2,900 (1,450 annually) during the October 1967-October 1969 period to a total of 113,300.

## Housing Market Factors

### Housing Supply

Current Estimate and Past Trend. As of October 1, 1967, there were approximately 115,300 housing units in the Canton HMA, a net gain of about 2,800 since July 1965 (see table IV) <sup>1/</sup>. Some 4,650 units have been built since 1965 (including the net in-movement of a number of house trailers), but about 1,850 units were demolished, mostly as a result of building code enforcement in Canton.

Residential Building Activity. Just over three-fourths of the total privately-financed construction activity in the Canton HMA since 1963 has been reflected in building permits issued and reported to the U.S. Census Bureau. Based on estimates of construction activity in areas not reporting building permits and on available reports of permit authorizations, total private construction starts amounted to about 1,600 units in 1963. Total starts increased to about 2,175 in 1964 and to 2,400 in 1965; starts declined to about 2,225 units in 1966. During the first seven months of 1967, construction was started on about 1,150 units. The majority of the starts which have not been reflected in building permit reports have been of single-family units; only a small number of apartment building starts have not been reported.

### Trends in Privately-Financed Housing Construction Canton, Ohio, HMA, 1963-1967

<u>Year</u>	<u>Building permit authorizations</u>			<u>Estimated total construction starts</u>
	<u>Single-family</u>	<u>Multi-family</u>	<u>Total</u>	
1963	1,022	103	1,125	1,600
1964	1,018	693	1,711	2,175
1965	1,111	817	1,928	2,400
1966	1,096	657	1,753	2,225
<u>First seven months</u>				
1966	699	472	1,171	1,475
1967	635	226	861	1,150

Sources: U. S. Bureau of the Census, local building records and officials (table V), and estimates by Housing Market Analyst.

<sup>1/</sup> The estimated housing inventory in the 1965 analysis has been adjusted because of the recent availability of a housing count by the Stark County Area Transportation Study.

Units Under Construction. Based on a postal vacancy survey conducted during August 1967, building permit data, and on information obtained locally, there were estimated to be about 1,050 units of housing under construction in the Canton HMA on October 1, 1967. About 450 of the units were in multifamily structures, including an 81-unit high-rise public housing project in Canton.

Demolition. Approximately 1,850 units have been removed from the housing inventory through demolition since July 1965. The rate of demolition has increased substantially in recent years. About 1,500 units were demolished during the April 1960-July 1965 period, an average of approximately 285 yearly, compared to 820 a year during the more recent period. Most of the demolitions have been in Canton.

During the two-year forecast period of this analysis, some 250-300 housing units will be demolished as a result of urban renewal activity in Canton. Many of these units have been vacated in anticipation of their removal. The continuing code-enforcement program may result in demolitions in Canton and in other cities as well. Because of an increasingly-short supply of suitable housing for relocation purposes, however, it is likely that the rate of housing unit demolitions during the two-year forecast period will be somewhat below the rate of the July 1965-October 1967 period. A total of as many as 1,100 units may be removed from the HMA housing inventory as a result of all types of governmental action during the October 1967-October 1969 period. An additional number of units will be destroyed by natural causes (fires, etc.) and by private interests. The demolition of unoccupied units, however, will not create a corresponding need for replacement housing.

#### Tenure of Occupancy

The trend toward owner-occupancy which marked the 1950's has been halted, at least temporarily. About 74 percent of the 1967 occupied housing inventory is owner occupied, unchanged from 1960.

#### Vacancy

Trends. As of July 1965, there were approximately 5,500 vacant housing units in the Canton HMA. Of these, 3,100 were available for sale or rent, an over-all available vacancy rate of 2.8 percent. The 1965 sales vacancy rate, at 1.5 percent, was unchanged from 1960, but the 6.5 percent rental vacancy rate was somewhat above 1960 (6.1 percent).

Postal Vacancy Survey. The results of a postal vacancy survey conducted during September 1967 are summarized in table VI. The survey covered almost 103,500 possible deliveries (excluding trailers), equal to around 90 percent of the housing supply. About 2,400 vacancies in residences and apartments were enumerated by the survey, an over-all vacancy rate of 2.3 percent. Vacancies in residences numbered about 1,550, equal



to 1.6 percent of all residential deliveries enumerated. A total of almost 210 of the vacant residences were reported as "new" (never occupied). Vacancies in apartments amounted to 850 units, or 11.0 percent of the total apartment unit deliveries enumerated. About 90 of the vacant apartments were new units.

The previous postal vacancy survey in the Canton HMA was conducted during June 1965. That survey enumerated over 500 more vacant units than the 1967 count, and the over-all vacancy rate was 2.9 percent.

It is important to note that the postal vacancy survey data are not entirely comparable with the data published by the Bureau of the Census because of differences in definition, area delineation, and methods of enumeration. The census reported units and vacancies by tenure, whereas the postal vacancy survey reports units and vacancies by type structure, according to the judgment of the mail carriers.

October 1, 1967, Estimate. On the basis of postal vacancy survey results and information gained from local sources, it is judged that there were about 4,900 vacant housing units in the Canton HMA as of October 1, 1967; about 2,500 units were not dilapidated and were available for rent or sale--an over-all available vacancy rate of 2.2 percent. About 900 vacant units were available for sale only, a homeowner vacancy rate of 1.1 percent; 1,600 of the units were available for rent, a renter vacancy rate of 5.4 percent. About 300 of the available vacant units (50 for sale and 250 for rent) are substandard in that they lack one or more plumbing facilities.

#### Sales Market

General Market Conditions. The market for new sales housing in the Canton HMA is firm, but construction activity has been depressed somewhat by the tight money situation which developed during 1966. A substantial number of the new sales units constructed in the Canton HMA during the early 1960's were built speculatively. Because of the shortage of mortgage funds in 1966, many operative builders were unable to obtain interim financing for speculative construction, and the rate of building was depressed.

Local sources report that interest in the purchase of single-family units remains high. According to the Canton Board of Realtors, the number of listings on the Multiple Listing Service is up somewhat over previous years. There has been an increased number of MLS sales reported each year since 1962, when there were 1,150 units sold. In 1966 almost 1,475 houses were sold. During the first eight months of 1967, there were over 1,275 sales, compared to 1,050 in the corresponding period in 1966.

Because of the lower rate of sales housing construction, the number of sales unit vacancies has declined somewhat since 1965. There appears to be a tight supply of available existing units of good quality and in favorable locations, especially in the \$15,000-\$25,000 price ranges. After several years of almost no price appreciation in existing units, realtors report that sales prices have been inflated by about five percent over the corresponding period one year ago.

### Rental Market

General Market Conditions. The base of the rental market (renter households) of the Canton HMA has been growing at a higher rate in recent years than previously. The quickened pace of economic growth resulted in more in-migration of workers, including many renters. The housing needs of newly-formed households from the maturing population of the post-war "baby boom" also has strengthened the market for rental accommodations. In some cases, the increased difficulty and cost of house purchase has caused some households to postpone buying until more favorable terms become available, temporarily tending to strengthen the rental market. Because of these factors, despite a higher rate of apartment construction during the mid-1960's than previously, the October 1967 rate of rental vacancy, at 5.4 percent, is below the 6.5 percent during July 1965. A more rapid absorption of new rental units is indicated.

With recent rates of apartment construction, it appears that there is an adequate number of units in the Canton HMA at rents required by current costs. There is more limited availability in the low- and moderate-rental ranges which can be provided in new units only with some form of assistance, however. Many low-rent units have been removed from the Canton inventory through the active building code enforcement program in the city. Private renewal also has eliminated some low-rent housing. Mellett Homes was originally a 300-unit project built under the provisions of the Lanham Act during World War II. The units were purchased from the government by a private corporation in 1955. Rents range from \$55 to \$70 (plus utilities) for the one-, two-, and three-bedroom units. The 69 acres of land are being cleared systematically for redevelopment as a commercial-residential center. Fifty-eight of the units were demolished in 1964 and 108 in 1967. There were only four vacancies in the 134 units remaining as of September 1967.

In recent years a number of smaller garden-type apartment projects have been built in Canton and North Canton and in the suburban townships adjoining these cities, especially to the north, northeast, and west. Although competition for tenants is increasing, available information indicates that the new units have met with adequate market acceptance. Interest in the construction of additional projects is high. Zoning in Perry township was recently changed to allow structures containing more than four units to be built. Several projects, including a few high-rise structures, are planned in the other close-in suburban townships.

### Mortgage Market

Reflecting the condition of the national money market, a serious shortage of mortgage funds developed during 1966 in the Canton HMA with accompanying high interest rates. Interim financing for speculative construction became scarce during the summer months. Some operative builders who had been dependent on credit to finance their operations were forced to quit business. In early 1967 there was some abatement in the credit stringency and 80-percent conventional financing again became readily available, but interest rates remained at 6 to 6½ percent.

### Urban Renewal

The first urban renewal project in the HMA is now in execution in Canton. The Madison-Lathrop(O. R-67) area consists of the 58 acres generally bounded by Eighth Street S.E. on the north, Eleventh Street S.E. on the south, Robbin Court on the east, and Rex Avenue on the west. The area is zoned for industrial use but is approximately 40 percent residential. Re-use of the cleared land is to be wholly industrial. About 100 of the 250 households which were in the area had been relocated as of September 1967. The remainder will be relocated within the two-year forecast period. Demolition of the vacated units began in September. The Hercules Motor Division of the White Motor Company, which adjoins the area, will use about 60 percent of the cleared land for the construction of a new plant.

Application has been made to the Renewal Assistance Administration for approval of the Washington School Rehabilitation(O. R-116) area. About 800 housing units are contained in the 140-acre residential area, which is generally bounded by Twelfth Street N.E. on the north, Seneca Place on the south, the Norfolk and Western Railroad tracks on the east, and the east branch of Nimishillen Creek on the west. The primary objective of the project is the rehabilitation of deteriorated housing in the area, but a number of units will be demolished, possibly within the two-year forecast period.

### Public Housing

The Canton-Massillon Housing Authority administers 196 units of federally-aided public housing for low-income households; 96 of the units were built in 1963 and 100 in 1965. There are an additional 124 units of Lanham Act housing under the control of the authority, and 14 units of housing built in 1965 from surplus funds from the Lanham programs.

All of the public housing units are located in Canton, but Massillon has the right to refer individuals and families to the Canton facilities. There are no vacancies and there is a waiting list of 50. The authority has been replacing Lanham units with new federally-aided units. There were originally 320 units of Lanham housing under the control of the authority. There are now 130 low-income units under development to replace the remaining Lanham facilities. In addition, an 81-unit high-rise public housing project especially designed for elderly persons is under construction in downtown Canton for October 1968 occupancy.

## Demand for Housing

### Quantitative Demand

The estimated demand for new privately-financed housing is based on the expected increase in the number of households during the two-year forecast period (1,450 annually) and on replacement requirements for presently-occupied units to be demolished. On the basis of these considerations, the demand for new privately-financed housing during the two-year forecast period of this analysis will approximate 1,950 annually, including 1,300 units of single-family housing and 650 units in multifamily structures. About 300 units of the demand for multifamily structures will be at the lower rents achievable only with below-market-interest-rate financing or assistance in land acquisition and cost--such as the FHA Section 221(d)(3)(BMIR) program. This demand estimate is exclusive of public low-rent housing and rent-supplement accommodations.

### Qualitative Demand

Single-Family Housing. Based on current family incomes, on typical ratios of income to purchase price, and on recent market experience, the annual demand for 1,300 single-family units is expected to be distributed by price as shown in the following table.

Estimated Annual Demand for New Single-Family Housing  
Canton, Ohio, HMA  
October 1967-October 1969

<u>Sales price</u>	<u>Single-family units</u>	
	<u>Number</u>	<u>Percent</u>
Under \$15,000	100	8
\$15,000 - 19,999	270	21
20,000 - 24,999	310	24
25,000 - 29,999	210	16
30,000 - 34,999	160	12
35,000 - 39,999	140	11
40,000 and over	110	8
Total	1,300	100

Multifamily Housing. The monthly rents or charges at which 350 market-interest-rate-financed net additions to the privately-owned multifamily housing inventory might be absorbed are indicated for various size units in the following table. If work should resume during the forecast period on the two projects now in suspended stages of construction in Canton and North Canton, demand for new rental accommodations will be reduced accordingly. Part of the forecast demand for multifamily housing may be satisfied through the construction of units in multifamily structures for sale to owner-occupants (cooperative or condominium).

Estimated Annual Demand for New Private Multifamily Housing  
At Rents Achievable with Market-Interest-Rate Financing  
Canton, Ohio, HMA  
October 1967-October 1969

<u>Monthly gross rent<sup>a/</sup></u>	<u>Units by number of bedrooms</u>			
	<u>Efficiency</u>	<u>One bedroom</u>	<u>Two bedroom</u>	<u>Three bedroom</u>
\$105 - \$114	10	-	-	-
115 - 124	5	-	-	-
125 - 134	5	45	-	-
135 - 144	-	35	-	-
145 - 154	-	30	40	-
155 - 164	-	25	35	-
165 - 179	-	20	30	20
180 - 199	-	-	25	10
200 and over	-	-	10	5
Total	<u>20</u>	<u>155</u>	<u>140</u>	<u>35</u>

<sup>a/</sup> Gross rent is shelter rent plus the cost of utilities; it is also the rental equivalent for multifamily units marketed as condominiums or cooperatives.

The 300 units of annual demand at rents achievable only with below-market-interest-rate financing or other public benefits (not included in the table above) will be distributed by unit size as follows: 65 one-bedroom units, 135 two-bedroom units, and 100 units with three bedrooms or more.

## APPENDIX TABLES

Table I

Nonagricultural Wage and Salary Employment by Industry<sup>a/</sup>  
Canton, Ohio, Housing Market Area, 1963-1967  
(in thousands)

<u>Industry</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>12 month period</u> <u>ending August 1,</u>	
					<u>1966</u>	<u>1967</u>
Total	<u>108.1</u>	<u>112.1</u>	<u>119.1</u>	<u>124.8</u>	<u>122.2</u>	<u>125.7</u>
Manufacturing	<u>52.2</u>	<u>54.6</u>	<u>58.6</u>	<u>61.6</u>	<u>59.9</u>	<u>61.5</u>
Durable goods	<u>42.0</u>	<u>44.3</u>	<u>47.9</u>	<u>50.7</u>	<u>49.1</u>	<u>50.6</u>
Stone, clay, and glass	2.9	3.0	2.9	3.0	3.0	2.9
Primary metals	16.6	18.1	20.3	21.1	20.4	20.8
Fabricated metals	6.8	6.9	7.0	7.3	7.2	7.2
All other durables	15.6	16.3	17.7	19.3	18.5	19.7
Nondurable goods	<u>10.2</u>	<u>10.3</u>	<u>10.7</u>	<u>11.0</u>	<u>10.8</u>	<u>10.8</u>
Food and kindred	4.0	4.1	4.2	4.2	4.2	4.2
All other nondurables	6.2	6.2	6.5	6.8	6.6	6.6
Nonmanufacturing	<u>55.9</u>	<u>57.4</u>	<u>60.6</u>	<u>63.2</u>	<u>62.3</u>	<u>64.2</u>
Mining	.4	.3	.4	.3	.3	.3
Construction	3.7	3.6	4.2	4.7	4.4	4.8
Transp. and utilities	5.7	6.0	6.2	6.3	6.2	6.5
Trade	19.9	20.4	21.4	22.2	22.0	22.5
Finance, ins., & real est.	3.7	3.8	3.9	4.1	4.1	4.2
Service & miscellaneous	12.8	13.4	14.2	14.7	14.6	14.8
Government	9.7	10.0	10.4	10.8	10.6	11.1

<sup>a/</sup> Details may not add to totals because of rounding.

Source: Ohio Bureau of Unemployment Compensation.

Table II

Estimated Percentage Distributions of all Families and Renter Households  
By Income and Tenure after Deduction of Federal Income Tax  
Canton, Ohio, Housing Market Area, 1967 and 1969

Annual after tax incomes	Percentage distribution			
	1967		1969	
	All families	Renter households <sup>a/</sup>	All families	Renter households <sup>a/</sup>
Under \$2,000	4	8	4	7
\$2,000 - 2,999	5	7	4	6
3,000 - 3,999	6	9	5	8
4,000 - 4,999	7	11	6	10
5,000 - 5,999	9	13	8	12
6,000 - 6,999	12	13	11	13
7,000 - 7,999	12	11	12	12
8,000 - 8,999	10	9	10	10
9,000 - 9,999	8	5	9	6
10,000 -11,999	12	7	13	8
12,000 -14,999	9	4	10	5
15,000 and over	<u>6</u>	<u>3</u>	<u>8</u>	<u>3</u>
Total	100	100	100	100
Median income	\$7,575	\$6,125	\$8,000	\$6,525

<sup>a/</sup> Excludes one-person renter households.

Source: Estimated by Housing Market Analyst.



Table III

Population and Household Trends  
Canton, Ohio, Housing Market Area  
April 1960-October 1967

<u>Area</u>	<u>April 1960</u>	<u>July 1965</u>	<u>Oct. 1967</u>	<u>Average annual change<sup>a/</sup></u>	
				<u>1960-65</u>	<u>1965-67</u>
HMA total population	<u>340,345</u>	<u>364,400</u>	<u>375,200</u>	<u>4,575</u>	<u>4,800</u>
Canton	113,631	115,500	116,000	360	220
Massillon	31,236	31,650	31,700	80	20
Alliance	28,362	28,450	28,500	15	20
Remainder of HMA	167,116	188,800	199,000	4,125	4,525
HMA total households	<u>99,306</u>	<u>107,000</u>	<u>110,400</u>	<u>1,475</u>	<u>1,500</u>
Canton	35,556	36,600	36,850	200	110
Massillon	9,739	10,050	10,100	60	20
Alliance	8,724	8,800	8,850	15	20
Remainder of HMA	45,287	51,550	54,600	1,200	1,350

<sup>a/</sup> Rounded; may not add to totals.

Sources: 1960 Censuses of Population and Housing and estimates by Housing Market Analyst.

Table IV

Components of the Housing Inventory  
Canton, Ohio, Housing Market Area, 1960-1967

<u>Tenure and vacancy</u>	<u>April</u>	<u>July</u>	<u>October</u>	<u>Average annual change<sup>a/</sup></u>	
	<u>1960</u>	<u>1965</u>	<u>1967</u>	<u>1960-65</u>	<u>1965-67</u>
Total housing inventory	<u>104,238</u>	<u>112,500</u>	<u>115,300</u>	<u>1,575</u>	<u>1,250</u>
Occupied housing units	<u>99,306</u>	<u>107,000</u>	<u>110,400</u>	<u>1,475</u>	<u>1,500</u>
Owner-occupied	<u>73,694</u>	<u>79,800</u>	<u>82,100</u>	<u>1,175</u>	<u>1,025</u>
Percent of all occupied	74.2%	74.6%	74.4%	-	-
Renter-occupied	<u>25,612</u>	<u>27,200</u>	<u>28,300</u>	<u>300</u>	<u>490</u>
Vacant housing units	<u>4,932</u>	<u>5,500</u>	<u>4,900</u>	<u>110</u>	<u>-270</u>
Available vacant	<u>2,743</u>	<u>3,100</u>	<u>2,500</u>	<u>70</u>	<u>-270</u>
For sale	<u>1,089</u>	<u>1,200</u>	<u>900</u>	<u>20</u>	<u>-130</u>
Homeowner vacancy rate	1.5%	1.5%	1.1%	-	-
For rent	<u>1,654</u>	<u>1,900</u>	<u>1,600</u>	<u>45</u>	<u>-130</u>
Renter vacancy rate	6.1%	6.5%	5.4%	-	-
Other vacant	<u>2,189</u>	<u>2,400</u>	<u>2,400</u>	<u>40</u>	<u>-</u>

<sup>a/</sup> Components may not add to totals because of rounding.

Sources: 1960 Census of Housing.

1965 and 1967 estimated by Housing Market Analyst.

Table V

Privately-Financed Housing Units Authorized by Building Permits  
Canton, Ohio, Housing Market Area, 1963-1967

<u>Area</u>	<u>Annual unit authorizations</u>				<u>First seven months<sup>a/</sup></u>	
	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1966</u>	<u>1967</u>
HMA total units	<u>1,125</u>	<u>1,711</u>	<u>1,928</u>	<u>1,753</u>	<u>1,171</u>	<u>861</u>
Single-family	(1,022)	(1,018)	(1,111)	(1,096)	(699)	(635)
Multifamily <sup>b/</sup>	( 103)	( 693)	( 817)	( 657)	(472)	(226)
Canton	61	449 <sup>c/</sup>	498	241	183	64
Alliance	23	21	46	114	90	7
Massillon	58	55	86	59	34	38
Canton township	79	89	71	87	42	40
Lake township	83	86	103	109	70	60
Lawrence township	34	41	62	85	60	50
Lexington township	31	34	34	40	30	30
Louisville	28	36	58	34	25	20
Nimishillen township	83	71	72	101	53	60
North Canton	84	124	177	153	114	47
Perry township	190	225	288	232	146	168
Plain township	286	376	319	394	254	207
Washington township	28	32	40	49	40	40
Remainder of HMA <sup>d/</sup>	57	72	74	55	30	30

<sup>a/</sup> Partially estimated.

<sup>b/</sup> Includes all units in structures containing two units or more.

<sup>c/</sup> Excludes 100 units of public housing.

<sup>d/</sup> Includes Marlboro and Osnaburg townships and Canal Fulton, East Canton, Limaville, Magnolia, Minerva, Navarre, and Waynesburg villages.

Sources: U.S. Bureau of the Census, C-40 Construction Reports; local housing officials and records; and estimates by Housing Market Analyst.

Table VI

Canton, Ohio, Area Postal Vacancy Survey

August 30-September 7, 1967

Postal area	Total residences and apartments						Residences						Apartments						House trailers		
	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant	
		All	%	Used	New			All	%	Used	New			All	%	Used	New			No.	%
The Survey Area Total	193,470	2,390	2.3	2,090	300	1,212	95,713	1,540	1.6	1,332	208	635	7,757	850	11.0	758	92	607 <sup>1</sup>	1,646	35	2.1
Canton	64,641	1,444	2.2	1,258	186	841	59,214	953	1.6	826	117	332	5,427	491	9.0	422	69	509	1,074	20	1.9
Main Office	25,430	845	2.3	782	63	416	21,557	457	2.1	449	8	42	3,873	388	10.0	333	55	374	183	10	5.5
Branches:																					
East Canton	1,850	49	2.6	44	5	13	1,836	49	2.7	44	5	13	14	-	0.0	-	-	-	48	-	0.0
North Canton	8,507	164	1.9	94	70	246	8,004	125	1.6	62	62	157	503	39	7.8	31	8	89	227	1	0.4
Stations:																					
A	7,377	132	1.8	116	16	36	7,224	129	1.8	113	16	36	153	3	2.0	3	-	-	426	8	1.9
B	6,761	120	1.8	111	9	34	6,664	100	1.5	91	9	34	97	20	20.6	20	-	-	139	-	0.0
C	14,716	134	0.9	111	23	96	13,929	93	0.7	76	17	50	787	41	5.2	35	6	46	51	1	2.0
Other Cities and Towns	38,829	946	2.4	832	114	371	36,499	587	1.6	496	91	273	2,330	359	15.4	336	23	98	572	15	2.6
Alliance	12,006	343	2.9	316	27	103	11,050	208	1.9	169	19	53	956	135	14.1	127	8	50	167	5	3.0
Brewster	686	4	0.6	4	-	2	649	4	0.6	4	-	2	37	-	0.0	-	-	-	4	-	0.0
Louisville	4,454	97	2.2	69	28	53	4,325	72	1.7	52	20	53	129	25	19.4	17	8	-	4	-	0.0
Massillon	16,817	452	2.7	401	51	159	15,773	268	1.7	221	47	118	1,044	184	17.6	180	4	41	251	5	2.0
Minerva	2,516	26	1.0	26	-	29	2,411	16	0.7	16	-	26	105	10	9.5	10	-	3	102	3	2.9
Navarre	2,350	24	1.0	16	8	25	2,291	19	0.8	14	5	21	59	5	8.5	2	3	4	44	2	4.5

<sup>1/</sup> Includes two projects with 164 units on which construction had been stopped.

The distributions of total possible deliveries to residences, apartments and house trailers were estimated by the postal carriers. The data in this table, therefore, are not strictly comparable to the distribution of deliveries by structural type for surveys prior to 1966. The total possible deliveries for the total of residences, apartments and house trailers, however, are as recorded in official route records.

The survey covers dwelling 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 and motels, or dormitories; nor does it cover boarded-up residences or apartments that are not intended for occupancy.

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.

Source: FHA postal vacancy survey conducted by collaborating postmaster(s).