Analysis of Housing in Iowa
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Federal poverty guidelines say that a family of four making less than $24,600 per month is in “poverty”. While poverty is a familiar concept, HUD recognizes that determination for eligibility should be made locally and determined by the income of the family relative to the local (area) average (median) income (AMI) because it is more likely to reflect need in light of the local housing market. Eligibility for assistance like permanent supportive housing and rapid re-housing usually requires families and individuals make less than 30% of the Area Median Income.

In most counties 30% of AMI is below poverty ($19,150 is the mode value). In those places, there a portion of the population “in poverty” will not be below 30% of AMI. See Map 1 for values of 30% of AMI by county for a family of four. Polk county, Dallas county, Warren county and Madison county, along with Guthrie county, form an area where the poverty line is very close to 30% of AMI. In those counties it is just $50 below the 30% of AMI line. So in those counties there are some people who are in poverty but not below 30% of AMI. By contrast, in Johnson county, there is a segment of the population that is not in poverty but is below 30% of AMI.

Within each county we identify the count of persons with income below 30% AMI. From 7% of the population up to 19% of the population is below 30% of AMI. Story County and Johnson county are high end counties at 19%, which is not surprising because they are counties that also have high AMI. But Decatur county with 18% and several counties at 16% and 15% are at the bottom of the AMI range but near the top of the population below 30% of AMI, indicating that those are counties with a significant population with low income.

Map 2 shows the absolute number of people in that population as well as the percentage of the population that population represents. Higher population counties will have more people below the 30% threshold. Polk is approaching 20,000 people. Johnson and Linn are both above 10,000. Scott, Blackhawk and Story are around 7,000. Several counties are in the 5,000 to 2,000 range. Woodbury county is eighth in Iowa at 4,680 and Dubuque county is ninth in Iowa at 3,400 people.
Consider the portion of the population with income at 30% of AMI then allow that a family can reasonably spend 30% of their income on rent to arrive at Affordable Rent.

Traditionally a third of income should be spent on rent, a third on food and a third on other expenses, however renters often exceed a third of income on rent. The value is similar to fair rent, but is specifically calculated to show what is affordable at 30% of AMI spending between 30% and 50% of that income on rent. Remember the identified population is below this value, so this is a ceiling value. Some parts of the population make less than 30% of AMI. Most homeless households make considerably less, if they have income at all.

Map 3 displays the range of dollar values that a family at 30% of AMI could spend per month on rent, were they to spend between 30% and 50% of their income on rent.

Census data shows the number of units available to rent in various price categories. Map 4 displays the count of units that are available to a family at 30% of AMI spending between 30% and 50% of their income on rent. The first value is the count of units if the family spends 30% of their income. The second value is the count of units if the family spends 50% of their income.
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Map 4
Available units that are affordable spending between 30% and 50% of 30% of AMI

This process allows the calculation of deficits of units in each county. Map 5 displays the number of households and the number of units for which they compete. In every county, there is a shortage of units for rent at the affordable rate. This map is shaded by the ratio. Darker counties have fewer units per person in need. Lighter counties have more units per person seeking units. Shelby county has zero available units at the price asked in the affordable range. 11 counties have more than 30 people seeking each available unit. 11 counties have fewer than
5 people seeking each unit. Ignoring Shelby county, the median of the other 98 counties is 11.2 people per unit.

Every single county has a crisis of affordable housing at the low end of the market. The darker counties have larger crisis. Shelby county is off the charts.

Map 5
People below 30% of AMI seeking affordable units at a third of their income.

CHAS data for the 2010-2014 and American Community Survey 2015 5 year assessment from table B25061

This data also lets us know how often families are rent-burdened. If a family is spending more than 30% of its income on rent we know there is increased instability and reduced quality of life. But when a family spends over 50% of their income on rent that family is at severe risk of losing their home. Map 6 shows the count of families in Iowa who are rent burdened at a rate of 50% or higher.

Map 6
Percent of Families Rent-Burdened over 50%
One valuable clue to understanding the housing crisis in Iowa is to look at the rates of formal court-processed eviction by county. When those families experience even a slight economic shock they run a high risk of becoming displaced. Map 7 shows the count of evictions filed in the courts in each county. We know that the number filed as well as the filings per capita are considerably lower in rural counties. This is probably because evictions are handled differently in those areas. There is more prevalence of informal eviction in rural areas and more prevalence of formal eviction in urban areas. Map 8 shows the relationship between maps 6 and 7, the evictions per rent-burdened household.

People who became homeless in Iowa and sought shelter are the extreme end of poverty and instability. Programs in Iowa serving this population include street outreach for people living in their cars or in tents, emergency shelters for short stays, transitional housing programs to address special population like youth, rapid-rehousing programs which moves people from homelessness to stability using a housing first model, and permanent supportive housing which provide supports for people with significant disabilities. Their ability to manage living in this housing crisis has failed to the point that they did not have a place to sleep.
The Homeless Management Information System (HMIS) captures data about people who were served. We know where those people received services (19 counties have HMIS participating providers) and where they lived before they came into service, based on the zip code of their last permanent residence. We use the HMIS data to get a total count for the year.
and we use HUD participation rate formulas to extrapolate to the broader community. We know how many people from each county sought shelter in Iowa. Map 9 shows the count of homeless from each county in 2016.

HMIS data shows that people who are homeless have very low income. All are under 30% of AMI. About 50% have no income at all. The other half average 10%-12% of AMI. People who experience extreme housing instability have a variety of strategies. Generally, moving to an urban center and seeking services is a last resort. More often people will move into shared households or double-up. This is a problematic solution, because people available to double-up with are also experiencing instability and shared households often include unreliable or even dangerous people.