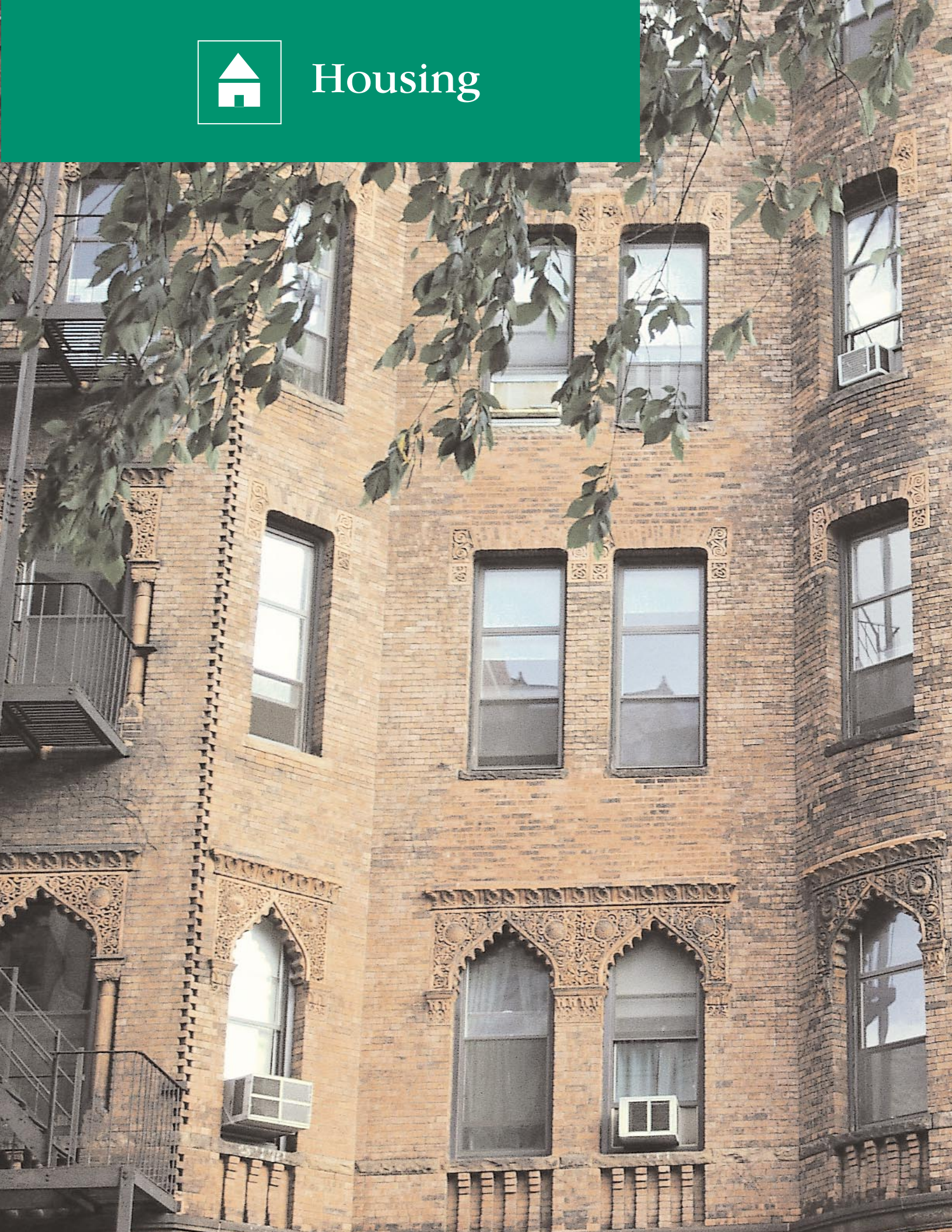




# Housing





## HOUSING

*In 2001, the region experienced a strong housing market with a record high increase in the supply of new housing units.*

*Nevertheless, housing challenges persisted. Moderate and low-income households in the region must look harder in certain communities, especially those where new jobs have located, for housing they can afford.*

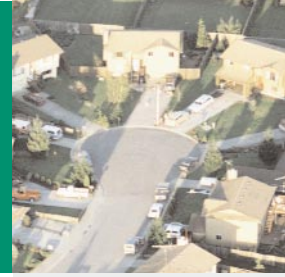
## HOUSING

### HOUSING CHOICE AND AFFORDABILITY

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## HOUSING CHOICE AND AFFORDABILITY



### GOAL:

*All people will have access to quality affordable housing that is accessible to jobs across the region*

### INDICATOR 5-1. RENT BURDEN

#### Why Is This Important?

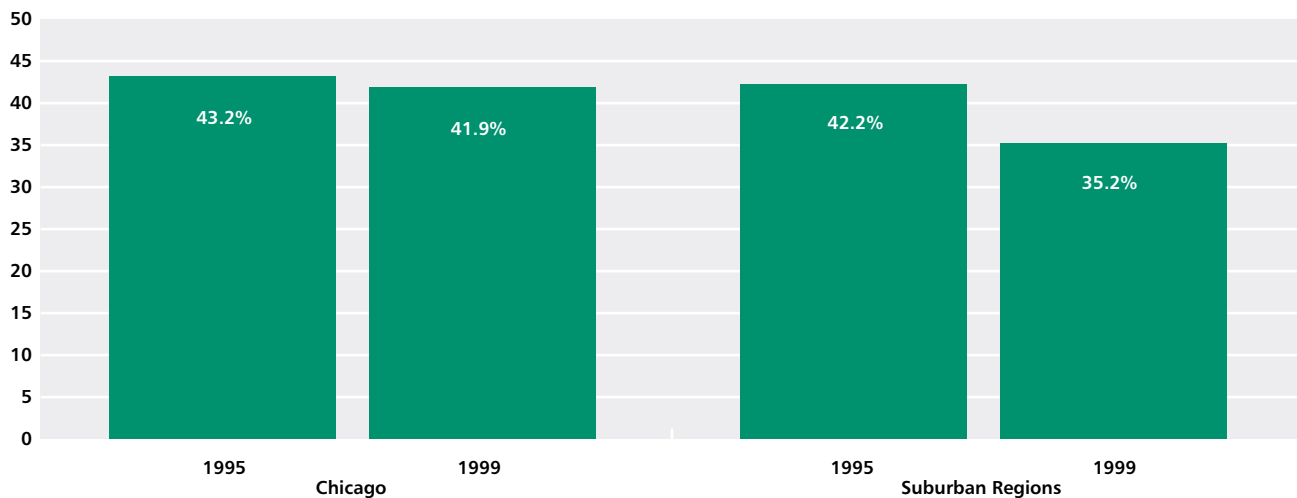
Households that spend more than 30% of their monthly income on rent are "rent burdened." Rent burden is an indicator of housing affordability, housing choice, and quality of life. While some people choose renting instead of owning a home, people who consume 30% or more of their monthly income for rent have less money available for their present and future needs.

#### How Is the Chicago Region Performing?

More than one-third of the Chicago region's one million rental households are rent burdened. While the share of those households fell for both Chicago and suburban renters between 1995 and 1999, more renters in Chicago (41.9%) are rent burdened than renters outside Chicago (35.2%).

Average rents increased 9.1% across the region from 1995 to 1999, while inflation rose by 9.8%. In the city of Chicago, however, rents jumped 11% during this period.

#### RENT BURDEN BEGINS TO DECLINE



Share of occupied rental units where tenant pays at least 30% of household income toward rent.  
Source: American Housing Survey



## INDICATOR 5-2. AFFORDABILITY INDEX

### Why Is This Important?

Housing affordability is one measure of the Chicago region's quality of life for its residents. Housing affordability also influences the attractiveness of the region to employers. A supply of housing near jobs and affordable for all segments of the region's workforce gives employers a competitive advantage in attracting and retaining workers.

### How Is the Chicago Region Performing?

The Chicago region produced nearly 40,000 new single and multi-family housing units in 2001, a 20-year high. Between 1995 and 2001, multi-family development increased by 57%. This growth, however, was uneven across the region with 67% of it concentrated in Cook County.

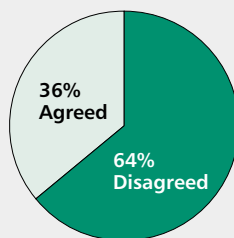
In the same time period, single-family construction increased by 13%. Will County led the region with 24% of the region's single-family construction.

Despite the record-high increase in the supply of new housing units, moderate and low-income households in the Chicago region are still hard-pressed to find housing they can afford in certain communities, especially those where new jobs have located. Jobs concentrated in northwest Cook County and DuPage County accounted for nearly half (47.1%) of the region's employment growth between 1991 and 2000. Our fastest growing employment centers are separated from a significant share of housing affordable to families earning the region's median income.

In 2000, a household earning the regional median income of \$51,232 could afford a home valued at \$128,080. Homes in this price range were located across the region, but primarily in the western and

southern portions of the City of Chicago, southern Cook County, southern and western Will County, and in pockets in Lake County, McHenry County, and Kane County.

### WHAT PEOPLE IN THE REGION ARE SAYING...



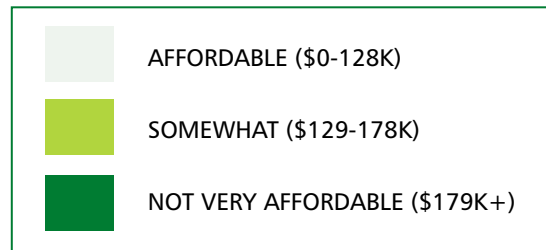
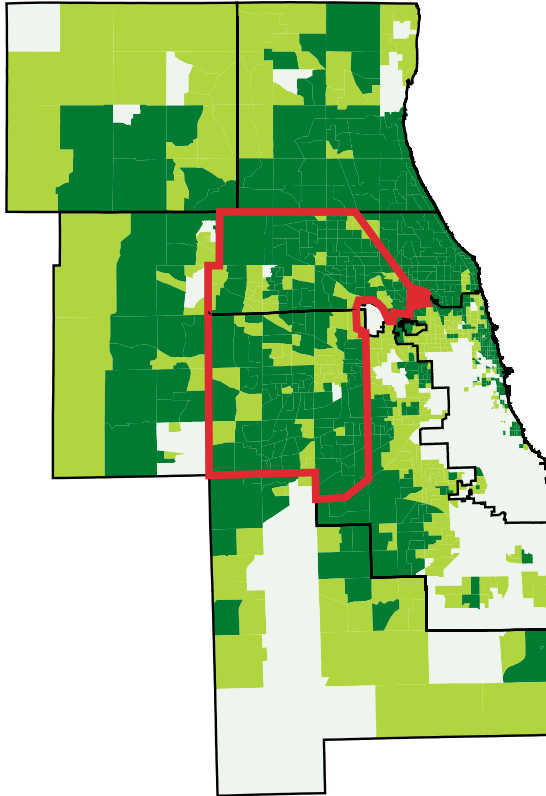
"We should emphasize regional planning because regional interests are more important than local interests in housing and land use planning decisions."

A home is considered affordable if the purchase price is no more than 2.5 times higher than the buyer's annual household income. For example, a couple employed as a police officer and an elementary school teacher with an annual combined income of about \$86,300 could generally afford a \$215,000 home.

A sampling of median home sale prices during the first three months of 2000 demonstrates the differences across the region:

Evanston was \$242,000;  
Schaumburg was \$150,655;  
University Park was \$76,000;  
Aurora was \$138,000;  
Crystal Lake was \$188,000; and  
Gurnee was \$182,000.

## HOUSING AFFORDABILITY IN THE CHICAGO REGION, 2000



A census tract is classified as "affordable" if the ratio of median housing value in 2000 over estimated median regional household income (\$51,232) does not exceed 2.5.

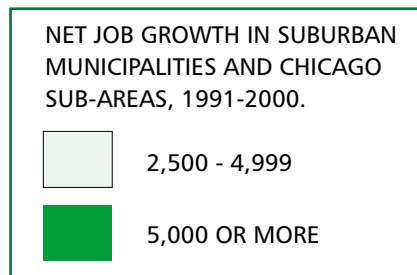
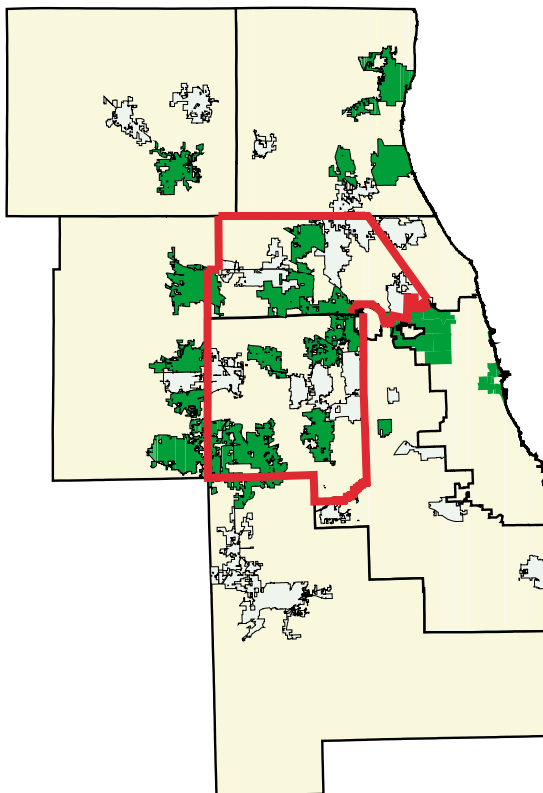
A ratio of between 2.5 and 3.5 is considered "somewhat affordable," while a ratio above 3.5 is considered "not very affordable" for a family with the median household income.

The red line corresponds to the approximate area where 47% of the region's employment growth occurred between 1991 and 2000.

Sources: Claritas, Inc., U.S. Census Bureau



## HIGH JOB GROWTH AREAS CONCENTRATE IN NORTHWEST AND WESTERN SUBURBS



The red line corresponds to the approximate area where 47% of the region's employment growth occurred between 1991 and 2000.

Source: Illinois Department of Employment Security (IDES), Where Workers Work, 2000

### INDICATOR 5-3. JOBS-RENTAL HOUSING MISMATCH

#### Why Is This Important?

The ratio of jobs to rental units within a county indicates access to housing for workers who either cannot or do not want to buy a home.

#### How Is the Chicago Region Performing?

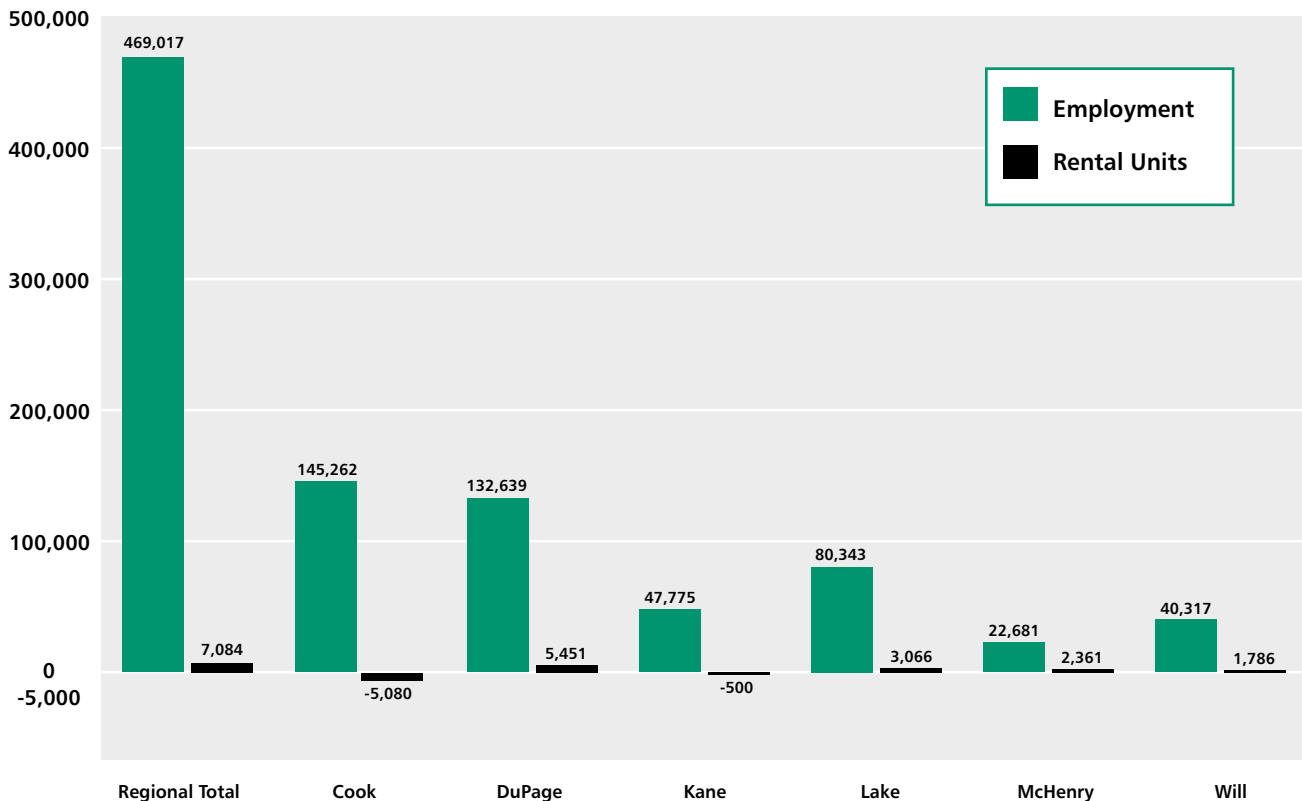
The Chicago region created more than 469,000 jobs between 1990 and 2000, while adding just over 7,000 new rental units.

In 1991, there was one rental unit for every 2.95 jobs in the region. By 2000, that ratio had risen 15% to one rental unit to 3.4 jobs.

Cook County lost nearly 5,100 rental units over the 1990s, the steepest drop in the region, largely because of condominium conversions and demolition of Chicago Housing Authority structures. Cook County, however, contains 81% of the Chicago region's rental units.

While 69% of new jobs created during the last 10 years are located in McHenry, Will, Kane, DuPage and Lake Counties, these five counties are home to only 19% of the region's rental units. During the 1990s, Kane County was the only other county besides Cook County to record a net loss of rental units although its share of new jobs created was 10.2%. Kane County contains 3% of the Chicago region's rental units, only a slightly higher share than Will County (2.7%) and McHenry County (1.45%).

### CHANGE IN EMPLOYMENT AND TOTAL OCCUPIED RENTAL UNITS



Total net change in occupied rental units by county, 1990-2000. Total net employment change, 1991-2000.

Source: U.S. Bureau of the Census, Census of Population and Housing, 1990, 2000.

Illinois Department of Employment Security, Where Workers Work File 1991-2000.