



Housing Affordability in Johnson County

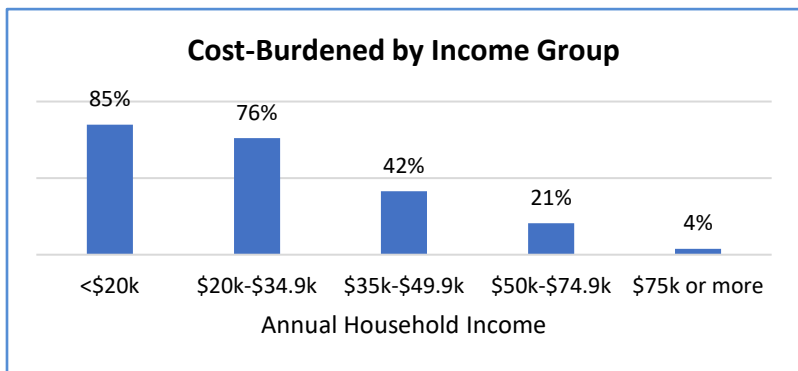
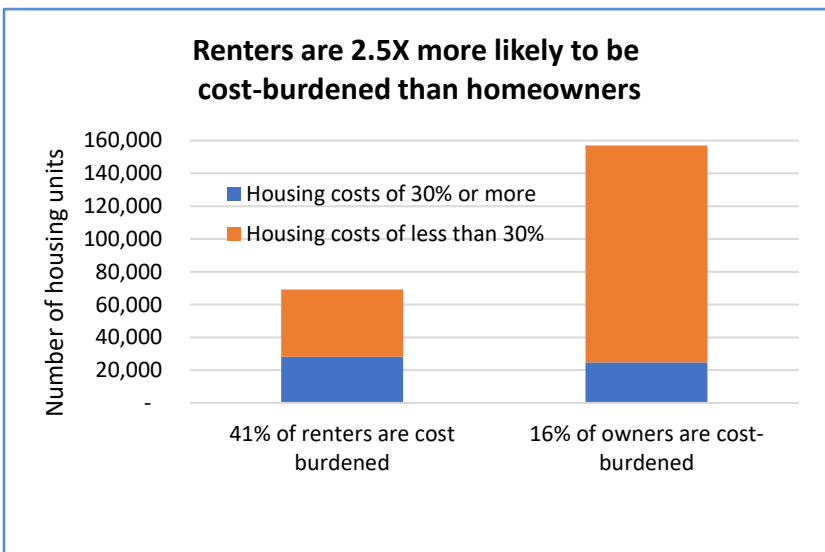
Safe, stable, and affordable housing is the foundation on which families build healthy and sustainable futures. Housing also represents one of the largest expenses in a household budget, and where one lives can impact access to schools, jobs, and community resources.

Housing influences both individual and community health and well-being in significant ways. Rising property values can displace low- and fixed-income home owners unable to keep up with property taxes. Substandard housing conditions such as water leaks, poor ventilation, dirty carpets and pest infestation can lead to mold, mites and other allergens associated with poor health. High mobility due to rising costs or evictions can cause potential disruptions in neighborhood stability, delivery of critical social services, and even a child’s progress in school.

How is housing affordability defined? In the United States, housing costs that exceed 30% of household income have historically been viewed as unsustainable and an indicator of an affordability problem. When monthly costs for housing become such a large portion of the overall budget, other non-discretionary spending on items such as healthy food and needed medication can be at risk.

The term “cost-burdened” is used to define this indicator. In Johnson County, regardless of whether renting or owning, 25% of households are burdened by the cost of housing. Monthly housing costs for home owners with a mortgage in 2017 were \$1,719 and \$626 for owners without a mortgage (including real estate taxes, insurance, utilities and fuels, and fees).

In Johnson County, renting households are 2.5 times more likely to be cost-burdened than those households owning their homes. The 2017 median gross rent for Johnson County was \$1,044, not including the additional housing costs of electricity, gas, water and sewer. Since 2007, the number of renting households in Johnson County increased by 17,000, for a total of 72,000 renting households in 2017. Fewer than 2,500 occupied rental units had monthly rents under \$500 in 2017. Approximately 36% of households in Johnson County are single households or single head of households.

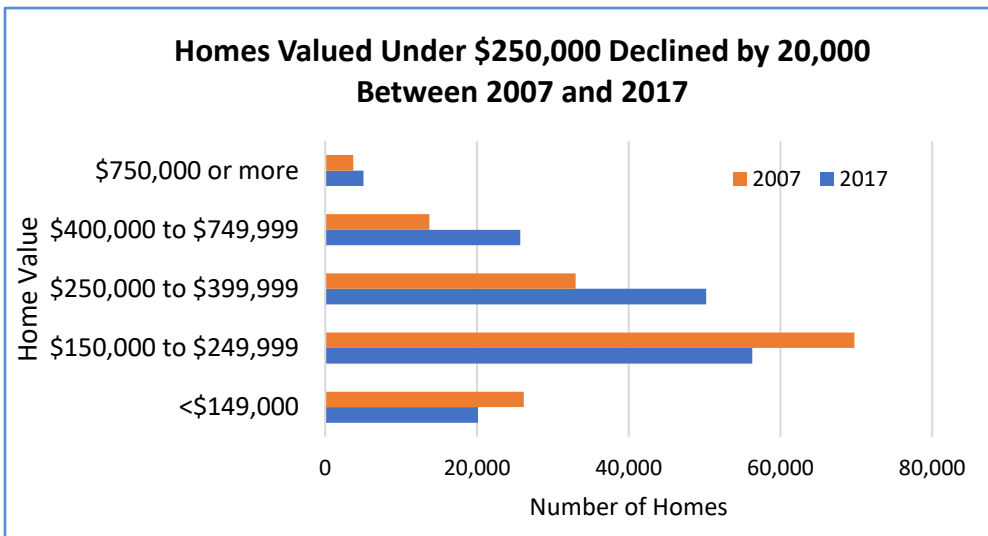


Low-income families are significantly more likely to be cost-burdened. In Johnson County, more than 28% of jobs pay less than \$15.00 per hour, or \$32,100 per year. A total of 76% households earning between \$20,000 and \$34,900 are cost-burdened in Johnson County.



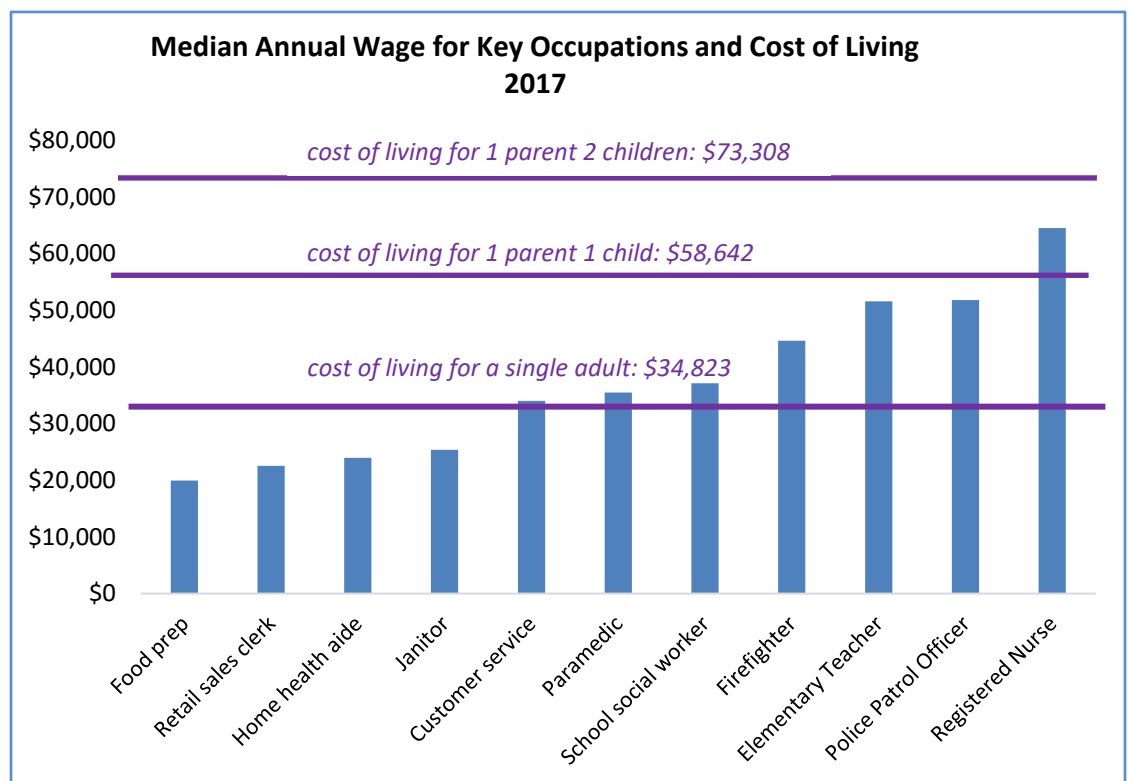
Cost of Living in Johnson County in 2017					
	Single Adult	One Parent One Child	One Parent Two Children	Two Parents One Child	Two Parents Two Children
Monthly Budget	\$2,902	\$4,887	\$6,109	\$5,848	\$6,964
Annual Budget	\$34,823	\$58,642	\$73,308	\$70,176	\$83,566
Full-time wage required (per hour)	\$16.74	\$28.19	\$35.24	\$33.74	\$40.18

The cost of living in Johnson County increased by double digits from 2014 to 2017. Necessities such as housing consume a sizeable portion of a household’s budget. The Economic Policy Institute (EPI) annually publishes a geographic specific Family Budget Calculator, which estimates the income a family needs to maintain a modest yet adequate standard of living. Households with children need to earn the equivalent of at least \$28.00 per hour (full-time, year-round) to afford necessities. Even for single adult households, income must be more than \$16.00 per hour to regularly sustain a household in Johnson County.



The number of homes valued at less than \$250,000 declined by 20,000 between 2007 and 2017, while the number of homes valued between \$250,000 and \$399,999 grew by 17,000, and homes valued above \$400,000 increased by nearly 13,500.

For families living in Johnson County, jobs that are foundational to our community’s well-being – paramedics, police officers, and elementary teachers to name a few – may not provide adequate wages to meet the cost of living. Employment is a key pathway to economic security, but jobs must pay enough to stably meet the cost of living and ensure that the local workforce is healthy and prepared to contribute to broader economic growth.



Sources: U.S. Census Bureau, American Community Survey, 2017 1-year estimates; Economic Policy Institute, Family Budget Calculator, 2017; Bureau of Labor Statistics, Occupational Employment Estimates, 2017