



Affordable Housing 101

Impacts

On adults

On children

On the community



Affordable Housing 101

The Impossible Equation

MINUS

Stagnant Wages & Benefits

High Housing Costs

Insufficient income for expenses

Lack of supply of affordable units



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Affordability Is Relative – Look at AMI

Area Median Income:

- 50% of people make more
- 50% of people make less

HUD uses County AMI to determine who needs help with affordability.

Cook County AMI for 2017 was \$79,000.



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Relativity--Actual AMIs

As of 2015 from the American Community Survey—this just shows relativity:

U.S.:	\$55,775	Illinois:	\$59,588
Skokie:	\$66,999	Lincolnwood:	\$94,329
Evanston:	\$70,041	Northbrook:	\$118,140
Morton Grove:	\$75,166	Wilmette:	\$132,110



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Affordability in \$\$

Assume AMI of \$79,000

Income--% of AMI	Income--\$\$	Affordable Rent (30% of income)	
100%	\$79,000	\$23,700/year	\$1,975/month
80%	\$63,200	\$18,960/year	\$1,580/month
60%	\$47,400	\$14,220/year	\$1,185/month
50%	\$39,500	\$11,850/year	\$987.50/month
30%	\$23,700	\$7,110/year	\$592.50/month



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Job	Average Salary	Affordable Rent (30%)
Public school teacher	\$57,693	\$1,442/month
Police officer	\$56,422	\$1,411/month
Social worker	\$47,725	\$1,193/month
Dental assistant	\$37,538	\$938/month
Nurse's assistant	\$32,469	\$812/month
Minimum wage worker	\$20,800	\$512.50/month



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What housing is available at affordable prices?



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Average Rents in Evanston:

According to rentcafe.com on 12/6/17:

Apartment Size	Monthly Rent	Household Income Needed for Apt. to Be Affordable	
Studio	\$1,027	\$41,080	(2 min. wage jobs)
1-bedroom	\$1,828	\$73,120	(3.5 min. wage jobs)
2-bedroom	\$2,387	\$95,480	(4.6 min. wage jobs)
3-bedroom	\$3,582	\$143,280	(6.9 min. wage jobs)



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Average Rents in Skokie:

According to rentcafe.com on 12/6/17:

Apartment Size	Monthly Rent	Household Income Needed for Apt. to Be Affordable	
Studio	\$850	\$34,000	(1.6 min. wage jobs)
1-bedroom	\$1,109	\$44,360	(2.1 min. wage jobs)
2-bedroom	\$1,480	\$59,200	(2.8 min. wage jobs)
3-bedroom	\$3,471	\$138,840	(6.7 min. wage jobs)



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Average Rents in Wilmette:

According to rentcafe.com on 12/6/17:

Apartment Size	Monthly Rent	Household Income Needed for Apt. to Be Affordable	
Studio	N/A	N/A	
1-bedroom	\$2,450	\$98,000	(4.7 min. wage jobs)
2-bedroom	\$3,493	\$139,720	(6.7 min. wage jobs)
3-bedroom	\$4,808	\$192,320	(9.2 min. wage jobs)

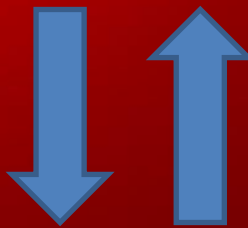


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How to Create Affordability for Consumers?

Decrease consumer
costs

Gov't programs pay part
or all of the cost



Increase \$\$ available to pay
for housing

Subsidies pay part of the rent

Consumers increase their
incomes



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Decreasing Consumer Costs—Government Assistance Programs

- Public Housing--gov't funded & run
- Tax Credit Development—privately developed with grants from gov't
- “Philanthropic Development”—doesn't really exist



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Increasing \$\$ to Pay Rent--Subsidies

- Vouchers—gov't pays a part of the rent
- Supportive Housing Programs—gov't pays a part of the rent to a non-profit, who administers it

Increasing \$\$ to Pay Rent—Income Increases

- Minimum wage increase
- Job training, education, etc.



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Impact of Creating Housing Affordability

Provides the foundation for people to build wellbeing and achieve their full potential as human beings



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Impact of Creating Housing Affordability

Increased income for:

- Healthier food
- Medications, medical care
- Clothing
- Transportations
- Education
- Recreation & extracurricular activity



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Impact of Creating Housing Affordability

Increased financial stability through:

- Increased ability to save money
- Increased ability to repair credit
- Increased ability to invest in self for better future



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Impact of Creating Housing Affordability

Reduction in stress, resulting in:

- Improved mental health
- Improved physical health
- Better sleep quality
- Better attention at work
- Higher quality family and parental interactions



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Impact of Creating Housing Affordability

Benefits for children including:

- Improvements in academic achievement
- Accelerated cognitive development
- Fewer illnesses
- Fewer behavioral and mental health problems
- Higher potential income as adults



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Impact of Creating Affordability

Improved health outcomes, including:

- Reduced exposure to the elements, violence, overcrowding
- Reduced possibility of substance use
- Better adherence to medication schedules
- Better rest and recovery from illnesses



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Impact of Creating Affordability

Reduced expenses to the community:

- Fewer ER visits
- Less police involvement
- Fewer shelter stays
- Fewer and shorter hospitalizations



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AVOID RE-STATING MYTHS:

Myth: Affordable housing will lower my property values.

Affordable housing makes communities stronger by providing the foundation for everyone to reach their full potential. Sick people are healthier; children do better in school; and people get better jobs, keep them longer, and earn more money.



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AVOID RE-STATING MYTHS:

Myth: Affordable housing will bring crime to my community.

Affordable housing allows people to be the best they can be. When people are no longer struggling to pay the bills, they focus on making their lives better. They go back to school, they improve their health, they take care of their children. And they participate in making their communities better places to live.



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AVOID RE-STATING MYTHS:

Myth: Affordable housing will bring in outsiders who won't fit in with the community.

Affordable housing is for the people already in your community who don't make enough money to cover all their costs. It will increase their stability and allow them to participate as full contributors to the community.