Housing Affordability in Cook County

Housing is considered affordable if it consumes less than 30% of a household’s gross income. At higher levels, families must choose between housing and other basic needs and will struggle to weather financial setbacks. For 2009, housing costs continue to consume a large portion of families’ income, with substantial unemployment threatening Minnesotans.

| Household Income  | Renters | | | Home Owners | | |
|-------------------|---------|-----------------|-----------------|
|                   | Number of Households Paying 30% or More in Rent | Percent of Households Paying 30% or More in Rent | Number of Households Paying 30% or More in Ownership Costs | Percent of Households Paying 30% or More in Ownership Costs |
| Less than $20,000 | 106     | 49.3%           | 90              | 55.2% |
| $20,000 - $34,999 | 0       | 0.0%            | 64              | 24.8% |
| $35,000 - $49,999 | 0       | 0.0%            | 32              | 14.3% |
| $50,000 and over  | 0       | 0.0%            | 31              | 6.1%  |
| All Income Levels | 106     | 21.6%           | 217             | 18.8% |

The table above shows the number and percent of households in different income brackets that pay 30% or more of household income for rental or ownership costs. It illustrates that the burden of housing costs weighs more heavily on lower-income families.1

Even before the current economic downturn, housing needs were severe. In 2007, 1 in 8 households spent at least half of their income on housing, up from 1 in 15 in 2000. Minnesota experienced the fastest increase of extremely cost burdened households of any state in the nation during this time period.2

In 2000, about 78.0% of Cook County residents owned their home and 22.0% were renters. Of these, approximately 18.8% of homeowners and 21.6% of renters in Cook County spent 30% or more of their household income on housing.3
Lower-income households face extreme affordability challenges.

The chart below compares median earnings across different occupations to the income required to afford housing.4

Foreclosures in Minnesota

- In Cook County in 2008, there were about 9 foreclosures, a 200.0% increase from 2007.10
- Left unaddressed, abandoned foreclosed properties destabilize neighborhoods, erode the local tax base and drive up the costs of municipal services.
- Of homeowners seeking foreclosure counseling in 2008, three-quarters were considered to be low- and moderate-income. Half experienced a reduction of income before seeking counseling. 60% had prime mortgages.11

Homelessness in Minnesota

- On a single day in 2006, 74 people were sheltered in the Northeast Region, including 31 children.12
- Roughly 9,200 Minnesotans are homeless and 7,700 are precariously housed in temporary or unstable housing. 38% are children and youth.13
- 39% of Minnesota’s homeless population cite the inability to afford housing as a primary reason for leaving previous housing.14

Extreme Cost Burden

- Approximately 13.0% of renter households pay at least half of their income on housing in Cook County.15
- For homeowner households in Cook County, 9.0% pay at least half of their income on housing.16