Affordable Housing Out Of Reach for Low-Income Families in Ohio

Gap Between Earnings and Rent Most Severe in Appalachia

Ohio’s Housing Wage increased again this year to $15.00 an hour – the hourly amount renters need to earn to afford rent for a basic, two-bedroom apartment, according to a report jointly released Thursday by the National Low Income Housing Coalition and the Coalition on Homelessness and Housing in Ohio.

Every year the Out of Reach report updates the Housing Wage, an estimate of the full-time hourly wage that a household must earn to afford a basic apartment at fair market rent without spending more than 30 percent of income – the federal standard for housing affordability.

The typical renter in Ohio earns $12.87, which is $2.13 less than the statewide hourly wage needed to afford a modest two-bedroom rental unit. The Columbus metropolitan area has Ohio’s highest Housing Wage at $17.04, followed by Cincinnati at $15.50, Akron at $15.19, and Cleveland at $15.02. While housing costs in cities are higher, the difference between rents and incomes is considerably larger in many rural areas.

“This report shows the growing gap between what most renters actually earn and the cost of housing, and nowhere is that gap wider than in Ohio’s Appalachian counties,” COHHIO’s Executive Director Bill Faith said. “While rents are cheaper in Southeast Ohio, household earnings lag way behind other parts of the state. So President Trump’s plan to gut federal housing assistance will fall especially hard in places where people need it the most.”

Rent and utilities consume a greater portion of tenants’ incomes in Appalachian counties than in other parts of the state. Nine of the 10 counties where renters face the greatest housing burdens are located in Southeast Ohio, according to data from the U.S. Census Bureau. For instance, the median Athens County tenant spends nearly 41 percent of his or her monthly income on housing, and the average Pike County resident spends 35 percent.
President Donald Trump’s fiscal year 2018 budget proposes deep cuts to federal housing and anti-homelessness programs that, if passed, will intensify the ongoing housing crisis in Ohio. The president has proposed a 15 percent cut to the U.S. Department of Housing and Urban Development, which provides more than $2 billion in housing grants and rental assistance throughout the state. The administration would also cut funding for the U.S. Department of Agriculture’s housing programs in rural areas.

Both HUD and USDA are key providers of affordable housing in Appalachian Ohio. In a report drafted this year, the Ohio Housing Finance Agency identified 2,958 USDA subsidized units and 20,140 HUD-supported housing units in the region.

Trump’s proposed cuts would harm working families throughout the state as household incomes have barely budget since the Great Recession, but rents have increased substantially.

“The Out of Reach 2017 data shows why millions of low income renters are struggling to afford their homes,” said Diane Yentel, president and CEO of the National Low Income Housing Coalition. “We have the resources to solve the affordable housing crisis by realigning federal tax expenditures and reinvesting the savings in rental housing programs that serve our nation’s most vulnerable. We lack only the political will to do so.”

Faith said the proposed cuts to federal housing assistance would undermine local communities’ efforts to address housing instability.

“This report illustrates how the housing crisis for low-wage workers persists at the same time the president delivers the worst budget for affordable housing since homelessness exploded in the early 1980s,” he said. “It will only shift costs to homeless shelters, food pantries, hospitals, schools, child welfare agencies, courts and jails.”

For additional information:

- NLIHC’s Out of Reach 2017 Full Report: http://www.nlihc.org/oor
- U.S. Census Bureau’s American Community Survey: https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_15_5YR_B25071&prodType=table

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