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Report: Gap Widening Between Renters' Wages And Housing Costs

An average Ohio renter would have to make $15 an hour in order to afford a basic, two-bedroom apartment, according to a report released Thursday.

The study from the National Low Income Housing Coalition and the Coalition on Homelessness and Housing in Ohio estimates the full-time wage needed to afford a basic apartment at fair market rent without spending more than 30% of income.

Last year, the report found it would require a wage of $14.45 an hour. (See Gongwer Ohio Report, May 26, 2017)

While statewide rents would require $15 an hour, the typical renter in Ohio makes only $12.87, the report found.

The Columbus area had the highest housing wage, the report said, at $17.04, with Cincinnati at $15.50, Akron at $15.19 and Cleveland at $15.02. It found that housing costs were higher in cities, but so were wages, making the gap between rent and income larger in many rural areas.

COHHIO Executive Director Bill Faith pointed to plans by President Donald Trump to reduce support for the U.S. Department of Housing and Urban Development as a concern as housing remains difficult to afford.

"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," he said in a statement. "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."

Appalachian parts of the state are also affected by high rent and utilities, with the median Athens County tenant spending 41% of income on housing and the average Pike County resident spending 35%.
Mr. Faith said cuts to programs through HUD and the U.S. Department of Agriculture that support affordable housing would have a serious effect on Appalachian areas.

"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."

Advocates also urged more investment in rental housing programs.

"The Out of Reach 2017 data shows why millions of low income renters are struggling to afford their homes," Diane Yentel, president and CEO of the National Low Income Housing Coalition, said. "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."

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