

## Indicators of Housing Affordability in Washington County

In federal rental assistance programs Congress has established the figure of 30% of income for housing costs.<sup>1</sup> Paying more than 30% of income for housing is also a measure of “cost burden” used by the United States Census Bureau. As income goes up, families may be able to afford a higher cost burden, but for families earning half or less than the median income, housing costs higher than 30-40% of median income will create an “affordability” problem.

In Washington County we have close to 50,000 households, of which 9,385 (line 7 below) earn less than half of the median income **and** have a housing cost burden that is more than 30% of their income. 32.2% of this total are renters and 67.8% are homeowners. However, 2,197 or 72% of the 3,025 cost burdened renters pay not 30% of income on housing but more than 50%, while only 33% of the 10,923 low income homeowners have a cost burden of over 50% of income.

1.	Median family income (MFI) <sup>2</sup> 2006	\$61,500	1
2.	50% of MFI 2006 ( <i>half of line 1</i> )	\$30,750	2
3.	Number of renter households <50% of MFI per the 2000 Census <sup>3</sup>	6,608	3
4.	Renter households at <50% of MFI with cost burden <sup>4</sup> >30%	3,025	4
5.	Owner households <50% MFI	10,923	5
6.	Owner households at <50% of MFI with cost burden >30%	6,360	6
7.	Total households <50% of MFI with burden >30% ( <i>lines 4 + 6</i> )	9,385	7
8.	Renter households at <50% of MFI with cost burden >50%	2,197	8
9.	Owner households at <50% of MFI with cost burden >50%	3,611	9
10.	Total households at <50% of MFI with burden >50%	5,808	10
11.	Number of renter households <30% of MFI per the 2000 Census	3,912	11
12.	2000 population in County	131,923	12
13.	Population in Group Quarters <sup>5</sup>	9,420	13
14.	Net population	122,503	14
15.	Average persons per household	2.46	15
16.	Total number of households	49,726	16

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- <sup>1</sup> The so called “tenant portion” was 25% when the Section 8 Rental Assistance program was established during the Nixon administration in 1974, but was later raised to 30% in 1983. A history of the Section 8 program can be found at <http://www.mphaonline.org/section8.cfm>
- <sup>2</sup> Median income for a family of four is assumed when one number is quoted. To get the median for other household sizes going down from 4 members you subtract 10% for each member, and going up from 4 you add 8%. Additional information on how median incomes are determined can be found on page 31 of the Workforce Housing Task Force report of October 25, 2005.
- <sup>3</sup> The rest of the numbers provided in this table also come from the CHAS Data Book in the 2000 Census
- <sup>4</sup> In rental assistance programs, cost burden is defined as the rent plus tenant-paid utilities. Telephone and television costs are not counted as utilities.
- <sup>5</sup> Population in local and state prisons