

# Idaho at a Glance: HOUSING INSECURITY

Safe and stable housing is a basic human need. **Housing insecurity** is an umbrella term that encompasses a variety of circumstances and indicates risks to attaining and maintaining safe and stable housing. Some of these indicators include increasing rent and home prices, decreasing vacancy rate, household income and the amount of household income spent on housing. When households experience housing insecurity, **negative impacts** can include poor job performance, physical and mental health issues and increased risk for eviction, foreclosure or homelessness. Children in these households often experience difficulty focusing in school. In 2018, 24% of Idaho households with children (108,000 households) were considered cost burdened.<sup>1</sup> In general, renters are more at risk for housing insecurity than homeowners.

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## HOUSING INSECURITY IS A MULTIDIMENSIONAL CHALLENGE

Idaho is experiencing rapid population growth and the fastest rising **housing costs** in the nation;<sup>2</sup> however, income gains are not matching those expenses.<sup>3</sup> This leaves many households struggling to **balance** the costs of housing, transportation, childcare, healthcare and other daily living expenses.

Households that are **cost burdened** or severely cost burdened do not have the financial flexibility to adapt to or recover from even minor financial hardship. **Unexpected expenses** such as a car repair, health emergency, decrease in income or change in transportation costs can impact a household's ability to attain and maintain safe and stable housing.

Many Idaho nonprofits, businesses, agencies and academic institutions are assessing the matrix of supply, demand and attainment of safe, **affordable housing** at local and regional levels. This policy brief is intended to serve as an overview of housing insecurity across Idaho.

### Definitions

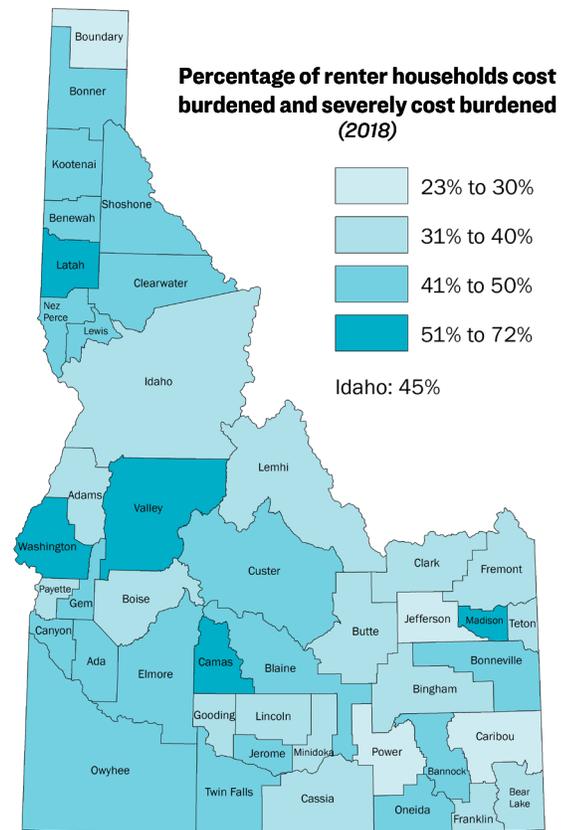
Common language provides an important foundation for policy conversations. Several federal agencies define terms and relationships related to housing insecurity.

**Affordable housing:** Housing that costs **less than 30% of household income**, including utilities.<sup>4</sup>

**Cost burdened:** **More than 30% of household income** spent on housing. If a household pays **more than 50%** of income on housing, then they are considered **severely cost burdened**.<sup>5</sup>

**Fair market rental rate:** Defined by HUD as the 40th percentile of rental rates for typical units.<sup>6</sup>

**Vacancy rate:** Proportion of housing inventory that is vacant and available for rent or sale. A healthy rental vacancy rate is **5-6%**. Idaho's 2019 rental vacancy rate was **1.29%**.<sup>7</sup>



### Indicators and metrics

Many communities use **data points** to understand the availability and health of area housing. These include:

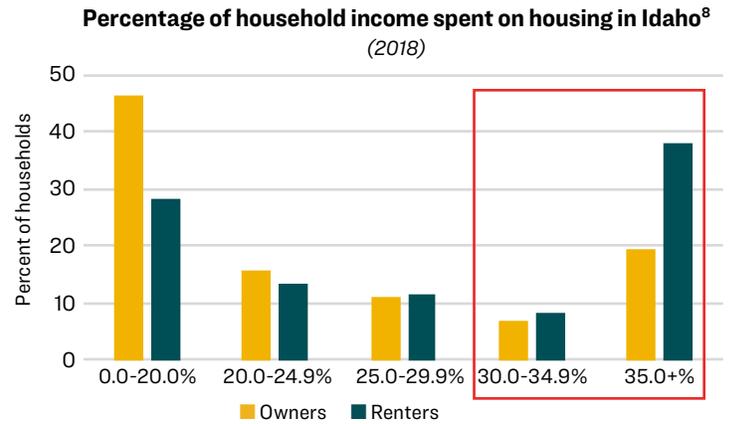
- Annual median income
- Rent vs. ownership rates
- Vacancy rate
- Median per hour wage
- Population growth
- Median home listing price

County-by-county maps of select metrics are available:  
[www.uidaho.edu/mcclurecenter/housinginsecurity](http://www.uidaho.edu/mcclurecenter/housinginsecurity)

## INCOME AND HOUSING

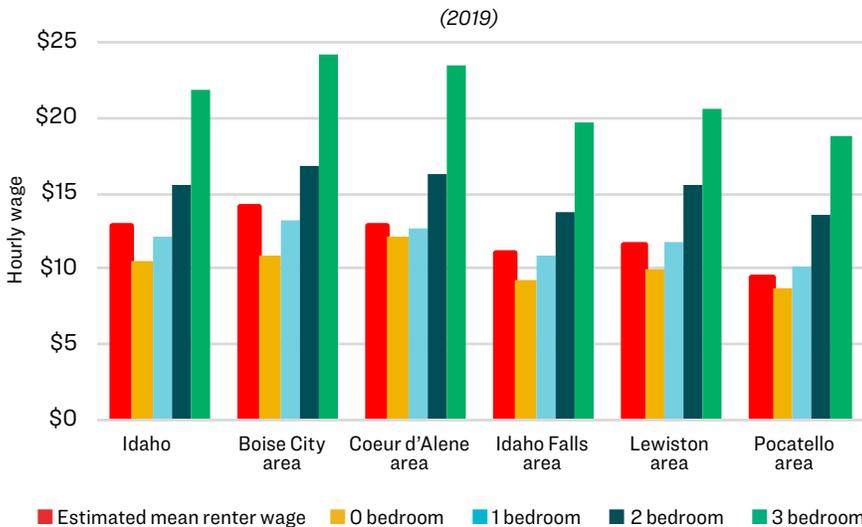
In general, the lower the household income, the larger the **percentage of income spent on housing**. As of 2017, 66% of Idaho's extremely low-income renter households were severely cost burdened (spending more than half their budget on rent and utilities) compared to 1%, 3% and 21% of middle-, low- and very low-income renter households, respectively.<sup>9</sup>

As illustrated by the chart on the right, **homeowners tend to be less cost burdened than renters**. For example, in 2018, **20% of homeowners** spent 35% or more on housing compared to **38% of renters**.<sup>8</sup> Home ownership can be an effective way to increase housing stability. However, as home prices rise and housing stock diminishes, for many buying a home can be difficult or even out of reach.



In Idaho (2018), 45% of renters and 17% of homeowners, or **153,000 households**, were considered **cost burdened or severely cost burdened**.<sup>8</sup> Idaho's **minimum wage** is **\$7.25** per hour and the **average wage** for renters was reported as **\$12.87** per hour.<sup>10</sup>

### Hourly wage necessary to afford rental housing, Idaho's major population centers<sup>10</sup>



The National Low Income Housing Coalition has calculated the full-time (40 hrs/week) **hourly wage necessary to afford rental housing** (less than 30% of household income, including utilities) for a number of Idaho communities. The chart to the left indicates the minimum hourly wage needed to make **fair market rents** in Idaho's major population centers, as well as the estimated hourly average renter wage.<sup>10</sup>

While this chart depicts the fair market rent for major population centers in Idaho, housing insecurity is also an issue in many **rural Idaho communities**. A county-by-county analysis of some metrics and indicators is available at: [www.uidaho.edu/mcclurecenter/housinginsecurity](http://www.uidaho.edu/mcclurecenter/housinginsecurity)

### Additional resources and data that provide information about housing insecurity in Idaho:

- Alice Report (United Way): [www.unitedforalice.org/idaho](http://www.unitedforalice.org/idaho)
- Idaho Asset Building Network: [www.idahoassetnetwork.org/policy/housing-affordability/](http://www.idahoassetnetwork.org/policy/housing-affordability/)
- Idaho Housing and Finance: [communityreport.idahohousing.com](http://communityreport.idahohousing.com)
- Idaho by the Numbers (Boise State University, School of Public Service): [www.boisestate.edu/sps-ipi/interactive-dashboards/idaho-by-the-numbers](http://www.boisestate.edu/sps-ipi/interactive-dashboards/idaho-by-the-numbers)
- National Low Income Housing Coalition: [reports.nlihc.org/oor/Idaho](http://reports.nlihc.org/oor/Idaho)
- School House Connection FAQ: [www.schoolhouseconnection.org/learn/common-questions/](http://www.schoolhouseconnection.org/learn/common-questions/)

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### SOURCES

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