

Report: Housing squeeze worsens

Incomes not keeping pace with rise in costs

Tuesday, February 3, 2004

By Guy Tridgell
Staff writer

Even though household incomes have increased across the Chicago area, finding an affordable place to live isn't getting easier, according to a study to be released today.

The Chicago Rehab Network, a coalition of affordable housing advocates, found the cost of housing is requiring a bigger and bigger chunk of household income.

The trend could mean trouble for the regional economy, said Rachel Johnston of the Chicago Rehab Network.

"You want people to go to Target," Johnston said. "You want people to be able to buy a car."

The report noted the median income and housing costs both soared in Chicago during the booming 1990s — but the increases came with extremes.

In the tony Lincoln Park neighborhood, the median home value rose 19 percent to \$518,063 during the last decade and the median household income increased 25 percent to \$69,000.

About 16 percent of Lincoln Park homeowners spend more than 35 percent of their income — an industry standard for affordability — for housing.

In the Englewood community, median household income increased 6.8 percent to \$18,955 during the past decade and the median home value rose 12.7 percent to \$63,889.

About 29 percent of Englewood residents spend more than 35 percent of their income on housing.

Johnston blamed a lack of housing diversity in neighborhoods and gentrification for helping fuel the disparity.

And the effects are felt in the suburbs.

Affordable housing options, especially apartments, are not keeping pace in the suburbs as families look for someplace cheaper to live than Chicago, the study concluded.

For example, nearly one out of every five renters in Orland Park and Oak Lawn spend more than half their income on housing, the study said.

"The squeeze is on," Johnston said.

The report, compiled using Census data and information from the Home Mortgage Disclosure Act, is released every 10 years.

Chicago Rehab Network officials said they hope the report helps frame federal and state policy on housing matters.

Guy Tridgell may be reached at gtridgell@dailysouthtown.com or (708) 633-5970.