

Some Facts About the Affordability of Ames*

Ames has an obscenely low rental-housing vacancy rate – 1.7%. That is 1/3 or less of what housing experts call the *natural* vacancy rate. That drives up rents significantly.

Ames is a low-wage town. That is mainly because a high proportion of economic activity or Gross Domestic Product is generated by the so-called service sector. Since students are “temporarily poor” we excluded them from the analysis where we could. Here are examples that show that Ames is a low-wage town:

- Ames, 43% percent of female-headed, single-parent families with one worker are below the poverty line.
- To make ends meet, that woman needs an average-paying construction job (only manufacturing and public administration jobs pay better than construction jobs). The average construction job pays nearly twice what the average job in Ames pays.
- *More than half of private-sector workers living in Ames with full-time, year-round employment earn less than the amount needed by a single mother to care for herself and two small children, which is estimated at \$37,750 for Story County.*
- The average earnings for ALL private-sector jobs in Ames –full time or not -- are insufficient or barely sufficient to cover the bare-bones necessities of a two-child family with one wage earner.
- The poverty rate for families with children in Ames is 13%-that is one in eight families; the poverty rate for children under 18 is 15%-nearly one in seven children.

34% of renters over 25 years of age pay more than 30% of their income on housing. According to HUD (U.S. Department of Housing and Urban Development) guidelines, families should not spend more than 30% of their income for housing.

The Story County Sheriff reported to AMOS that 12 or more families are evicted monthly in Story County.

Data from the Emergency Residence Project show a steady increase in the number of homeless persons served since August 1985 when it opened. In the 5-year period from 1986 to 1990, fewer than 1500 clients were served; by the 2006-2010 period the number had risen to nearly 10,000 – about a seven-fold increase.

*Taken from *High Rents and Low Wages in Beautiful Ames*, Dr. Jan Flora, Retired ISU Professor