Louis Benscoter

AFFORDABLE HOUSING

Money Maker?

FEDERAL RESERVE NOTE
THE UNITED STATES OF AMERICA
L11180916G
L11180916G
ONE DOLLAR

- These homes are a modest 1250 square feet
- We build homes to a high energy efficiency standard, which helps keep utility costs down.
- Buyers are still allowed some custom options to fit individual needs.

Study: Families struggling

Many above poverty level still can't meet basic expenses

GREG FORBES
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SIOUX CITY — More than one in four households in Dakota and Woodbury counties are struggling to pay for basic living expenses, a study released Wednesday found.

The number of families having difficulty making ends meet far exceeds the 14 percent of households in Woodbury and 19 percent in Dakota living below the federal poverty level, which is $11,670 annual income for a single adult and $23,850 for a family of four.

An additional 28 percent and 24 percent of families in Woodbury and Dakota, respectively, are above the poverty threshold, but still have trouble affording basics such as housing, transportation, food, health care and child care, according to United Way of Iowa's Asset-Limited, Income-Constrained, Employed, or ALICE report.

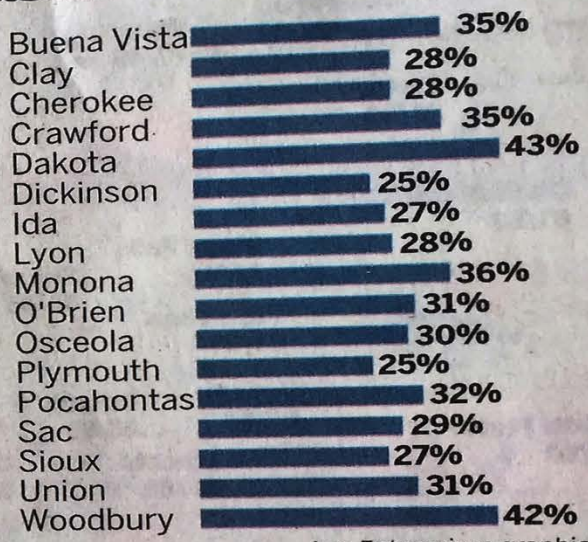
That means a total of 42 percent of households in Woodbury and 43 percent in Dakota were dealing with financial hardships in 2014, according to the United Way.

Please see **Families,** Page A5

Struggling with the basics

A new United Way survey found 31 percent of households in Iowa struggle to afford basic living expenses. At right are percentage of households in each Northwest Iowa county, as well as Dakota County, Neb. and Union County, S.D. The numbers include households below the federal poverty level, as well as those earning less than the income thresholds in United Way's Asset-Limited, Income-Constrained, Employed, or ALICE, calculation.

Source: United Way of Iowa



Lee Enterprises graphic

■ **ONLINE:** *Visit* **siouxcityjournal.com** *for an interactive chart showing with the Asset Limited, Income Constrained, Employed threshold.*

June 30, 2016
Sioux City Journal

- Study was completed by the United Way
- Asset-Limited, Income Constrained, Employed Report (ALICE)
- Over 40% of people in Woodbury and Dakota counties (Sioux City, Iowa) have trouble affording basics such as housing, transportation, food health care and child care.

- Reasons:
  - Low wage jobs
  - Basic cost of living outpacing wages
  - **Job location to affordable housing**

- **Who are they?**
  - **Individuals that teach preschool**
  - **Care for aging parents/people**
  - **Individuals that wait tables**
  - **…**

Wage Comparison

$14.00 /hour

- Family of Four, two wage earners
- Take home pay $46,318/year
- Rent /payment $800/month
- Other fixed living expenses $1250
- Child care- 2 children $900/month

$16.00/ hour

- Family of Four, two wage earners
- Take home pay $56,736/year
- Rent /payment $800/month
- Other fixed living expenses $1250
- Child care- 2 children $900/month

According to Voices for Children in Nebraska, The cost of child care is 10.2% more than the cost of tuition at a Nebraska state college.

Current Home Buyers

- Family of Four
- Two full time wage earners
- Steady employment for the past 15 years
- Have saved $5000.00 for downpayment
- Income is barely over limit for USDA grant because it is figured on income potential rather than actual Income Tax returns.
- City of Wayne still uses 100% AMI instead of the state level of 120% for the trust fund grants

- Five of the last seven homes in this price range were sold to families who had to rely on parents to help with the down payment.

NEEDED

- There is a need for programs to assist people who fall just over income guidelines.
- These families are needed in our communities for workforce, the children in our schools and future economic development.

GOVERNOR'S SUMMIT
ON ECONOMIC DEVELOPMENT

Q & A