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The Affordable Housing Deficit in the City of Cincinnati

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The Affordable Housing Deficit in the City of Cincinnati

Based on the most recent housing data from the US Census Bureau, the City of Cincinnati faces an affordable housing deficit of just over 8,000 units.

In a recent NPR article, Cincinnati's Vice Mayor and chair of the affordable housing subcommittee, Christopher Smitherman, expressed the desire to have "the most accurate data" about the city's deficit of affordable and available housing units.¹ Proponents of the May 2021 affordable housing charter amendment cite the statistic that the City of Cincinnati currently has a gap of 28,000 affordable housing units. Josh Spring, executive director of the Greater Cincinnati Homeless Coalition, says that "the city needs 28,000 affordable housing units"² while Margaret Fox, the executive director of the Metropolitan Area Religious Coalition of Cincinnati, similarly says that "there's a need of 28,000 units of affordable housing."³ Given the significant impact that a \$50 million annual appropriation to an affordable housing trust fund will have on the city's operating budget, knowledge of the actual housing shortage is critical for citizens to make an informed decision.

Summary

In February 2017, LISC and the Community Building Institute released a report called *Housing Affordability in Hamilton County*.⁴ The authors of the study estimated that Hamilton County had a deficit of 40,000 housing units that were affordable and available.⁵ In producing its estimates, the study relied on data from the 2010-2014 US Census Bureau release. In addition to the report no longer using the most up-to-date data, the report does not produce an affordable housing deficit specifically for the City of Cincinnati.

Fortunately, in March 2021, the National Low-Income Housing Coalition (NLIHC) released a report, *THE GAP: The Affordable Housing Analysis 2021*, that estimated the affordable housing deficit at 49,999 for the Cincinnati MSA region as a whole.⁶ In addition to the benefit of using the latest available data, it addresses housing affordability as a regional crisis. Just as the City of Cincinnati invests in public transportation infrastructure at the regional level through transportation routes that cross city and county boundaries, public housing investments should consider housing as a regional investment.⁷

Another advantage of using the 2021 NLIHC study is that the Cincinnati affordable housing crisis can be put into context with other cities across the country. In its ranking of the 50 largest metropolitan areas in the country, only five areas did better than Cincinnati in addressing its

¹ <https://www.wvixu.org/post/some-cincinnati-officials-doubt-accuracy-much-cited-affordable-housing-gap#stream/0>

² <https://www.wvixu.org/post/proposed-affordable-housing-charter-amendment-ballot-and-debate#stream/0>

³ <https://www.wvixu.org/post/affordable-housing-charter-amendment-language-rewritten-ohio-supreme-court-ruling#stream/0>

⁴ https://www.lisc.org/media/filer_public/a1/16/a116fbab-4be3-4704-98e6-83f633b7d893/asset_upload_file30_13212.pdf

⁵ The deficit calculation is based on individuals whose gross income is 30% or less of Hamilton county's median income. If housing costs are less than 30% of income, then the housing unit is considered affordable.

⁶ <https://reports.nlihc.org/gap>

⁷ Although the 2017 LISC report did not calculate the regional affordable housing deficit, it acknowledged the regional nature of the housing market on page 5 saying "it should be noted that while Northern Kentucky is part of the local housing market, it was not included in this study."

affordable housing deficit. While an affordable housing crisis still exists, Cincinnati is doing better than nearly 90 percent of its peers.

There are two other reasons to cite the 2021 NLIHC study. First, the calculation of Cincinnati’s affordable housing deficit can be performed quickly. Because Cincinnati’s residents are voting on the \$50 million annual appropriation in May 2021, updated information is important for informed decision-making. Second, because the NLIHC report is a well-cited and documented source, consensus about the affordable housing deficit calculation can be achieved among policymakers and stakeholders. In fact, the Housing our Future Strategy Guide, released in 2020 by several key stakeholders in the Cincinnati region, cites the NLIHC in its report.⁸

To calculate the affordable housing deficit in the City of Cincinnati, estimates for the total number of housing units were retrieved from the 2019 US Census Bureau’s American Community Survey (ACS) 1 Year Estimates (see Appendix A). Corresponding to the Cincinnati MSA’s affordable housing deficit of 49,999 units, there are 951,030 housing units in the region. Within the City of Cincinnati’s limits, 158,394 housing units exist. Because individuals in the Cincinnati MSA work, live, and play all across the region, Cincinnati’s affordable housing deficit is proportionally allocated based on its housing units share. Figure 1 shows that the City of Cincinnati faces an affordable housing deficit of 8,327 units.

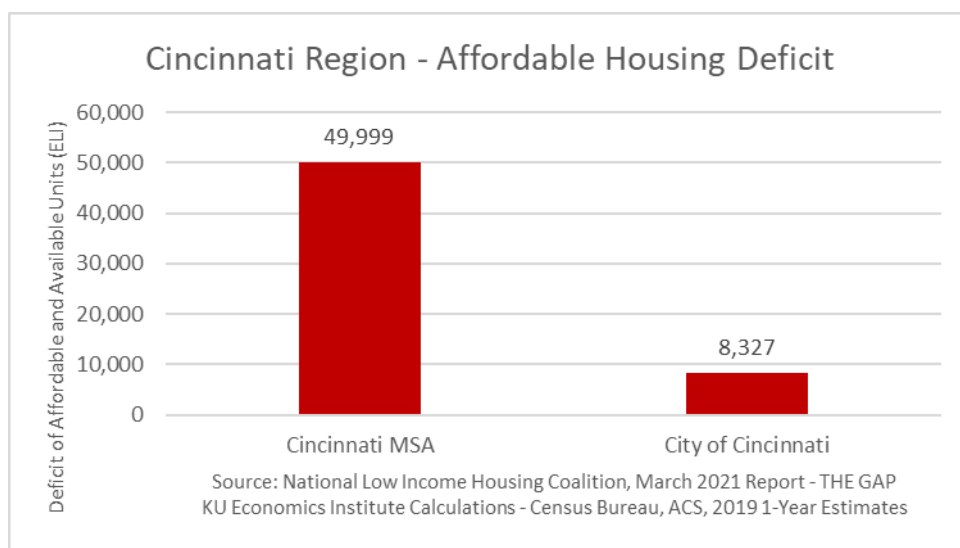


Figure 1: The Cincinnati Region’s Affordable Housing Deficit

Discussion of solutions that address the challenge of the affordable housing crisis in the City of Cincinnati are outside the scope of this report. However, determination of the magnitude of the crisis is the first step towards funding and implementing solutions.

⁸ https://www.lisc.org/media/filer_public/6e/a0/6ea0be11-fc3a-4a07-bcac-52f73172c96e/strategy_guide_-_5-26-2020.pdf

Appendix A: Data Source

	Cincinnati City, Ohio	Cincinnati, OH-KY-IN Metro Area
<i>Housing Units</i>	158,394	951,030
<i>Housing Shortage</i>	8,327	49,999
DATA NOTES		
TABLE ID:	B25001	
SURVEY/PROGRAM:	American Community Survey	
VINTAGE:	2019	
DATASET:	ACSDT1Y2019	
PRODUCT:	ACS 1-Year Estimates Detailed Tables	
UNIVERSE:	Housing units	
FTP URL:	None	
API URL:	https://api.census.gov/data/2019/acs/acs1	
USER SELECTIONS		
TOPICS	Housing Units	
GEOS	Cincinnati, OH-KY-IN Metro Area; Cincinnati city, Ohio	

About the Kautz-Uible Economics Institute

The Kautz-Uible Economics Institute creates opportunities for enhanced learning and growth for students, faculty, and alumni of the University of Cincinnati's nationally ranked Department of Economics in the Carl H. Lindner College of Business. Established in 1982 as the Hewett-Kautz Fund, the institute's mission has steadily expanded and continues its transformational impact.

The institute currently supports the economics department through:

- The Kautz-Uible Fellowship Program, which offers scholarships and the Caroline M. Kautz book prize to outstanding economics students;
- An annual lecture series, presented by prominent economists;
- Annual domestic and international travel by undergraduate and graduate student groups;
- The Kautz-Uible Women in Economics Initiative, which provides scholarships and mentoring to economics students;
- The Kautz-Uible Research Initiative, which provides faculty-supervised research opportunities to undergraduate students;
- The Kautz-Uible International Scholar Program, which financially supports the economics department hosting a reputed international scholar for up to a year;
- Faculty recruitment and retention through the establishment of chair professorships.