

EXECUTIVE SUMMARY

Demographics

Census Bureau data showed that the statewide population of Iowa increased by 88,338 persons, or by 2.9 percent, from 2010 through 2016. Regional population change in Iowa saw significant shifts during the 2010 through 2016 time period as well, with all but the East Central and Central region decreasing in population. The East Central and Central regions grew by 3.6 and 10.0 percent, respectively.

In 2016, the largest age cohorts in the state were seen at both ends of the spectrum. Those aged under 14 accounted for 19.4 percent of the statewide population, and those aged 65 and older accounted for 16.4 percent of the population. Those aged over 65 also saw the greatest rate of growth statewide between 2010 and 2016, growing by 13.5 percent. Those aged 55 to 65 grew by 11.6 percent. All the regions saw growth for residents over 55, which was particularly marked in the East Central and Central regions. The East Central region experienced a growth rate of 12.6 percent for residents aged 55-64, and 17.8 percent for those over the age of 65. The Central region saw a growth rate of 17.3 percent for those aged 55-64, and 24.4 percent for those aged 65 and older.

The State experienced a shift in the racial and ethnic composition of its residents. While the white population increased by only 0.9 percent, while Black and American Indian populations increased by 25.3 percent and 17.4 percent respectively, and the “two or more races” demographic group increased by 26.4 percent. The State saw a significant change in the Hispanic population, which increased by 20.5 percent between 2010 and 2016 to 182,606 people. The highest Hispanic population was in the Central Region in 2016, and increased by 20.6 percent between 2010 and 2016. However, the highest rate of growth was seen in the East Central Region, which grew by 22.8 percent between 2010 and 2016.

The State saw a net in-migration of 7,683 in 2016, and 2,328 for the first half of 2017. The top five net in-migration states were Illinois, California, Florida, Arizona and Minnesota, accounting for 67.4 percent of all net in-migration to the state of Iowa. Some 54 percent of net-migrants were male, and persons aged 26 to 35 represented the most number of net-migrants.

In 2016, an estimated 11.6 percent of the population was disabled, with males experiencing disability at a slightly higher rate than females.

Economics

Over the past 27 years, the Iowa labor force, defined as people working or seeking work, rose at an annual rate of just over 0.63 percent per year, from 1,451,750 in 1990 to 1,700,683 in 2016. The State’s unemployment rate fell from 3.8 to 3.7 percent, which was low compared to the national average of 4.9 percent. Unemployment rates did not vary greatly among different regions of the state, with all regions experiencing declines after 2010. The Northwest and Central region had the lowest 2016 unemployment rate of 3.3 percent and 3.2 percent, respectively.

Iowa’s real average wages per job, as derived from BEA data through 2016, are lower than U.S. averages, at \$49,808 for the State of Iowa versus \$58,372 for the U.S. The real average earnings per job differed significantly by region, with the highest-paying jobs in the Central Region



representing a real average of \$55,922 in 2016. In addition, all regions except the East Central and the Central Region experienced decreases in real earnings per job between 2015 and 2016.

Real per capita income in Iowa, defined as total personal income divided by population, more than doubled over the 1970 to 2016 period, from \$19,114 to \$46,000, but still remained below the national average. The Southeast Region had the lowest per capita income at \$40,807 and the Central region had the highest per capita income of \$48,337.

The Iowa Department of Revenue annual income tax statistics showed the total number of returns between 2010 and 2015 increased by 5.7 percent, with 120,434 returns reported in 2015. Between 2010 and 2015, the adjusted gross income class that saw the largest change was \$125,000 and above with a change of 52.1 percent, compared to the income class of \$10,000-19,999 which declined by 3.0 percent. In 2015, return that had an income between \$0 and \$9,999 accounted for 18.0 percent of returns, while returns with incomes of \$125,000 and above represented percent in 2015.

In 2016, the poverty rate for the State of Iowa was 12.2 percent or 356,429 persons, which was below the national average of 14.7 percent. The State has followed national trends, and the poverty rate has been declining since a peak in 2012. Between 2015 and 2016 poverty decreased in all but one region of Iowa, with poverty increasing only in the Northeast region.

Housing

Between 2010 and 2016, the number of housing units in Iowa rose 1,336,417 to 1,380,162 units, or by 3.3 percent. The number of housing units grew by 8.3 percent in the Central region, and 3.6 percent in the East Central region. By contrast, the number of housing units declined by 0.1 percent for the North Central region, and 0.3 percent in the Southeast region.

In 2016, the State of Iowa had a total of 14,317 total housing units permitted, including 8,203 single family units. Single-family construction usually represents most residential development in the state. Between 2003 and 2016, single family permits peaked in 2005 during the buildup of the housing bubble and reached a low of 5,705 in 2009 during the great recession. In 2016, the East Central and Central Region had the largest amount of both single family and total units permitted. Overall, these two regions accounted for 79.7 percent of all permitted activity.

Over 91.2 percent of housing units were occupied in 2016, down from 93.2 percent in 2010. Owner-occupied housing also fell between 2010 and 2016, from 72.3 percent to 71.1 percent. Vacant housing units grew during this same period, from 6.8 percent in 2010 to 8.8 percent in 2016.

The disposition of vacant housing units shifted between 2000 and 2016. While for rent units declined from 28.0 percent in 2000 to 19.8 percent in 2015. Meanwhile, "other" vacant units grew from 26.3 percent in 2000 to 40.6 percent in 2016. "Other" vacant units are not for sale or rent, or otherwise available to the marketplace, and may be problematic if concentrated in certain areas.

Homeownership in the State of Iowa has declined since 2000 when it peaked at 75.2 percent. By 2016, the homeownership rate for the State was 70.0 percent, which is still higher than the national average of 63.4 percent.



Housing costs in the State have risen in recent years, from \$176,325 in 2000 to an all-time high of \$235,749 in 2016. The North Central Region had the highest average new construction value at \$281,415, followed by the Central Region at \$255,606. The Southeast Region had the lowest at \$159,669.

Households are classified as having housing problems if they face overcrowding, incomplete plumbing or kitchen facilities, or cost burdens. In 2016, an estimated 1.2 percent of households were overcrowded, and an additional 0.4 percent were severely overcrowded. An estimated 0.3 percent of households had incomplete plumbing facilities, and 0.9 percent had incomplete kitchen facilities. The most common housing problem was cost burdens, with 23.7 percent of households experiencing a housing cost burden greater than 30 percent of their income. Renters were most likely to be cost burdened, with 40.4 percent of renters in 2016 experiencing cost burdens.

From September through December of 2017, a telephone survey was conducted with landlords and rental property managers throughout Iowa, and represents 60,889 total units. The overall vacancy rate was 5.7 percent. Single family homes had a vacancy rate of 6.7 percent, while apartments and mobile homes had a vacancy rate of 5.5 percent, and 10.4 percent, respectively. The most common rent for single family units was between 750 and 1,000 dollars.

By 2050, there are projected to be 1,020,623 owner-occupied households, of which 58,035 owner-occupied households are expected to have incomes of 0-30 percent of MFI and 167,578 are projected to have incomes of 50.1-80.0 percent of MFI. In 2050, there are projected to be 379,082 renter households, of which 101,874 renter households are expected to have incomes between 0 and 30.0 percent of median family income 83,809 renter households with incomes between 50.1-80.0 percent of MFI. Overall households are projected to reach 1,399,705 occupied units by 2050, of which 159,909 are expected to have incomes on between 0 and 30 percent of MFI.

Summary

Demographic and economic growth varied significantly throughout the state. While a majority of the regions in the state saw declining populations, the State as a whole grew by a little under 3 percent between 2010 and 2016.

The housing stock in the state grew at about the same rate between 2010 and 2016, at 3.3 percent. The growth in housing was more prominent in regions with population growths, namely the Central and East Central Regions. There are still a significant portion of the State population experiencing housing problems, cost burdens in particular.

By 2050, the state can expect to see 1,020,623 owner-occupied households and 379,082 renter households. There are expected to be 159,909 households with incomes between 0 and 30% MFI by 2050.



Regional Definition

