

Executive Summary

Demographics

Census Bureau data showed that the State wide population of Iowa increased by 117,206 persons, or by 4.0 percent, from 2010 through 2020, to 3,163,561 persons. The 2020 population trend is not yet broken down by race, age, or gender. For those purposes, the 2019 Five-year ACCS estimates will be used. In 2019, the largest age cohorts in the State were seen at both ends of the spectrum. Those aged under 14 accounted for 19.1 percent of the State wide population, or 604,131 persons, and those aged 65 and older accounted for 17.5 percent of the population, or 552,954 persons. Those aged over 65 also saw the greatest rate of growth State wide between 2010 and 2019, growing by 22.1 percent. Those aged 55 to 64 grew by 11.5 percent.

The State experienced a shift in the racial and ethnic composition of its residents between 2010 and 2019. While the white population increased by only 0.7 percent over this period, the black and American Indian populations increased by 39.7 percent and 25.8 percent respectively, and the “two or more races” demographic group increased by 38.1 percent. The fastest growing racial group in Iowa between 2010 and 2019 was the Native Hawaiian or Pacific Islander cohort, growing by 98.6 percent, from 2,419 persons to 4,804. The State saw a significant change in the Hispanic population, which increased by 31.0 percent between 2010 and 2019, to 198,550 people.

The State of Iowa saw a net in-migration of 7,561 persons in 2020, and an additional 2,477 persons in the first half of 2021. In 2020, 53 percent of net-migrants, or 4,031 persons, were male, with the remaining 47 percent, or 3,548 persons, were female.

Economics

Iowa’s labor force has grown from 1,451,750 persons in 1990 to 1,666,420 persons in 2020, or by 14.6 percent during this time period. The labor force declined from 1,733,868 in 2019, or by 3.9 percent between 2019 and 2020. The State’s unemployment rate rose from 2.8 percent in 2019 to 5.3 percent in 2020. However, this remained below the national average of 8.1 percent in 2020.

Iowa’s real average wages per job, as derived from BEA data through 2019, are lower than U.S. averages, at \$55,465 for the State of Iowa versus \$62,315 for the U.S. Real per capita income in Iowa, defined as total personal income divided by population, more than doubled over the 1970 to 2018 period.

The Iowa Department of Revenue annual income tax statistics showed the total number of returns between 2010 and 2019 increased by 8.3 percent, with 1,455,921 returns reported in 2019. Between 2010 and 2019, the adjusted gross income class that saw the largest change was under \$10,000 with a growth of 90.2 percent, compared to the income class of \$10,000-19,999 which decreased by 8.4 percent. In 2018, returns that had an income between \$0 and \$9,999 accounted for 16.4 percent of returns, while the income class of \$20,000-29,999 saw a decline of 9.1 percent.

In 2019, the poverty rate for the State of Iowa decreased from 11.2 percent to 11.0 percent, or 337,156 persons, below the national average of 12.2 percent. The State of Iowa’s poverty rate had

been trending down since a peak of 12.7 percent in 2011, but has seen increases in 2018. The national poverty rate has seen a similar trend.

Housing

Between 2010 and 2019, the number of housing units in Iowa increased from 1,336,417 to 1,418,626 units, or by 6.2 percent. In 2020, the State of Iowa had a total of 12,626 total housing units permitted, including 8,636 single family units. Single-family construction usually represents most residential development in the State. 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.

Over 90.6 percent of housing units were occupied in 2019, down from 91.4 percent in 2010. Owner-occupied housing also fell between 2010 and 2019, from 72.1 percent to 71.1 percent. Meanwhile, renter-occupied housing units increased from 27.9 percent in 2010 to 28.9 percent in 2019. Vacant housing units grew during this same period, from 8.6 percent in 2010 to 9.4 percent in 2019.

The disposition of vacant housing units shifted between 2010 and 2019. While for rent units declined from 27.7 percent in 2010 to 19.8 percent in 2018. Meanwhile, “other” vacant units grew from 31.5 percent in 2010 to 42.4 percent in 2019. “Other” vacant units are not for sale or rent, or otherwise available to the marketplace, and may be problematic if concentrated in certain areas.

The value of single-family homes in the State has risen in recent years, from \$186,450 in 2000 to an all-time high of \$251,517 in 2019.

Households are classified as having housing problems if they face overcrowding, incomplete plumbing or kitchen facilities, or cost burdens. In 2019, 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. An estimated 0.3 percent of households without plumbing facilities, and 0.9 percent without complete kitchen facilities.

The most common housing problem in Iowa was cost burdens, which is defined as spending greater than 30 percent of household income on housing costs. A severe cost burden is defined as spending greater than 50 percent of household income on housing costs.

State wide there were 119,622 owner-occupied households and 63,353 renter occupied households experiencing a cost burden for a total of 182,975 households experiencing a cost burden. A cost burden is defined as spending greater than 30 percent of household income on housing costs. A severe cost burden is defined as spending greater than 50 percent of household income on housing costs. An additional 58,560 owner-occupied households and 72,505 renter-occupied households experienced a severe cost burden. Overall 13.1 percent of households are burdened and 9.8 percent of households are severely cost burdened throughout the State.

The 2021 Iowa Profile cites the most common housing problem in Iowa as housing cost burdens, with 39.5 percent of renters and 16.1 of homeowners spending greater than 30 percent of their income on housing costs. Housing problems, which include cost burdens, overcrowding and inadequate plumbing and kitchen facilities, are disproportionate by race in the State, with 22.1

percent of white households having a severe housing problem compared to 48.2 percent of Pacific Islander and 49.5 percent of Black households.

Research shows the most critical need for affordable housing is for Iowa's lowest income segment. Iowans with incomes between 0-30% of MFI, or \$0-\$23,850, are the most severely housing-cost burdened in Iowa with 58 percent paying more than 50 percent of their income for housing, this compares to the next highest income level, which is still severely cost burdened, with 16.7 percent paying more than 50% of their income on housing. This issue will only intensify if affordable housing options are not identified, as 12.6 of our households are expected to be in the lowest income range (or 0-30 percent Median Family Income) by 2050, and 11.8 percent in the next income range (or 30.1-50 percent MFI).

From February through May of 2021, a telephone survey was conducted with landlords and rental property managers throughout Iowa and represents 41,191 total units. The overall vacancy rate was 5.6 percent. Single family homes had a vacancy rate of 4.8 percent, while apartments and mobile homes had a vacancy rate of 6.5 percent, and 3.9 percent, respectively. The most common rent for single family units was between 500 and 749 dollars.

By 2050, there are projected to be 1,038,335 owner-occupied households, of which 61,192 owner-occupied households are expected to have incomes of 0-30 percent of MFI and 165,368 are projected to have incomes of 50.1-80.0 percent of MFI. In 2050, there are projected to be 410,688 renter households, of which 106,510 renter households are expected to have incomes between 0 and 30.0 percent of median family income 90,535 renter households with incomes between 50.1-80.0 percent of MFI. Overall households are projected to reach 1,449,023 occupied units by 2050, of which 167,702 are expected to have incomes on between 0 and 30 percent of MFI.

