The Jobs/Housing Mismatch:
A Silent Crisis in the Chicago Metropolitan Region

There is a shortage of affordable housing in the Northern Suburbs . . .
- Households earning the median income or less, or approximately $73,000 for a family of four, can no longer secure housing in our area. They can afford a home in the $250,000 range, virtually non-existent in the area.
- Cook County experienced a net loss of more than 5,000 rental units between 1990 and 2000 even as the County added 145,000 jobs.*
- Eleven of the sixteen northern suburbs in Interfaith’s service area – Deerfield, Glencoe, Highland Park, Kenilworth, Lincolnwood, Morton Grove, Northbrook, Northfield, Park Ridge, Wilmette, and Winnetka – have less than 10% affordable housing, below the threshold of acceptability set by the state of Illinois.

And families are spending more for housing.
- Over 730,000 families – 25% of all the families in the six-county metropolitan region – are financially stretched because they pay more than 30% of their income for housing. Estimates indicate that an additional 140,000 families will be similarly stressed by 2030 because the housing they can afford will not be built.*
- Rents have increased at a faster rate than incomes. The median rent increased to $935 for a two-bedroom apartment in 2006. To afford this monthly rent, a household would need to earn at least $17.98 per hour ($37,400 per year), the equivalent of nearly 3 minimum wage jobs. (National Low-Income Housing Coalition)
- Home foreclosures are skyrocketing as many families and seniors entered into fraudulent or deceptive mortgage agreements. Foreclosures in Illinois jumped 55% in 2006, up to 72,455, and are expected to rise in 2007. One in 4 home loans in 2006 was sub-prime (i.e., not from a conventional bank). And 1 in 5 sub-prime mortgages originated in Illinois in 2006 – an alarming 20% – is projected to end in foreclosure.

New affordable homes are needed, especially near jobs.
- Areas with the greatest number of jobs have less affordable housing. For example, between 1990 and 2000, Schaumburg added 40,000 new jobs while issuing only 2,339 single-family permits and 966 multifamily housing permits.*
- By 2030, the regional population is expected to increase 24%, from 8.1 million in 2000 to 10 million.*
- Regional commuting times are the second longest in the nation.*

The impacts of the jobs/housing mismatch affect the entire Chicago region
- The housing/jobs mismatch has been estimated to cost up to $300 million in our region, with the greatest impact on businesses trying to attract and retain entry-level workers. (Boston Consulting Group for Chicago Metropolis 2020)
- The need to move frequently negative impacts children’s school performance.
- The jobs/housing mismatch adds to the growing traffic congestion in the region.