

Evanston Housing Gap Analysis – Key Findings

HOUSING & COMMUNITY DEVELOPMENT COMMITTEE

SEPTEMBER 2025

What the Gap Measures (and What It Doesn't)

- Diagnostic of market mismatch at today's prices
- Counts cost-burdened households by income and tenure
- Housing cost-burdened = paying $\geq 30\%$ of HH income on housing costs (HUD)
- Gaps can shrink via turnover, preservation, new construction, and supports (e.g., housing assistance)
- *Not* a demand forecast and not a “build-to” quota
- Use as order-of-magnitude signal to set phased goals

Method at a Glance

- Households by income: ESRI 2025 baseline; 2030 projections; extended to 2035
- Cost-burden by income & tenure: HUD CHAS dataset for 2017–21 (with 2012–16 trend)
- Income bands aligned to HUD MFI (~\$120k in 2025)
- Apply cost-burden shares to current and projected household counts

Citywide Topline

- ≈48% of renters and 24% of owners are cost-burdened; 35% citywide
- Total affordability gap of 11,019 households (7,057 renter; 3,952 owner)
- By 2035, modeled gap 8,354 (5,241 renter; 3,114 owner)
- Largest rental gaps <80% of MFI; ownership gaps at lowest incomes



Citywide Topline

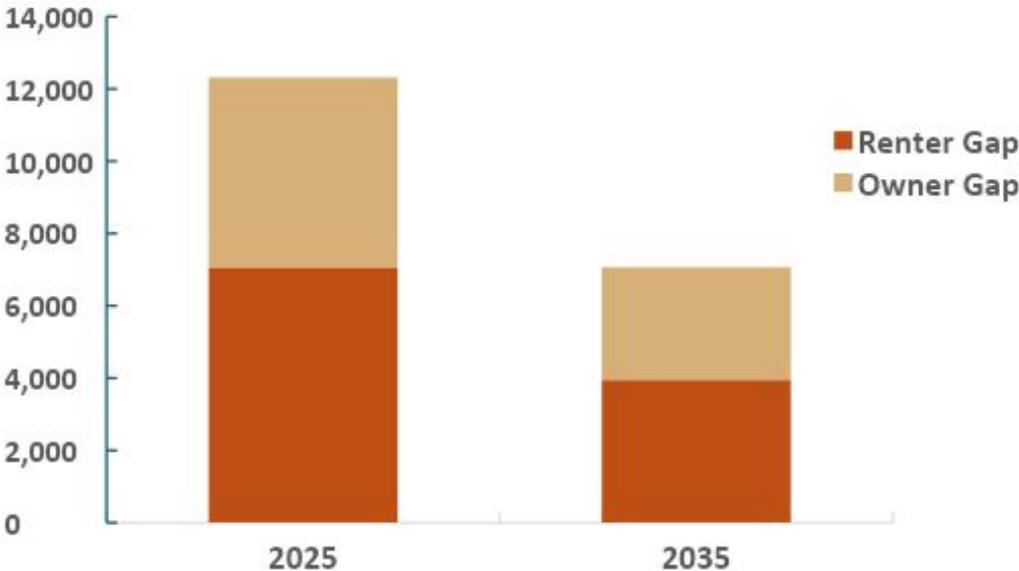
Housing Affordability Gaps by Household Income & Tenure

Household Income - 2025	Est. Cost Burdened Renters	Est. Cost Burdened Owners	Est. Cost Burdened Total	Percent Cost Burdened Renters	Percent Cost Burdened Owners	Percent Cost Burdened Total
\$0-35,999 (30% of median)	2,107	1,553	3,660	59%	69%	63%
\$36,000-\$59,999 (30-50%)	2,521	651	3,172	85%	52%	75%
\$60,000-\$95,999 (50-80%)	1,919	890	2,810	65%	43%	56%
\$96,000-\$119,999 (80-100%)	382	429	810	24%	32%	28%
\$120,000+ (100%+)	138	430	567	4%	4%	4%
Total	7,067	3,952	11,019	48%	24%	35%

Source: U.S. Census, 2019-2023 American Community Survey, 5-year estimates; U.S. Department of Housing & Urban Development, Comprehensive Housing Affordability Strategy (CHAS) dataset; Development Planning Partners.

Citywide Affordability Gaps: Now vs. 2035

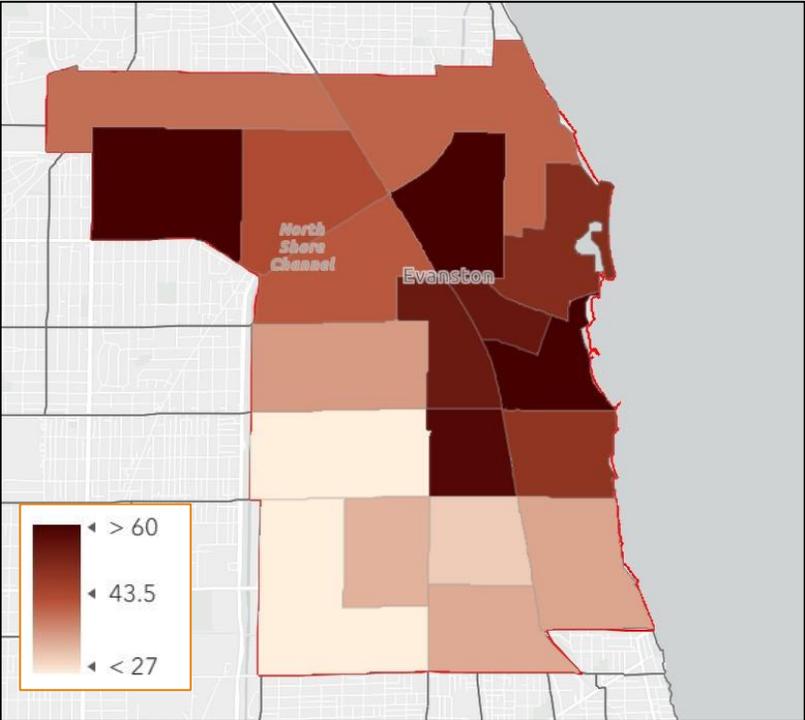
Change in Housing Affordability Gaps



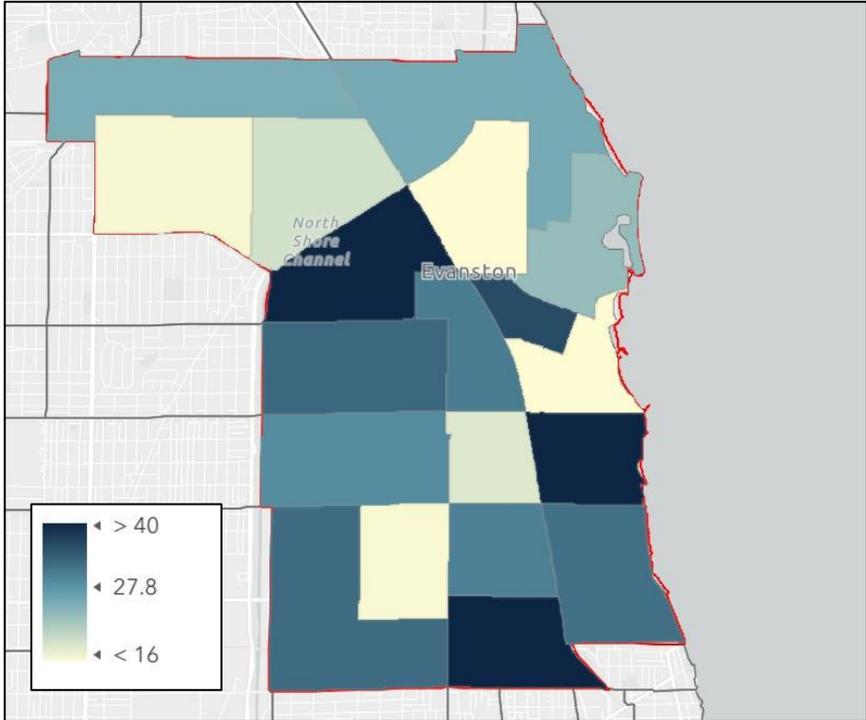
Source: U.S. Census, 2019-2023 American Community Survey, 5-year estimates; U.S. Department of Housing & Urban Development, Comprehensive Housing Affordability Strategy (CHAS) dataset; Development Planning Partners.

Local Area Impacts

Percent Cost-Burdened Households - Renter



Percent Cost-Burdened Households - Owner



Source: U.S. Census, 2019-2023 American Community Survey, 5-year estimates; Development Planning Partners.

Housing Gap Impacts



Designated Affordable Housing (rental)

- Supply: 952 income-restricted units (generally $\leq 60\%$ AMI)
- Unit mix: 46% senior, 39% family, 15% supportive/special needs
- Penetration: $< 10\%$ of income-qualifying households citywide (9,415 households)
- IHDA: $< 25\%$ penetration \rightarrow suggests support for additional affordable units

Affordable Housing Challenges

- Addressing the family-targeted affordable rental gap
- Preserving naturally occurring affordable housing (NOAH)
- Ensuring continuity of supportive housing (only 144 units currently)
- Preparing for large increase in lower-income senior households

Race & Ethnicity Impacts

Median Income & Housing Affordability by Race/Ethnicity

Race/Ethnicity	Households	Median Household Income	Median Affordable Housing Cost/Mo.*	Variance from Citywide
White alone	21,192	\$119,602	\$2,990	25%
Black/African American	4,400	\$56,004	\$1,400	-42%
Hispanic or Latino (any race)	2,214	\$91,023	\$2,276	-5%
Asian	2,748	\$76,985	\$1,925	-20%
American Indian & Alaska Native	66	N/A	N/A	N/A
Native Hawaiian & Other Pacific Islander	N/A	N/A	N/A	N/A
Some Other Race	788	\$74,391	\$1,860	-22%
Two or More Races	1,669	\$90,477	\$2,262	-6%
Evanston City	31,387	\$95,766	\$2,394	-

*Calculated using HUD <30% of household income standard.

Source: U.S. Census, 2019-2023 American Community Survey, 5-year estimates; Development Planning Partners.

Race & Ethnicity Impacts

- Significant income disparity results in housing affordability stress among many groups.
- Black or African American households are particularly impacted.
- At median income for these households, only $\approx 25\%$ of one-bedroom rental units, 15% of two-bedroom rentals, and $<10\%$ of two-bedroom for sale homes could be considered affordable.
- By contrast, $>75\%$ of one-bedroom rentals, 70% of two-bedroom rentals, and a large share for for-sale homes are affordable to White households.

Missing Middle Housing

- Missing Middle housing = attached SF + MF in buildings of <5 units
- Evanston: 18.6% vs. Cook County: 25.2% (Chicago: 31.7%)
- ≈2,060 additional units to match County share
- Backbone for younger families, workforce households, and downsizing seniors

Missing Middle Housing Share



Source: U.S. Census, 2019-2023 American Community Survey, 5-year estimates; Development Planning Partners.

Housing for Seniors

- Nearly 700 additional senior households expected by 2030 (8% growth)
- By 2030, senior households will make up 30% of all households citywide (9,495)
- Many senior households earn <\$50k need affordable housing options (≈3,100 by 2030)
- Age-restricted inventory limited relative to need
- Middle-income seniors lack moderate-price options (~\$1.5k–\$2.5k/mo.)
- Higher-income seniors: limited supply of accessible, amenity-rich units

Moving Forward



Market Context: Why Gaps Persist

- For-sale: tight inventory, rising prices; entry-level detached scarce
- Attached for-sale more attainable but also constrained at lower end
- Rental: balanced-to-tight vacancy; tightest in older Class C (NOAH) stock
- NOAH erosion with rent growth → preservation urgency

Interpreting & Using the Numbers

- View as order-of-magnitude signals; not one-for-one build quotas
- Target price tiers, bedroom mix, and locations with highest pressure
- Combine production, preservation, and friction-reduction measures
- Re-estimate periodically as conditions evolve

