

Chapter 8. Housing



Bear River Cottages, a “pocket neighborhood” housing development in Maquoketa, Iowa.

Photo Credit: ECIA

HOUSING OVERVIEW

Housing is a key concern in Jackson County for several reasons. First, housing is important for individuals and families because it fulfills their basic need for shelter, and in many cases, housing costs can be a household’s largest expense. In addition, housing can be a typical homeowner’s largest financial asset and an important tool for building wealth.

Second, housing is a key industry in the local economy. Construction and maintenance of houses, apartment buildings, and other related structures generates economic activity, supports local businesses, and employs workers. Housing-related economic activity also supports the financial institutions that provide the loans for the construction and purchase of homes and the real estate professionals that assist with the buying and selling of residential properties.

Finally, housing is a key part of Jackson County’s plans for future development. Having a supply of good-quality, affordable housing available in a variety of shapes, sizes, and price points will ensure that the people that want to live

in Jackson County can find a home that meets their individual needs. Housing plays a key role in the county’s economic development efforts by housing the workforce required to staff area businesses.

This chapter looks at the existing housing situation in Jackson County, identifies key housing related issues, and recommends actions that the county and its partners can take to achieve its vision for the future.

HOUSING STOCK

This section provides an overview of the current condition of housing in Jackson County. The section looks at physical characteristics of housing structures such as building type and age. The section also looks at how the county’s existing structures are currently occupied.

Housing Type

According to the 2016-2021 5-year American Community Survey (ACS) Estimates, 82.5% of Jackson County’s occupied housing units are single-family detached homes. Apartment units in total make up 8.5% of the housing stock. See Table 8.1 for the comparison.

The American Community Survey (ACS) 5-Year Estimates from the U.S. Census Bureau annually provide the current information that communities need to plan investments and services. The ACS covers a broad range of topics about social, economic, housing, and demographic characteristics of the U.S. population.

The ACS 5-year estimates represent data collected over a period of time. This means increased statistical reliability of the data for less populated areas and small population subgroups. Learn more at:

<https://www.census.gov/data/developers/data-sets/acs-5year.html>

Table 8.1 Units in Structures in Jackson County

Units in Structure	Amount	Percent
1, detached	6,619	82.5%
1, attached	77	1.0%
2 apartments	147	1.8%
3 or 4 apartments	226	2.8%
5 to 9 apartments	54	0.7%
10 or more apartments	258	3.2%
Mobile home or any other type of housing	639	8.0%

Source: 2016-2021 5-Year ACS Estimates

Housing Tenure

Housing tenure is the financial arrangement under which a household occupies their housing unit. The two common types of tenure are owner-occupied or renter-occupied.

According to the 2016-2021 5-year American Community Survey (ACS) Estimates, Jackson County had a total of 9,266 housing units, of which 8,020 were occupied and 1,246 were vacant. Of the occupied units, 6,515 were owner-occupied and 1,505 were renter-occupied. This translates to over 80% of occupied housing units being occupied by their owner.

Figure 8.1 compares the housing tenure rates in Jackson County to statewide and national figures, showing that Jackson County has a higher rate of homeownership.

Housing Age

Jackson County’s housing stock is primarily older homes. More than 50% of homes were constructed before 1979, and 30.3% constructed in 1939 or earlier. Figure 8.2 charts the year of construction for Jackson County housing units.

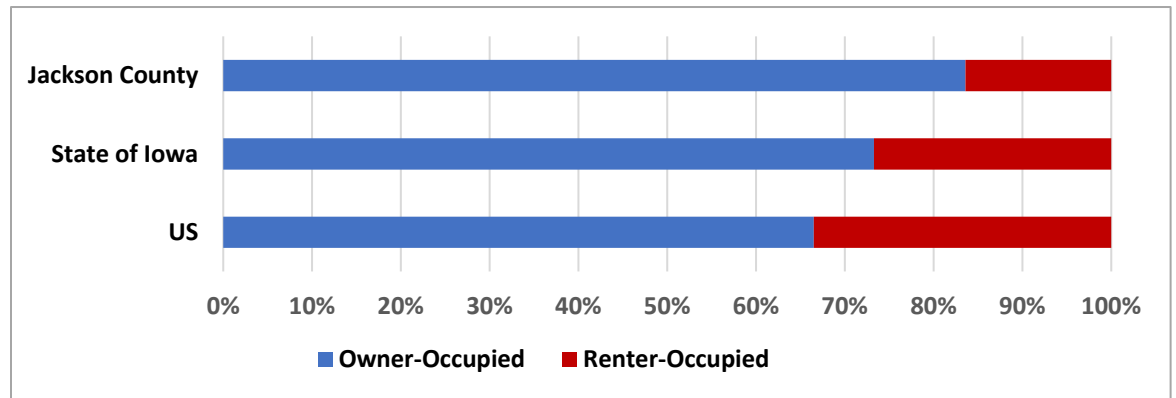


Figure 8.1 Housing Tenure Comparison

Source: 2016-2021 5-year ACS Estimates

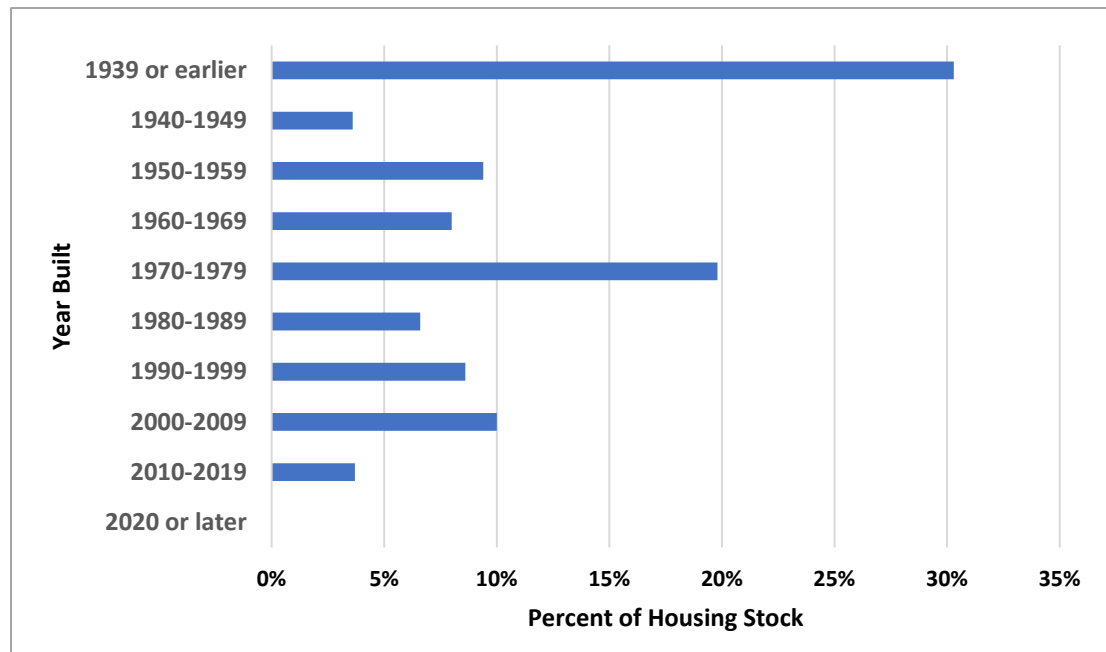


Figure 8.2 Age of Housing Stock in Jackson County

Source: 2016-2021 5-Year ACS Estimates

HOUSING MARKET

This section looks at the current housing market conditions in Jackson County. The section uses a number of measures to evaluate the current financial conditions in the Jackson County housing market.

Home Values

According to estimates created by the software firm ESRI for the Jackson County Economic Alliance, the median home value for 2023 in Jackson County was \$173,044 while the average home value was \$227,641. ESRI projects these values to increase to increase to \$190,437 and \$243,280 respectively, by 2028.¹

Figure 8.3 shows the distribution of owner-occupied housing values in the county according to the 2016-2021 5-year American Community Survey (ACS) Estimates. Based on these estimates, about 37% of homes within the county are valued within the range of \$100,000 to \$250,000.

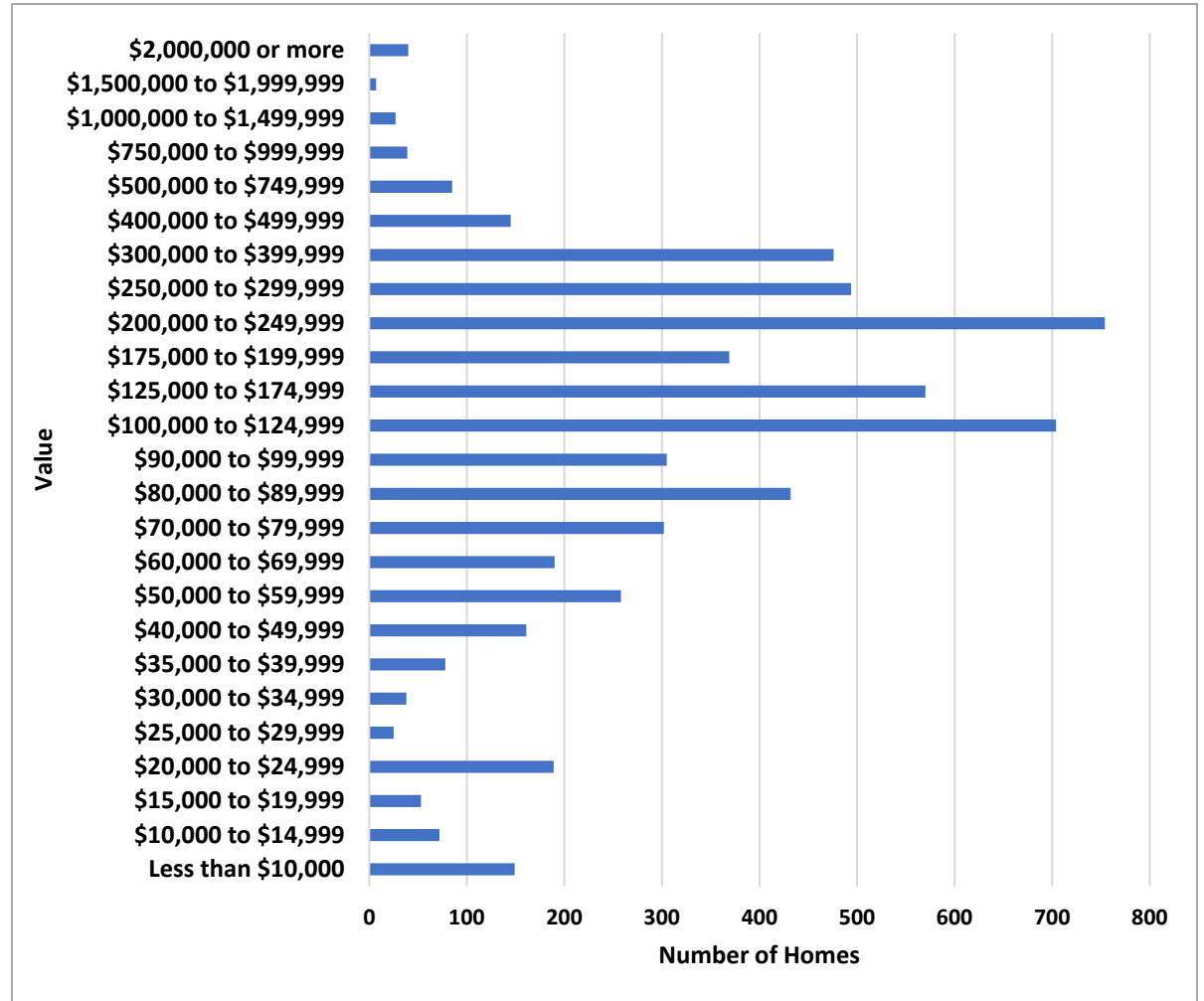


Figure 8.3 Distribution of Owner-Occupied Housing Values in Jackson County

Source: 2016-2021 5-Year ACS Estimates

¹ <https://www.thejcea.org/community-profile/p/v/data/item/874/jackson-county-ia#housing>

Home Sales

Home sales data provides useful insights into recent housing market trends, providing a picture of the number of homes being sold in the area as well as sale prices. Table 8.2 shows the number of homes sold in Jackson County between 2020-2022.

From 2020 to 2022 median sale prices increased by 3.8%. During the same period the number of listings decreased by 11.4% and the average days on the

market decreased from 44 in 2020 to 31 in 2022.

Increasing average and median sale prices and decreasing days on the market are indicators of increasing demand and generally positive trends for the residential market Jackson County. For context, for its Distressed Workforce Housing Designation, the state of Iowa uses 90 days or less on the market as an indicator of high demand for housing.

Data from the real estate website Zillow, charted in Figure 8.5, shows sale prices for homes sold in Jackson County between January 2023 to the end of September 2023. Most of the homes sold in Jackson County during that timeframe were within the range of \$125,000 to \$200,000.

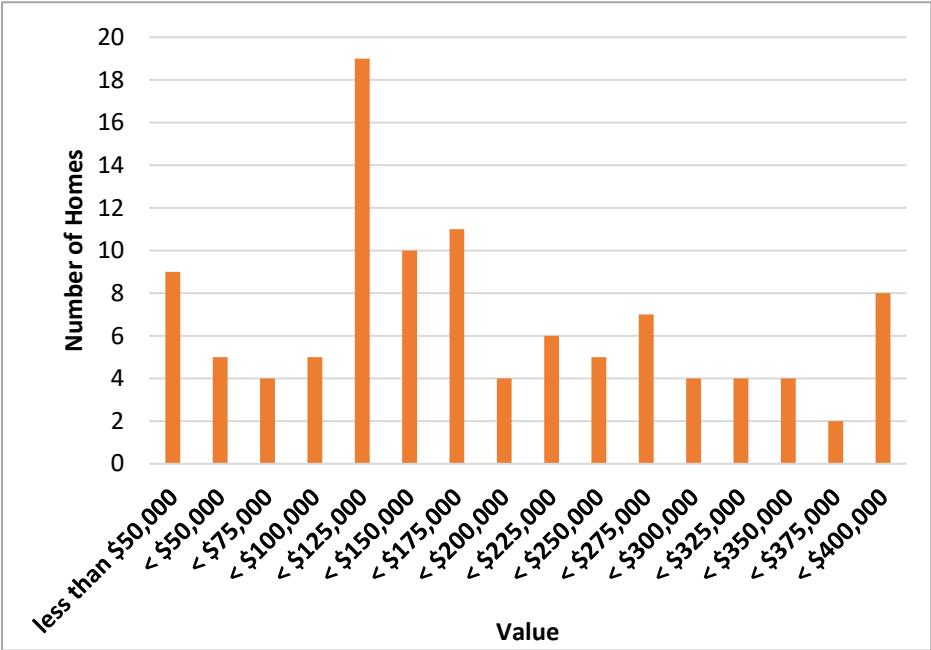


Figure 8.5 Values of Home Sales in Jackson County, January – September 2023 Source: Zillow

Year	Number of listings	Average Days on Market	Average Sale Price	Median Sale Price
2020	137	44	\$176,612	\$154,950
2021	144	46	\$184,434	\$149,700
2022	123	31	\$228,019	\$160,950

Source: East Central Iowa Association of Realtors

HOUSING AFFORDABILITY

This section looks at housing costs in Jackson County and assesses how affordable those costs are for people at different income levels. The chapter examines both rental costs and costs as a percentage of income.

Rental costs are broken down by contract and gross rent. Contract rent is the monthly rent agreed or contracted for between the tenant and the landlord, regardless of furnishings, utilities, fees, meals or other services that may be included. Gross rent is the monthly rent with an estimated cost of utilities included. Gross rent is used to eliminate any differences from different practices with regards to including utilities as a part of rental payments.

The U.S. Department of Housing and Urban Development (HUD) calculates 50th percentile rent values that estimate how much an average unit may rent for in each county for each fiscal year (FY). The 50th percentile rents show the median standard unit that would be rented in the Jackson County market and include estimated utilities.

When looking at housing affordability the federal government looks at housing costs as a percentage of income. The benchmark for affordability is housing costs that do not exceed 30% of a household's income. This is a good rule of thumb; however, there are many other factors that affect affordability that the rule does not consider.

Rent Costs

Table 8.3 shows the median gross and contract rent values for the four counties in the Regional Planning Affiliation (RPA).

Jackson County has the lowest median gross rent of the four counties. Low rent may be a result of an excess supply of units, older rental housing stock, or poor-quality units. In many cases, lower rent is a result of a combination of these factors.

Table 8.4 shows the Fiscal Year 2024 HUD estimates of 50th percentile rents for Jackson County and the other RPA counties. 50th percentile rents in Delaware and Jackson counties are comparable, with 3- and 4-bedroom apartment rents being slightly higher in Jackson County.

County	Median Gross Rent	Median Contract Rent
Clinton	\$703	\$548
Delaware	\$702	\$485
Dubuque	\$836	\$692
Jackson	\$648	\$485

Source: 2016-2021 5-Year ACS Estimates

County	Efficiency	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom
Clinton	\$ 687	\$ 732	\$ 962	\$ 1,189	\$ 1,281
Delaware	\$ 630	\$ 726	\$ 862	\$ 1,042	\$ 1,148
Dubuque	\$ 695	\$ 761	\$ 1,000	\$ 1,345	\$ 1,697
Jackson	\$ 630	\$ 656	\$ 862	\$ 1,156	\$ 1,191

Source: U.S. Department of Housing and Urban Development (HUD) FY2024 50th Percentile Rents: Data by County at <https://www.huduser.gov/portal/datasets/50per.html>

Housing Costs

Most households in Jackson County are spending less than 30% of their income on housing. Table 8.5 shows the total number of people in Jackson County who spend 30% or more of their income on housing costs according to 2022 estimates from the Housing and Transportation (H+T) Affordability Index from the Center for Neighborhood Technology.

The H+T Affordability Index provides a comprehensive view of affordability that includes both housing and transportation costs at the neighborhood level. Learn more at <https://htaindex.cnt.org/>

Housing + Transportation Costs

Transportation can be a large cost for households. Many of Jackson County’s residents work outside the county and travel farther than residents in more urban areas. Table 8.6 looks at the breakdown of residents who spend 45% or more of their income on housing and transportation. While most Jackson County residents spend under 30% of household income on housing alone, when paired with transportation costs.

housing is still a large burden on many in the community.

Housing Costs by Income Level

The 30% rule can be limited in other ways. Households that can afford to spend 30% of their income on housing often choose to spend less. Income is one variable in choosing appropriate housing. Other variables include credit score, job stability, and number of children. If the local housing market includes a large number of homes, households will be able to acquire housing at lower rates than in a market with tighter supply.

Table 8.7 shows housing costs as a percentage of household income for units with a mortgage in Jackson

County. The data supports that households with larger incomes tend to proportionally spend less on housing than individuals with lower incomes.

Table 8.5 Housing Costs as a Percent of Income

Criteria	Pop.	% of Pop.
Less than 30%	17,988	92.72%
30% and Greater	1,413	7.28%

Source: H+T Affordability Index

Table 8.6 Housing and Transportation Costs

Criteria	Pop.	% of Pop.
Less than 45%	5,309	27.30%
45% and Greater	14,092	72.60%

Source: H+T Affordability Index

Table 8.7. Percentage of Household Income for Units with a Mortgage

Household Income	Number of Households	Less than 20% of Income	20 to 29% of Income	30% or more of Income
Less than \$20,000	135	0%	0%	100%
\$20,000 to \$34,999	212	0%	20.8%	79.2%
\$35,000 to \$49,999	333	5.7%	41.1%	53.2%
\$50,000 to \$74,999	585	43.9%	44.8%	11.3%
\$75,000 or more	2,111	87%	10.5%	2.5%

Source: 2016-2021 5-Year ACS Estimates

Housing Costs by Tenure

Figures 8.6, 8.7, and 8.8 show the distribution of housing costs by percentage to income for owner-occupied units with a mortgage, owner-occupied units without a mortgage and renter-occupied units for Jackson County, the state of Iowa and the rest of the country.

Homeowners without a mortgage tend to spend the least on housing costs while homeowners with a mortgage spend more. Many homeowners are still well below 20% of household income. Jackson County’s renters are more likely to spend less than 15% of their income on rent than the rest of the country; however, a large portion still are above the 30% threshold.

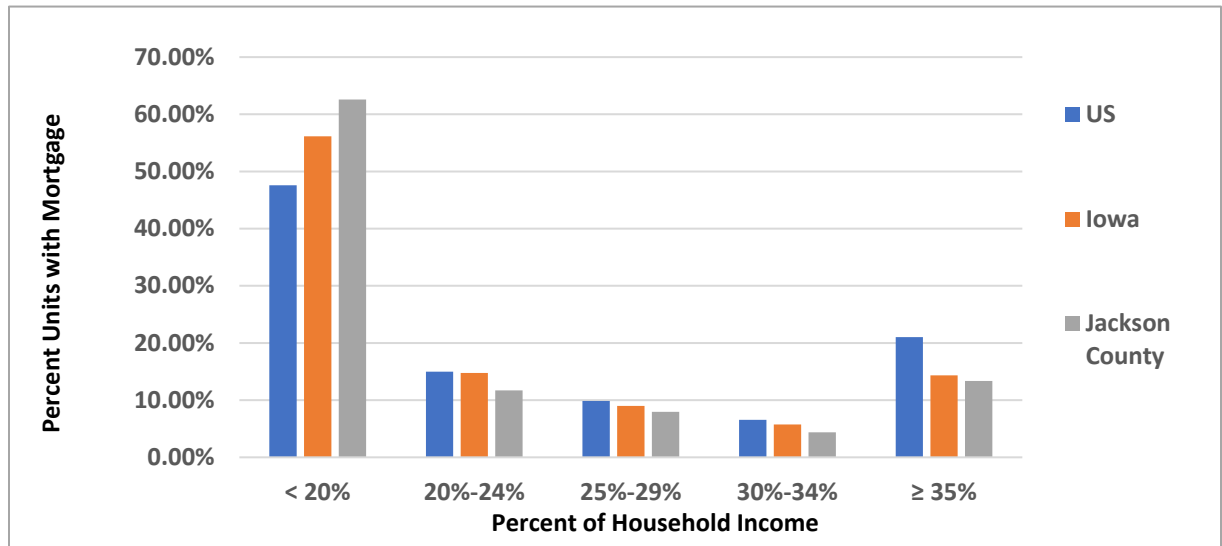


Figure 8.6 Housing Costs for Units with a Mortgage

Source: 2016-2021 5-Year ACS Estimates

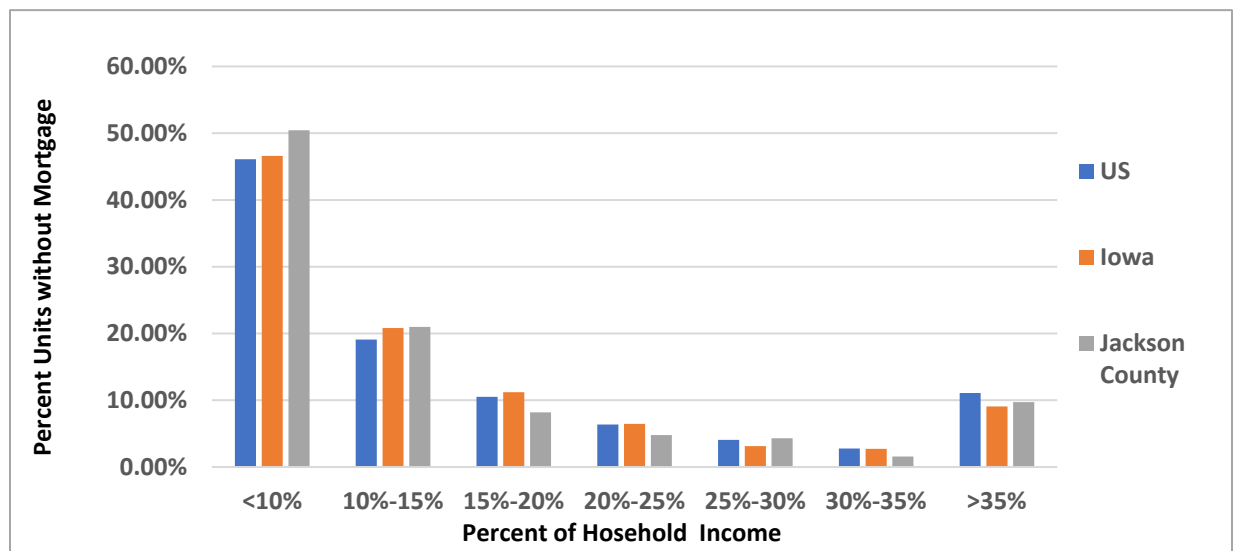


Figure 8.7 Housing Costs for Units without a Mortgage

Source: 2016-2021 5-Year ACS Estimates

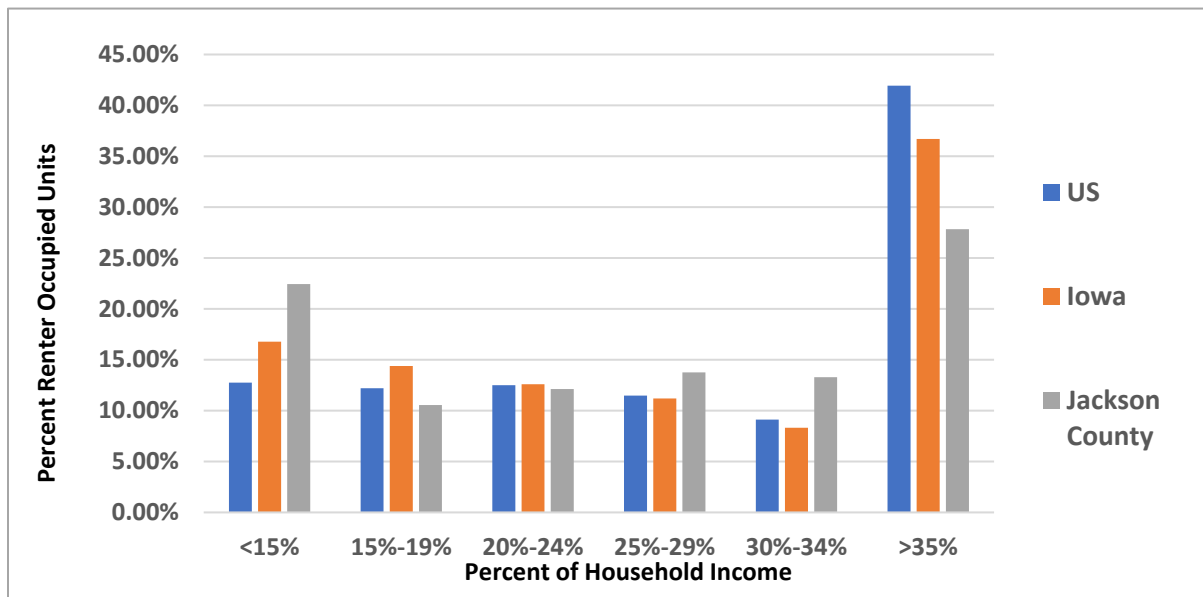


Figure 8.8 Housing Costs for Rental Units

Source: 2016-2021 5-Year ACS Estimates

Housing Affordability Analysis

The housing affordability analysis presented in Table 8.8 is a 2023 update to a housing affordability analysis prepared for the 2015 Jackson County Housing Needs Assessment. It provides an estimate of the minimum household income required to afford a home at different price levels for both 30% and 20% of income. The monthly payment was calculated assuming a good credit score, a 30-year mortgage with a 5.5% annual interest rate, and 10% down. The

analysis also considers additional housing costs including 1% for property tax, an annual 0.5% private mortgage insurance, and \$250 per month for utilities.

According to the analysis, more than half of Jackson County residents can afford an entry level home if they are able to use 30% of their income on housing. However, with only 20% of household income available, the number drops to 42% who can afford an entry level home.

Table 8.8. Jackson County Housing Affordability Analysis based on Household Income, updated in 2023				
Purchase Costs	Entry Level	Move Up	High End	Jackson County Median
Home Value	\$150,000	\$200,000	\$300,000	\$159,781
Down Payment 10%	\$15,000	\$20,000	\$30,000	\$15,978
Loan Amount	\$135,000	\$180,000	\$270,000	\$143,803
Interest rate	5.50%	5.50%	5.50%	5.50%
Number of Payments	360	360	360	360
Monthly Costs				
Monthly Payment	(\$851.68)	(\$1,135.58)	(\$1,703.37)	(\$907.22)
Property Tax Estimate	(\$125.00)	(\$166.67)	(\$250.00)	(\$133.15)
Monthly Utility Estimate	(\$250.00)	(\$250.00)	(\$250.00)	(\$250.00)
PMI Estimate	(\$50.00)	(\$66.67)	(\$100.00)	(\$53.26)
Subtotal Monthly Costs	(\$1,276.68)	(\$1,618.91)	(\$2,303.37)	(\$1,343.63)
Affordability				
Housing Cost as % of Income	30%	30%	30%	30%
Minimum Income Required	\$51,067	\$64,756	\$92,135	\$53,745
Affordable to Percent of Jackson County Households	59%	42%	28%	42%
Housing Cost as % of Income	20%	20%	20%	20%
Minimum Income Required	\$76,601	\$97,135	\$138,202	\$80,618
Affordable to Percent of Jackson County Households	42%	28%	12%	28%
Sources for the 2023 update included current data from local Jackson County Realtors.				

LOCAL, STATE, & FEDERAL PROGRAMS

Local, state, and federal programs as well as partner agencies are described below.

Federal Low-Income Housing Tax Credit

This program acts as an incentive for property owners to invest in the development of rental housing for individuals and families with fixed or limited incomes. The housing tax credit provides a dollar-for-dollar reduction (or credit) to offset an owner’s federal tax liability on ordinary income for a 10-year period.

Iowa Workforce Housing Tax Incentives

This program assists the development of workforce housing in Iowa communities by providing incentives for housing projects targeted at middle-income households and focuses on the redevelopment of existing structures.

Iowa Housing Tax Credit Program

This program addresses the housing needs for the lowest-income Iowans. The program is expected to assist in the development of approximately 375 new homes each year for a total of 3,750 new homes by 2030.

Eastern Iowa Regional Housing Authority (EIRHA)

The Eastern Iowa Regional Housing Authority (EIRHA) is a division of the East Central Intergovernmental Association (ECIA), which provides staff and administrative support.

EIRHA was created as a regional Housing Authority for Cedar, Clinton, Delaware, Dubuque, Jackson, Jones, and Scott Counties, excluding the cities of Clinton, Camanche, Davenport, and Dubuque.

The goal of EIRHA is to provide decent, safe, and affordable housing to eligible households; to provide opportunities and promote self-sufficiency; create economic independence; and to provide homeownership opportunities for Housing Choice Voucher and Public Housing Program participants.

Eastern Iowa Regional Housing Corporation (EIRHC)

The Eastern Iowa Regional Housing Corporation (EIRHC) exists to promote the general social welfare of eligible occupants with rental housing. Programs related to U.S. Department of Agriculture, Tax Credit, Tenant-based

Rent Assistance and Housing Trust Fund exist under this entity.

The mission of the EIRHC is to acquire, construct, provide and operate rental housing and related facilities suited to special needs and living requirements of eligible occupants.

EIRHC Housing Trust Fund

EIRHC became a Housing Trust Fund (HTF) designee in 2014. In accordance with Iowa Code Section 16.181, a HTF is held within the Iowa Finance Authority (IFA). The intended use of the funds is for development and preservation of affordable housing for households with low income in Iowa.

The mission of the EIRHC HTF is to assist in the provision of decent, safe, and affordable housing, as well as access to the resources for creating housing opportunities for the families served in eastern Iowa. The emphasis is to provide economic assistance to benefit the moderate, very low, and extremely low-income residents of Dubuque, Delaware, Jackson, Cedar, and Clinton Counties for a variety of housing needs.

Eastern Iowa Development Corporation

Eastern Iowa Development Corporation (EIDC) is a for-profit entity and wholly owned subsidiary of EIRHC. The EIDC was formed to be a general partner in all Low-Income Housing Tax Credits projects.

East Central Development Corporation

East Central Development Corporation (ECDC) is a non-profit focused on revitalizing Dubuque, Delaware, Jackson, Cedar, and Clinton Counties by serving low to moderate income communities and households and working with underserved neighborhoods that have experienced significant disinvestment.

ECDC projects include affordable housing development and rehabilitation, economic and community development related projects, neighborhood planning projects, and downtown revitalization.

ECIA Home Repair Programs

ECIA Home Repair Programs serve residents of Delaware, Dubuque, Cedar, Clinton, and Jackson counties.

Homes or rental properties built before 1978 are eligible for the **Lead Paint and Healthy Homes (LPHH) program**.

Homeowners or tenants are eligible to apply, especially those with children age 5 or younger that live in or visit the home. If lead is found, the home will be made lead safe. There is additional money available to make improvements to the home to make it safer and healthier for children. Some homes and rental properties receive new windows, siding, and other improvements.

With the **Older Adults Home Modification Program (OAHMP)**, older adult homeowners can remain in their homes, thus “aging in place” rather than moving into an assisted living facility. The OAHMP provides low-cost, high-impact modifications to the home to help reduce the risk of falling, such as installation of hand railings or non-slip strips on stairs or in showers/tubs.

The **Healthy Homes (HH) Program** makes the region’s housing stock safer by addressing commonly seen deficiencies. The focus is on water infiltration/indoor air quality, but any issues that fall within HUD’s Eight Principles of a Healthy Home can be addressed. The eight principles are: Keep it dry, clean, safe, well-ventilated, pest-free, contaminant free,

well maintained, and thermally controlled.

Tax-Increment Financing

Tax-Increment Financing is one way that cities within the county can help incentivize developers to build more housing in their communities. For more information on Tax-Increment Financing, see Chapter 7. Economic Development.

Voluntary Assessment Agreement

Chapter 384 of the Iowa Code allows property owners to petition their city to levy a special assessment to pay for public improvements. Developers can enter into a voluntary assessment agreement with their city to assist in the development of new subdivisions. This agreement would authorize a city to issue bonds that can pay for upfront costs of public improvements while in turn the cost of each property’s improvement is assessed to that property within the subdivision. The developer is then allowed 10 years to repay the city for improvement costs, but a lien is placed on each property that prohibits the sale until the improvement costs are repaid in full.

ISSUES AND OPPORTUNITIES

This section highlights some of the most important housing-related issues facing Jackson County. For each issue the section identifies opportunities that the county and its partners have for addressing the issue.

Housing Stock

Issue: Jackson County has an older housing stock. While many of these homes are in good condition, according to the Jackson County Tomorrow Plan many younger households struggled to find “move-in ready” housing in Jackson County.

Opportunities: Implementing a code enforcement program would ensure that all existing units are up to standard and increase the quality of housing in the county.

Implementing a property tax abatement program would allow homeowners to make improvements more affordably to their properties by exempting all or a portion of the resulting increase in property valuation from the homeowner’s property taxes. This would

improve the existing housing stock in Jackson County

Housing Supply

Issue: Jackson County has a limited supply of homes. According to the Jackson County Tomorrow Plan, both young families and small-scale developers cannot afford to build new homes without assistance.

Opportunities: Cities within the county can implement a variety of incentives to encourage development within their incorporated area. Jackson County can work with the cities to allow them to pursue whichever incentives they feel may best assist them. Some examples of incentives that cities can adopt are:

- Tax-Increment Financing
- Voluntary Assessment Agreement

Housing Options

Issue: The overwhelming dominance of single-family detached homes limits options available to younger residents and families. The housing stock is often on the extreme ends of the spectrum when it comes to size, quantity, and price. As average household size

decreases, it is even more important to provide a variety of options for those who would prefer to downsize.

Opportunities: Establishing a rental housing rehabilitation program administered by the Iowa Finance Authority (IFA) where Iowa cities or counties can provide financial assistance or assistance for new construction of rental workforce housing or affordable multifamily housing.

IFA would make loans to a city or county to be re-loaned to either property owners or developers to either make improvements to existing rental stock or build new multifamily units. Once funds are loaned the municipality may structure their loan program in the way it best fits their needs.

Workforce Housing

Issue: The 2022-2027 CEDS stressed the importance of affordable workforce housing for the region. As home prices continue to increase while wages stagnate, it will become a lot more difficult to purchase a home and therefore attract workforce talent to the region.

Opportunities: In 2022, ECIA and ECDC completed the Bear River Cottages, a “pocket neighborhood” housing development in Maquoketa. The homes were constructed to provide an affordable alternative for first time homebuyers and households wanting to downsize. Each home was sold for \$150,000, with grant funding and partners assisting in bringing down construction costs. Buyers were also provided down payment assistance.

This development was created to help alleviate the housing shortfall in the area. Development of more of this type of housing could provide both young workers and older households with an affordable housing option.

Supporting a down payment assistance program through local banks can help residents looking to transition into homeownership and establish new and young residents in the community.

What is a Pocket Neighborhood?

- Planned community consisting of smaller residences with around 10 homes
- Moderately priced homes for workforce housing
- Simple, more affordable building templates with smaller footprints
- Designed to promote close knit sense of community
- Increased sense of ownership and connectivity among residents
- Bungalow or craftsman style home
- Incorporates sustainability and green building concepts
- Clustering homes around common amenities
- Common courtyard area and a shared community garden
- Community space such as a gazebo
- Thrives on the spirit of community

Source:
https://www.ecia.org/programs/pocket_neighborhood/index.php

Age-Friendly Housing

Issue: Jackson County’s population is getting older. With baby boomers, who make up a large portion of the population, nearing retirement age, it is important for Jackson County to prioritize age-friendly housing to retain their older residents.

Opportunities: In the absence of private development activity, Jackson County communities could consider developing a housing cooperative. A housing cooperative is a not-for-profit organization allowing its members to collectively own the development and govern the organization.

Housing cooperatives for senior residents are common throughout the state and have been established in both larger cities and rural areas. These developments allow seniors to remain in their home communities with maintenance-free, independent, and affordable living with a supportive sense of community. Seniors maintain the ability to contribute socially, spiritually, and economically to their communities.

GOALS AND OBJECTIVES

Workforce Housing

8.1 Provide affordable housing to make Jackson County attractive for young workers.

- Support new pocket neighborhood development.
- Support transition to homeownership by seeking partnerships for down payment assistance.

Housing Options

8.2 Increase and diversify housing options throughout Jackson County.

- Explore federal and state grant opportunities to diversify housing options.
- Partner with regional public and private housing developers to research and develop housing opportunities.

- Promote housing needs assessment and housing implementation plans in the county to support the development of new housing opportunities.
- Follow state construction codes to ensure quality housing stock.
- Establish programs that help make improvements to existing housing stock.
- Allow cities within the county to pursue incentives to encourage private development of housing within their incorporated areas.

Age-Friendly Housing

8.3 Provide more housing options for seniors.

- Develop new senior housing through private development or through establishing a housing cooperative.



An aerial view of Preston’s south side, including the city’s most recent residential development, City of Preston Subdivision No. 1, and a future development area, Harvest Heights subdivision. *Photo by the City of Preston.*