

Transportation and Housing Costs

Affordability in the WILMAPCO Region

Overview of Project

For the average household, housing costs are the largest expense, followed by transportation. This data report looks at the relationship between housing and transportation by examining **location efficiency**. Location efficient communities provide a variety of transportation choices including transit, pedestrian and bicycle facilities that can be reached without a car. These communities typically have higher densities with a mix of uses and services that can be reached via alternative modes of transportation. Transportation costs can be reduced significantly in location efficient communities, increasing the affordability of these areas.

In this report, we are examining the **cost of location** through an Affordability Index developed by the Center for Neighborhood Technology (CNT). More information about CNT's Housing and Transportation (H+T) Index can be found on the last page. We examine the combined transportation and housing costs burden across our region's municipalities and at the block group level. The report finds that only 46% of the WILMAPCO region is considered affordable based on these costs. These areas largely consist of location efficient communities with higher densities and access to transit.

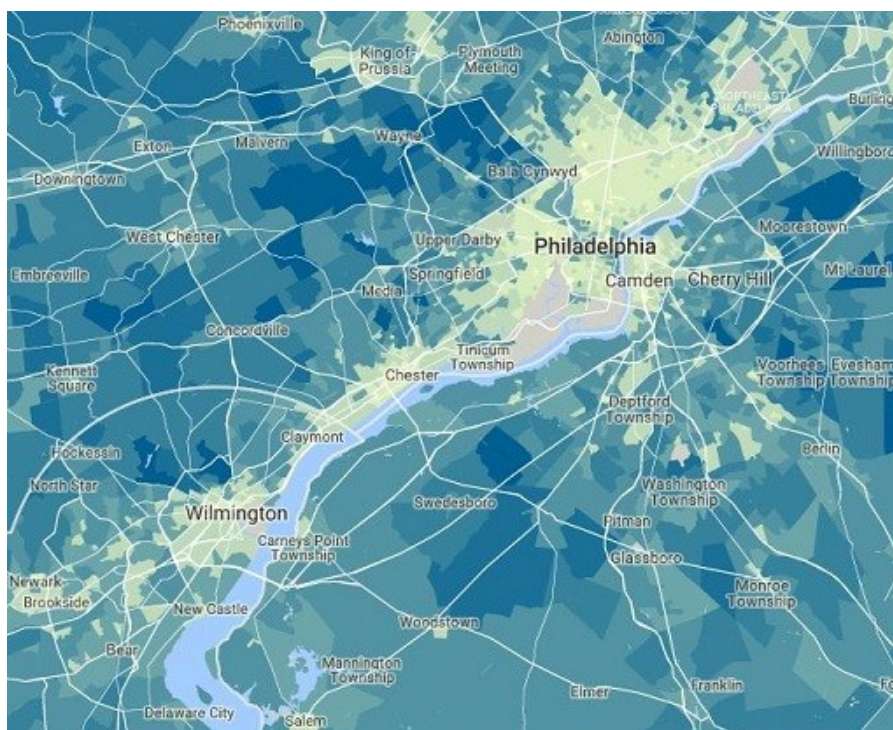


Figure 1:

Transportation and Housing Costs in the Philadelphia-Camden-Wilmington Region

The cost of location encompasses the combined costs of transportation and housing at the block group level. In the Philadelphia-Camden-Wilmington region, combined housing and transportation costs are 51% of income on average. On this map, lighter colors indicate lower costs.

In this report, the initial map series shows costs as a percentage of income for the average resident. The second map series shows costs for lower income residents.

Housing + Transportation Costs % Income

< 24% 24-36% 36-45% 45-54% 54-66% 66-78% 78-87% 87%+

Cost Burden on Households

Housing

- A household is considered burdened by housing costs, such as rent and utilities or a mortgage, that exceed more than 30% of income.
- 42% of neighborhoods* in New Castle County and 58% of neighborhoods in Cecil County spend more than 30% of income on housing.
- 44% of neighborhoods in New Castle County and just one neighborhood in Cecil County spend 20% or less of income on housing.

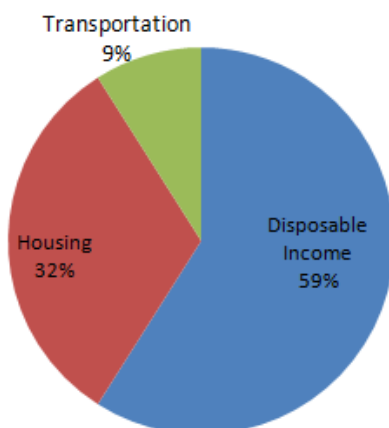
Housing costs should not consume more than 30% of household income.

Transportation

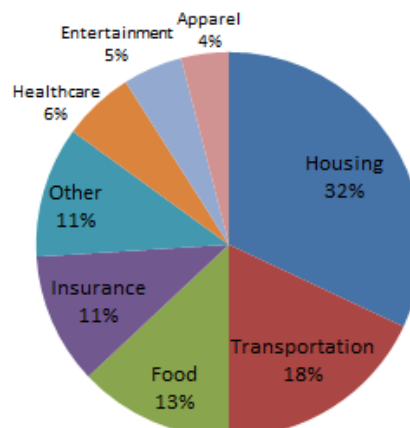
- Nationally, the average household spends 18% of their income on transportation. Lower income households tend to spend more. Households in auto-dependent areas spend 25% of their income on transportation. Households in location efficient environments can spend as little as 9% of income on transportation ([FHWA](#)).
- Only two neighborhoods in New Castle County spend 9% or less of area median income on transportation costs.
- 3% of neighborhoods in New Castle County and 32% in Cecil County spend more than 25% of income on transportation.

Households in location efficient environments can spend as little as 9% of income on transportation.

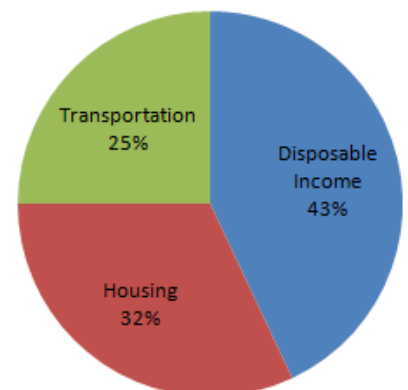
Location Efficient Environment



Average American Family

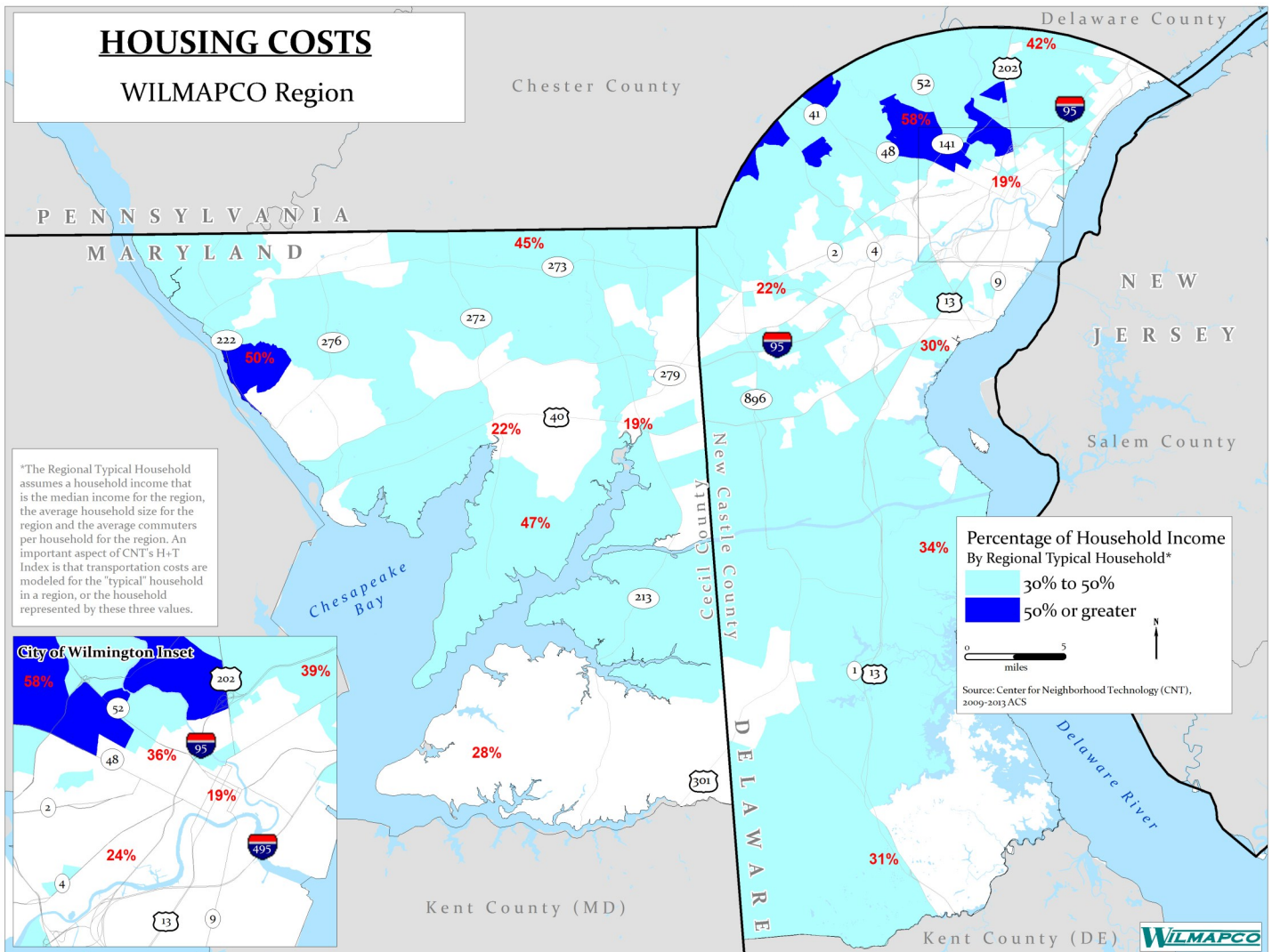


Auto Dependent Areas

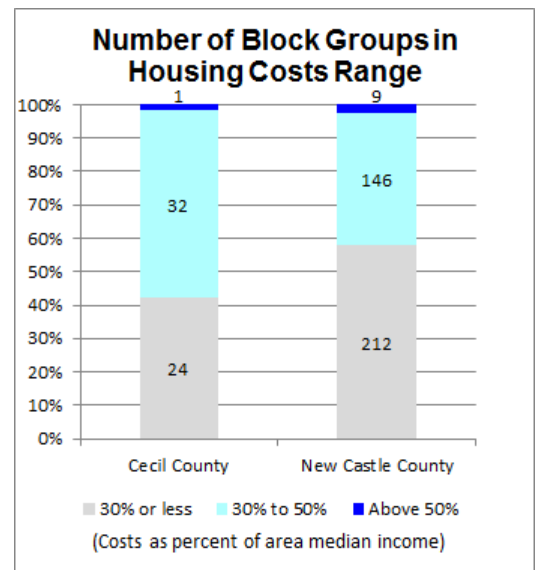


*The base unit of study for this report is the block group, a geographic unit defined by the U.S. Census Bureau. Block group data is measured as the average cost of transportation and/or housing for each block group as a percentage of median income for the WILMAPCO region. For simplicity, this report refers to block groups as neighborhoods.

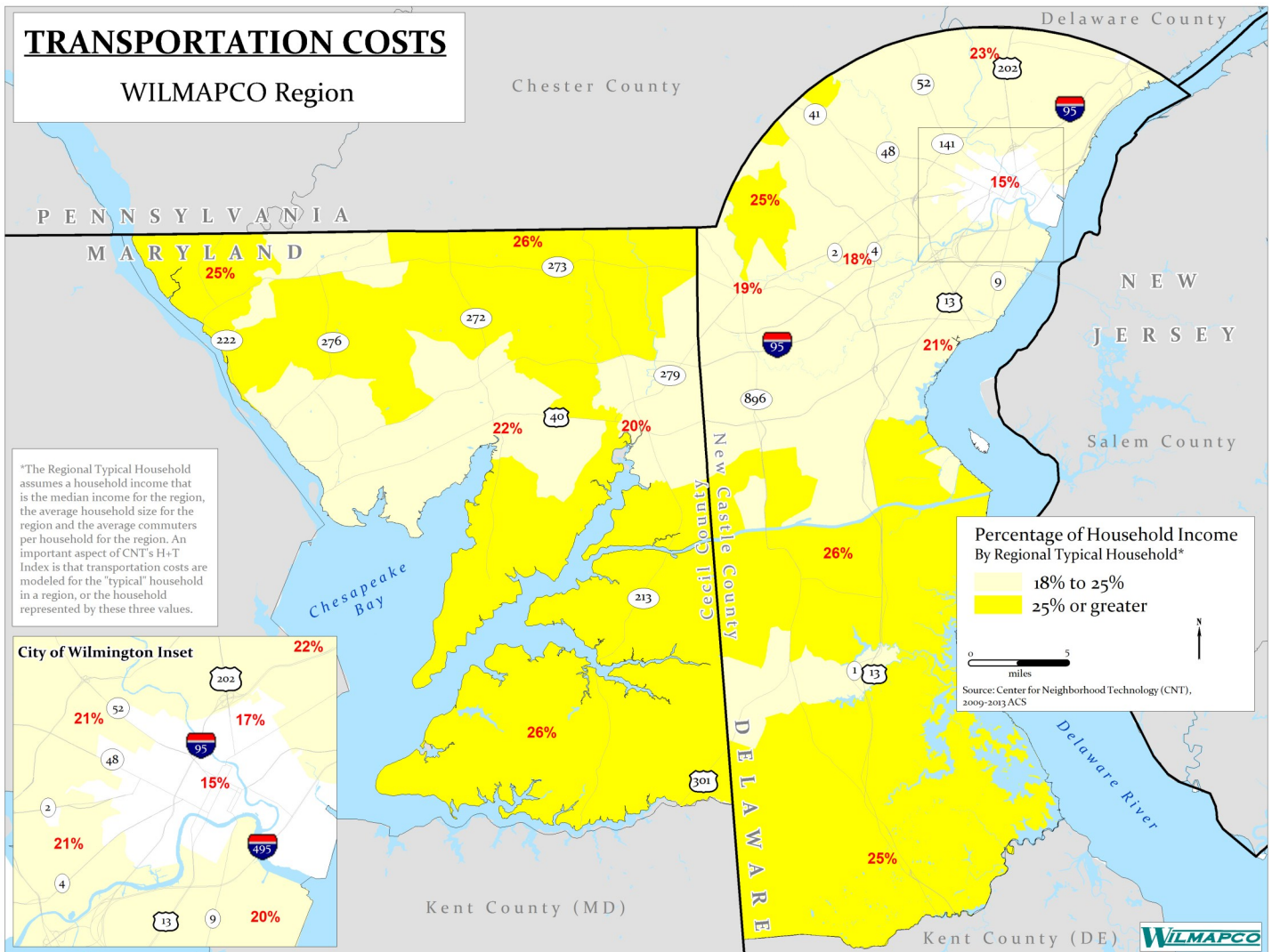
Housing Costs in the WILMAPCO Region



- Housing costs tend to be lower in metropolitan areas and are lowest in densely populated areas, including downtown Wilmington, Newark, and Elkton.
- Elkton has the lowest average housing costs in Cecil County, at 19% of income.
- Housing costs are considered affordable (30% or less of income) in 58% of neighborhoods in New Castle County and 42% of neighborhoods in Cecil County.
- South of the Chesapeake and Delaware Canal, only 35% of neighborhoods are considered affordable.

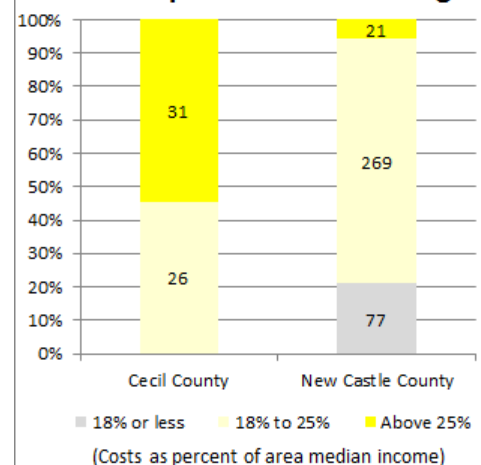


Transportation Costs in the WILMAPCO Region

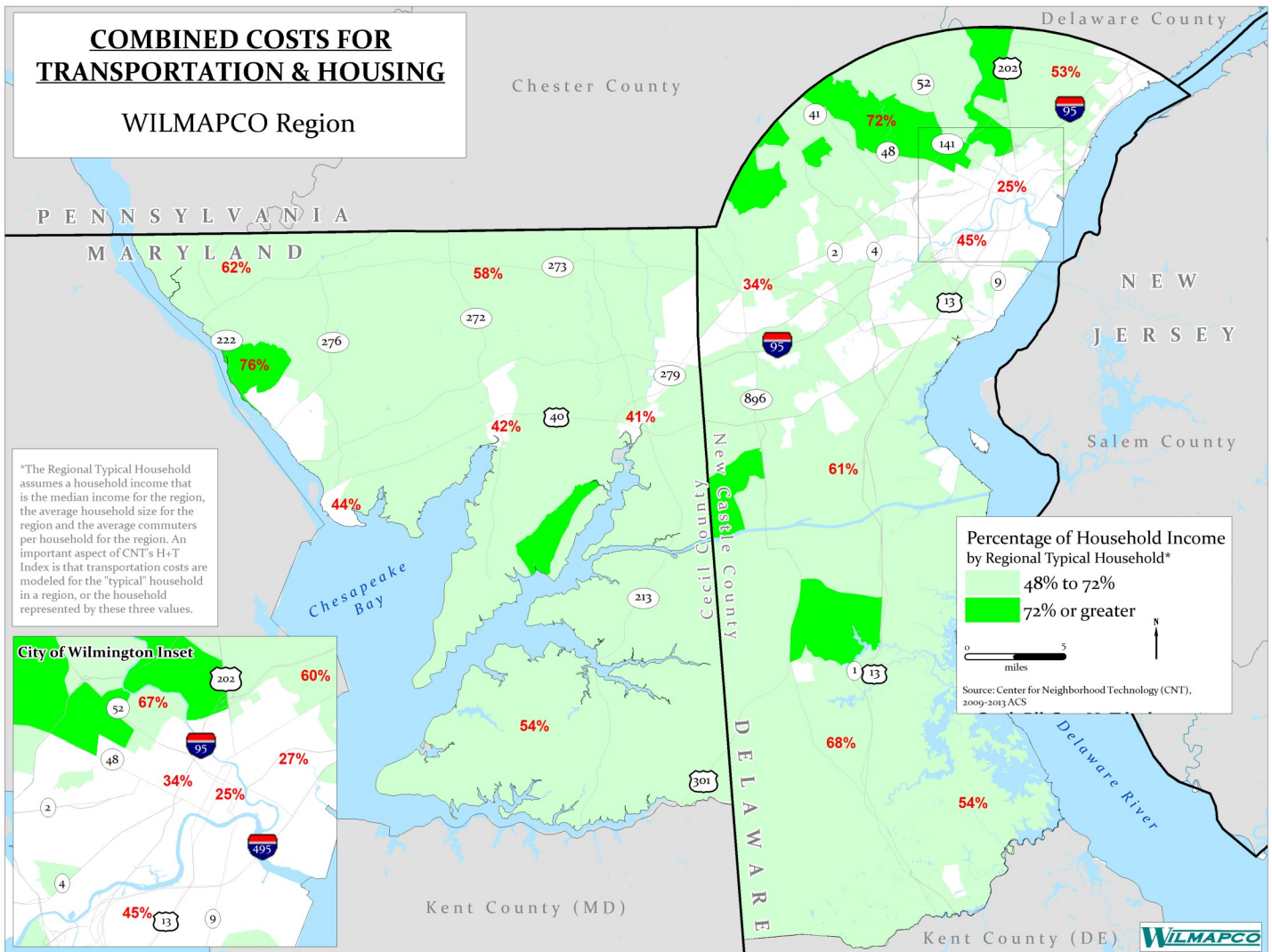


- Transportation costs do not exceed 25% of area median income in nearly all of northern New Castle County and parts of northern Cecil County. These areas are served by SEPTA and MARC commuter rail, and they cover the majority of DART and Cecil Transit bus routes.
- Transportation costs are lowest in downtown Wilmington at 15% of area median income. Costs range from 16% to 18% in surrounding neighborhoods. The next most affordable area is near the Churchman's Crossing SEPTA station at 18%.
- Transportation costs in downtown Newark are 19%, with surrounding areas ranging from 20% to 25%.

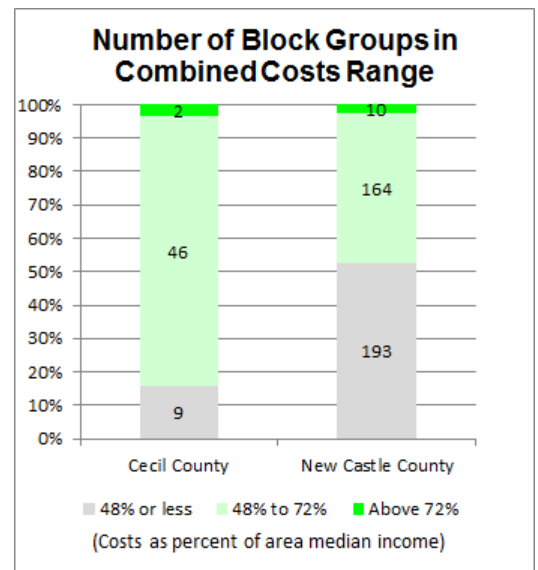
Number of Block Groups in Transportation Costs Range



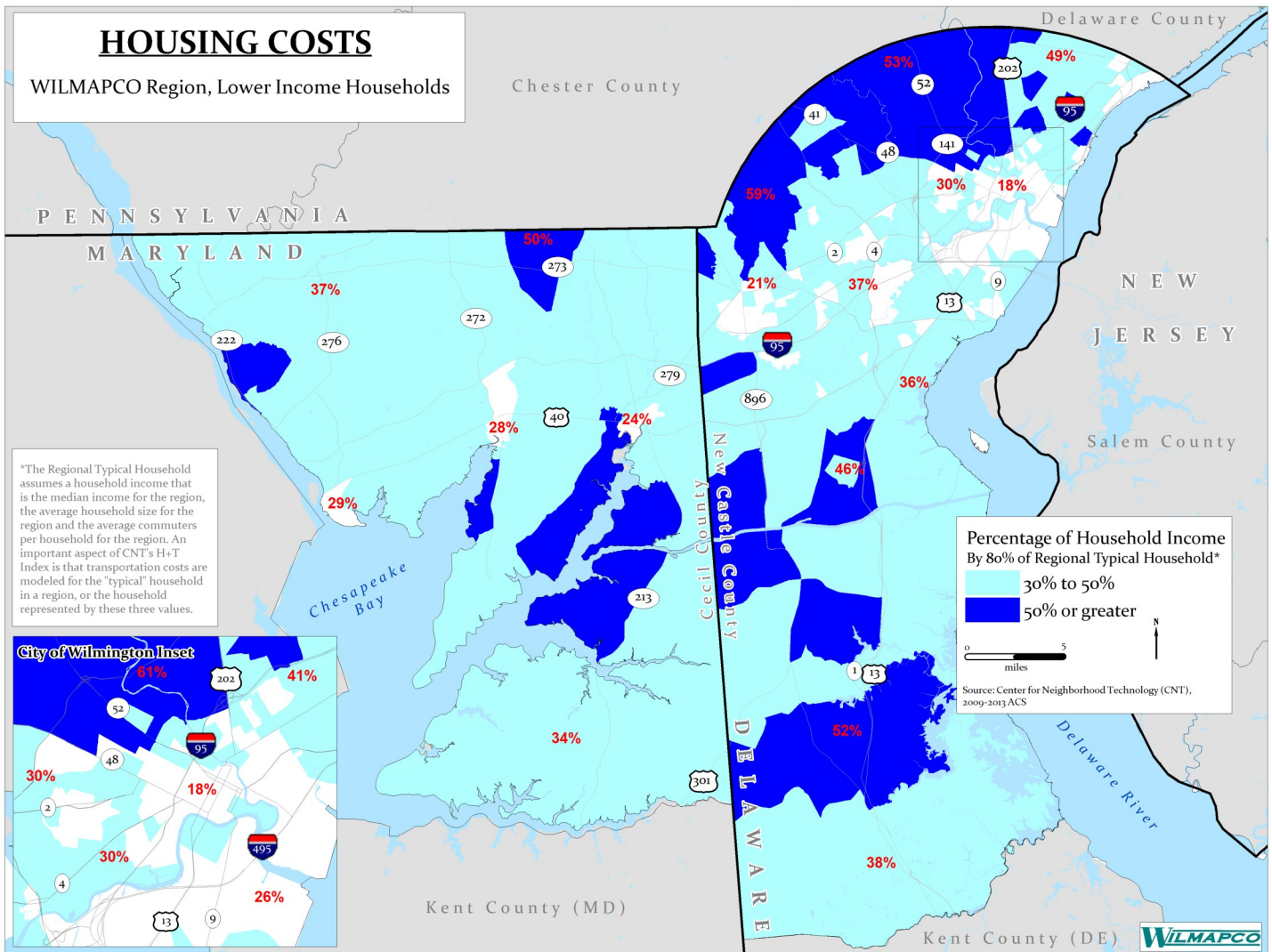
Combined Transportation and Housing Costs in the WILMAPCO Region



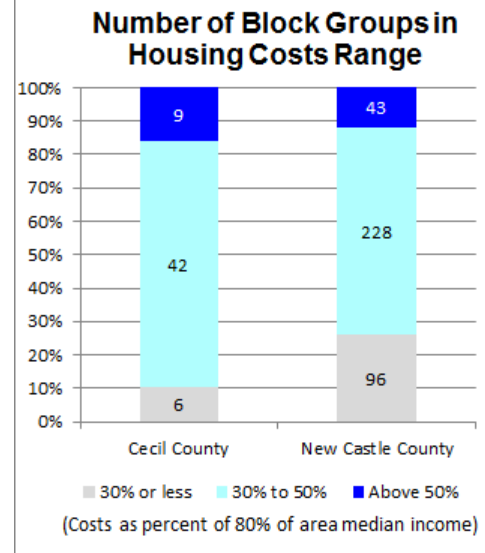
- Combined transportation and housing costs can be as low as 41% of income in location-efficient environments and as high as 57% in auto-dependent areas (FHWA).
- The WILMAPCO region tends to have lower housing costs but higher transportation costs than the national average. As a result, 52% of neighborhoods in New Castle County and 16% of neighborhoods in Cecil County have combined transportation and housing costs of 48% or less.
- In downtown Wilmington and surrounding neighborhoods, combined costs range from 25% to 35%. Combined costs are 34% in downtown Newark.
- In Cecil County, combined costs are 41% in Elkton, 42% in North East, and 44% in Havre de Grace.



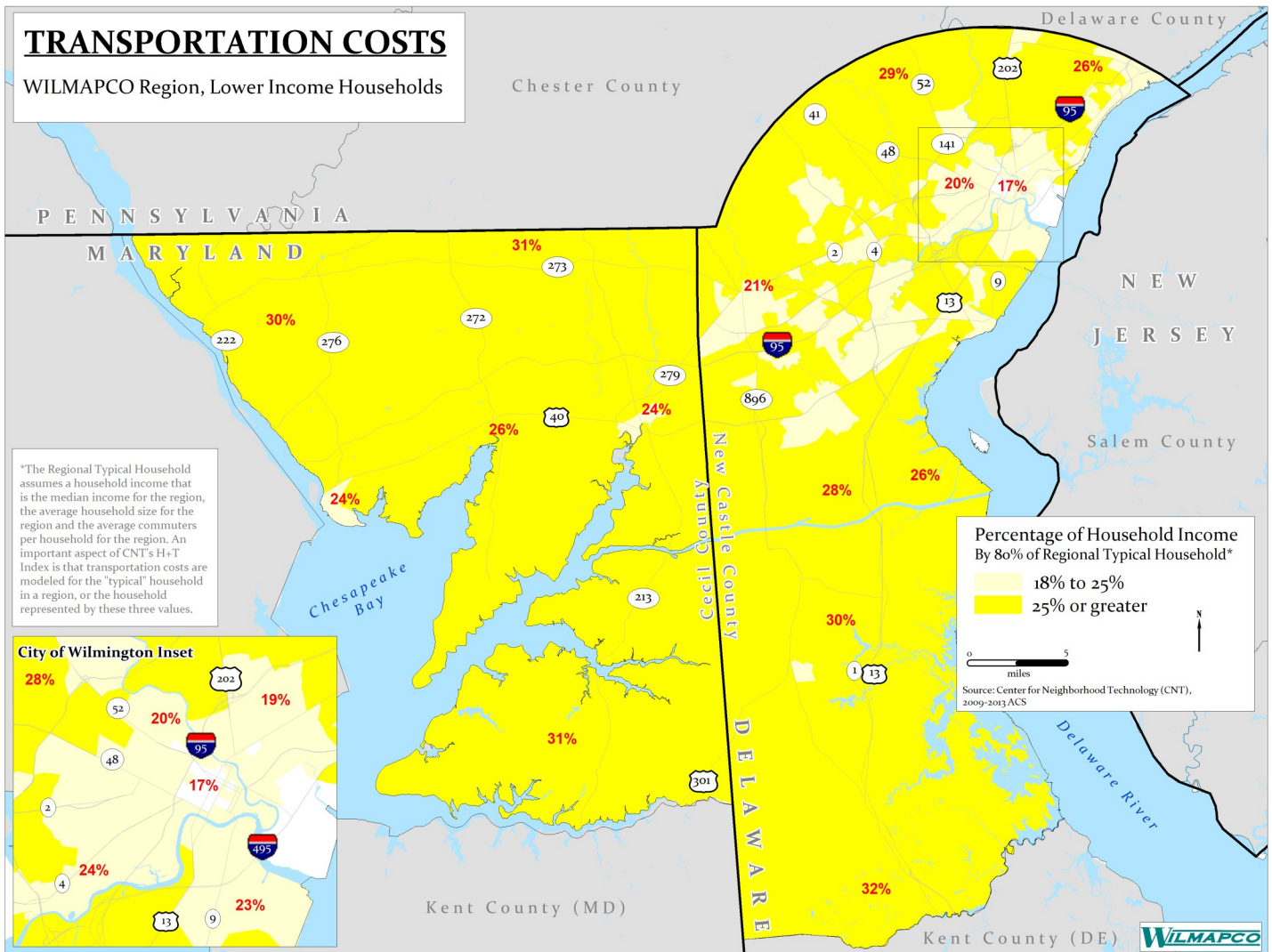
Housing Costs in the WILMAPCO Region (Lower Income)



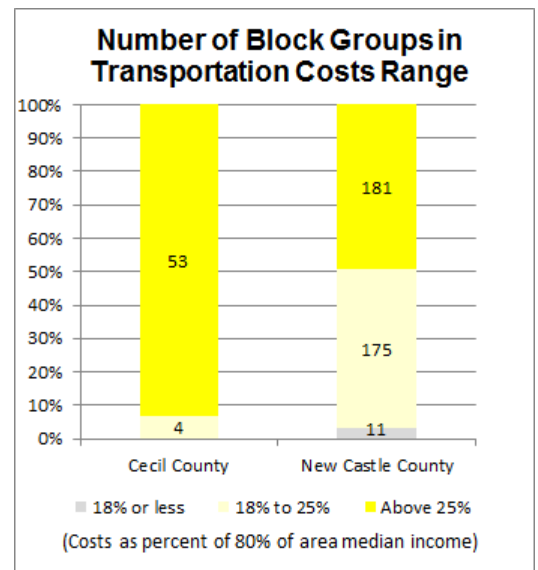
- In this report, lower income households are measured as earning 80% of area median income, or 20% less than average for the region.
- Housing costs place a larger burden on lower income households. Only 34% of neighborhoods in New Castle County and 16% of neighborhoods in Cecil County are considered affordable for lower income households. These areas are almost entirely near the Northeast Corridor rail line and the I-95 corridor.
- Housing costs in downtown Wilmington and surrounding neighborhoods range from 18% to 30% of lower income levels.



Transportation Costs in the WILMAPCO Region (Lower Income)

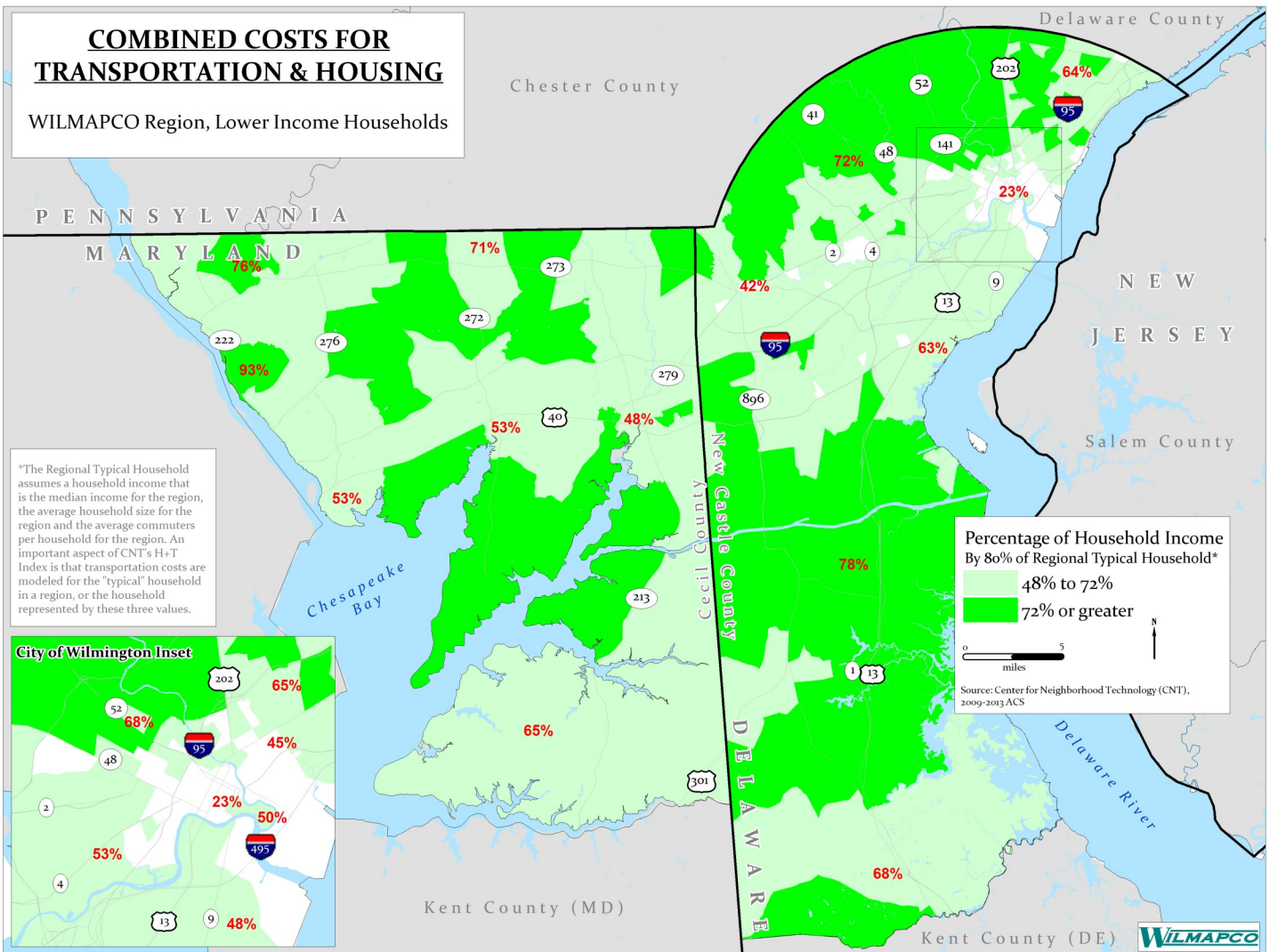
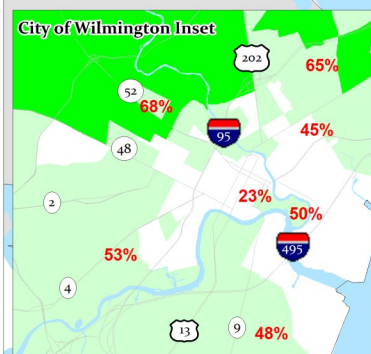


- Transportation costs for lower income households are considered affordable (25% or less) in 51% of neighborhoods in New Castle County and only 7% of neighborhoods in Cecil County.
- For lower income households, downtown Wilmington has the most affordable transportation options, ranging from 17% to 20% of income.
- Transportation costs are as high as 32% of lower income levels in New Castle County and 31% in Cecil County. Costs range from 30% to 32% south of the Chesapeake and Delaware Canal.

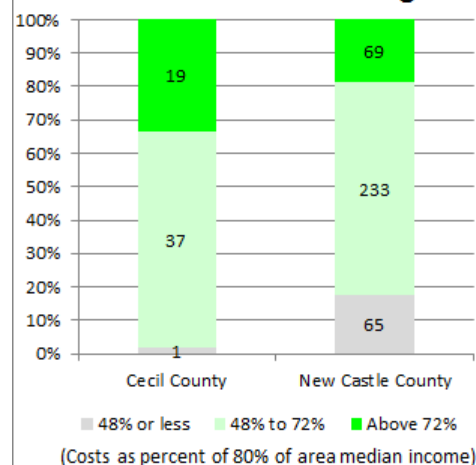


COMBINED COSTS FOR TRANSPORTATION & HOUSING

City of Wilmington Inset



- ### Number of Block Groups in Combined Costs Range



Summary of Data

The following table shows the number of block groups, total number of households within those block groups, and the percent of households within each county and the region that are considered affordable.

	Cecil County 36394 households			New Castle County 200739 households			WILMAPCO Region 237133 households
	Block Groups	Households	Percent of Households	Block Groups	Households	Percent of Households	Percent of Households
Average Households (Area Median Income)							
Housing Costs ≤ 30%	28	19663	54%	235	122598	61%	60%
Transportation Costs ≤ 18%	0	0	0%	101	45648	23%	19%
Combined Costs ≤ 48%	9	6173	17%	193	98400	49%	44%
Lower Income Households (80% of Area Median Income)							
Housing Costs ≤ 30%	9	4972	14%	123	58702	29%	27%
Transportation Costs ≤ 18%	0	0	0%	35	14013	7%	6%
Combined Costs ≤ 48%	1	413	1%	65	28601	14%	15%

Overall Observations

- In the WILMAPCO region, both housing costs and transportation costs are lowest in densely populated areas, such as downtown Wilmington, Newark, and Elkton. There are very few location efficient communities in the region, where combined transportation and housing costs are low.
- Both nationally and in this region, households in auto-dependent areas spend a larger portion of income on transportation. Transportation costs are highest in rural areas. Compared to the national average, the region has lower housing costs but higher transportation costs.
- For lower income households, location efficient communities are the only areas that are considered affordable. These areas are almost exclusively in downtown Wilmington and surrounding neighborhoods. Auto-dependent areas place a significantly greater burden on lower income households than on median income households.

Recommended Strategies

- Involve affordable housing advocates
- Enhance transit
- Encourage coordination of housing and transportation policy to foster sustainable communities in our region
- Support redevelopment in central urban areas
- Promote location efficient communities as an affordability measure

More on CNT's Housing and Transportation Index

The data used in this report is developed by the Center for Neighborhood Technology (CNT), a non-profit organization focused on sustainable community research. The innovative element of CNT's H+T® Index is the transportation cost model. Several characteristics of the built environment are used to model transportation costs, including gross density, block density, and percent of single family homes. The model also employs six measures developed by CNT: the Regional Household Intensity (a household gravity measure), Employment Access Index (a measure of job opportunity), Employment Mix Index, Transit Connectivity Index (a measure of transit access), Transit Access Shed (TAS - a measure of the area accessible within a 30-minute transit trip), Jobs Accessible in a 30 Minute Transit Ride (the number of jobs in the TAS area), and Average Available Transit Trips per Week (frequency of service).

Housing Costs

Housing costs for renters include rent and utilities. Housing costs for homeowners include mortgage payments, property taxes, home insurance, utilities, and, where applicable, payments for home equity loans, condominium fees, or mobile home costs.

Transportation Costs

Transportation costs encompass all the trips that households make as part of their daily routine, including commuting, errands, and other travel. For automobile owners, this includes car payments, insurance, maintenance, and gasoline. Transit costs includes the price of transit.

More information and interactive maps can be found online at www.htaindex.cnt.org.

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The Wilmington Area Planning Council (WILMAPCO) is a Metropolitan Planning Organization serving New Castle County, Delaware and Cecil County, Maryland.

This data report is part of a series that summarizes key data to allow both residents and decision-makers to better understand our region.

Other data reports are available at:
www.wilmapco.org/data-reports.

