



# Dickinson County Housing Assessment

May 2019





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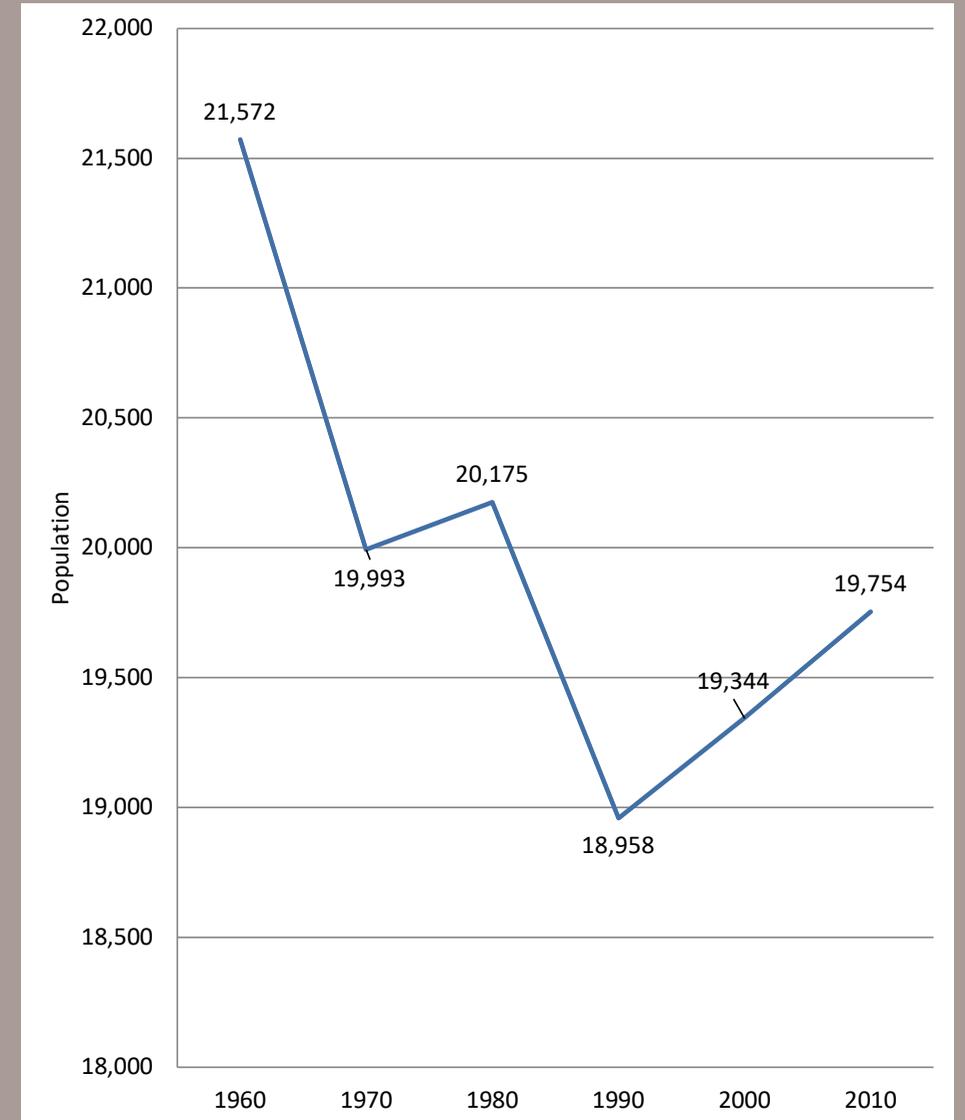


# Dickinson County

# Population Change by Decade

## Dickinson County

	Population	Period Population Change	% Change During Decade	Annual Growth Rate
<b>1960</b>	21,572			
<b>1970</b>	19,993	-1,579	-7.3%	-0.8%
<b>1980</b>	20,175	182	0.9%	0.1%
<b>1990</b>	18,958	-1,217	-6.0%	-0.6%
<b>2000</b>	19,344	386	2.0%	0.2%
<b>2010</b>	19,754	410	2.1%	0.2%
<b>2017</b>	19,162	-592	-3.0%	-0.4%
<b>1960-2017</b>		-2,410	-12.6%	-0.2%



# Predicted vs. Actual Population Change 2000-2010

## Dickinson County

	Age Group	2000 Actual	2010 Predicted	2010 Actual	Difference	% Variance
^	0-15	3,978	2,880	4,003	1,123	39.0%
^	15-19	1,417	1,329	1,338	9	0.7%
v	20-24	806	1,533	909	-624	-40.7%
v	25-34	1,974	2,203	2,153	-50	-2.3%
^	35-44	3,106	1,952	2,306	354	18.1%
^	45-54	2,549	3,033	3,062	29	0.9%
^	55-64	1,915	2,392	2,417	25	1.0%
^	65-74	1,758	1,626	1,682	56	3.5%
^	75-84	1,250	1,198	1,250	52	4.3%
v	85+	591	699	634	-65	-9.4%
	Total	19,344	18,846	19,754	908	4.8%

v Negative Difference  
^ Positive Difference

- » Negative difference between predicted and actual population loss is a result of both low birth rates and an out-migration of residents
- » Overall, Dickinson County had a net in-migration between 2000 and 2010
- » The most pronounced out-migration occurred in the 20 to 24 year old age cohorts, not unusual in locations without significant secondary education
- » An in-migration occurred between 35-44 year olds, supporting the growth in under 15

# Predicted vs. Actual Population Change 2010-2017

## Dickinson County

	Age Group	2010 Actual	2017 Predicted	2017 Estimate	Difference	
^	0-15	4,003	3,566	3,856	290	8.1%
v	15-19	1,338	1,343	1,176	-167	-12.4%
v	20-24	909	1,332	948	-384	-28.8%
^	25-34	2,153	1,954	2,238	284	14.6%
^	35-44	2,306	2,215	2,257	42	1.9%
v	45-54	3,062	2,640	2,443	-197	-7.5%
v	55-64	2,417	2,773	2,678	-95	-3.4%
^	65-74	1,682	1,772	1,802	30	1.7%
^	75-84	1,250	1,128	1,215	87	7.7%
v	85+	634	702	549	-153	-21.8%
	Total	19,754	19,425	19,162	-263	-1.4%

v Negative Difference  
^ Positive Difference

» Overall, Dickinson County had a net out-migration between 2010 and 2017

» The most pronounced out-migration is estimated to have occurred in the 15 to 24 year old age cohorts, not unusual in locations without significant secondary education

» An in-migration is estimated to have occurred between 25-34 year olds, which is the demographic responsible for settling down and starting families

# Comparative Regional Affordability

	<b>Median Household Income</b>	<b>Median House Value</b>	<b>Value / Income Ratio</b>	<b>Median Contract Rent</b>
<b>Abilene</b>	\$47,731	\$114,600	2.40	\$463
<b>Chapman</b>	\$44,830	\$137,900	3.08	\$635
<b>Herington</b>	\$35,081	\$56,400	1.61	\$359
<b>Solomon</b>	\$55,865	\$101,000	1.81	\$458
<b>Dickinson County</b>	\$49,663	\$110,700	2.23	\$461

- » An affordable, self-sustaining housing market, with adequate value or revenues to support market rate new construction, typically has a V/I value between 2.5 and 3.
- » Ratios below 2.0 are significantly undervalued relative to income and make it difficult to support new construction costs
- » Ratios above 3.0 exhibit significant affordability issues
- » Affordable rental units have monthly rents less than 30% of the households monthly gross income

# Occupancy Changes

## Dickinson County

	2010		2017		Change 2010-2017
	Number	% of Occupied Units	Number	% of Occupied Units	
<b>Owner-Occupied</b>	5,848	72.4%	5,672	72.9%	201
<b>Renter-Occupied</b>	2,225	27.6%	2,109	27.1%	-292
<b>Total Vacant</b>	899		1,392		-176
<b>Vacancy rate</b>	10.0%		15.2%		-116
<b>Total Units</b>	8,972		9,173		493

» The county's housing stock has stayed predominately owner-occupied

» The high vacancy rate is comprised half by "other vacant" which includes units not on the market because owners do not want them occupied, are using them for storage, or may be in a retirement community.

# Year Built

## Dickinson County

(2017 estimates)

Year Built	2010	2017
2010 or later	NA	0%
2000 to 2009	6.3%	7%
1990 to 1999	13%	9.3%
1980 to 1989	8.8%	6.8%
1970 to 1979	13.6%	14.3%
1960 to 1969	7.3%	5.5%
1950 to 1959	8.2%	13%
1940 to 1949	9.5%	7.8%
1939 or earlier	33.3%	36.3%

Source: U.S. Census

» Dickinson County has a relatively old housing stock with over 57% constructed prior to 1960

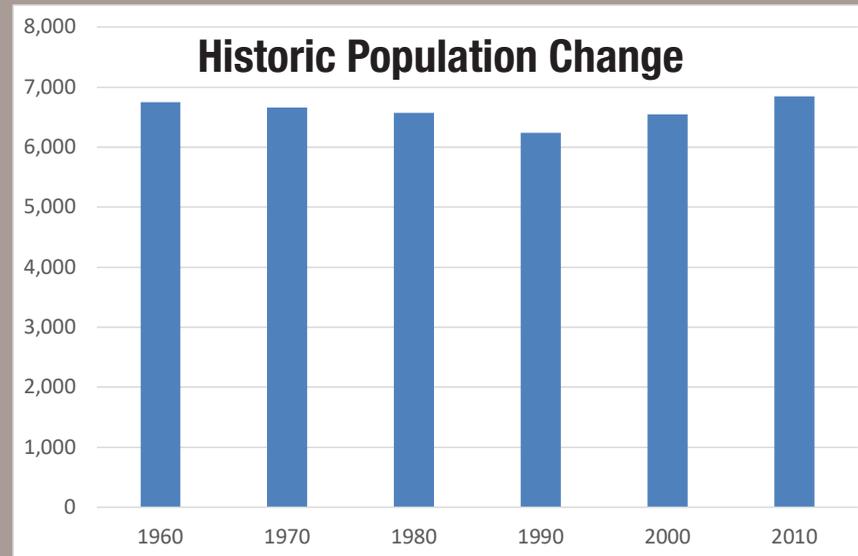
» This indicates a strong need for continued housing rehabilitation, energy improvements, and championing of maintenance



Abilene

# Population Change by Decade

## Abilene



» Despite the fluctuation in Abilene's population from decade to decade, the overall population has remained fairly stable since 1960

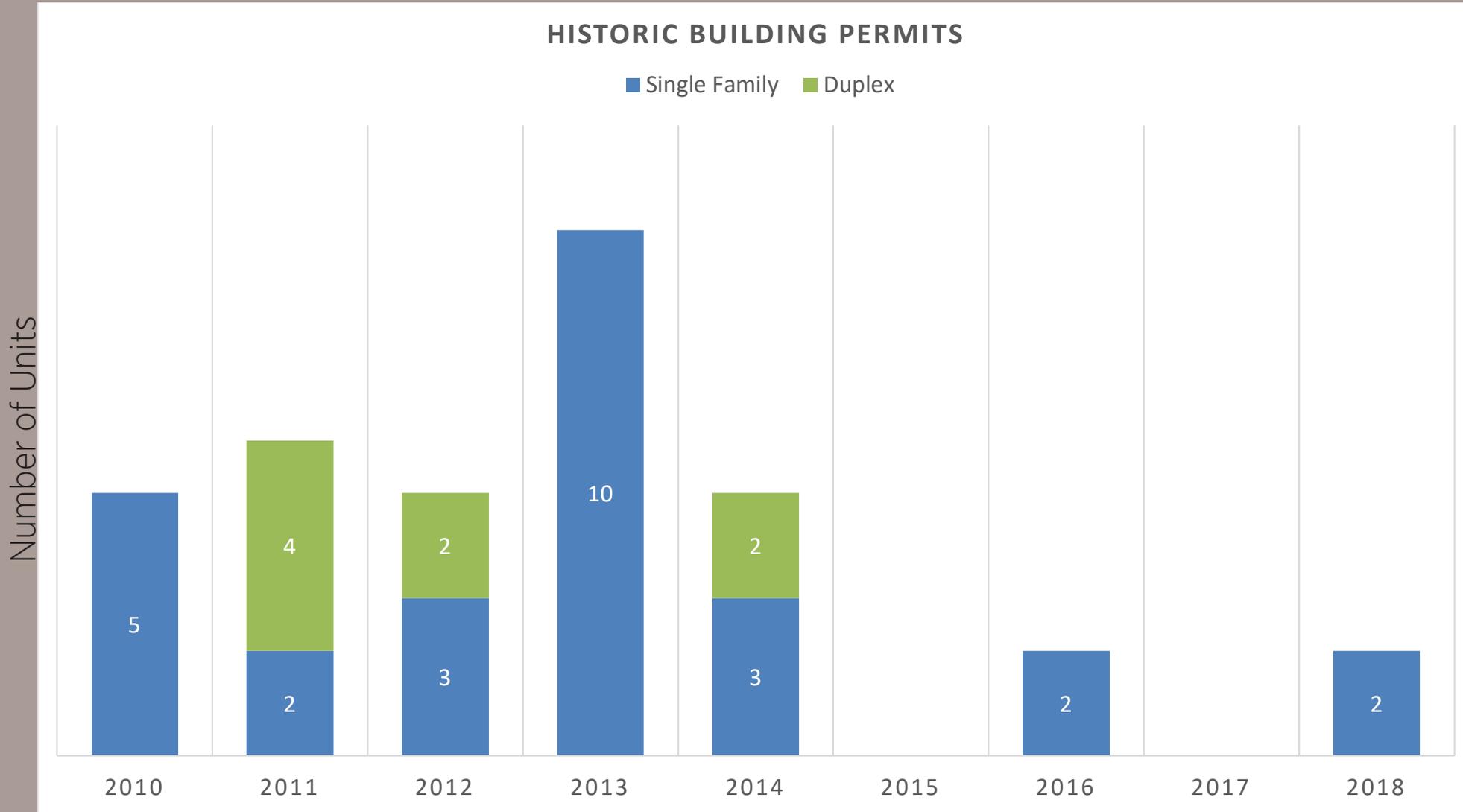
» The population dropped off between 1980 and 1990, but regained the loss in the following two decades

	Population	Period Population Change	% Change During Decade	Annual Growth Rate
<b>1960</b>	6,746			
<b>1970</b>	6,661	-85	-1.3%	-0.13%
<b>1980</b>	6,572	-89	-1.3%	-0.13%
<b>1990</b>	6,242	-330	-5.0%	-0.51%
<b>2000</b>	6,543	301	4.8%	0.47%
<b>2010</b>	6,844	301	4.6%	0.45%
<b>2017</b>	6,487	-357	-5.2%	-0.76%
<b>1960-2017</b>		-259	-4.0%	-0.1%

# Construction Activity

## Abilene

Historic Building Permit Activity 2010-2018



» Construction activity in Abilene remained fairly steady from 2010 through 2014, however it dropped off significantly in 2015

» No multifamily construction occurred between 2010 and 2018, with 70% of the new units occurring as single-family

# Predicted vs. Actual Population Change 2000-2010

## Abilene

	Age Group	2000 Actual	2010 Predicted	2010 Actual	Difference	% Variance
^	0-15	1,315	1,070	1,457	387	36.1%
^	15-19	447	413	439	26	6.4%
v	20-24	315	464	347	-117	-25.2%
^	25-34	735	755	809	54	7.1%
^	35-44	998	727	806	79	10.9%
v	45-54	826	975	899	-76	-7.7%
v	55-64	597	775	771	-4	-0.6%
^	65-74	634	509	547	38	7.5%
^	75-84	455	435	500	65	14.9%
^	85+	221	260	269	9	3.5%
	Total	6,543	6,383	6,844	461	7.2%

» Negative difference between predicted and actual population loss is a result of both low birth rates and an out-migration of residents

» Abilene experienced a net in-migration during the 2000s, most notably in the 25 to 44 year old, which supports the growth in the under 15

» The city also appears to have attracted retirees and seniors

v Negative Difference  
^ Positive Difference

# Predicted vs. Actual Population Change 2010-2017

## Abilene

	Age Group	2010 Actual	2017 Predicted	2017 Estimate	Difference	% Variance
^	0-15	1,457	1,300	1,347	47	3.6%
v	15-19	439	498	381	-117	-23.5%
v	20-24	347	437	325	-112	-25.6%
^	25-34	809	737	750	13	1.7%
v	35-44	806	812	796	-16	-1.9%
v	45-54	899	847	698	-149	-17.6%
^	55-64	771	832	881	49	5.9%
^	65-74	547	570	604	34	5.9%
^	75-84	500	400	511	111	27.8%
v	85+	269	297	194	-103	-34.7%
	Total	6,844	6,731	6,487	-244	-3.6%

» Abilene experienced a net out-migration in 2017, most notably in the age groups between 14 and 24 years common for cities similar to Abilene

» A decline in seniors would indicate either a higher than predicted mortality rate or seniors leaving for housing or services in other locations

v Negative Difference  
^ Positive Difference

# 2030 Population Scenarios

## Abilene

<b>Growth Rate</b>	<b>2019</b>	<b>2025</b>	<b>2030</b>
<b>Natural Growth*</b>	6,373	6,196	5,963
<b>0.45% (2000-2010 growth)</b>	6,487	6,664	6,816
<b>1.00%</b>	6,487	6,886	7,237

\*Number based on 2015 Census Estimate to project growth based on a low birth rate scenario

Source: RDG Planning & Design

- » Abilene has experienced variations in growth rates since 1960, with an overall decline of 0.07% annually.
- » Assuming the city is able to support growth with construction of new housing options, a growth rate similar to the 2000-2010 rate of 0.45% could be achieved.
- » If no new residents move to Abilene, a steady decline in population under the Natural Growth rate would occur.

# Occupancy Changes

## Abilene

	2010		2017		Change 2010-2017
	Number	% of Occupied Units	Number	% of Occupied Units	
<b>Owner-Occupied</b>	1,913	66.5%	1,917	68.6%	96
<b>Renter-Occupied</b>	965	33.5%	879	31.4%	-82
<b>Total Vacant</b>	265		443		4
<b>Vacancy rate</b>	8.4%		13.7%		-86
<b>Total Units</b>	3,143		3,239		178

» Just under half of the vacant units counted in 2017 are “other vacant” which includes housing units that the owner does not want to sell or rent, is using for storage, or is owned by an elderly person living in a retirement community

» The ratio of owner to renter-occupied structures has been consistent since 2000 with a roughly 68-32% split

# The Demand Projection Process



- » The population forecast, recent construction activity and assumptions about people per household generates a ten-year overall housing demand
- » Distribution of household income in a community is important
- » Income ranges were matched with affordability price points, based on housing costs equal to 30% of adjusted gross income
- » Defined price breakouts for new housing demand, based on the assumption that new construction should ideally be affordable to the existing household income distribution

# Development Projection

## Abilene

	2019	2020-2025	2026-2030	Total
<b>Population at End of Period</b>	6,487	6,664	6,815	
<b>HH Population at End of Period</b>	6,361	6,535	6,683	
<b>Average PPH</b>	2.33	2.33	2.33	
<b>HH Demand at End of Period</b>	2,730	2,805	2,868	
<b>Projected Vacancy Rate</b>	8.4%	6.8%	5.5%	
<b>Unit Needs at End of Period</b>	2,980	3,010	3,035	
<b>Replacement Need (total lost units)</b>		18	15	33
<b>Cumulative Need During Period</b>		<b>47</b>	<b>40</b>	<b>88</b>

HH: Households; PPH: People Per Household

Source: RDG Planning & Design

» The 2017 ACS vacancy rates are slightly inflated, therefore the projection uses the 2010 and then slowly drops it to 5.5%, with the assumption that more vacant units will be brought back onto the market or removed

» The necessary units to meet a growth rate of 0.45% requires a construction rate of just over double that experienced since 2010

# Income Distributions and Housing Affordability Ranges

(2017 estimates)

## Abilene

Income Range	# HHs in Each Range	Affordable Range for Owner Units	# of Owner Units	Affordable Range for Renter Units	# of Renter Units	Total Affordable Units	Balance
\$0-25,000	732	\$0-50,000	113	\$0-400	289	402	-330
\$25,000-49,999	715	\$50,000-99,999	675	\$400-800	524	1,199	484
\$50,000-74,999	590	\$100,000-149,999	490	\$800-1250	66	556	-34
\$75-99,999	379	\$150,000-199,999	323	\$1,250-1,500	0	323	-56
\$100-150,000	263	\$200,000-\$300,000	255	\$1,500-2,000	0	255	-8
\$150,000+	117	\$300,000+	61	\$2,000+	0	61	-56

HH = Households

Source: U.S. Census, 2017; RDG Planning & Design

- » This analysis evaluates the availability of affordable housing and compares the quantity of housing affordable to each income group
- » The city has a shortage units in all price points except for those with incomes between \$25,000 and \$49,000
- » Stakeholders noted a shortage of rental units priced between \$600 and \$800. While there appears to be an adequate supply every household making over \$50,000 and looking to rent is competing in this same market

# Comparative Regional Affordability

	<b>Median Household Income</b>	<b>Median House Value</b>	<b>Value / Income Ratio</b>	<b>Median Contract Rent</b>
<b>Abilene</b>	\$47,731	\$114,600	2.40	\$463
<b>Concordia</b>	\$47,731	\$76,000	1.59	\$621
<b>Ellsworth</b>	\$44,570	\$103,500	2.32	\$624
<b>Newton</b>	\$49,874	\$98,900	1.98	\$724
<b>Marysville</b>	\$44,519	\$94,700	2.13	\$534
<b>Great Bend</b>	\$42,130	\$87,500	2.08	\$623

- » An affordable, self-sustaining housing market, with adequate value or revenues to support market rate new construction, typically has a V/I value between 2.5 and 3.0
- » Affordable rental units have monthly rents less than 30% of the households monthly gross income
- » Abilene's market appears to be affordable as, with some of the lowest rents in the region. Low median rents, however, can hamper the construction of new rentals which will require rents well above \$463

# Housing Development Program

## Abilene

	2020-2025	2026-2030	2020-2030
<b>Total Need</b>	47	40	88
<b>Total Owner Occupied</b>	24	20	44
Affordable Low: 60-100,000	3	2	5
Affordable Moderate: 100-130,000	6	5	10
Moderate Market: 130-200,000	7	6	13
High Market: Over \$200,000	9	7	16
<b>Total Renter Occupied</b>	24	20	44
Low: Less than 450	10	9	19
Affordable: 450-700	8	7	15
Market: Over \$700	6	5	10

Source: RDG Planning & Design

» This analysis assumes a split a 50/50 split between owner & renter construction for the next five years. This is to address needs for variety in the market and allow for more traditional rental options, freeing some demand for conversion of traditionally single-family homes to rentals.

» Most new construction will cost more than \$130,000, causing demand for lower-cost units to be met either by existing housing units or heavily subsidized construction. Creating more variety in housing types can motivate households to place their \$130,000 or less home on the market.

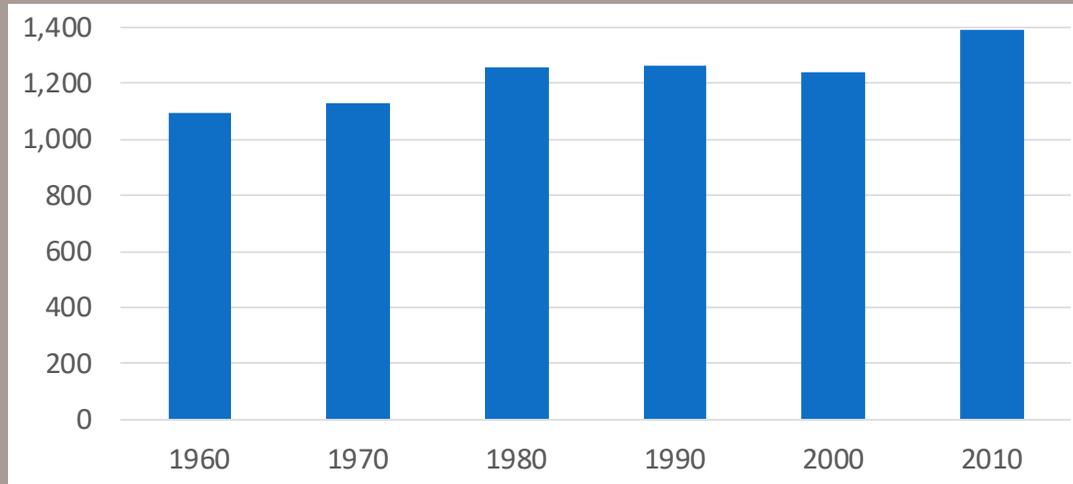


Chapman

# Population Change by Decade

## Chapman

Historic Population Change



» Chapman's population has remained fairly stable since 1960, with modest annual growth rates and only one full decade with decline

» The population dropped off between 1990 and 2000, but regained the loss in the following decade

» Based on a rough estimate of 610 utility accounts and 2.4 people per household the city's **2019 population would be an estimated 1,464.**

	Population	Period Population Change	% Change During Decade	Annual Growth Rate
<b>1960</b>	1,095			
<b>1970</b>	1,132	37	3.4%	0.3%
<b>1980</b>	1,255	123	10.9%	1.0%
<b>1990</b>	1,264	9	0.7%	0.1%
<b>2000</b>	1,241	-23	-1.8%	-0.2%
<b>2010</b>	1,393	152	12.2%	1.2%
<b>2017</b>	1,365	-28	-2.0%	-0.3%
<b>1960-2017</b>		270	19.8%	0.4%

# Predicted vs. Actual Population Change 2000-2010

## Chapman

	Age Group	2000 Actual	2010 Predicted	2010 Actual	Difference	% Variance
^	0-15	241	186	303	117	63.1%
^	15-19	100	84	90	6	7.5%
v	20-24	57	90	61	-29	-32.5%
^	25-34	125	156	179	23	15.1%
^	35-44	218	124	189	65	52.8%
v	45-54	155	213	184	-29	-13.6%
^	55-64	101	145	152	7	4.5%
^	65-74	90	85	86	1	0.7%
^	75-84	84	63	87	24	38.6%
^	85+	70	58	62	4	6.6%
	Total	1,241	1,204	1,393	189	15.7%

» Out-migration occurs when the actual population is less than the predicted population

» Chapman experienced a net in-migration in 2010, only losing population in 20 to 24 and 45 to 54 cohorts

» In the 2000s the city was successful at attracting young families and retirees

v Negative Difference  
^ Positive Difference

# Predicted vs. Actual Population Change 2010-2017

## Chapman

	Age Group	2010 Actual	2017 Predicted	2017 Estimate	Difference	% Variance
∨	0-15	303	275	267	-8	-2.8%
∧	15-19	90	99	110	11	11.4%
∨	20-24	61	90	28	-62	-68.8%
∧	25-34	179	141	169	28	19.6%
∨	35-44	189	199	194	-5	-2.3%
∨	45-54	184	176	156	-20	-11.4%
∨	55-64	152	165	144	-21	-12.6%
∨	65-74	86	114	106	-8	-6.7%
∧	75-84	87	61	94	33	54.8%
∧	85+	62	59	97	38	63.7%
	Total	1,393	1,378	1,365	-13	-0.9%

» Out-migration occurs when the actual population is less than the predicted population

» Chapman experienced a net out-migration in 2017, however by a small amount which could indicate lower than expected birth rates

» The greatest out-migration, common in communities without secondary education, was in the 20-24 year age cohort

∨ Negative Difference  
 ∧ Positive Difference

# 2030 Population Scenarios

## Chapman

<b>Growth Rate</b>	<b>2019</b>	<b>2025</b>	<b>2030</b>
<b>0.40%</b> <b>(1960-2017 growth)</b>	1,464	1,499	1,530
<b>0.50%</b> <b>(modest growth rate)</b>	1,464	1,508	1,547
<b>1.0%</b> <b>(1990-2017 growth)</b>	1,464	1,554	1,633

Source: RDG Planning & Design

- » Chapman's population change has remained fairly consistent since 1960, with an overall growth of 0.40% annually
- » After high growth from 2000 to 2010 (12.2%), the estimated 2017 population showed a decline of 0.30% annually but utility hook-ups would indicate a steadily growing population
- » Assuming the city is able to support growth with construction of new housing options, a growth rate just above the 1960-2017 rate at 0.50% could be achieved

# Occupancy Changes

## Chapman

	2010		2017		Change 2010-2017
	Number	% of Occupied Units	Number	% of Occupied Units	
<b>Owner-Occupied</b>	372	70.3%	329	59.9%	-17
<b>Renter-Occupied</b>	157	29.7%	220	40.1%	78
<b>Total Vacant</b>	43		69		23
<b>Vacancy rate</b>	7.5%		11.2%		3.7%
<b>Total Units</b>	572		618		46

» The total number of vacant units in 2010 was slightly high, however the vacancy rate has risen 3.7% since 2010. Because of the smaller sample size, the margin of error in the 2017 estimate can be high. It is estimated that approximately 56% of the vacant units are resulting from being placed on the market for sale or rent an estimate that is hard to support when touring the city

» The ratio of owner to renter-occupied structures changed quite drastically between 2010 and 2017 with the share of owner occupied units dropping from 70% down to 60%

# The Demand Projection Process



- » The population forecast, recent construction activity and assumptions about people per household generates a ten-year overall housing demand.
- » Distribution of household income in a community is important.
- » Income ranges were matched with affordability price points, based on housing costs equal to 30% of adjusted gross income.
- » Defined price breakouts for new housing demand, based on the assumption that new construction should ideally be affordable to the existing household income distribution.

# Development Projection

## Chapman

	2019	2020-2025	2026-2030	Total
<b>Population at End of Period</b>	1,464	1,508	1,547	
<b>HH Population at End of Period</b>	1,414	1,456	1,493	
<b>Average PPH</b>	2.40	2.40	2.40	
<b>HH Demand at End of Period</b>	589	607	622	
<b>Projected Vacancy Rate</b>	7.5%	7.2%	7.0%	
<b>Unit Needs at End of Period</b>	637	654	669	
<b>Replacement Need (total lost units)</b>		6	5	11
<b>Cumulative Need During Period</b>		23	20	43

» Based on a steady household population of 2.4 people, a slowly declining vacancy rate, and an average of one unit lost annually, Chapman will need to construct a total of 43 new housing units by 2030

HH: Households; PPH: People Per Household

Source: RDG Planning & Design

# Income Distributions and Housing Affordability Ranges

(2017 estimates)

Chapman

Income Range	# HHs in Each Range	Affordable Range for Owner Units	# of Owner Units	Affordable Range for Renter Units	# of Renter Units	Total Affordable Units	Balance
\$0-25,000	164	\$0-50,000	20	\$0-400	57	77	-87
\$25,000-49,999	134	\$50,000-99,999	83	\$400-800	90	173	39
\$50,000-74,999	108	\$100,000-149,999	78	\$800-1250	17	95	-13
\$75-99,999	83	\$150,000-199,999	86	\$1,250-1,500	30	116	33
\$100-150,000	32	\$200,000-\$300,000	54	\$1,500-2,000	26	80	48
\$150,000+	28	\$300,000+	8	\$2,000+	0	8	-20

» This analysis evaluates the availability of affordable housing and compares the quantity of housing affordable to each income group

» The city has a shortage of units for incomes less than \$25,000, between \$50,000 and \$74,999 and over \$150,000

» The lowest income bracket will not be supported by the private market and will likely need subsidies to construct

\* HH = Households

Source: U.S. Census, 2017; RDG Planning & Design

# Comparative Regional Affordability

	<b>Median Household Income</b>	<b>Median House Value</b>	<b>Value / Income Ratio</b>	<b>Median Contract Rent</b>
<b>Chapman</b>	\$44,830	\$137,900	3.08	\$635
<b>Junction City</b>	\$47,217	\$136,100	2.88	\$760
<b>Clay Center</b>	\$50,385	\$83,600	1.66	\$468
<b>Enterprise</b>	\$46,979	\$59,800	1.27	\$604

- » An affordable, self-sustaining housing market, with adequate value or revenues to support market rate new construction, typically has a V/I value between 2.5 and 3.
- » Ratios above 3.0 exhibit significant affordability issues. Chapman has a slightly elevated V/I ratio, but is not extremely concerning
- » Affordable rental units have monthly rents less than 30% of the households monthly gross income

» Chapman's market appear to be more expensive then surrounding communities. Cost of housing is likely influenced by the Junction City and even Manhattan markets more than any other community in the county.

» Rental rates would appear to support the construction of new units

# Housing Development Program

## Chapman

	2020-2025	2026-2030	2020-2030
<b>Total Need</b>	23	20	43
<b>Total Owner Occupied</b>	12	10	21
Affordable Low: 60-100,000	2	1	3
Affordable Moderate: 100-130,000	2	2	4
Moderate Market: 130-200,000	3	3	6
High Market: Over \$200,000	4	4	8
<b>Total Renter Occupied</b>	12	10	21
Low: Less than 450	4	3	7
Affordable: 450-700	5	4	9
Market: Over \$700	3	3	6

- » This analysis assumes a split of 50% owner-occupied and 50% rental units for the next ten years.
- » Most new construction will cost more than \$130,000, causing demand for lower-cost units to be met either by existing housing units or heavily subsidized construction. Creating more variety in housing types can motivate households to place their \$130,000 or less home on the market.

Source: RDG Planning & Design

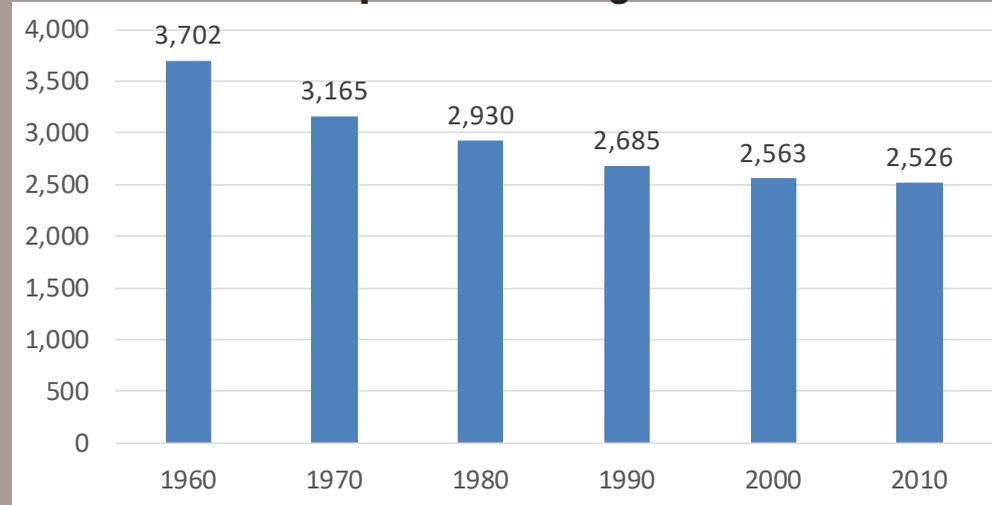


# Herington

# Population Change by Decade

## Herington

**Historic Population Change**



» Herington has been steadily losing population since 1960, with the biggest loss occurring in 1960 (14.5% decline)

» The rate of decline has been slowing each decade since 1960, except for the 2017 estimate which showed a much greater loss of 275 residents or 1.6% annually

	Population	Period Population Change	% Change During Decade	Annual Growth Rate
<b>1960</b>	3,702			
<b>1970</b>	3,165	-537	-14.5%	-1.6%
<b>1980</b>	2,930	-235	-7.4%	-0.8%
<b>1990</b>	2,685	-245	-8.4%	-0.9%
<b>2000</b>	2,563	-122	-4.5%	-0.5%
<b>2010</b>	2,526	-37	-1.4%	-0.1%
<b>2017</b>	2,251	-275	-10.9%	-1.6%
<b>1960-2017</b>		-1,451	-64.5%	-0.9%

# Predicted vs. Actual Population Change 2000-2010

## Herington

	Age Group	2000 Actual	2010 Predicted	2010 Actual	Difference	% Variance
^	0-15	498	384	527	143	37.4%
v	15-19	172	172	168	-4	-2.6%
v	20-24	123	176	133	-43	-24.4%
^	25-34	268	292	332	40	13.6%
v	35-44	372	265	244	-21	-7.9%
^	45-54	271	363	367	4	1.0%
v	55-64	244	254	252	-2	-1.0%
^	65-74	271	206	212	6	2.8%
v	75-84	225	185	175	-10	-5.6%
v	85+	119	131	116	-15	-11.6%
	Total	2,563	2,430	2,526	96	3.9%

» In-migration occurs when the actual population is greater than the predicted population.

» Negative difference between predicted and actual population loss is a result of both low birth rates and an out-migration of residents

» Although Herington's population declined between 2000 and 2010 it was not as great as would have been predicted. This indicates that the city had some in-migration to overcome its naturally aging population

v Negative Difference  
^ Positive Difference

# Predicted vs. Actual Population Change 2010-2017

## Herington

	Age Group	2010 Actual	2017 Predicted	2017 Estimate	Difference	% Variance
∨	0-15	527	521	433	-88	-16.9%
∨	15-19	168	139	93	-46	-32.9%
∨	20-24	133	167	96	-71	-42.6%
∨	25-34	332	315	197	-118	-37.6%
∧	35-44	244	268	323	55	20.4%
∨	45-54	367	300	295	-5	-1.7%
∧	55-64	252	320	339	19	6.1%
∧	65-74	212	185	250	65	35.0%
∨	75-84	175	152	148	-4	-2.9%
∨	85+	116	118	77	-41	-34.8%
	Total	2,526	2,486	2,251	-235	-9.4%

» Herington experienced a net out-migration in 2017, most pronounced in the 25 to 34 year old age cohort

» This demographic is important for population growth as they tend to settle down and establish families

∨ Negative Difference  
 ∧ Positive Difference

# 2030 Population Scenarios

## Herington

<b>Growth Rate</b>	<b>2019</b>	<b>2025</b>	<b>2030</b>
<b>Natural Growth</b>	2,174	2,112	2,083
<b>-0.15%</b>	2,251	2,231	2,215
<b>0.25%*</b>	2,251	2,285	2,314

\*Aspirational growth rate which will require a steady campaign to improve housing quality and draw residents to the community

Source: RDG Planning & Design

- » Herington's steady decline goes back even further than 1960 to 1940 for an overall average annual loss of 0.87%.
- » Assuming the city is able to support growth with construction of new housing options, an aspirational growth rate of 0.10% could capture 63 new residents by 2030.
- » If no new residents move to Herington, a steady decline in population under the Natural Growth rate would occur.

# Occupancy Changes

## Herington

	2010		2017		Change 2010-2017
	Number	% of Occupied Units	Number	% of Occupied Units	
<b>Owner-Occupied</b>	718	66.4%	636	64.9%	-82
<b>Renter-Occupied</b>	364	33.6%	344	35.1%	-20
<b>Total Vacant</b>	218		422		204
<b>Vacancy rate</b>	16.8%		30.1%		13%
<b>Total Units</b>	1,300		1,402		102

» The total number of vacant units in 2017 rose sharply since 2010 primarily due to “other vacant units” (housing kept from the market for reasons including use as storage, an owner in a nursing home, or the owner just leaves it vacant). While Herington appears to have a high vacancy rate the 2017 estimate has a very high margin of error.

» The ratio of owner to renter-occupied structures has been slowly declining since 2000 with a current split of 65-35%

# The Demand Projection Process



- » The population forecast, recent construction activity and assumptions about people per household generates a ten-year overall housing demand.
- » Distribution of household income in a community is important.
- » Income ranges were matched with affordability price points, based on housing costs equal to 30% of adjusted gross income.
- » Defined price breakouts for new housing demand, based on the assumption that new construction should ideally be affordable to the existing household income distribution.

# Development Projection

## Herington

	2019	2020-2025	2026-2030	Total
<b>Population at End of Period</b>	2,251	2,285	2,314	
<b>HH Population at End of Period</b>	2,204	2,237	2,265	
<b>Average PPH</b>	2.25	2.25	2.25	
<b>HH Demand at End of Period</b>	980	995	1,007	
<b>Projected Vacancy Rate</b>	17.0%	15.8%	14.8%	
<b>Unit Needs at End of Period</b>	1,181	1,181	1,182	
<b>Replacement Need (total lost units)</b>		12	10	22
<b>Cumulative Need During Period</b>		<b>13</b>	<b>11</b>	<b>24</b>

HH: Households; PPH: People Per Household

Source: RDG Planning & Design

» Using the 2010 vacancy rate still means the city has a large number of vacant units. **Herington should focus on encouraging the return of those vacant structures to the market and removing the most dilapidated structures in order to stabilize the market**

» A campaign to renovate and modernize existing units **will use infrastructure more efficiently than construction of new infrastructure while maintaining older areas with undervalued housing**

# Income Distributions and Housing Affordability Ranges

(2017 estimates)

## Herington

Income Range	# HHs in Each Range	Affordable Range for Owner Units	# of Owner Units	Affordable Range for Renter Units	# of Renter Units	Total Affordable Units	Balance
<b>\$0-25,000</b>	371	\$0-50,000	284	\$0-400	237	521	150
<b>\$25,000-49,999</b>	285	\$50,000-99,999	232	\$400-800	107	339	54
<b>\$50,000-74,999</b>	189	\$100,000-149,999	61	\$800-1250	0	61	-128
<b>\$75-99,999</b>	81	\$150,000-199,999	18	\$1,250-1,500	0	18	-63
<b>\$100-150,000</b>	40	\$200,000-\$300,000	41	\$1,500-2,000	0	41	1
<b>\$150,000+</b>	14	\$300,000+	0	\$2,000+	0	0	-14

» This analysis evaluates the availability of affordable housing and compares the quantity of housing affordable to each income group

» Unlike many communities in the region, the city has a surplus of housing for residents making under \$25,000

» A shortage exists for owner-occupied homes priced between \$100,000 and \$200,000

\* HH = Households

Source: U.S. Census, 2017; RDG Planning & Design

# Comparative Regional Affordability

	<b>Median Household Income</b>	<b>Median House Value</b>	<b>Value / Income Ratio</b>	<b>Median Contract Rent</b>
<b>Herington</b>	\$35,081	\$56,400	1.61	\$359
<b>Junction City</b>	\$47,217	\$136,100	2.88	\$760
<b>Florence</b>	\$26,250	\$27,500	1.05	\$331
<b>Hillsboro</b>	\$48,224	\$81,900	1.70	\$400

- » An affordable, self-sustaining housing market, with adequate value or revenues to support market rate new construction, typically has a V/I value between 2.5 and 3.
- » Ratios below 2.0 are significantly undervalued relative to income and make it difficult to support new construction costs.
- » **Herington will likely have issues supporting market rate construction, which based on the affordability analysis on the previous page, they are currently experiencing**

# Housing Development Program

## Herington

	2019-2030
<b>Total Need</b>	24
<b>Total Owner Occupied</b>	9
Affordable Low: 60-100,000	2
Affordable Moderate: 100-130,000	3
Moderate Market: 130-200,000	3
High Market: Over \$200,000	2
<b>Total Renter Occupied</b>	14
Low: Less than 450	7
Affordable: 450-700	3
Market: Over \$700	3

Source: RDG Planning & Design

- » Based on the city's existing incomes and area jobs the city needs additional quality rental housing options, therefore over the next 10 years the majority of new units should support this demand
- » Much of Herington's new construction should occur on existing lots within the city.
  - » This may include redevelopment in the downtown
- » Units within the lowest price ranges exist already in the community but options including rentals for retirees are very limited

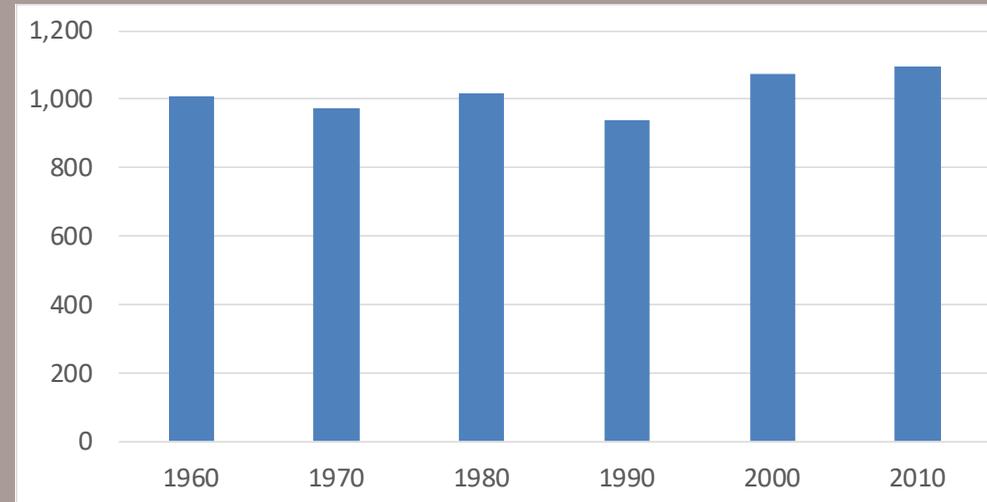


# Solomon

# Population Change by Decade

## Solomon

Historic Population Change



» Solomon's population has fluctuated since 1960 resulting in an overall growth rate of 0.1% despite periods of decline

» Between 1990 and 2000 Solomon's population grew by its most impressive rate - 1.3% annually

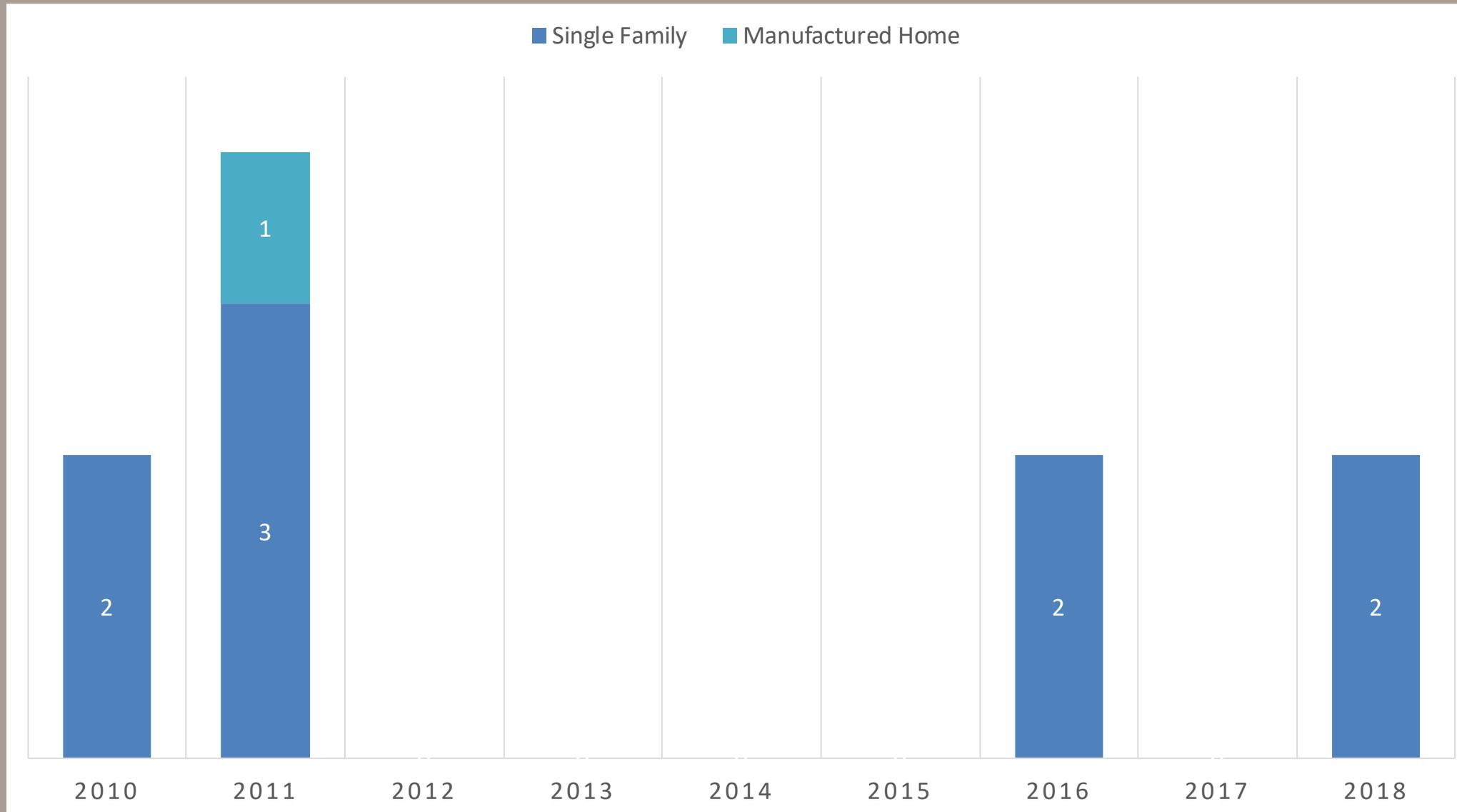
» Since 2000, the growth rate has slowed each decade to an estimated gain of only 1 person between 2010 and 2017

	Population	Period Population Change	% Change During Decade	Annual Growth Rate
<b>1960</b>	1,008			
<b>1970</b>	973	-35	-3.5%	-0.4%
<b>1980</b>	1,018	45	4.6%	0.5%
<b>1990</b>	939	-79	-7.8%	-0.8%
<b>2000</b>	1,072	133	14.2%	1.3%
<b>2010</b>	1,095	23	2.1%	0.2%
<b>2017</b>	1,096	1	0.1%	0.0%
<b>1960-2017</b>		88	8.0%	0.1%

# Construction Activity

## Solomon

Historic Building Permit Activity 2010-2018



» Since 2010  
Solomon has built  
an average of 1  
dwelling unit per  
year

» Only one dwelling  
unit has been  
demolished since  
2010

# Predicted vs. Actual Population Change 2000-2010

## Solomon

	Age Group	2000 Actual	2010 Predicted	2010 Actual	Difference	% Variance
^	0-15	274	178	255	77	43.0%
v	15-19	84	97	84	-13	-13.1%
v	20-24	44	101	53	-48	-47.7%
^	25-34	115	127	132	5	4.1%
^	35-44	204	114	172	58	51.3%
v	45-54	109	199	169	-30	-15.2%
v	55-64	114	103	79	-24	-22.9%
v	65-74	77	97	91	-6	-6.1%
v	75-84	41	53	45	-8	-14.5%
v	85+	10	20	15	-5	-25.9%
	Total	1,072	1,088	1,095	7	0.6%

» In-migration occurs when the actual population is greater than the predicted population.

» Negative difference between predicted and actual population loss is a result of both low birth rates and an out-migration of residents

» During the 2000s Solomon was successful at attracting young families but did not retain empty-nesters and retirees, possibly indicating a lack of services or appropriate housing for these demographic

v Negative Difference  
^ Positive Difference

# Predicted vs. Actual Population Change 2010-2017

## Solomon

	Age Group	2010 Actual	2017 Predicted	2017 Estimate	Difference	% Variance
^	0-15	255	224	277	53	23.8%
^	15-19	84	87	94	7	8.3%
v	20-24	53	84	60	-24	-28.3%
^	25-34	132	115	133	18	15.2%
^	35-44	172	139	174	35	25.1%
v	45-54	169	190	147	-43	-22.6%
v	55-64	79	113	93	-20	-17.8%
v	65-74	91	82	64	-18	-22.4%
v	75-84	45	50	42	-8	-16.6%
v	85+	15	18	12	-6	-34.5%
	Total	1,095	1,103	1,096	-7	-0.6%

» In-migration occurs when the actual population is greater than the predicted population.

» Negative difference between predicted and actual population loss is a result of both low birth rates and an out-migration of residents

» Solomon experienced a net out-migration in 2017, but only by 7 people. Additionally, growth in the younger age cohorts is encouraging for sustained population growth.

v Negative Difference  
^ Positive Difference

# 2030 Population Scenarios

## Solomon

<b>Growth Rate</b>	<b>2019</b>	<b>2025</b>	<b>2030</b>
<b>0.15%</b>	1,096	1,106	1,114
<b>0.21%</b>	1,096	1,110	1,122
<b>1.0%</b>	1,096	1,163	1,223

Source: RDG Planning & Design

- » If Solomon were to grow just under the rate it did between 1990 and 2000 of 1.3%, the 2030 population would be 1,223 residents.
- » More recently between 2000 and 2010 the growth rate was 0.21%, which if carried forward would lead to 1,122 residents by 2030.
- » Overall, between 1960 and 2017, Solomon grew at an annual rate of 0.15%, which if this trend were applied through 2030 would allow for a population of 1,114

# Occupancy Changes

## Solomon

	2010		2017		Change 2010-2017
	Number	% of Occupied Units	Number	% of Occupied Units	
<b>Owner-Occupied</b>	304	70.2%	307	78.9%	3
<b>Renter-Occupied</b>	129	29.8%	82	21.1%	-47
<b>Total Vacant</b>	32		50		18
<b>Vacancy rate</b>	6.9%		11.4%		4.5%
<b>Total Units</b>	465		439		-26

- » The vacancy rate was in a healthy range in 2010, but has risen by almost percentage points in the last 7 years. This may reflect a high margin of error due to a small sample size
- » The ratio of owner to renter-occupied structures has widened from 70-30 to 79-21 with more renter-occupied units lost since 2010 and a small gain in owner-occupied units
- » The drop in number of rentals could be an indication of single-family homes being converted to owner-occupancy

# The Demand Projection Process



- » The population forecast, recent construction activity and assumptions about people per household generates a ten-year overall housing demand.
- » Distribution of household income in a community is important.
- » Income ranges were matched with affordability price points, based on housing costs equal to 30% of adjusted gross income.
- » Defined price breakouts for new housing demand, based on the assumption that new construction should ideally be affordable to the existing household income distribution.

# Development Projection

## Solomon

	2019	2020-2025	2026-2030	Total
<b>Population at End of Period</b>	1,096	1,110	1,122	
<b>HH Population at End of Period</b>	1,096	1,110	1,122	
<b>Average PPH</b>	2.82	2.82	2.82	
<b>HH Demand at End of Period</b>	389	394	398	
<b>Projected Vacancy Rate</b>	6.9%	6.3%	5.8%	
<b>Unit Needs at End of Period</b>	418	420	423	
<b>Replacement Need (total lost units)</b>		2	2	4
<b>Cumulative Need During Period</b>		5	4	9

HH: Households; PPH: People Per Household

Source: RDG Planning & Design

- » Using a slightly declining 2010 vacancy rate units should either leave the market or be rehabilitated
- » The model assumes a cumulative need of 9 dwelling units which would not include vacant units that are brought back onto the market, the fewer the number of these units that are rehabilitated the more new units that will be needed

# Income Distributions and Housing Affordability Ranges

(2017 estimates)

## Solomon

Income Range	# HHs in Each Range	Affordable Range for Owner Units	# of Owner Units	Affordable Range for Renter Units	# of Renter Units	Total Affordable Units	Balance
<b>\$0-25,000</b>	73	\$0-50,000	39	\$0-400	35	74	1
<b>\$25,000-49,999</b>	86	\$50,000-99,999	112	\$400-800	44	156	70
<b>\$50,000-74,999</b>	115	\$100,000-149,999	94	\$800-1250	3	97	-18
<b>\$75-99,999</b>	68	\$150,000-199,999	34	\$1,250-1,500	0	34	-34
<b>\$100-150,000</b>	37	\$200,000-\$300,000	28	\$1,500-2,000	0	28	-9
<b>\$150,000+</b>	10	\$300,000+	0	\$2,000+	0	0	-10

» This analysis evaluates the availability of affordable housing and compares the quantity of housing affordable to each income group

» This analysis does not take into consideration the quality of housing at specific price points

» The city has a shortage of housing priced over \$150,000 and very few market rate rentals

\* HH = Households

Source: U.S. Census, 2017; RDG Planning & Design

# Comparative Regional Affordability

	<b>Median Household Income</b>	<b>Median House Value</b>	<b>Value / Income Ratio</b>	<b>Median Contract Rent</b>
<b>Solomon</b>	\$55,865	\$101,000	1.81	\$458
<b>Salina</b>	\$47,103	\$119,300	2.53	\$555
<b>McPherson</b>	\$53,503	\$133,100	2.49	\$594
<b>Minneapolis</b>	\$47,134	\$88,900	1.89	\$426

- » An affordable, self-sustaining housing market, with adequate value or revenues to support market rate new construction, typically has a V/I value between 2.5 and 3.
- » Ratios below 2.0 are significantly undervalued relative to income and make it difficult to support new construction costs
- » **The low V/I value is a result of Solomons very high median household income**
- » **Rent in Solomon is among the most affordable in the region with a median contract rent of \$458**

# Housing Development Program

## Solomon

	2020-2030
<b>Total Need</b>	9
<b>Total Owner Occupied</b>	4
Affordable Low: 60-100,000	1
Affordable Moderate: 100-130,000	1
Moderate Market: 130-200,000	2
High Market: Over \$200,000	2
<b>Total Renter Occupied</b>	4
Low: Less than 450	1
Affordable: 450-700	2
Market: Over \$700	1

- » This analysis assumes a split of 50% owner-occupied and 50% rental units for the next ten years. This is to address needs for variety in the market and allow for more traditional rental options.
- » Most new construction will cost more than \$130,000, but the city has a substantial supply today of housing in this range. Creating more variety in housing types allows for movement in the market.

Source: RDG Planning & Design



# Directions Forward

The following section is based on an analysis of the current market trends and stakeholder group discussions that were completed in early 2019.

# Opportunities & Challenges

## Abilene:

- » Replat Highlands West and develop phasing program
- » Capitalize on Downtown second story opportunities through shared partnerships and risk sharing
- » Different housing products are proven, like the patio homes, and should be replicated
- » Continue to expand the building trade program & potentially partner with local school districts to build more than one house every two years
- » Identify ways to bring more affordable lots to the market. This may be at Highlands West
- » Continue to fund quality of life improvements that will attract new residents



# Opportunities & Challenges

## Chapman:

- » **Great potential to capture new residents from Junction City and even Manhattan looking for a small, high quality school district**
- » **Identify locations for new lots that are smaller and use land efficiently as possible**
- » **Identify buildable vacant lots and consolidate into common ownership for easier development**
- » **Consider using land along commercial corridors or in the downtown for additional multi-family**
- » **Identify ways the city is willing to share risk with the private sector**



# Opportunities & Challenges

## Herington:

- » **Need to prioritize housing rehab and demolition**
- » **Leverage downtown redevelopment site for new affordable rental housing**
- » **Review all codes, including zoning, for unnecessary hurdles and weak spots**
- » **Great opportunities, including Downtown redevelopment discussions and connections to regional assets like the Flint Hills Nature Trail**



# Opportunities & Challenges

## **Solomon:**

- » **Strong employer with opportunity to grow the job base**
- » **Well located between Abilene and Salina to capture growth but will need to be proactive**
- » **Existing platted lots that can be leveraged for housing but need exists for mid to smaller lots for construction of affordable housing**
- » **Infill is occurring and new opportunities existing for additional infill and rehabilitation**
- » **Demand for quality market rate rentals is strong this housing is needed for new young employees at Solomon Industries and even teachers**



# Strategic Objectives

**A housing program for Dickinson County should:**

- A. Meet the continued demand in two critical market segments: market-rate rentals and moderately-priced equity housing**
- B. Use strategic rehabilitation and housing conservation that will both conserve housing stock and produce moderately priced owner-occupied and rental housing**
- C. Pursue programs such as RHID, NRP or CDBG that can fill gaps in financing new construction or rehabilitation**
- D. Develop strategic partnerships to share risk and further housing rehabilitation and development on a county-wide scale and seek out strategic sites for new housing unit construction**

# 1. Housing Partnerships



Dickinson County should develop partnerships that will allow for shared risk necessary to meet important housing needs.

This may include:

- » **A funding pool:** A consortium of lenders can provide interim financing to private contractors, support lot development efforts, and fund housing for those making just over 80% of Area Median Income (the threshold for many government programs).
- » **A nonprofit development group:** A key part of this may be the development of an organization or the expansion of an existing non-profit to work in the areas where the for-profit market cannot succeed or the risk seems too great.
- » **City involvement:** Each of the communities will have to be involved at some level in the development and financing of infrastructure and development sites.
- » **Code enforcement:** Communities should pool resources to share staff for the enforcement of property maintenance and building codes



# 1. Housing Partnerships



## Partnerships should focus on:

- » **Neighborhood Conservation:** Existing housing must be improved to create a market that will support new development in many markets
- » **Development & Maintenance of Moderately-priced homes:** Moderately-priced housing is often difficult for the private market to build due to smaller profit margins and greater risk. The partnership should find ways to share this risk.
- » **Increase the number of rental units:** Demand exists for a wide range of price points but specifically for those units that are affordable to those making just above 80% of area median income.

# **Case Study:** Housing Partnership-Sioux Center Example



**Moderately-priced housing through a community-based program. In Sioux Center, a growing community in northwest Iowa, a community land development corporation, capitalized by purchase of shares by citizens of the town, has developed a new moderately-priced development. This features a program to build five speculative homes at a time, maintaining an available inventory. The proceeds of sales are then used to build the next increment of houses. This town of about 5,000 has built out a 70 home subdivision in this way.**

## 2. Housing Conservation

**The existing housing stock within communities today is the best source of affordable housing. Preservation of this housing is essential to continuing to have this source of housing.**

**A lack of housing maintenance only lowers home values in some neighborhoods and communities, discouraging private market investment that may not see a project appraise at cost.**

**A targeted approach should continue to identify strategies that will elevate the overall values of neighborhoods and communities. Programs should include:**

- » **Code updates and Enforcement**
- » **Purchase-Rehab-Resale Program**
- » **Demolition of Dilapidated Structures**
- » **NRP Program**
- » **Mitigation of Floodplain Impacts**

## 2. Housing Conservation

### Code Updates and Enforcement :

- » **Review of Codes:** Each community should review existing codes for inconsistencies, gaps, and desired outcomes. Cities may consider working together to have common codes across the county
- » **Enforcement:** Codes are only as good as the enforcement of those codes. Enforcement has to be consistently applied and staffed
- » **Shared Resources:** Many communities cannot afford to support an additional staff person but sharing staff can off-set costs and create greater consistency across the county



## 2. Housing Conservation

### **Purchase-Rehab-Resale Program:**

- » **In this program a home is purchased, rehabbed, and sold to a qualified buyer. This is done with the prospect of maintaining the housing and covering costs. This could be combined with a senior oriented development that allows the senior to move into more appropriate housing while providing housing to a young family.**
- » **This program usually runs through a non-profit development corporation**



# Case Study: Purchase-Rehab-Resale Program

Columbus, NE



Over a five year period NeighborWorks Northeast Nebraska has implemented a highly successful Purchase Rehab Resale program in Columbus, Nebraska. Under the program repairs can range from \$2,000 to \$25,000. Following completion of the repairs the home is sold to the qualifying household often with down payment assistance of 20% of the final purchase price, up to \$20,000. For Columbus, Nebraska this has resulted in 140 homes being updated and owned, often by first time home buyers.

## 2. Housing Conservation

### Demolition Programs:

- » **Some communities must begin to budget for the removal of a specific number of houses per year. This will help stabilize and strengthen home values and increase residents sense of pride in their community**
- » **Once a house is removed the city should consider taking ownership of the lot. The lot then should be given away or nearly given away for the construction of new affordable housing, leveraging existing infrastructure and adding value to a block.**



## 2. Housing Conservation

### Neighborhood Reinvestment Program (NRP):

- » The NRP program allows the city to designate a specific area of the city for neighborhood conservation and reinvestment.
- » Under the program a tax abatement is provided to the homeowner for improvements made to an existing structure.
- » Challenges with the program include:
  - » For LMI homeowners in targeted areas, who in hard times and not so hard, have difficulty financing property improvements, a tax abatement is largely irrelevant.
  - » Most (but not all) middle and upper-income owners live outside the targeted area.
  - » Rental property owners generally do not see an economic reward in terms of higher rents from property rehabilitation.



## 2. Housing Conservation

### Floodplain Impacts:

- » Floodplain development should be avoided at all cost and prohibited in most cases. With that said, communities like Chapman are hard pressed to find alternatives.
- » Floodplains add costs to housing in two ways. The first is through the need to provide additional fill to elevate out of the floodplain and the second is due to the added cost of flood insurance.
- » For existing housing, cities will need to find ways to assist property owners with improvements or costs related to flood insurance. The Community Rating System is a potential way to reduce insurance premiums. But there are no state or federal programs that directly provide assistance. A local initiative would be required.



# 3. Housing Diversity

## **Increase mobility through housing diversity:**

The low supply of “for sale” or “for rent” units that meet buyers expectations or price points is a significant challenge for new employees to the area and for current residents looking to move within the community. Low mobility rates among existing households is the key issue for available units. Traditionally, as households earn more they would look to purchase larger homes. This trend is changing in many places, with more homeowners staying in housing longer and instead looking for products that fit their lifestyles. This includes retirees who are leaving jobs but not their housing units. A variety of housing products are needed to increase mobility and provide options for individuals transitioning into the community. For empty-nesters, this may be lower maintenance units that will allow them to easily transition into their retirement years.

- » **Increase the number of market rate rentals**
- » **Assemble lots for the production of affordable housing**
- » **Use tools like RHIDs**

# 3. Housing Diversity



## Market Rate Rentals:

**Several communities in Dickinson have low rental housing availability with little new construction in recent years. Below are a series of steps that can be taken to encourage new multi-family development.**

- » Define sites suitable for higher-density housing
- » Consider advance acquisition of sites (we have done this for industrial sites)
- » Create development partnerships including businesses and institutions with similar recruitment needs
- » Use joint city/chamber/economic development corporation efforts to recruit developers as needed and to help assemble financing packages that encourage these specific project types
  - » The local funding pool/lending consortium can provide gap financing
- » Encourage downtown housing, including both upper story residential in communities like Abilene and new construction on underused sites around the downtowns

# 3. Housing Diversity



## Assemble Lots for Greater Housing Options:

The policies and strategies for lot development is directly impacted by a community's absorption rate. Rural communities have several options for lot development.

» **Assemble lots.** Communities should use existing lots that have infrastructure and can increase values for a block or neighborhood. This may require acquisition and demolition of dilapidated structures. These efforts not only use infrastructure resources more efficiently, but they stabilize values of surrounding properties.

» Cities should not look to make money on these lots or even break even



# 3. Housing Diversity



## Assemble Lots for Greater Housing Options:

**New Lots.** Development of new lots can be done through several techniques

» RHID

» Community Development Organizations

» Community bonds can be sold to finance the construction of lots

» Direct lot development by cities using general funds or bonds

» Special assessment

### 3. Housing Diversity



#### **RHID**

The Rural Housing Incentive District is a state appointed alternative to special taxes for infrastructure improvements. RHID's, once approved, allow communities to use tax dollars from the development to reimburse developers for new infrastructure costs incurred in that development.

» Dickinson County should look into establishing RHID's within its communities to assist in new lot development, especially for communities like Chapman and Abilene that could benefit from additional housing variety

### 3. Housing Diversity



#### **Downtown Development**

Residential development in downtown Abilene and Herington presents greater opportunities for satisfying rental housing needs and creating a lively and appealing city center. Community initiatives, including NRP incentives, historic and housing tax credits, and gap financing should continue to reinforce this highly desirable product and strengthen existing trends. In addition, the partnership should consider assembling underutilized sites on the edge of downtown for new construction of urban housing, including attached or townhouse development.

# 3. Housing Diversity



## Highlands West

The Highlands West subdivision is a significant resource that needs to be addressed. Most don't view it as a resource but rather a black eye on the community. However, past mistakes need to be set aside and the city needs to find ways to leverage the area for the resource that it can be. The city has already formed a Land Bank and should consider :

- A. Potentially replating the development to provide greater opportunity for housing variety
- B. Develop a phasing plan that offers assurances to home buyers that they will not be alone
- C. Develop a sales strategy that may even give lots away with the development of housing that meets the communities goals
- D. Leverage the funding pool discussed in 1. Partnerships to off-set the pioneering risk that exists for most private development. These funds could be loans that come due at the time of sale of a new units.

## 4. Invest in Quality of Life



In a regional job market new renters and buyers weigh many factors when deciding where to live. The house itself may only be a small part of that decision. Quality of life features may be just as important. Cities must continue to invest in quality of life features, including

**A. Schools**

**B. Downtowns**

**C. Trails, Parks, & Recreation**

**D. High speed Internet**

**E. Basic city property maintenance**

**F. Healthcare**