

H O U S I N G   N E E D S  
A S S E S S M E N T  
F O R

# CALHOUN COUNTY

November 1, 2018



# ACKNOWLEDGMENTS

Community leaders in Calhoun County understand the need for housing across all price points and types. Their proactive action to undertake a housing needs assessment shows commitment to the future. With the assessment communities are positioned to set policy and strategic goals for housing to ultimately enhance demographic diversity, economic prosperity, and quality of life in the County.

## A SPECIAL ACKNOWLEDGMENT TO:

Calhoun County Economic Development Corp.

Calhoun County Assessor's Office

Cities of: Farnhamville, Jolley, Knierim, Lake City, Lohrville, Manson, Pomeroy, Rinard, Rockwell City, Somers, and Yetter

Diane Decker with Decker & Company Real Estate

Shelly Schossow with Calhoun County Environmental Health

The residents of Calhoun County



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## INTRODUCTION

The Calhoun County Housing Needs Assessment presents an in-depth study of the housing market and existing housing conditions. The study occurred in tandem with housing needs assessments in Pocahontas and Hamilton Counties, allowing a deeper understanding of housing in the region and opportunities for collaborative policy strategies to address challenges in the regional housing market.

The communities within Calhoun County are similar in demographics, but display unique personalities and housing challenges, both from each other and other counties in the region. Yet, these challenges can best be met on a cooperative basis, pooling the resources and capabilities of the county and possible the region into a unified housing program.

## WHY A STUDY FOR CALHOUN COUNTY?

Traditional economic development policies place emphasis on job attraction and retention. Today, communities are looking to quality of life and housing as leading economic development policies. To be successful, the area must provide a variety of housing types. Counties in rural Iowa are generally not short on jobs with expansion of transportation routes and growing rural industries such as wind energy. However, population stability in rural Iowa continues to decline.

There are several factors that contribute to population decline. More and more communities are realizing that quality housing is essential to economic diversity. Communities can attract and retain workers to fill these jobs through attractive housing options and community amenities. These workers look to raise their children, invest in the community, and establish themselves as life-long residents when these options are available.

Indeed, housing development is economic development. Without available, affordable, quality housing, the region and individual communities will not be able to accommodate the people they need to move forward.

## ROLE OF THE STUDY

A housing study is designed to explore, evaluate, and identify strategies to address housing issues throughout a given area. The housing market impacts the quality of life for residents of the region, for people interested in moving to the area, and for businesses seeking to recruit (and retain) employees.

To understand the state of housing supply and demand in Calhoun County, this study combines an extensive public input process and analysis of the demographic and market trends with a house-by-house condition inventory. Building on this work, the study provides recommendations and strategic policy directions to leverage existing assets and overcome challenges in Calhoun County.

## DEVELOPMENT

The Calhoun County Housing Needs Assessment included a comprehensive public engagement process to help understand the vision and needs of the county. The planning team worked closely with a technical committee throughout the process to present findings and gain a deeper understanding of conditions in the county. The committee included representatives from economic development agencies, public housing, county administration, and real estate.

In an effort to broaden the public input, a series of stakeholder groups and public meetings were held in Rockwell City, Lake City, and Manson. Additionally, a survey of the general public received more than 320 responses and a survey targeted at the workforce received more than 212 responses.

A wide variety of sources were used to develop the demographic and economic analysis. These included:

- The U.S. Decennial Census and American Community Survey
- Multiple Listings Service (MLS) statistics provided by local realtors
- Iowa Workforce Development, Labor Market Information Division
- City building permit data, provided by local city staff
- County GIS Departments
- USGS and NRCS mapping data
- Past plans, studies, and community ordinances provided by county staff

## ORGANIZATION

The document is organized in a way that allows individual counties and communities to easily access local analysis with implementation tools that can be leveraged at the local or regional level. The study is organized as follows:

1

### What do we want: Community insights

Provides analysis of the public input process and results of the community surveys.

2

### How do we compare: County data atlas

A look at Calhoun and comparable counties through examination of housing, demographic, and economic trends.

3

### What do we need: Community forecasts

Profiles the individual communities in Calhoun County to offer a closer assessment of housing, population, and economics on the local level to begin to understand challenges and opportunities specific to each community.

4

### Where to target: Site inventory

Provides the results of a house-by-house condition inventory for each community, mapped to identify target areas for development, infill, or investment.

5

### Strategic Directions

Summarizes the housing issues, resources, and challenges to establish overall Housing Goals. Building on these goals, the strategies, programs, and policies are identified that will move the communities and the county forward.







CHAPTER 1

COMMUNITY  
INSIGHTS

## COMMUNITY INPUT

The data, analysis, and community observations discussed throughout this document cannot tell the whole story of housing needs in Calhoun County. The housing market analysis builds from the valuable ideas and opinions obtained from the community members.

The Calhoun County Economic Development Corporation distributed two surveys via social media, through partner organizations, and paper surveys available at city halls, libraries, and workplace break rooms in each community. Additionally, a series of stakeholder discussions were held in the county to further gather and understand information by talking directly to the people in Calhoun County. The discussions are used to supplement and verify data from the survey and market analysis. To gain perspective on the breadth of perspectives, the survey asked respondents to provide their home and work postal codes. The two surveys included:

**Community Survey.** A community-wide survey was distributed to the general public to better understand their perspective, perceptions, and desires of the housing market.

**Workforce Survey.** A workforce survey was designed to target those working in Calhoun County and its communities to better understand where people are working, living, and also the challenges that face businesses trying to recruit labor into Calhoun County.

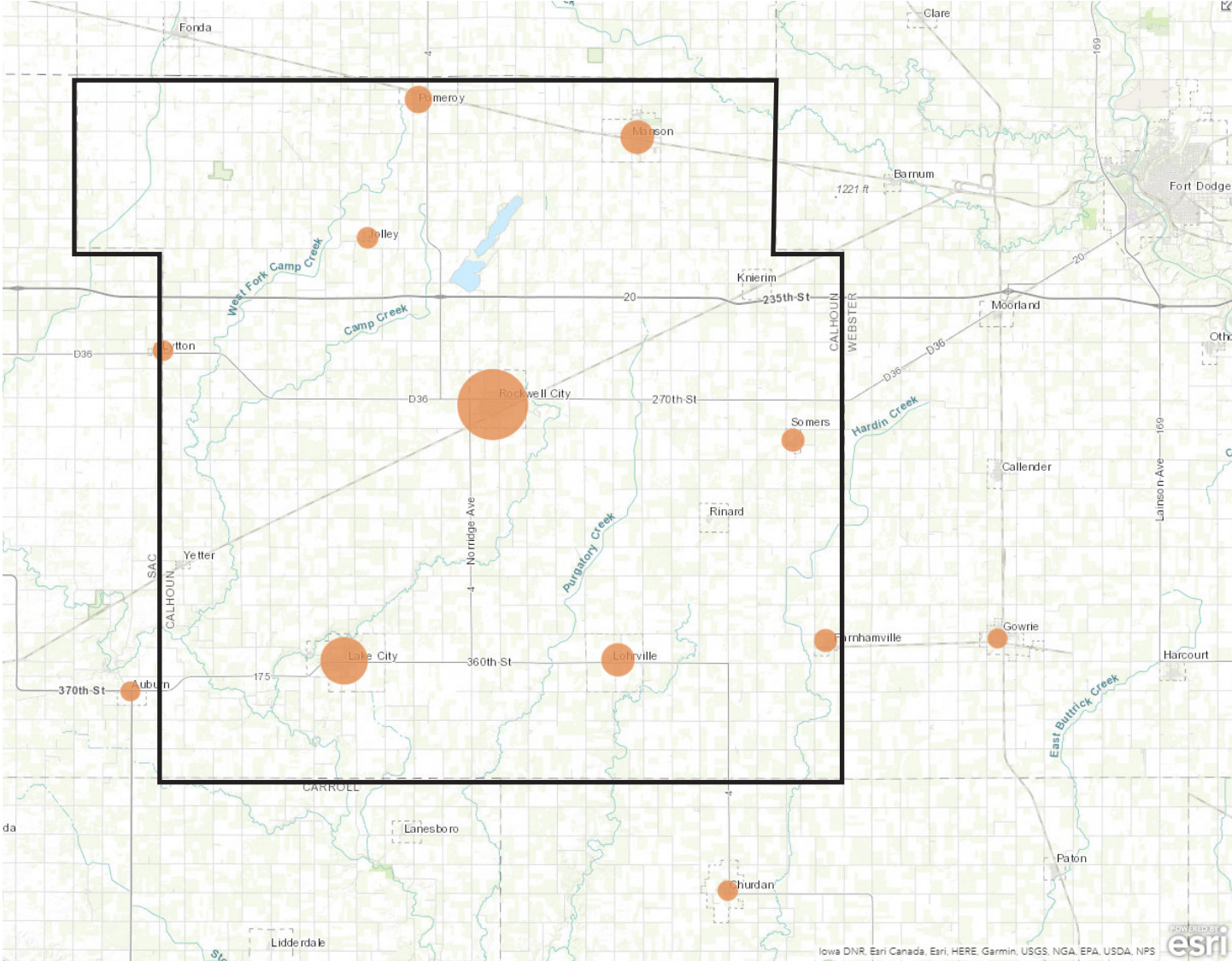
## COMMUNITY SURVEY

The community survey was open to the public - all residents, the business community, leadership, etc. The survey was open during the summer of 2018. There were more than 320 respondents from across the County and a few responses from those outside the county that likely come to Calhoun County for work, recreation, or schools.

### Geographic Distribution of Community Survey

- Figure 1.1 illustrates the distribution of “Home ZIP Codes” for survey respondents.
- As expected, the greatest concentration of postal codes is surrounding Rockwell City. However, there were responses from all Zip Codes, except Knierim and Yetter. (Note that Figure 1.1 does not show responses in Rinard. Rinard falls under zip code 50538 which includes Farnhamville).

Figure 1.1: Response by Home City



**Sample of survey comments:**

---

*It's not the availability of housing in a price range, but the availability of quality housing.*

---

---

*I feel we need more duplexes or town homes, especially for elderly and maybe single families.*

---

---

*Severe shortage of housing, particularly rental, within the budget of the average person living in Calhoun County.*

---

**Community Survey DEMOGRAPHIC PATTERNS**

The demographic patterns of survey respondents help understand the situations these households are in when answering the housing perception questions. A comparison with reported Census data shows whether survey respondents are representative of the broader county.

**Owner and Renter Occupancy**

- Responses were skewed toward home owners, about 89% of respondents own their home compared to about 76% reported by the Census.

**Age Distribution**

- The survey had strong representation from all age ranges, as shown in Figure 1.3. It was expected that fewer respondents would be in their Emerging years, as this group is the smallest in the overall population.
- The greatest representation came from the respondents aged 30-44, representative of family households. Older households are also well represented. Both are positive response rates for evaluating results.

**Household Income**

- Figure 1.4 shows the survey reached all income brackets, but is skewed toward higher income ranges compared to the median household income reported by the Census of \$44,635.
- Thirty-five percent of respondents reported household incomes less than \$50,000. Forty-five percent reported household incomes between \$50,000 and \$100,000. The remaining 20% reported household incomes exceeding \$100,000.

The next pages provide a summary from questions asked on the survey about housing perceptions and needs in the County, comments in the survey, and stakeholder discussions.

Figure 1.2: Owner and Renter Occupancy of Survey Respondents

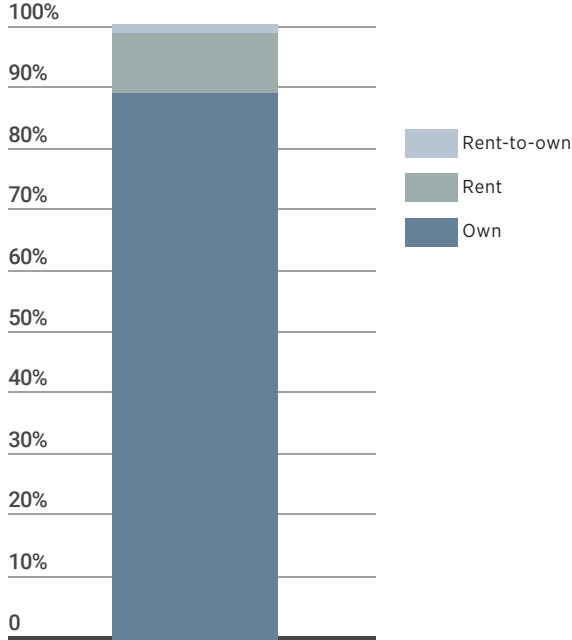


Figure 1.3: Age Distribution of Survey Respondents

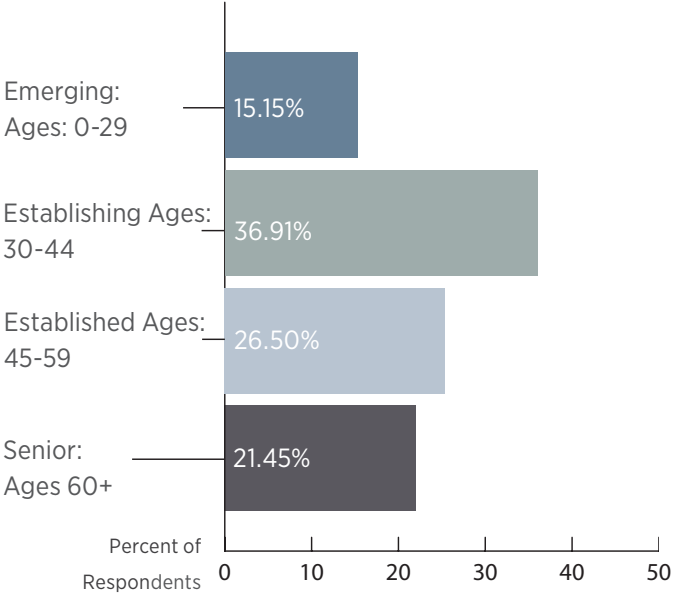
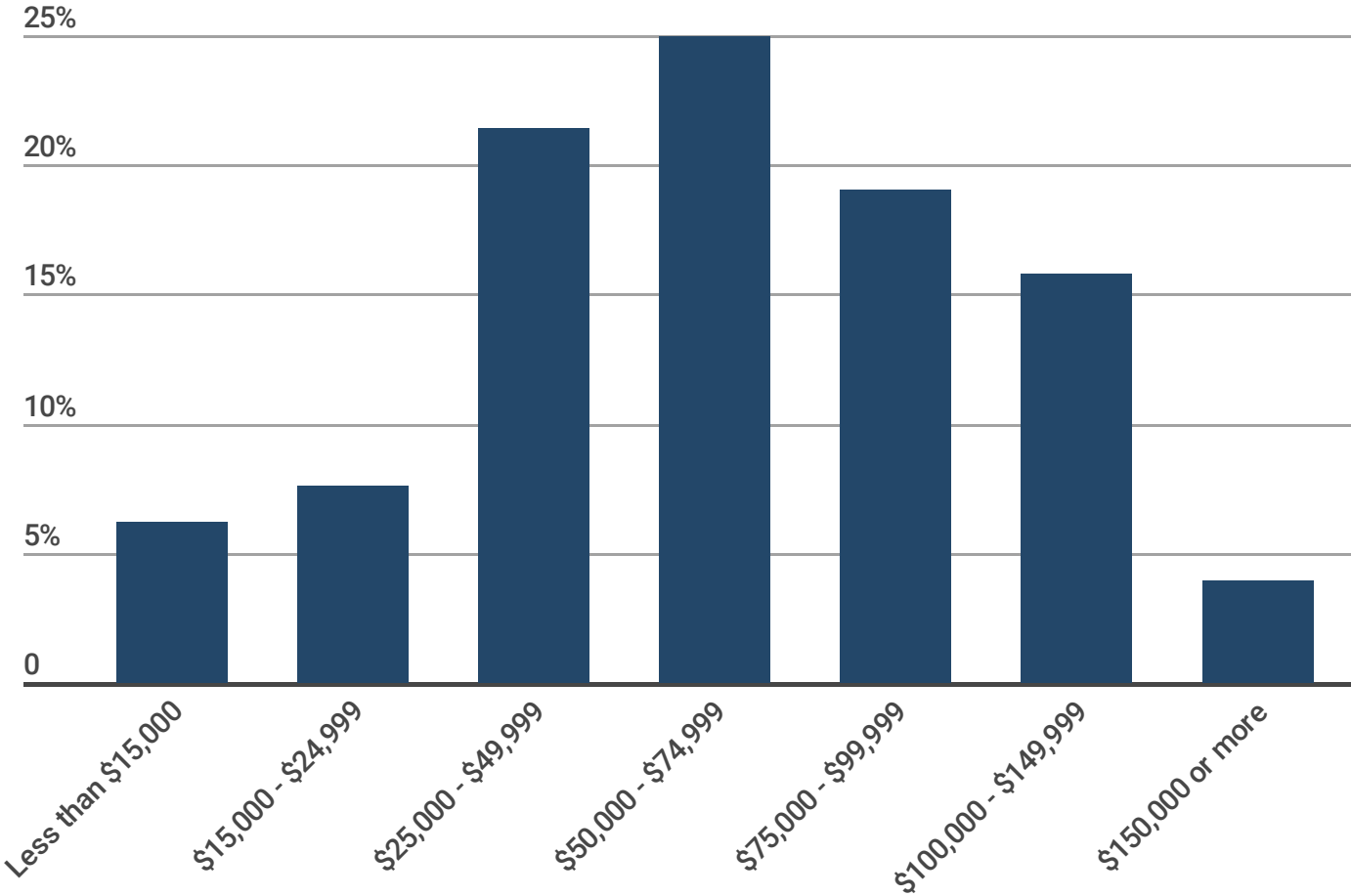


Figure 1.4: Household Income of Survey Respondents



## Community Survey Themes

The input provided by survey participants revealed important themes that became the guide for the development of the Calhoun County Housing Study. These themes fall into several categories.

### Housing Availability

Figure 1.6 shows that Calhoun County residents feel there are many types of housing products in short supply. Housing for multi-generational families was seen as the least available housing type. The housing supply is seen as more restrictive for families and single professionals while more options are perceived to be available for older age ranges. This perspective comes from a desire for products that are affordable and attractive to more of the population.

It is important to note that factors, such as income, can exist within each demographic group and impact whether the market adequately serves a particular group. For example, high-income seniors may have many good options, while low-income seniors may have few options.

### Most Popular Housing Types

Respondents to the community survey were given eight types of housing options and asked if they felt any of these housing types would be successful in Calhoun County today. The results to that question are shown in Figure 1.7. The most popular housing types were:

- Small, two-to-three bedroom homes (88%)
- Mid-size, three bedroom homes (88%)
- Apartment (61%)
- Independent – Senior Living (70%)

Townhomes/duplexes saw lower support than those listed above, but 53% of respondents still believed this product would be successful. Townhomes are a type of housing not often seen in Calhoun County. If a few projects are built, communities will likely become even more comfortable with their design.

The housing types that the majority did not think would be successful were “larger homes with four or more bedrooms,” “large lot, estate residential,” and “Downtown upper-story residential.” It is likely that a few factors contribute to the low rankings for these housing types:

- Much of the recent housing construction has focused on larger homes.
- These units are not typically affordable to lower and middle income households.
- There is not an inventory of downtown buildings in many communities that could actually support downtown housing.

## Senior Options

Respondents were also asked specifically about senior housing options. The responses are shown in Figure 1.5. Note that all age ranges were allowed to answer the question.

- Respondents were most favorable toward “apartments with additional services.”
- When filtered for respondents 60 years and older, responses were more balanced between “an apartment with additional services” and “an assisted living unit.”
- In both respondent scenarios, “a residence attached or adjacent to the home of a family member” and “an independent apartment” scored lowest.

The responses show that seniors, and their kids answering for them, are favorable to downsizing to apartment living as long as some services are provided and the unit is good quality. This housing product was perceived to be in short supply in the stakeholder discussions and other survey responses.

**Figure 1.5:** What type of housing do you believe area seniors and the elderly are most interested in? (Select One)

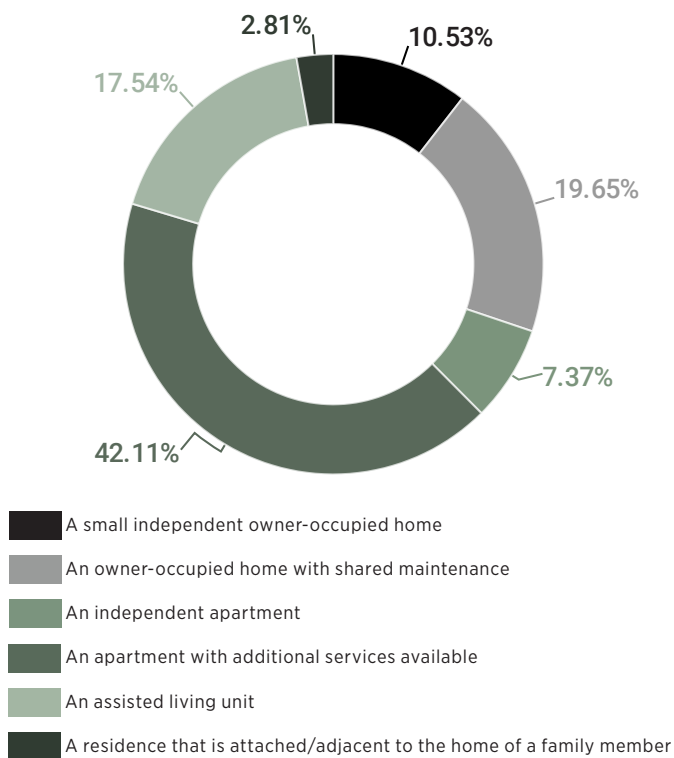


Figure 1.6: Do you believe that the current housing supply adequately meets the needs of the following household types in your community?

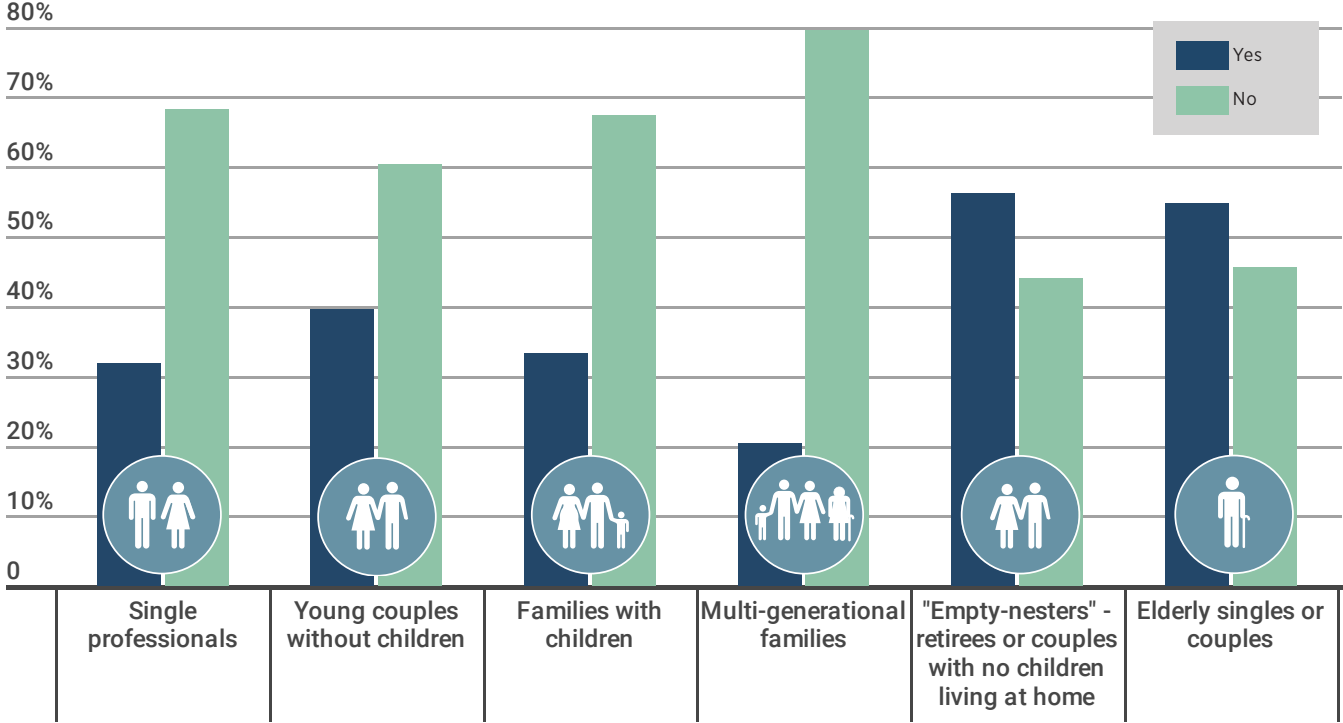
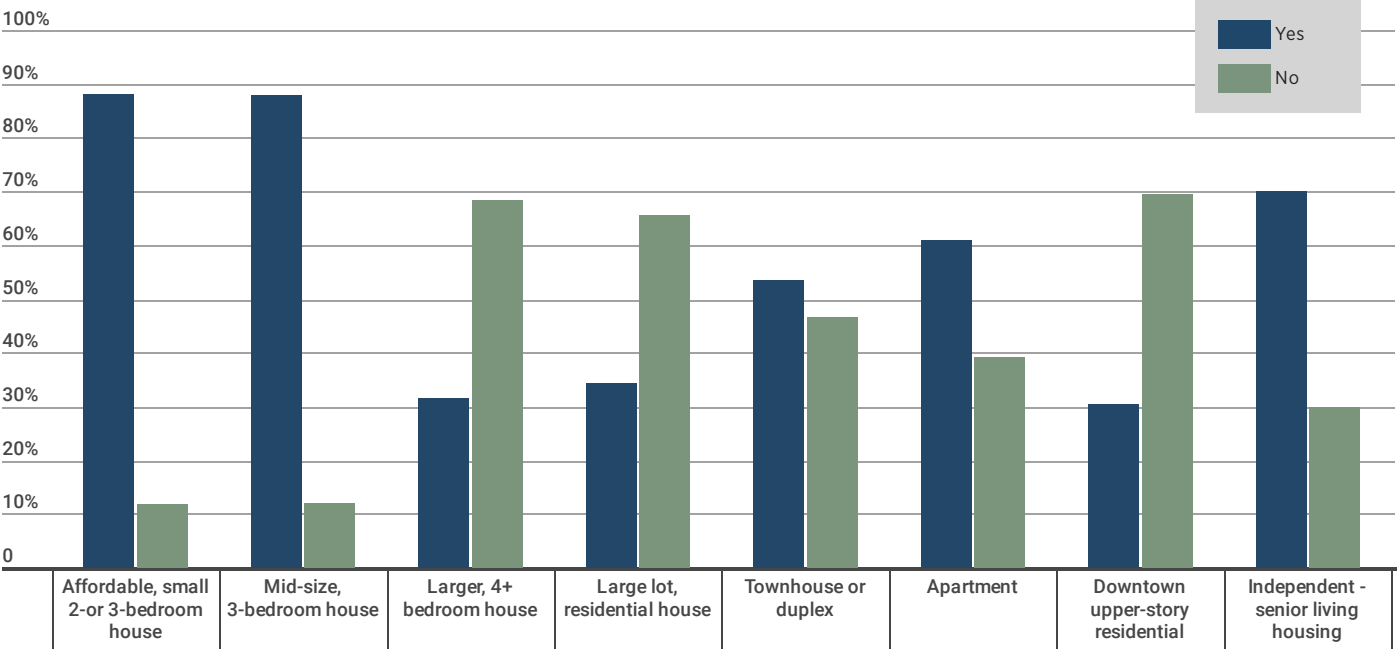


Figure 1.7: What new housing products do you think would be successful in your area today?



### Housing and (Quality) Rental Affordability

Calhoun County residents expressed concern about the cost of housing including both ownership and rental options. Concerns ranged from lack of quality affordable options to having too many low-value homes that depress market values for new construction.

In the context of a housing market, the concept of “affordability” is relative and broadly describes the gap between the condition, age, and size of the housing product respective to the incomes of those groups seeking housing in Calhoun County. While the term “affordable” invokes the image of housing for the lowest income groups, middle and upper income households can also experience affordability issues in the market when supply and demand of units within certain price-points are misaligned.

Responses to the questions shown in Figures 1.10 and 1.11 show:

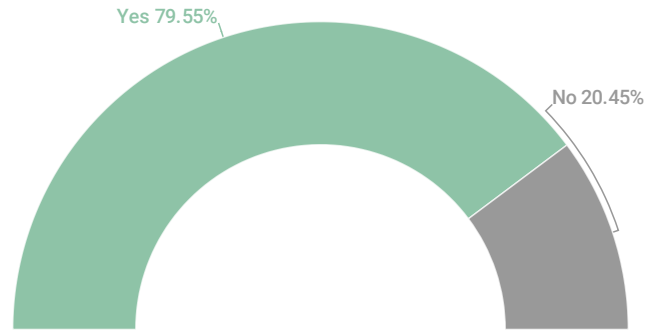
- Many are unaware of housing and rental options at higher price points. This is either because these units are not available or many respondents cannot afford these price points and therefore do not look for these types of homes.
- Respondents feel there are better options at lower price points for owner-occupied housing than rental housing. Low new construction activity limits the availability of homes above \$200,000. Most of the existing housing stock is valued below \$200,000.
- Very few respondents felt there was an oversupply of housing or rentals at any price point.
- Excluding “Don’t Know” responses, the majority of respondents felt housing options were undersupplied at every price point.

The survey responses reinforce the comments heard during the stakeholder discussions and affordability analysis shown in later sections of this study.

### Maintenance and Dilapidated Housing

A common theme throughout the surveys related to the quality of housing and rental options. Many noted that certain housing options may be more affordable, but are low quality and a detriment to adjacent properties. Figure 1.8 and 1.9 show respondents support for property maintenance codes and removal of dilapidated housing. Some communities are already pursuing these actions. However, respondents and stakeholders also indicated a need to provide some form of assistance to those who struggle to afford property maintenance.

**Figure 1.8:** Would you support greater enforcement of property maintenance codes?



**Figure 1.9:** Would you support the use of public funding to remove dilapidated housing?

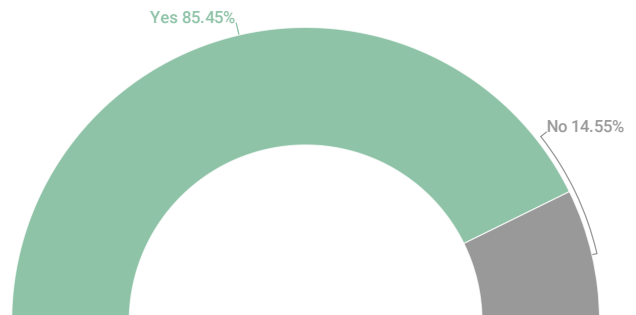




Figure 1.10: How would you rate availability of rental housing in the area for the following rental ranges?

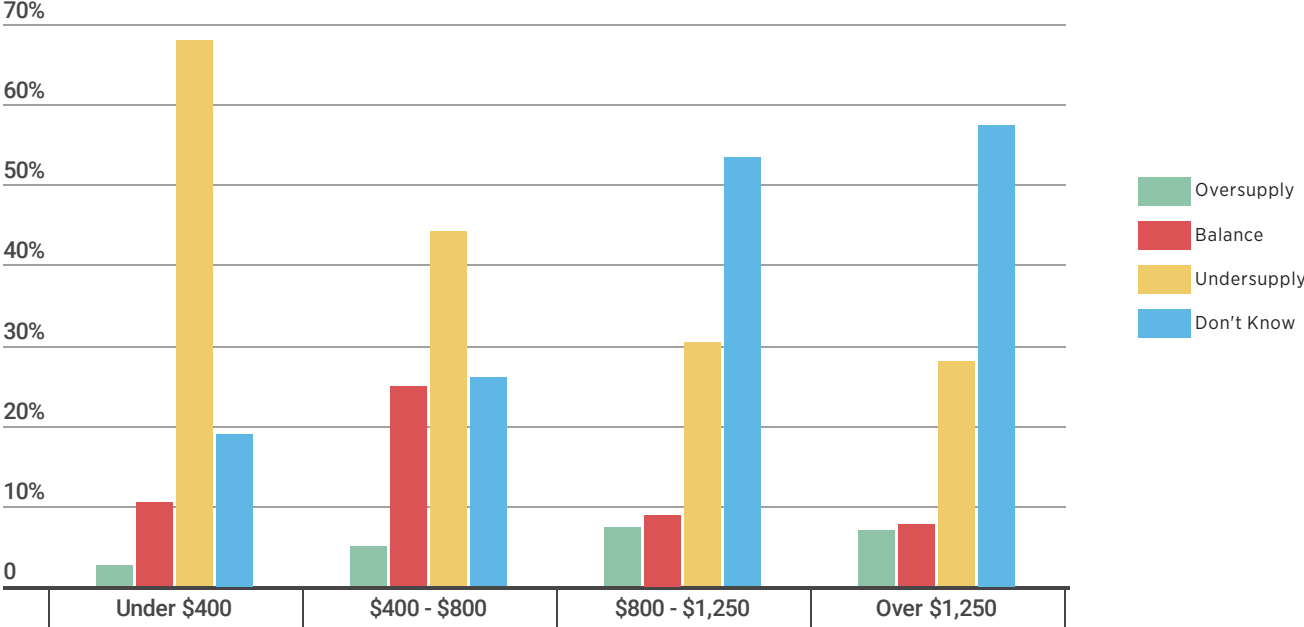
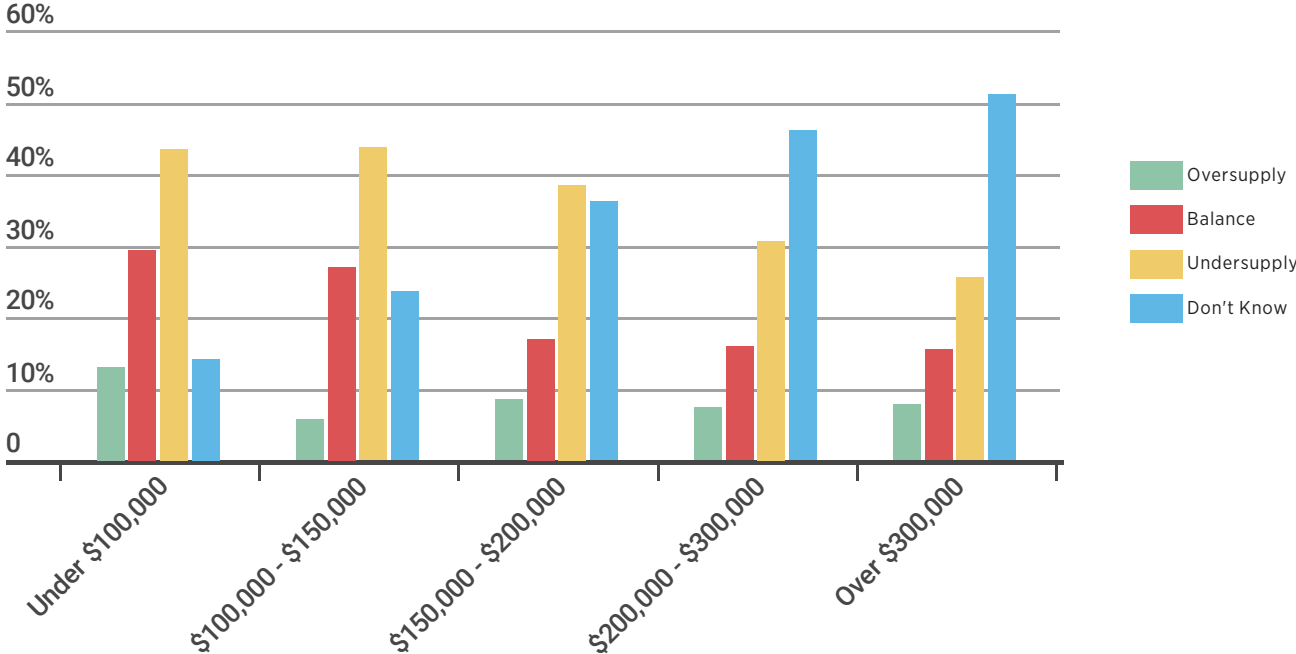


Figure 1.11: How would you rate availability of housing in the area for each of the following price categories?



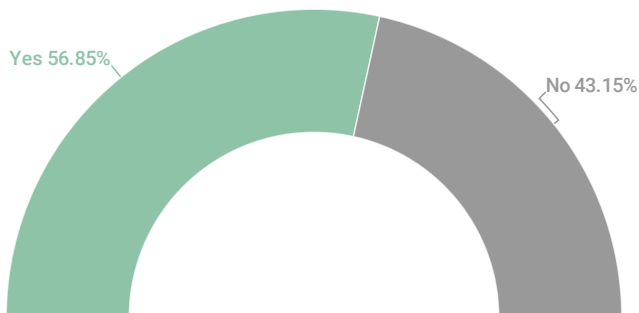
## WORKFORCE SURVEY

The workforce survey received over 200 responses. These responses helped further understand data and discussions about whether people working in the county have difficulty finding housing options that fit their needs. The survey also specifically asked about the preferences of those over 55 years old who will be reaching retirement age. Answers generally aligned with the stakeholder discussion comments, but differed in certain areas from responses on the community survey.

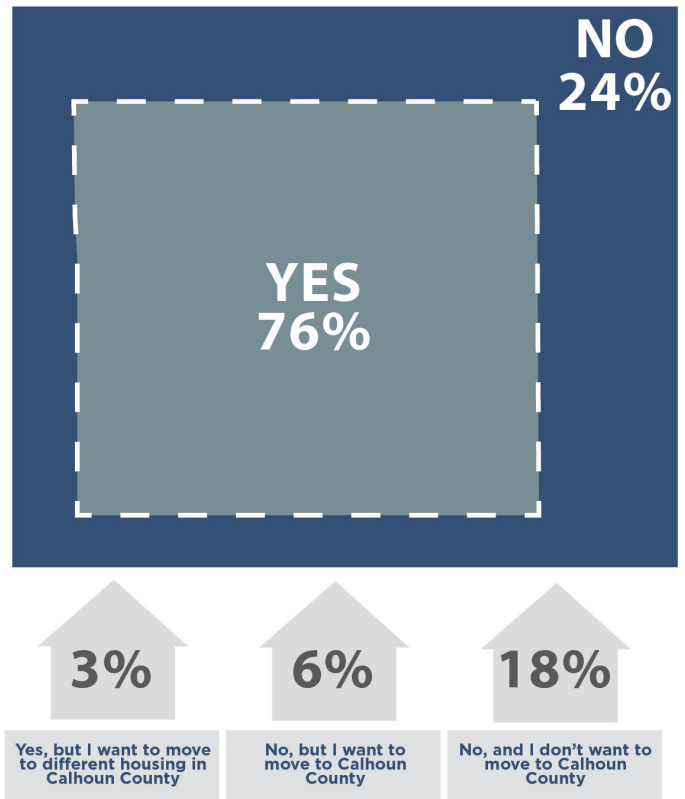
Several insights emerged from the survey:

- Over 76% of worker respondents indicated they live in Calhoun County, shown in Figure 1.13. Stakeholder discussions indicated that many people commute to surrounding counties. Of those respondents who do not live in the county, 18% do not want to move to Calhoun County. The most common reason was other household members' jobs or just being happy where they currently live.
- With the large number of respondents already living in Calhoun County, 65% commute less than 14 minutes to work, shown in Figure 1.14.
- Forty-three percent of respondents feel they cannot find their preferred housing type in the County, shown in Figure 1.12. Of the 3% of respondents that want to move to different housing, 60% indicated a desire for larger housing options (4+ bedrooms), which is interesting because many in the community survey felt large 4+ bedroom homes would not be successful.
- Fifty-eight percent of respondents over 55 plan to retire in Calhoun County, Figure 1.15, and 28% of those respondents would like to change housing in the future, Figure 1.16. However, Figure 1.17 shows over half (56%) feel they will not be able to find their preferred housing type.

**Figure 1.12:** Do you feel that you can find your preferred option in the County?



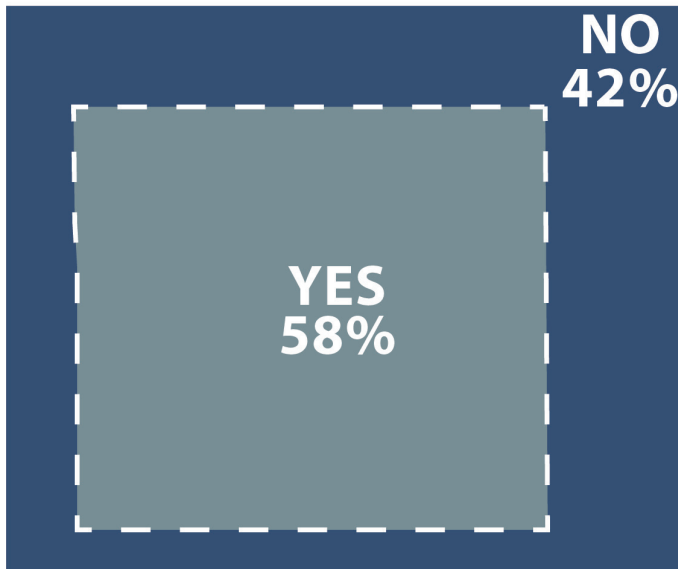
**Figure 1.13:** Do you live in the County where you work?



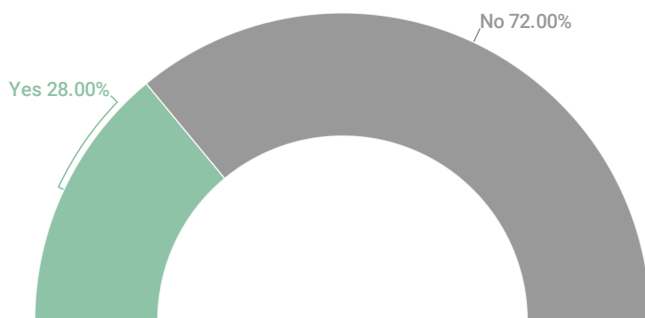
**Figure 1.14:** How long is your commute to work?



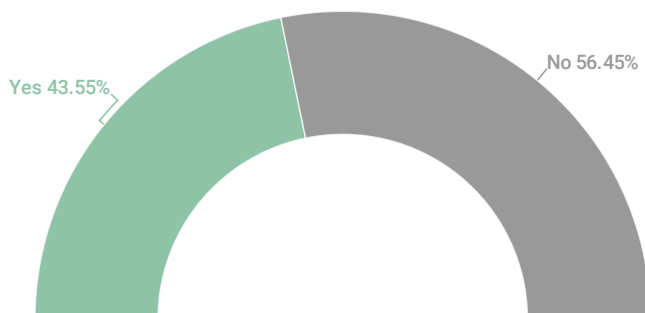
**Figure 1.15:** If you are 55 or older: Do you plan to retire in the County?



**Figure 1.16:** If you are 55 or older: Would you like to change housing in the future?



**Figure 1.17:** If you are 55 and older: Do you feel that you can find your preferred housing option in the County?



## THEMES AND ISSUES IDENTIFIED THROUGH COMMUNITY INPUT

The importance of personal accounts and experiences provided as part of the public engagement process of this study cannot be overstated. These stakeholders voiced their experiences, opinions, and ideas through discussions and through digital and paper surveys. These accounts provide a strong foundation on which the remainder of this plan is built, including several big ideas that resonate across all communities:

**A Strong Economy.** The surveys did not specifically ask about the job market. However, stakeholder discussions unveiled many strong and robust employers in the region. Employees are living where they can find housing, no matter how far the commute. Many would like to live in the community they work if appropriate quality housing options were available. However, as seen in the surveys, once an employee settles in another community, they are less likely to make the move.

**Availability.** While stakeholders generally had a high level of satisfaction with the community itself, many expressed concern over availability in certain types of housing at certain price-points. Lower price points were generally seen as having a lower supply. New construction cannot meet these price points. An important note going forward is that every home/rental demolished is an affordable unit lost.

**Senior and Retirement Options.** Like the desire for more affordable housing options, respondents indicated their strong desire for a variety of smaller housing options and assisted living, as well as apartments geared at both young singles and seniors. Universal design to accommodate mobility issues is needed within these desired housing options.

**Affordable and Quality Rentals.** Many respondents expressed the desire for more quality and affordable rental options. An important consideration is providing units that meet the income levels of households in the County. These include options for retirees such as assisted living situations with certain services provided.

**Support for Action.** Survey respondents and stakeholders agreed that action needs to be taken, both in the form of maintenance enforcement and policies that provide assistance to potential home owners or developers. New programs and partnerships are essential to meet the housing needs in Calhoun County.



CHAPTER 2

COUNTY  
DATA ATLAS

## REGIONAL ATLAS

The communities in Calhoun County are unique, but part of a larger economic region. Housing markets are not secluded to municipal boundaries. Examining Calhoun County and regional market trends establishes a base to understand challenges that are common to all communities. Then the unique challenges and opportunities in specific communities can be identified.

### What market data tells us

Figure 2.1 summarizes many elements that influence housing supply and demand. Quantitative data illustrates trends in population, housing occupancy, affordability, and other objective measurements. Market data gives a quick and straightforward representation of the county and how it compares to other counties in the region. It evokes questions like why conditions are the same or different compared to other areas.

### What market data does not tell us

Census and other objective data has limitations, which is why it provides only one element of understanding the housing market. Market data does not capture the feelings and observations of residents. It does not fully capture the condition of housing or community amenities. Lastly, market data becomes less reliable for small communities (<1,000) because of sampling error and lack of sufficient data. For all of these reasons, the market analysis indicates caution where necessary. Ultimately, the conclusions and strategic directions compare data with on the ground observations and discussions.

Figure 2.1: Potential Forces on Housing Development and Investment



## CALHOUN COUNTY SNAPSHOT

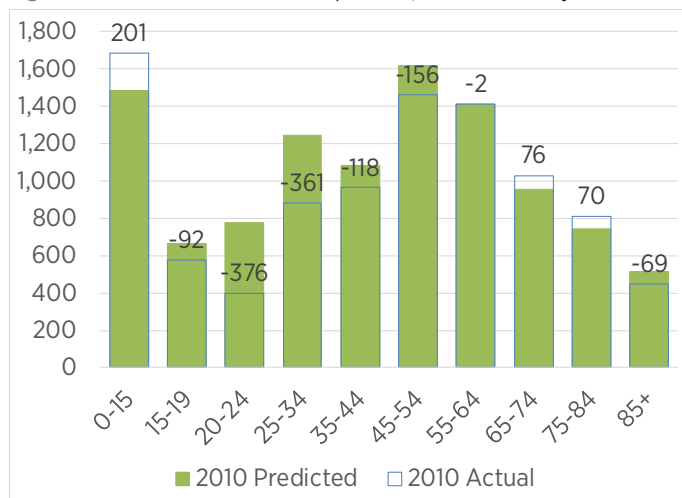
This section provides demographic and economic information in Calhoun County and similar counties in the region.

### Population Snapshot

Examining population and age characteristics provides clues into the type of housing demanded and helps develop forecasts for future housing need. Figure 2.3 shows Calhoun County's population has declined slightly in recent years. A steady decline has been occurring since 1960, similar to many rural counties in Iowa.

Community population data on the following pages shows stable population from 2010-2016 in multiple communities. However, unincorporated areas in Calhoun County continue to lose population. In 2016, 75% of the population lived in a city versus 64% in 1980.

**Figure 2.2:** Predicted vs. Actual Population, Calhoun County 2000-2010



Natural population changes in rural communities trends toward population decline as households age and births decline. To understand whether actual population changes reflect expectations, an analysis was completed that compared predicted population to actual 2010 Census population counts. The estimates in Figure 2.2 are based on estimated birth and death rates for the population developed by the U.S. Bureau of the Census and the National Center for Health Statistics. The analysis indicates that in Calhoun County:

- Overall, the county experienced a negative difference between predicted and actual population loss both due to low birth rates and an out-migration of some residents. The difference is most noticeable in the 25-34 age range, a range crucial for population growth as these couples begin or already have families. However, this difference is likely skewed negatively because the Census reported the correctional facility in Rockwell City with the 2000 Census counts and not the 2010 Census counts.
- More growth than expected for elementary and middle school aged children. This can indicate the movement of families into the county. However, growth in family ages (25-44) did not exceed predictions. Therefore, those families that did remain had more children than what was predicted.
- An in-migration of retirement ages (65-84) indicates these households find areas in Calhoun County attractive to live and suitable for their needs. However, in-migration also can limit the availability of the existing housing stock that has features seniors are looking for.

**FIGURE 2.3:** Regional County Population Change

	2000 POPULATION	2010 POPULATION	2000-2010 PERCENT CHANGE	2016 POPULATION ESTIMATE <sup>1</sup>	2010-2016 PERCENT CHANGE
Calhoun	11,115	10,177 <sup>2</sup>	-8.4%	9,846	-3.25%
Pocahontas	8,662	7,310	-13.0%	6,886	-5.80%
Hamilton	16,438	15,673	-4.7%	15,076	-3.81%
Webster	40,235	38,013	-5.5%	37,050	-2.53%
Humboldt	10,381	9,815	-5.5%	9,607	-2.12%
Wright	14,334	13,229	-7.7%	12,891	-2.55%
State of Iowa	2,926,324	3,046,355	4.1%	3,134,693	2.90%
Urban <sup>3</sup>	1,787,432	1,950,256	9.1%		
Rural	1,138,892	1,096,099	-3.8%		

Source: US Census Bureau; Population Estimates Program,

<sup>1</sup> As of July 1st

<sup>2</sup> 2010 Census Population Estimate used for comparison purposes. The 2010 Census did not include correctional facilities in Rockwell City, while other years the facility was counted.

<sup>3</sup> Urban are areas over 2,500 (Urbanized Areas and Urban Clusters). No community in the study county is over 2,500.

**FIGURE 2.4:** Regional Median Age

	2000 MEDIAN AGE	2010 MEDIAN AGE	2016 MEDIAN AGE
Calhoun	42.4	47.8	45.4
Pocahontas	42.5	47.6	47.3
Hamilton	39.1	42.3	43.0
Webster	37.7	40.0	39.5
Humboldt	41.3	44.3	43.3
Wright	41.4	44.4	44.4
State of Iowa	36.6	38.1	38.0

Source: US Census Bureau; Population Estimates Program

### Economic Snapshot

Calhoun County has a strong economy that contributes to the stable population in its larger communities. As indicated in the community discussions, strong employment brings with it additional housing demand and puts a strain on the housing supply. Additionally, Calhoun County has strong school districts with facilities in Manson, Rockwell City, and Lake City that are a selling point for these communities.

Figure 2.5 shows that Calhoun County has a 2.7% unemployment rate, lower than surrounding counties. However, that means employers have a smaller pool of potential workers to choose from when positions become available. A portion of workers for new jobs must be attracted to the area through higher wages, benefits, or desirable (and available) places to live. The lower labor force participation rate shows there is also a higher proportion of retirees, people going to school, or people not actively looking for work in Calhoun County.

Median household incomes are stable compared to other communities, as shown in Figure 2.6. Higher wages help attract workers, but are also essential to give households the means to invest in existing housing or build new.

Figure 2.7 shows that people living in Calhoun County travel more to jobs outside the county and commute further than surrounding communities. Nearly 22% of workers that live in Calhoun County travel to Webster County for their job. This can become a challenge for communities that are not as close to employment centers to attract new residents.

FIGURE 2.5: Regional Employment Trends

COUNTY	LABOR FORCE	LABOR FORCE PARTICIPATION	UNEMPLOYMENT RATE*
Calhoun	4,606	57.3%	2.7%
Pocahontas	3,619	63.6%	4.8%
Hamilton	7,797	64.5%	3.0%
Webster	18,034	60.0%	6.6%
Humboldt	4,780	62.8%	3.9%
Wright	6,200	60.9%	6.2%
State of Iowa	1,664,170	67.66%	4.5%

\*Taken from 2016 American Community Survey, Bureau of Labor Statistics (BLS) reported unemployment rates may differ  
Source: US Census Bureau; American Community Survey

FIGURE 2.6: Regional Median Household Income

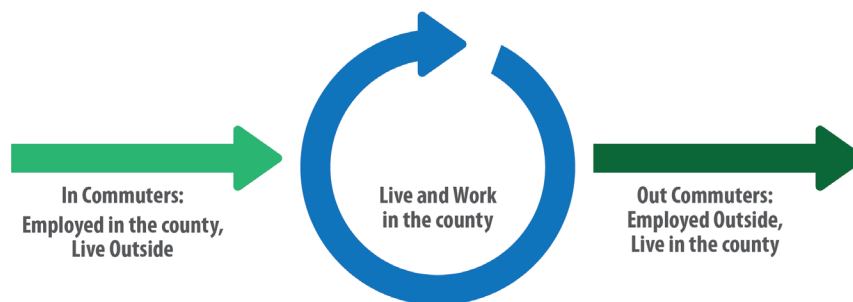
COUNTY	2016 POPULATION ESTIMATE*	2016 MEDIAN HOUSEHOLD INCOME	80% OF MEDIAN	50% OF MEDIAN
Calhoun	9,846	\$44,635	\$35,708	\$22,318
Pocahontas	6,886	\$46,250	\$37,000	\$23,125
Hamilton	15,076	\$53,970	\$43,176	\$26,985
Webster	37,050	\$42,196	\$33,757	\$21,098
Humboldt	9,607	\$47,478	\$37,982	\$23,739
Wright	12,891	\$46,071	\$36,857	\$23,036
State of Iowa	3,134,693	\$54,570	\$43,656	\$27,285

Source: US Census Bureau; Population Estimates Program, \*As of July 1st

FIGURE 2.7: Regional Commuting Trends

	IN COMMUTERS	OUT COMMUTERS	LIVE AND WORK IN THE COUNTY	% EMPLOYED AND LIVING IN COUNTY	MEAN TRAVEL TIME TO WORK
Calhoun	1,108	2,189	1,431	56.4%	21.3
Pocahontas	1,253	1,401	1,397	52.7%	17.3
Hamilton	2,646	3,480	2,941	52.6%	17.8
Webster	7,571	5,462	9,401	55.4%	16.1
Humboldt	1,607	2,191	1,977	55.2%	18.1
Wright	2,574	2,304	2,915	53.1%	15.5
State of Iowa	N/A	N/A	N/A	N/A	18.9

Source: US Census Bureau; American Community Survey





## Regional Employment Outlook

Figure 2.10 shows the total number of paid employees and total primary jobs in the MIDAS Region and the percentage accounted for in each county under MIDAS. As indicated in the unemployment rates on the previous pages, not only does Calhoun County have a strong economy, but so does the region. As such, Figure 2.8 reiterates the commuting characteristics of residents showing that they fill positions across a wide range of counties. Employment opportunities are projected to grow in the region. Figure 2.9 shows the regional job projections through 2024 provided by the Iowa Department of Workforce Development.

A key element described later in this study is that population and housing demand hinges on capturing regional employees to live in Calhoun County communities. This data provides a base to understanding the larger employment demands in the context of housing needs in Calhoun County.

**FIGURE 2.8:** Resident Workplaces

WHERE WORKERS FROM THE COUNTY ARE EMPLOYED (2015)	COUNT	SHARE OF WORKERS LIVING IN CALHOUN
Calhoun	1,431	39.5%
Webster	788	21.8%
Polk	195	5.4%
Sac	119	3.3%
Pocahontas	113	3.1%
Carroll	96	2.7%
Story	81	2.2%
Greene	54	1.5%
Buena Visita	52	1.4%
Cerro Gordo	50	1.4%
All other	641	17.7%

Source: US Census Bureau; On The Map.

**FIGURE 2.9:** Regional Area Job Projections (All Occupations)

WORKFORCE DEVELOPMENT REGION	PROJECTED EMPLOYMENT GROWTH RATE	ANNUAL NEW JOBS (THROUGH 2024)
Fort Dodge/Webster City	0.5%	315
Des Moines	1.1%	5,380
Spencer	0.6%	675
Carroll	0.6%	285

Source: Iowa Workforce Development

**FIGURE 2.10:** Regional Employees and Jobs

COUNTY	POPULATION (2016)	% OF MIDAS AREA	NUMBER OF PAID EMPLOYEES (2016)	PAID EMPLOYEES % OF MIDAS AREA	TOTAL PRIMARY JOBS (2015)	PRIMARY JOBS, % OF MIDAS AREA
Calhoun	9,846	10.78%	2,234	6.8%	2,539	6.9%
Pocahontas	6,886	7.54%	1,900	5.8%	2,650	7.2%
Hamilton	15,076	16.50%	4,519	13.8%	5,587	15.2%
Webster	37,050	40.56%	16,402	50.0%	16,972	46.1%
Humboldt	9,607	10.52%	3,528	10.8%	3,584	9.7%
Wright	12,891	14.11%	4,192	12.8%	5,489	14.9%
MIDAS Area	91,356		32,775		36,821	

Source: US Census Bureau, On The Map.

## Housing Snapshot

Regional characteristics indicate a prevalence of certain housing types and hints where strategic directions could be targeted, considering information heard through community engagement and market indicators in Calhoun County.

### Affordability

Housing affordability is impacted in many ways by household income and a households quality of life. If incomes are low, like in Calhoun County, quality of life is impacted to a lesser degree if housing costs are also lower. However, lower home values can also have a negative effect on the overall market, as will be discussed later in this study. Housing is traditionally the highest expense for any household followed by transportation costs. Figure 2.11 shows the ratio of home value to income in each county. An affordable, self-sustaining housing market, with adequate value and revenues to support market-rate new construction, will typically have a value to income ratio between 2.0 to 3.0. Ratios above 3.0 present significant affordability issues while ratios below 2.0 are significantly undervalued relative to income.

While a market that is unaffordable presents significant challenges to attracting new residents and to enabling residents to move within the housing market, an undervalued market is equally troublesome. An undervalued housing market stagnates the economy in several ways:

- Purchasing a home is comparatively more affordable than rental options, the median rents are driven lower to a level where it is no longer feasible for new, rental units to be developed.
- The lack of new rental units limits the accessibility of the housing market to new residents, employees, and families.
- Undervalued markets discourage new construction, especially the construction of speculative housing that cannot be appraised at the cost of construction and thus removing all profits for the builder.

Calhoun County has a low ratio similar to most surrounding counties. Ratios in the region indicate a generally undervalued market. The estimates affirm similar discussions heard from stakeholder discussions and survey results.

**FIGURE 2.11:** Regional Housing Costs and Affordability

COUNTY	MEDIAN HOME VALUE (2016)	MEDIAN INCOME (2016)	VALUE TO INCOME RATIO	MEDIAN CONTRACT RENT
Calhoun	\$76,900	\$44,635	1.72	\$388
Pocahontas	\$70,800	\$46,250	1.53	\$382
Hamilton	\$95,900	\$53,970	1.78	\$470
Webster	\$90,000	\$42,196	2.13	\$483
Humboldt	\$90,200	\$47,478	1.90	\$448
Wright	\$76,700	\$46,071	1.66	\$429
Iowa	\$132,800	\$54,570	2.43	\$578

Source: US Census Bureau; American Community Survey

## Occupancy

Figure 2.12 summarizes the occupancy characteristics for MIDAS counties. Calhoun County has a larger percentage of owner-occupied households and the lowest percentage of renter-occupied households in the region. Surrounding counties with higher populations tend to have more renter occupied households, but also higher rents. Communities with more rental options typically have higher quality units as households can choose quality units over low quality units, forcing landlords to up-keep units to retain renters.

The rental housing stock is essential when communities are trying to attract young households. Many young families and almost all single young households begin their experience in the housing market as renters. A healthy housing market provides housing options at all stages of life, such as quality rental units for those at the beginning of their adult life or for downsizing later in life.

Vacancy rates across all counties in the region appear high. However, the total vacancy rate includes seasonal, rented and sold units not occupied, and other vacancies that are not available for use such as storage, owner personal reasons/legal issues, under repair, abandoned homes, etc. When excluding these categories, vacancy rates of "for rent" or "for sale" units are low at 4%. A healthy market could support a 5-7% vacancy rate to provide options in the market and efficient movement of households to different housing choices. It is possible that many households in Calhoun County would like to move, but are staying in their current home because few existing options or buildable lots are available.

## REGIONAL MARKET INSIGHTS

The regional market influences many of the projections, policies, and strategic directions for communities in Calhoun County. These strategies will often need to stretch beyond County lines into adjacent counties and other counties that may partner with organization by MIDAS to make the most impactful changes.

- Population is steadily declining in the region, with more people than predicted entering retirement years as healthcare improves.
- Calhoun County is at full employment. People that live in the county work across the region in nearby employment centers. However, many also in-commute to work in Calhoun County. These are people to target for growth.
- Home values are undervalued in the county. The County will need to develop creative ways to stimulate new development. Rehabilitation is especially important as the housing stock continues to age and new development cannot always be support by current valuations or incomes.
- Calhoun County has the lowest percentage of renter occupied units in the region. Potential renters may have to look elsewhere for housing options.
- There is a low supply of rentable and for sale homes in the County and region. Households and area employees have few choices if looking to move to the area. Once these renters are lost to another location they are significantly less likely to make their home in Calhoun County.

**FIGURE 2.12:** Occupancy Status, 2016

	CALHOUN	POCAHONTAS	HAMILTON	WEBSTER	HUMBOLDT	WRIGHT	STATE OF IOWA
Owner-Occupied	3,232	2,431	4,565	10,245	3,050	4,061	883,119
% Owner-occupied	76.1%	75.5%	71.5%	68.0%	72.0%	73.5%	71.1%
Renter-Occupied	1,017	791	1,816	4,828	1,186	1,467	359,522
% Renter Occupied	23.9%	24.5%	28.5%	32.0%	28.0%	26.5%	28.9%
Total Vacant	832	543	789	1,930	462	975	119,978
Vacancy rate (All types)	16.4%	14.4%	11.0%	11.4%	9.8%	15.0%	8.8%
Vacancy rate (for rent or sale)	4.0%	2.0%	3.1%	4.0%	1.7%	3.9%	2.8%
Total	5,081	3,765	7,170	17,003	4,698	6,503	1,362,619

Source: American Community Survey, 2012-2016

## COMMUNITY ATLAS

The regional snapshot provides a summary of how the county compares to the region and State of Iowa and helps to understand the larger market forces impacting the housing market. This section considers data within individual communities in Calhoun County to forecast future population and housing demand. The forecasts begin to frame an understanding where policies and actions are needed to fill gaps in the market.

Note that some data estimates for 2016 are excluded from this section because of inadequate sample sizes and large margins of error noted by the Census.

### Population

Figure 2.13 compares changes in median age and Figure 2.14 shows changes in population between 1980 and 2016 in each community.

- Every community experienced population loss between 1980 and 2010.
- Rockwell City has the most stable population in the last 40 years, with smaller communities losing much more population.
- Every community except Knierim saw an aging population between 2000 and 2010. Median age nears 50 in several communities. There will be an increased demand for downsizing options and retirement residences in the next 15 years. Additionally, if these units are not filled with new residents, issues related to vacant housing will need to be addressed in the smallest of communities.

**FIGURE 2.13:** Community Median Age

CITY	2000 MEDIAN	2010 MEDIAN
Rockwell City	40.8	47.6
Lake City	45.9	49.1
Manson	43.5	47.2
Pomeroy	46.7	47.0
Farnhamville	43.7	46.8
Lohrville	39.7	40.3
Somers	39.6	48.1
Knierim	40.3	37.5
Rinard	36.0	46.0
Jolley	42.0	49.6
Yetter	44.5	49.5
Iowa	36.6	38.1
Urban	34.9	35.1
Rural	39.2	43.3

Source: US Census Bureau; American Community Survey

## Population Changes

A similar analysis of predicted versus actual population based on natural growth and death rates shows a positive difference in residents across several communities including Rockwell City\*, Lake City, and Pomeroy, shown in Figure 2.15. These communities are either attracting more people than would be expected or people are living longer, which is supported by Figure 2.13 and the increasing median age.

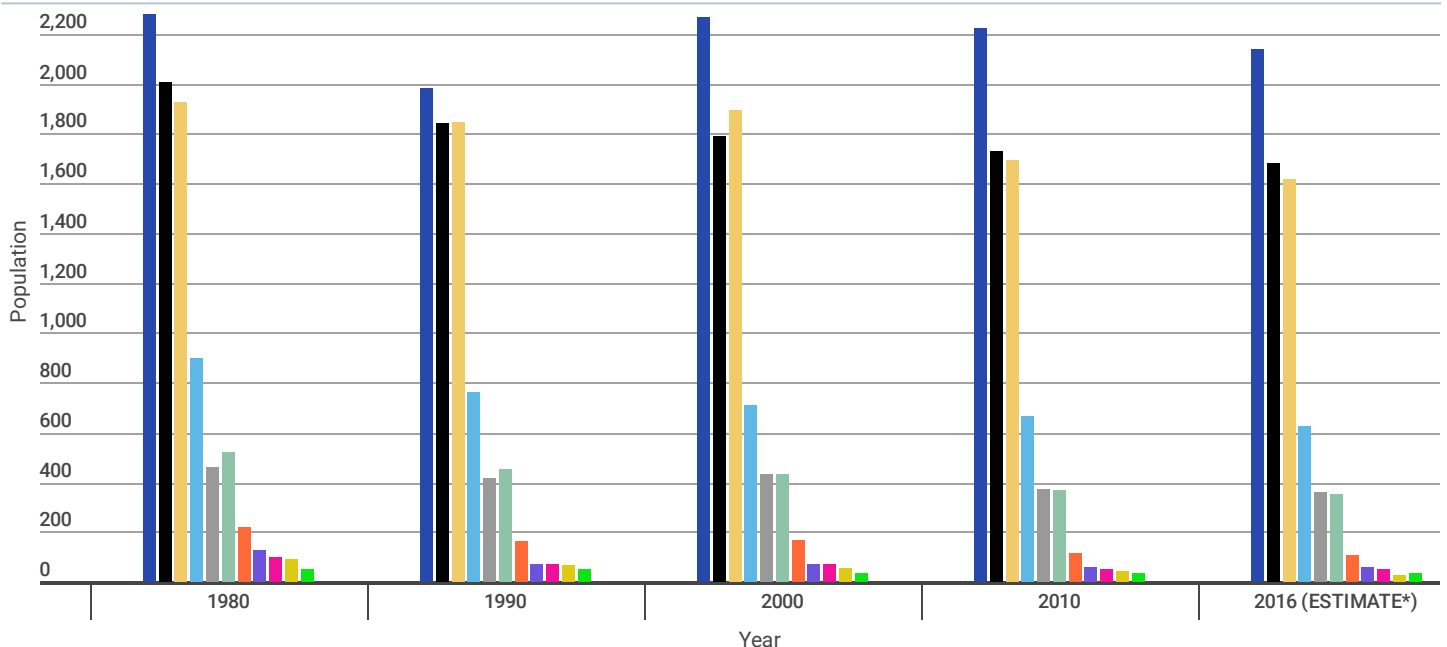
**FIGURE 2.15:** Community Predicted versus Actual Population Change, 2000-2010

CITY	2000 POP.	2010 PREDICTED	2010 ACTUAL	DIFFERENCE
Rockwell City	2,264	2,116	1,709*	-407
Lake City	1,787	1,628	1,727	99
Manson	1,893	1,773	1,690	-83
Pomeroy	710	638	662	24
Farnhamville	430	407	371	-36
Lohrville	431	414	368	-46
Somers	165	160	113	-47
Knierim	70	65	60	-5
Rinard	72	72	52	-20
Jolley	54	52	41	-11
Yetter	36	33	34	1

Source: U.S. Census Bureau

\* Does not include the correction facility, which the 2000 population did. The total estimated population in 2010 of 2,220 would indicate a difference of +104 of in-migration.

**FIGURE 2.14:** Community Historic Population Change, 1980-2016



1980-2010 % Change:



Figure 2.14 Source: US Census Bureau; Population Estimates Program

'2010 Census Population Estimate used for comparison purposes. The 2010 Census did not include correctional facilities in Rockwell City, while other years the facility was counted.

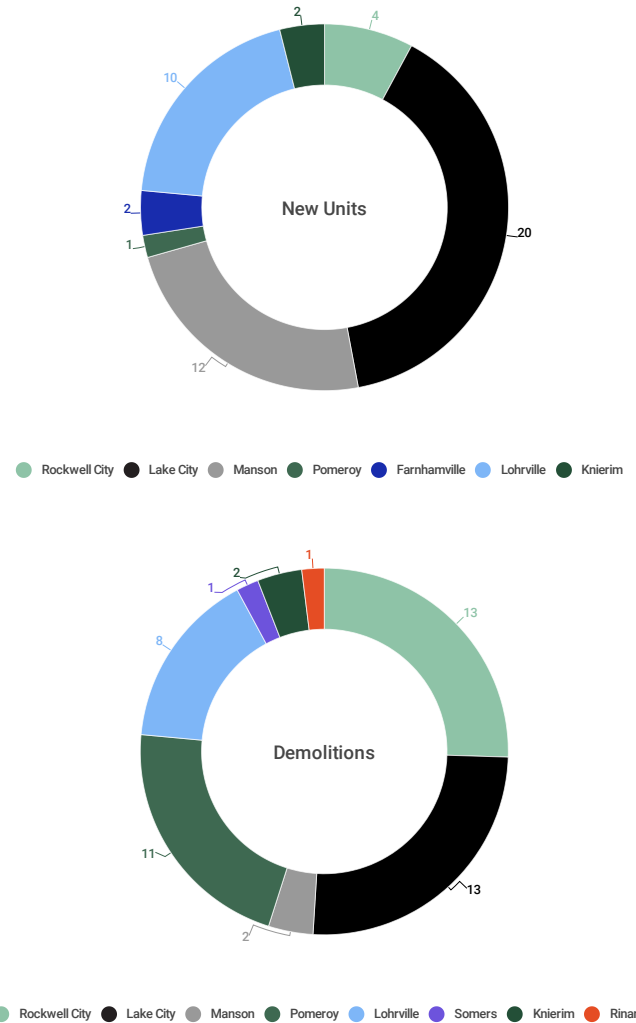
### Housing Activity, Occupancy, and Affordability

Residential construction activity since the 2008 recession was sporadic across Calhoun County. Similarly were median home values and incomes. Data for several smaller communities are unavailable because of small sample sizes or large margins of errors.

- Figure 2.16 shows that Lake City had the most new residential construction activity since the 2008 recession, followed by Manson. Most activity was single-family residential development. The largest community in the county, Rockwell City, has had only four new residential units since 2008.
- Shown in Figure 2.17, larger communities in Calhoun County have the most renter occupied units. The smallest communities tend to be almost all owner-occupied housing.
- Vacancy rates appear high in all communities, but when considering only for sale or for rent units, vacancy rates are much lower in many communities. However, Somers, Pomeroy, and Rinard have high vacancy rates. A large difference indicates many units vacant for other reasons such as for seasonal use or, important to this study, poor condition.
- The value to income ratio shows that housing is undervalued in every community other than Manson. Manson has a healthy balance between home values and incomes for the market to support new development. The Value to Income ratio for Calhoun County is 1.72. Other counties in the MIDAS region also have Value/Income ratios below 2.0, other than Webster County. The State of Iowa lies at 2.43.

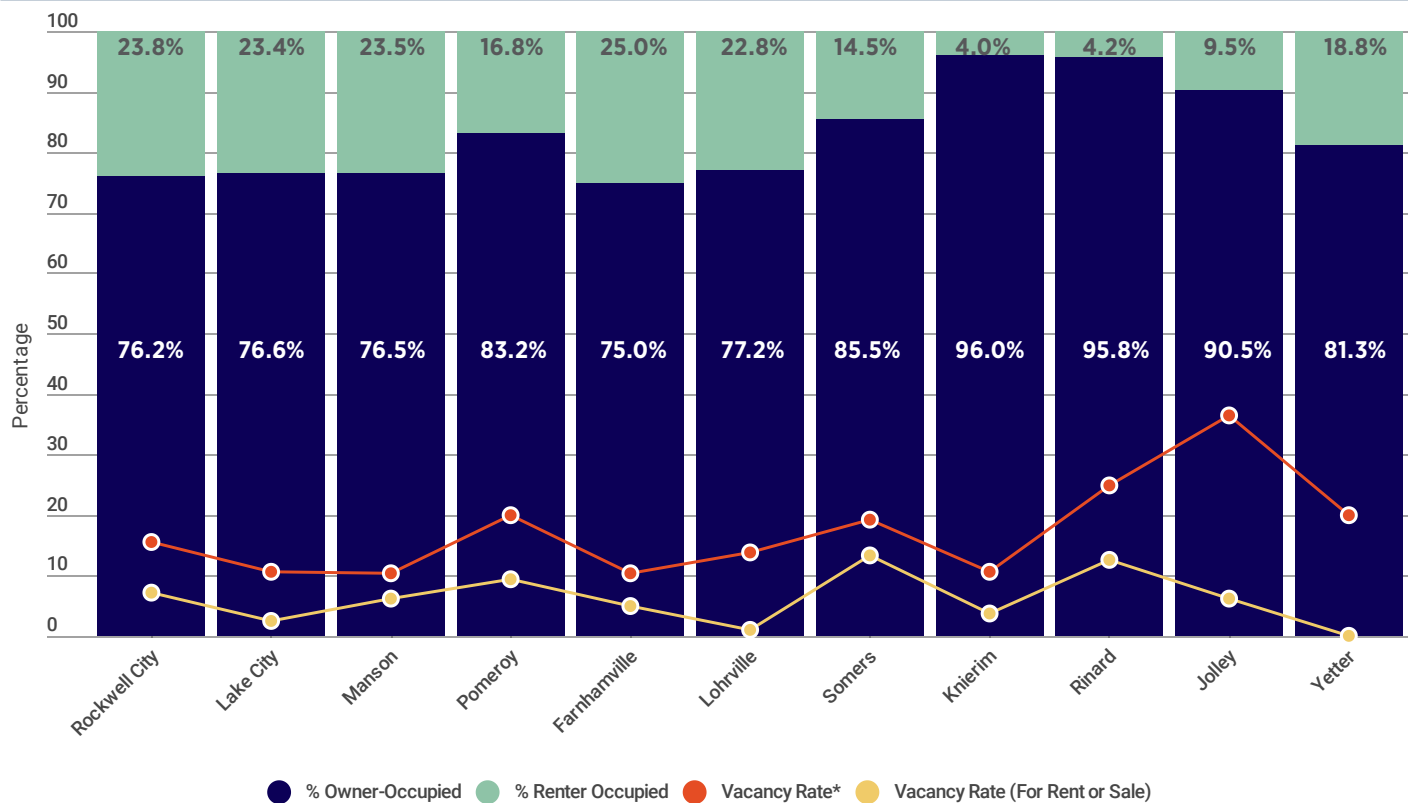
Note, a value to income ratio (V/I) compares the median home value to the median income for a given geography. The ratio is one way to gauge the affordability of a housing market. Generally, a self-sustaining housing market will have a Value/Income ratio between 2.0 and 3.0. A value in this range indicates adequate value and household revenues to support market rate construction. Ratios above 3.0 present significant affordability issues for households, while ratios below 2.0 indicate homes are undervalued relative to household incomes. Meaning, rents are driven down and builders/developers will have difficulty building new units (owner and renter occupied) that appraise at the cost of construction.

FIGURE 2.16: Building and Demolition Activity, Calhoun County



Source: Provided by each city  
 \*Cities with no activity are not shown on charts.

FIGURE 2.17: Occupancy Status, 2010



\*2010 Census used because of large margin of errors in 2016 estimates  
 Source: U.S. Census Bureau

FIGURE 2.18: Community Housing Costs and Affordability, 2016

CITY	MEDIAN HOME VALUE	MEDIAN INCOME	VALUE TO INCOME RATIO	MEDIAN CONTRACT RENT
Rockwell City	\$64,100	\$35,417	1.81	\$380
Lake City	\$70,700	\$41,350	1.71	\$378
Manson	\$86,400	\$37,763	2.29	\$426
Pomeroy	\$51,900	\$35,000	1.48	\$400
Farnhamville	\$52,800	\$39,125	1.35	\$367
Lohrville	\$37,500	\$45,833	0.82	\$358
Somers	\$46,800	\$54,375	0.86	\$754
Knierim	\$61,300	\$46,250	1.33	-
Rinard	-	-	-	-
Jolley	\$28,300	\$28,750	0.98	-
Yetter	\$22,500	\$13,750	1.64	\$288

Source: U.S. Census Bureau; American Community Survey





## CHAPTER 3

# COMMUNITY MARKET ASSESSMENTS

### CHAPTER INTRODUCTION

The following chapter provides a detailed assessment of the County Atlas items for each community. The assessments provide a forecast of housing demand in the county's largest communities - Rockwell City, Lake City, Manson, and Pomeroy. The forecast for each community considers the qualitative findings from the community and quantitative data from the previous sections of this study. Forecasts for smaller communities are not included because of limitations on reliable data. However, general housing indicators are presented and strategic directions are provided in later sections based on community inventories and discussions.

## A GUIDE TO FORECASTING HOUSING NEEDS

A traditional population projection that translates population growth based on historic trends to housing unit demand is not applicable to Calhoun County. The county population has declined over the past several decades, which under a traditional projection model, would indicate little to no need for new housing units. However, stakeholder discussions and the community surveys indicate the opposite is true. Community engagement indicates a need for housing variety and supply. The market analysis indicates a strong regional job market, projected regional job growth, and a need for new housing at higher prices to free up units that are more affordable at lower price points.

For these reasons, population growth and housing needs hinge on capturing new regional and local employees who want to live in the county. Calhoun County cannot expect significant population growth in the short term. However, it is not illogical to achieve population stabilization through strategic housing and community actions.

This guide is meant to be a reference for understanding the methodology and make-up of the tables on the following pages. All data comes from the U.S. Census Bureau, American Community Survey, and Iowa Workforce Development Department, unless otherwise noted. Note that detailed information is not provided for smaller communities because of data restraints, large sampling errors, and limited growth potential.

### REGIONAL EMPLOYMENT PROJECTIONS

Based on regional employment projections through 2025 from the Iowa Department of Workforce Development, a portion new jobs can and will be filled by people who live in Calhoun County. The forecast uses current ratios of where Calhoun County residents are employed (shown in Chapter 2, Figure 2.8) to project the number of new jobs through 2025 filled by people living in Calhoun County, assuming the current share of regional workers living in Calhoun County is maintained.

### JOB OPENINGS FROM RETIREMENTS

A portion of residents in the county will retire by 2025. Responses from the workforce survey show that many prefer to stay in the county after retirement. Jobs previously occupied by new retirees will be open for new employees, but housing units will not. The forecast considers a ratio of new housing unit demand created by replacement job openings stemming from retirements and the employees filling these vacancies.

### REPLACEMENT NEED

A housing inventory was completed for the county, described in Chapter 4. The inventory unveiled a small portion of homes in a dilapidated condition. Many of these homes require demolition. Other homes will be lost from accidents such as fire or neglect. Homes in poor condition or obsolete (many which may already be vacant) should gradually be replaced. Past trends show a demolition rate similar to the new home construction rate.

**FIGURE 3.1:** Housing Forecast

	2016-2025
Projected regional new job openings filled by Calhoun County Residents	208
(+) Housing unit demand from regional job growth (0.5 per job)	104
Occupied units by ages 55-64 (2016)	824
(+) Housing unit demand from retirement job openings (0.35 per retirement)	288
<b>Total housing unit demand from job openings</b>	<b>392</b>
(-) Units becoming available from natural population loss	337
<b>Total housing unit need before replacements</b>	<b>55</b>
(+) Annual Housing Unit Needs from job openings	6
(+) Annual Replacement Need	8
<b>County wide Annual Unit Need*</b>	<b>14</b>
2019-2025 Cumulative Need	85

\*An 8% migration scenario would require 10 units annually to meet population demand and replacement need

Source: US Census Bureau; American Community Survey; Iowa Workforce Development Department; RDG Planning & Design

## HOUSING DEMAND FORECAST

This analysis builds on employment projections, housing trends, and community conversations to forecast the demand for additional housing. The following assumptions are made:

- Every 0.50 projected new job in the region creates the need for one housing unit. The ratio is not one-to-one because a single household may occupy more than one new position, some new jobs will be filled by existing residents (who may change jobs from another regional employer), and there is some uncertainty in future commuting trends.
- Thirty-five percent of people age 55-64 will retire and stay living in Calhoun County through 2025. Thus, a job becomes open but a housing unit does not. The assumption may seem conservative given 58% of workforce survey respondents indicated they want to retire in the county. However, a portion of these people will continue working beyond 2025, some of the retirement openings will be filled by employees living outside the county (in-commuters), some retirees will move in with family members, and other retirees will discover their preferred housing option is not available in the county and move elsewhere.
- Calhoun County's population is aging and will decline over time without an in-migration of residents, which includes young adults returning after graduation and a significant change in birth rates. The forecast for housing unit demand subtracts the number of units that open from deaths of current residents.
- The average number of people per household is expected to remain constant over the next decade. In reality, it may actually decline as the population ages and more households become one or two persons without kids.
- A manageable housing vacancy rate provides options for new residents moving to a community. Vacancy rates are already low in Calhoun County when considering only those for sale or rent. Therefore, vacancy rates are not factored into housing unit demand. It is expected that the vacancy rate would increase as more units are added to the market and demand balances with supply.
- A fixed number of replacement units are added to the total housing unit demand in the county.
- Most new demand will be met within the four largest incorporated cities.

The housing forecast in Figure 3.1 is based on the above assumptions. Conservatively, 14 units can be supported in the county on an annual basis from regional demand, slightly above the ten units needed annually to stabilize the county population at an 8% in-migration scenario.

## HOUSING AFFORDABILITY ANALYSIS

An assessment of housing costs to incomes begins to identify gaps in the market. Monthly costs for owner units are generally considered affordable if the overall housing unit costs between 2 and 2.5 times the household's yearly income. This ratio covers all housing costs, including taxes, insurance and utilities. Affordable rental units (including utilities) are considered to have monthly rents less than 30% of the household's monthly gross income. This analysis evaluates the availability of affordable housing and compares the quantity of housing that is affordable to each income group. A positive balance indicates a surplus of housing within the affordability range of each respective income group, while a negative balance indicates a shortage. This analysis is meant to illustrate larger trends in the community and not exact demand in certain price ranges. It does not take into consideration housing quality or mortgage status.

## HOUSING DEVELOPMENT PROGRAM

Building on the Housing Demand Forecast, the Development Program forecasts production targets for owner and renter occupied units based on the following:

- The proportion of rental development should be higher than current owner/renter ratios. This will address both pent-up demand created by a lack of rental construction in recent years, changes to lending practices leaving households in rental units for longer periods, the growing number of young households entering the market, and seniors looking to downsize.
- Owner-occupied units will be distributed proportionally to the income distribution of households for whom owner-occupancy is an appropriate strategy.
- Most low-income residents will be accommodated in rental units.

Note that most lower-cost owner-occupied housing will be produced indirectly through a filtering process. For example, a unit that meets the needs of a high-income household may encourage that household to sell their current home to a moderate income family. Filtering processes rarely satisfy an affordable housing need on a one-to-one basis, but they do realistically address some market demand.

Discussed in later chapters, the demand forecast does not guarantee new development will happen without strategic public sector actions. However, the forecasts do provide evidence of regional housing demand for developers speculating projects in Calhoun County. Other factors like community amenities also play a significant role in creating desirable communities and housing demand.

## ROCKWELL CITY ASSESSMENT

Rockwell City is the county seat and most populous city in the county. The number of community amenities, the school district, and proximity to Highway 20 all influence future population and housing needs.

### Major Themes

**Aging population.** The overall population is aging despite 2016 estimates showing a slight decline in median age. This is likely caused from more deaths than births. Nonetheless, much of the population will reach retirement in the next 20 years.

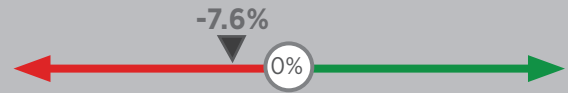
**Low construction activity.** Rockwell City has low construction activity given the population. With demolitions, the community is losing units overall, straining the existing housing supply.

**Stable vacancy rates.** Vacancy rates when considering only homes for sale or rent are healthy at 5-7%, shown in Figure 3.3. However, there are many vacant units for other reasons.

**Out migration of middle age ranges.** Figure 3.4 shows that Rockwell City had an out-migration of 25-64 year olds. Census discrepancies with counting the prison population may have influenced the prediction. These family age ranges are crucial to stabilizing the population and prevent an increasing rate of population decline, as shown in Figure 3.2.

### Rockwell City Housing Influencers

Historic Population Growth Change:



2000 Median Age : 40.8

2010 Median Age: 47.6

2016 Median Age: 45.2\*

\*Estimate. The accuracy of population estimates vary and should be used with caution.

2008-2017 Housing Activity

4 new units | 13 demolitions

Predicted vs. Actual Population Change (00' to 10)

407 fewer residents than predicted. This suggests an out-migration of new residents (discrepancy in prison counts in 2010 affects the accuracy of predicted population in 2010)

2016 For Sale/Rent Vacancy Rate: 5.73%

2016 Owner | Renter Occupancy: 70.1% | 29.9%

FIGURE 3.2: Population Change, Rockwell City

	POPULATION	DECADE CHANGE	DECADE % CHANGE	GROWTH RATE
1960	2,313			
1970	2,396	83	3.6%	0.4%
1980	2,276	-120	-5.0%	-0.5%
1990	1,981	-295	-13.0%	-1.4%
2000	2,264	283	14.3%	1.3%
2010	2,220	-44	-1.9%	-0.2%
2016	2,137	-83	-3.7%	-0.6%
1960-2016		-176	-7.6%	-0.14%

Source: U.S. Census Bureau; American Community Survey

FIGURE 3.3: Housing Occupancy, Rockwell City

	2000		2010		2016	
	NUMBER	% OCCUPIED UNITS	NUMBER	% OCCUPIED UNITS	NUMBER	% OCCUPIED UNITS
Owner- Occupied	614	75.1%	589	76.2%	570	70.1%
Renter-Occupied	204	24.9%	184	23.8%	243	29.9%
Total Vacant	133		143		129	
Vacancy Rate	14.0%		15.6%		13.7%	
Vacancy (for rent or sale)	6.41%		7.10%		5.73%	
Total Units	951		916		942	

Source: U.S. Census Bureau; American Community Survey

### Housing Demand Forecast

Rockwell City will continue to lose population without attracting new residents. Births are not outpacing deaths. A positive growth scenario through 2030 would require at least a 6% in-migration rate, shown in Figure 3.5.

Based on the percentage of the county's population and current housing units, **Rockwell City will likely capture 25% of the demand identified in Figure 3.1, approximately four new units annually through 2025.** This does not mean that exactly four units should be constructed per year, but rather on average. For example, one year may see two units constructed while the next year may see six units constructed. The low construction activity from 2008-2017, with only four new units total, indicates a need for strategic intervention by the public sector to supply housing for the region.

Figure 3.4: Predicted versus Actual, Rockwell City

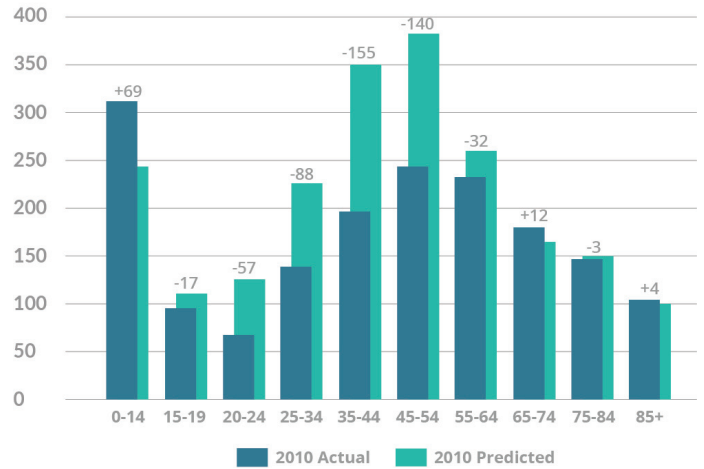
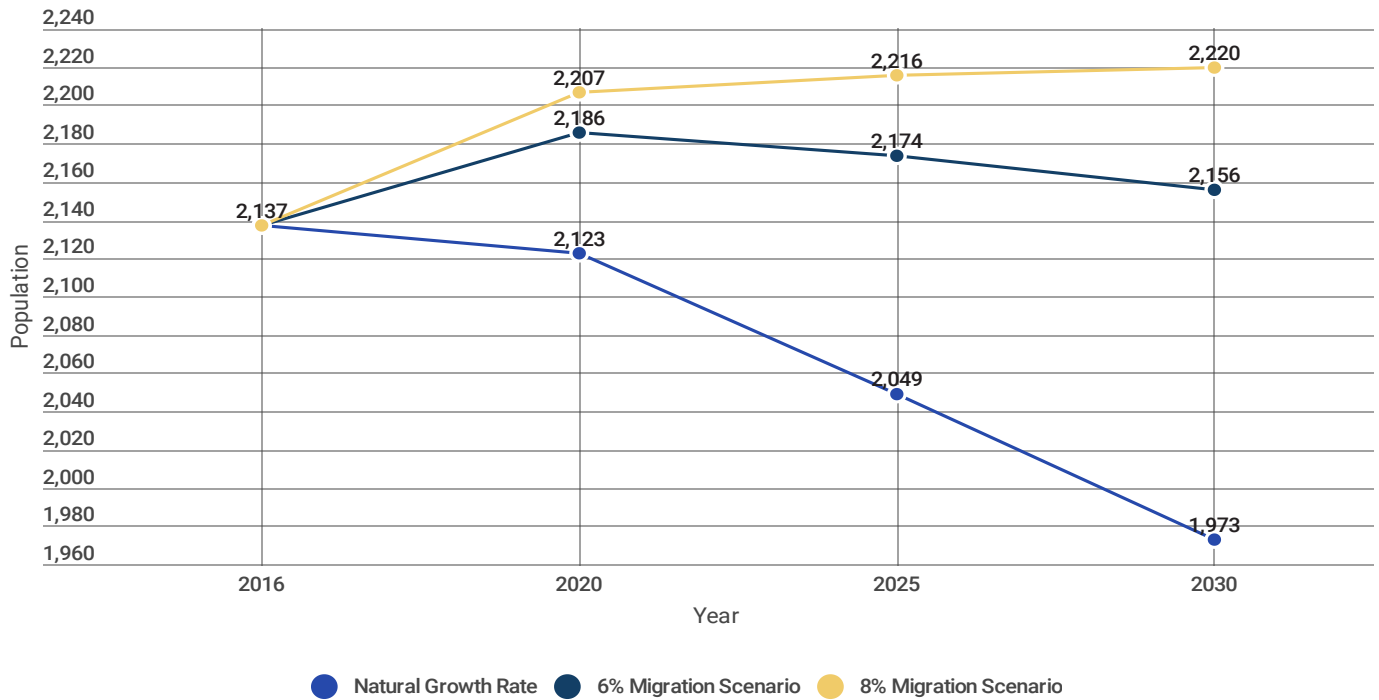


FIGURE 3.5: Population Scenarios, Rockwell City



ALL CALHOUN COUNTY	2016	2020	2025	2030
Natural Growth Rate	9,876	9,449	9,168	8,941
6% Migration Scenario	9,876	9,732	9,726	9,770
8% Migration Scenario	9,876	9,827	9,916	10,057

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design

## Development Program

Similar to Calhoun County as a whole, Rockwell City has a gap in units for income brackets above \$50,000, shown in Figure 3.6. Subsequently, the development program shown in Figure 3.7 indicates a need for new owner occupied and market rate renter options to reduce competition for housing options at lower price points.

It is not expected that new construction can be built at price points under \$175,000 or rent at under \$450 per month. These units will become available through a filtering process if new homes are built that match the income levels of high income households that are currently living in homes below what they could afford without being cost burdened.

**FIGURE 3.6:** Housing Affordability, Rockwell City

INCOME RANGE	NUMBER OF HOUSEHOLDS	AFFORDABLE RANGE FOR OWNER UNITS	# OF OWNER UNITS	AFFORDABLE RANGE FOR RENTER UNITS	# OF RENTER UNITS	TOTAL AFFORDABLE UNITS	BALANCE
\$0-25,000	274	\$0-50,000	209	\$0-400	148	357	83
\$25,000-49,999	233	\$50K-99,999	255	\$400-800	62	317	84
\$50,000-74,999	148	\$100K-149,999	72	\$800-1250	25	97	-51
\$75-99,999	66	\$150K-199,999	25	\$1,250-1,500	3	28	-38
\$100-150,000	68	\$200K-\$300,000	6	\$1,500-2,000	5	11	-57
\$150,000+	24	\$300,000+	3	\$2,000+	0	3	-21
<b>Total</b>	<b>813</b>		<b>570</b>		<b>243</b>	<b>813</b>	<b>0</b>
Median	\$35,417	\$64,100		\$380			

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design

**FIGURE 3.7:** Housing Development Program

	CALHOUN COUNTY BY 2025	ROCKWELL CITY BY 2025
Total Need	85	21
Total Owner Occupied	55	14
Affordable Low: <\$125,000	9	3
Affordable Moderate: \$125-\$175,000	12	3
Moderate Market: \$175-\$250,000	15	4
High Market: >\$250,000	19	4
Total Renter Occupied	30	7
Low: Less than \$450	11	3
Affordable: \$450-\$700	9	2
Market: Over \$700	9	2

\*65%/35% owner occupied/renter occupied split

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design

## LAKE CITY ASSESSMENT

Lake City has seen the most building activity of any community in the county. It has the second highest population and has amenities and quality features desirable to new families.

### Major Themes

**Aging population.** The population is aging at a significant rate. Much of the population will reach retirement in the next 20 years.

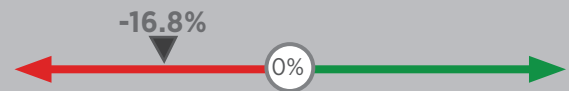
**Stable construction activity.** Lake City is the outlier in the county with notable construction activity in the past ten years given its size. However, only seven net units were added because of high demolition activity.

**Low vacancy rates.** Vacancy rates when considering only homes for sale or rent fell to under 3% in recent years, shown in Figure 3.9. This is below a healthy rate and creates problems for movement in the housing market.

**In-migration in many age cohorts.** Figure 3.10 shows Lake City had in-migration in nearly all age cohorts between 2000 and 2010. This may indicate Lake City is a desirable place for families and retirees, which is demonstrated by the estimated population growth between 2010 and 2016 shown in Figure 3.8.

### Lake City Housing Influencers

Historic Population Growth Change:



2000 Median Age : 45.9

2010 Median Age: 49.1

2016 Median Age: 50.5\*

\*Estimate. The accuracy of population estimates vary and should be used with caution.

2008-2017 Housing Activity

20 new units | 13 demolitions

Predicted vs. Actual Population Change (00' to 10)

99 more residents than predicted. This suggests an in-migration of new residents.

2016 For Sale/Rent Vacancy Rate: 2.04%

2016 Owner | Renter Occupancy: 74.7% | 25.3%

FIGURE 3.8: Population Change, Lake City

	POPULATION	DECADE CHANGE	DECADE % CHANGE	GROWTH RATE
1960	2,114			
1970	1,910	-204	-9.6%	-1.01%
1980	2,006	96	5.0%	0.49%
1990	1,841	-165	-8.2%	-0.85%
2000	1,787	-54	-2.9%	-0.30%
2010	1,727	-60	-3.4%	-0.34%
2016	1,759	32	1.9%	0.3%
1960-2016		-355	-16.8%	-0.3%

Source: U.S. Census Bureau; American Community Survey

FIGURE 3.9: Housing Occupancy, Lake City

	2000		2010		2016	
	NUMBER	% OCCUPIED UNITS	NUMBER	% OCCUPIED UNITS	NUMBER	% OCCUPIED UNITS
Owner- Occupied	606	77.8%	580	76.6%	582	74.7%
Renter-Occupied	173	22.2%	177	23.4%	197	25.3%
Total Vacant	95		89		102	
Vacancy Rate	10.9%		10.5%		11.6%	
Vacancy (for rent or sale)	7.21%		2.36%		2.04%	
Total Units	874		846		881	

Source: U.S. Census Bureau; American Community Survey

### Housing Demand Forecast

Although construction activity appears stable, the aging population has continued to contribute to declining population. Lake City will continue to lose population without attraction of new residents. A positive growth scenario through 2030 would require at least an 8% in-migration rate, shown in Figure 3.11.

Based on the percentage of the county's population and current housing units, **Lake City will likely capture 20% of the demand identified in Figure 3.1 or 17 units (3 units annually) through 2025.** This does not mean that exactly three units should be constructed per year, but rather on average. For example, one year may see two units constructed while the next year may see six units constructed. This is an increase of one unit per year above activity between 2008-2017. Strategic actions will need to focus on preventing homes from reaching a state requiring demolition.

Figure 3.10: Predicted versus Actual, Lake City

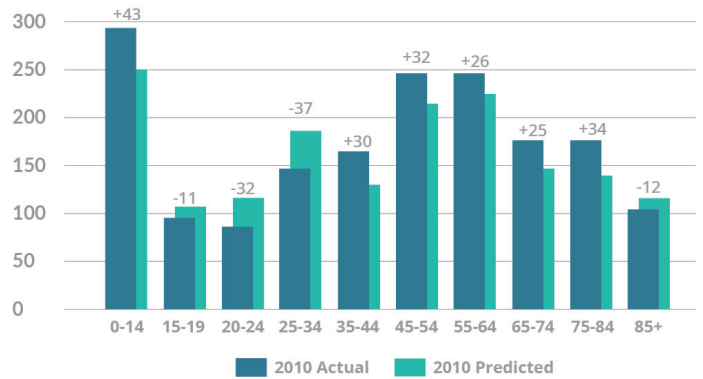
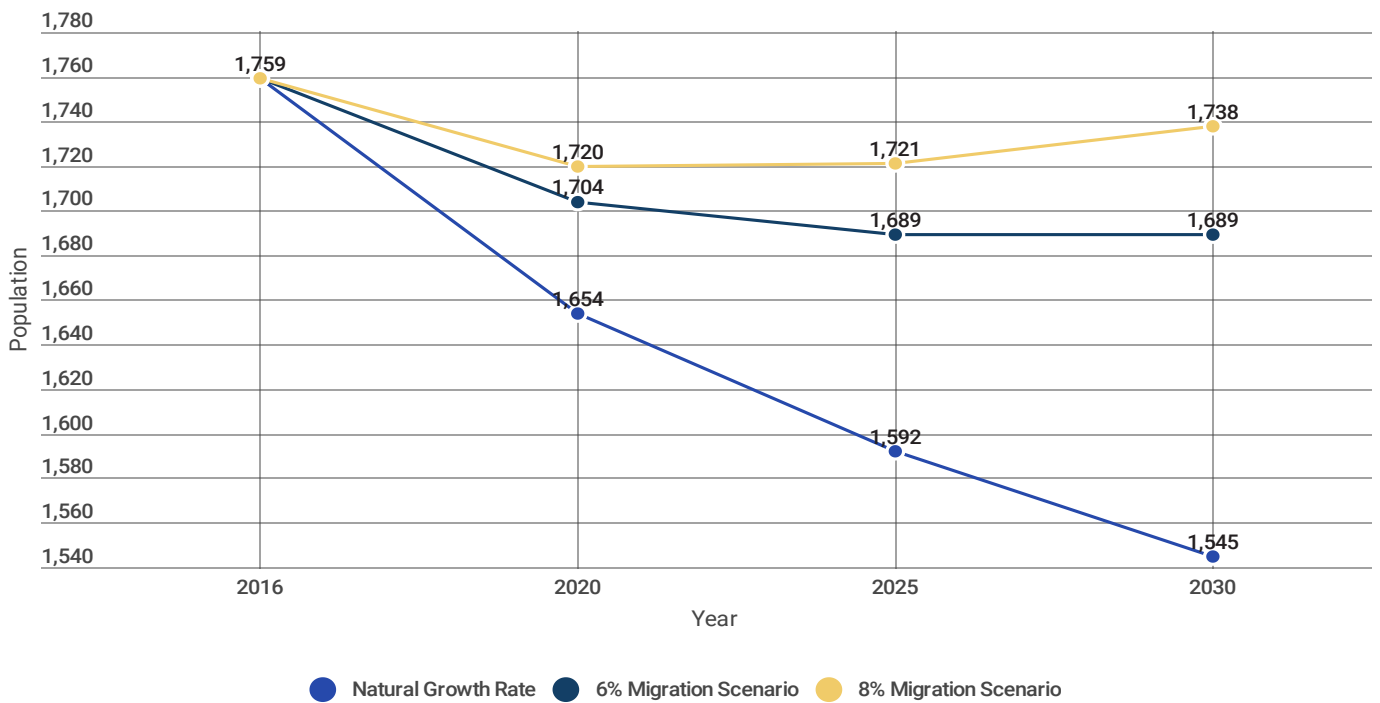


FIGURE 3.11: Population Scenarios, Lake City



ALL CALHOUN COUNTY	2016	2020	2025	2030
Natural Growth Rate	9,876	9,449	9,168	8,941
6% Migration Scenario	9,876	9,732	9,726	9,770
8% Migration Scenario	9,876	9,827	9,916	10,057

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design



### Development Program

Lake City has a gap in units for higher income brackets and most notably household incomes between \$50,000 and \$75,000, shown in Figure 3.12. New home construction would create a surplus for households making more than \$100,000 but not for high end, custom homes. Subsequently, the development program shown in Figure 3.13 indicates a need for 11 new owner-occupied housing units.

It is not expected that new construction will be able to be built at price points under \$175,000. These units will become available through a filtering process if new homes are built that match the income levels of high income households that are currently living in homes below what they could afford and not be cost burdened. The same may be true for rent at under \$450 per month, but some programs do exist to fund construction on of these units.

**FIGURE 3.12:** Housing Affordability, Lake City

INCOME RANGE	NUMBER OF HOUSEHOLDS	AFFORDABLE RANGE FOR OWNER UNITS	# OF OWNER UNITS	AFFORDABLE RANGE FOR RENTER UNITS	# OF RENTER UNITS	TOTAL AFFORDABLE UNITS	BALANCE
\$0-25,000	243	\$0-50,000	179	\$0-400	124	303	60
\$25,000-49,999	208	\$50K-99,999	233	\$400-800	65	298	90
\$50,000-74,999	194	\$100K-149,999	55	\$800-1250	8	63	-131
\$75-99,999	62	\$150K-199,999	51	\$1,250-1,500	0	51	-11
\$100-150,000	39	\$200K-\$300,000	55	\$1,500-2,000	0	55	16
\$150,000+	33	\$300,000+	9	\$2,000+	0	9	-24
<b>Total</b>	<b>779</b>		<b>582</b>		<b>197</b>	<b>779</b>	<b>0</b>
Median	\$41,350	\$70,700		\$378			

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design

**FIGURE 3.13:** Housing Development Program

	CALHOON COUNTY 2019-2025	LAKE CITY 2019-2025
Total Need	85	17
Total Owner Occupied	55	11
Affordable Low: <\$125,000	9	2
Affordable Moderate: \$125-\$175,000	12	3
Moderate Market: \$175-\$250,000	15	4
High Market: >\$250,000	19	3
Total Renter Occupied	30	6
Low: Less than \$450	11	2
Affordable: \$450-\$700	9	2
Market: Over \$700	9	1

\*65%/35% owner occupied/renter occupied split

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design

## MANSON ASSESSMENT

Manson has the most stable population of any community in the county, attributed to its location and quality community amenities.

### Major Themes

**Aging population.** The population is aging, but recent estimates suggest more families are moving to Manson. Still, much of the population will reach retirement in the next 20 years.

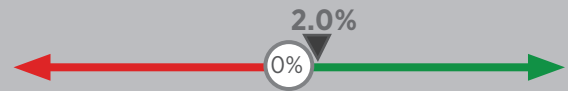
**Low construction activity.** Little new construction has happened in the past ten years with only one new unit added annually. Few demolitions attest to the quality of the existing housing stock.

**Stable vacancy rates.** Vacancy rates when considering only homes for sale or rent are healthy, shown in Figure 3.15. Manson has a lower overall vacancy rate than other communities in the county.

**Slight out-migration.** Figure 3.16 shows that Manson had an overall out-migration between 2000 and 2010. Out-migration was most pronounced in the 25-34 age cohort. However, the community has experienced periods of overall growth as shown in Figure 3.14.

### Manson Housing Influencers

Historic Population Growth Change:



2000 Median Age : 43.5

2010 Median Age: 47.2

2016 Median Age: 40.1\*

\*Estimate. The accuracy of population estimates vary and should be used with caution.

2008-2017 Housing Activity

12 new units | 2 demolitions

Predicted vs. Actual Population Change (00' to 10)

83 fewer residents than predicted. This suggests an out-migration of new residents.

2016 For Sale/Rent Vacancy Rate: 4.5%

2016 Owner | Renter Occupancy: 68.4% | 31.6%

FIGURE 3.14: Population Change, Manson

	POPULATION	DECADE CHANGE	DECADE % CHANGE	GROWTH RATE
1960	1,789			
1970	1,993	204	11.4%	1.1%
1980	1,924	-69	-3.5%	-0.4%
1990	1,844	-80	-4.2%	-0.4%
2000	1,893	49	2.7%	0.3%
2010	1,690	-203	-10.7%	-1.1%
2016*	1,825	135	8.0%	1.3%
1960-2016		36	2.0%	0.0%

\*2016 Population Estimates Program shows 1,614

Source: U.S. Census Bureau; American Community Survey

FIGURE 3.15: Housing Occupancy, Manson

	2000		2010		2016	
	NUMBER	% OCCUPIED UNITS	NUMBER	% OCCUPIED UNITS	NUMBER	% OCCUPIED UNITS
Owner- Occupied	600	73.7%	590	76.5%	566	68.4%
Renter-Occupied	214	26.3%	181	23.5%	262	31.6%
Total Vacant	49		89		88	
Vacancy Rate	5.7%		10.3%		9.6%	
Vacancy (for rent or sale)	4.4%		6.2%		4.5%	
Total Units	863		860		916	

Source: U.S. Census Bureau; American Community Survey

### Housing Demand Forecast

Recent estimates indicate that Manson is positioned to grow. However, building activity has yet to follow. A positive growth scenario through 2030 would require at least a 4-6% in-migration rate, shown in Figure 3.17.

The housing forecast based on capturing new residents from regional employment growth and local retirements is shown in Figure 3.1. **Capturing 20% of this demand would generate 17 new housing units in Mason or 3 units annually through 2025.** This is an increase of two units per year above activity between 2008-2017. Strategic actions will need to also focus on creating opportunities for new building activity and reducing risk for developers.

Figure 3.16: Predicted versus Actual, Manson

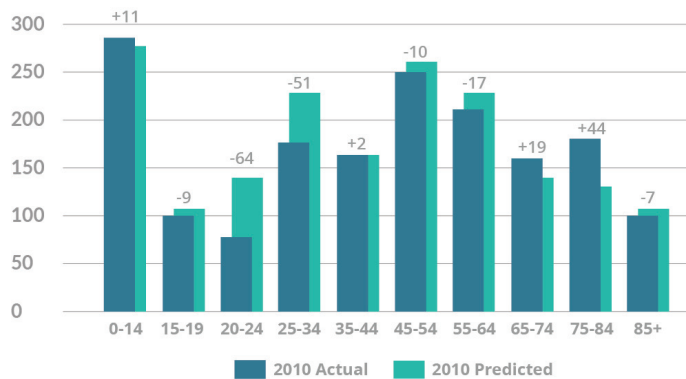
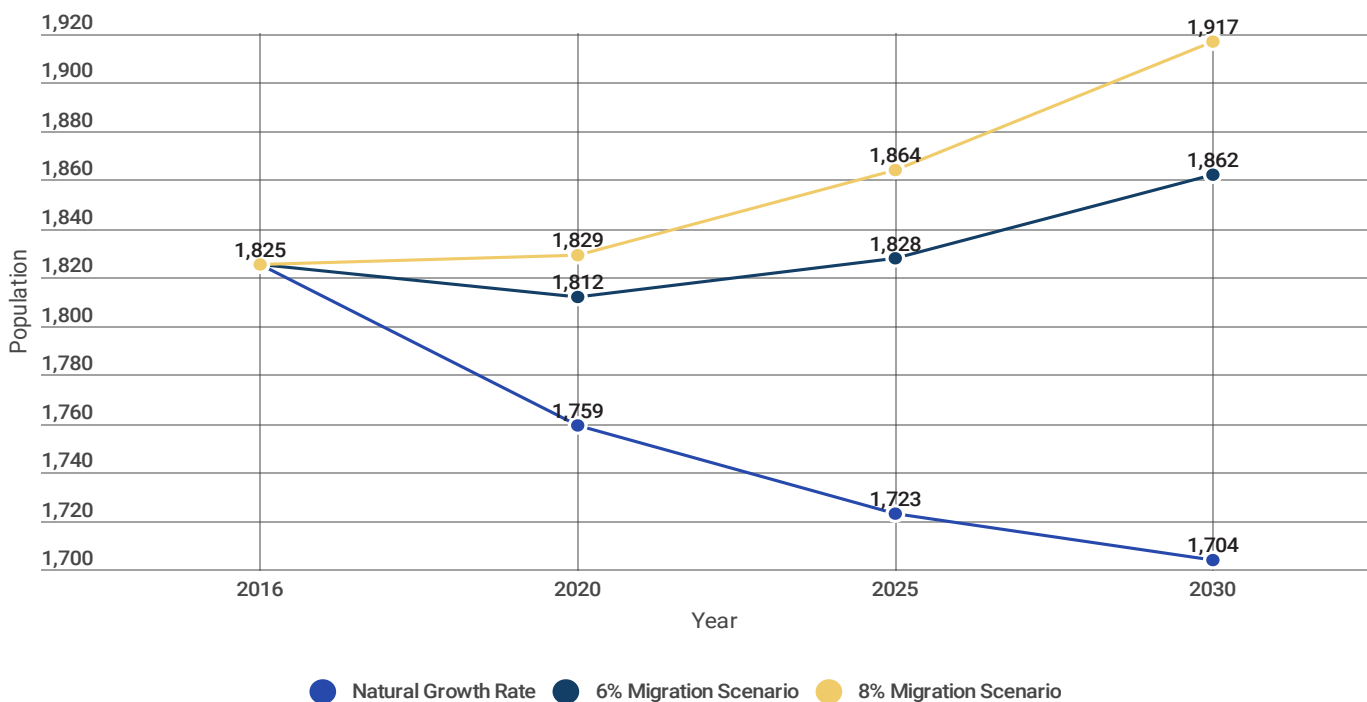


FIGURE 3.17: Population Scenarios, Manson



ALL CALHOUN COUNTY	2016	2020	2025	2030
Natural Growth Rate	9,876	9,449	9,168	8,941
6% Migration Scenario	9,876	9,732	9,726	9,770
8% Migration Scenario	9,876	9,827	9,916	10,057

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design

## Development Program

Manson has a gap in housing units for all but those priced in-line with households making between \$25,000 and \$50,000, shown in Figure 3.18. Therefore, the development program shown in Figure 3.19 indicates a need for new owner-occupied housing and rental occupied housing options equally across all price points.

It is not expected that new construction can be built at price points under \$175,000. These units will become available through a filtering process if new homes are built for high income households that are currently living in homes below what they could afford and not be cost burdened. The same may be true for rent at under \$450 per month, but some programs do exist to fund construction of these units.

**FIGURE 3.18:** Housing Affordability, Manson

INCOME RANGE	NUMBER OF HOUSEHOLDS	AFFORDABLE RANGE FOR OWNER UNITS	# OF OWNER UNITS	AFFORDABLE RANGE FOR RENTER UNITS	# OF RENTER UNITS	TOTAL AFFORDABLE UNITS	BALANCE
\$0-25,000	253	\$0-50,000	104	\$0-400	98	202	-51
\$25,000-49,999	269	\$50K-99,999	267	\$400-800	164	431	162
\$50,000-74,999	141	\$100K-149,999	128	\$800-1250	0	128	-13
\$75-99,999	75	\$150K-199,999	27	\$1,250-1,500	0	27	-48
\$100-150,000	74	\$200K-\$300,000	29	\$1,500-2,000	0	29	-45
\$150,000+	16	\$300,000+	11	\$2,000+	0	11	-5
<b>Total</b>	<b>828</b>		<b>566</b>		<b>262</b>	<b>828</b>	<b>0</b>
Median	\$37,763	\$86,400		\$426			

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design

**FIGURE 3.19:** Housing Development Program

	CALHOUN COUNTY 2019-2025	MANSON 2019-2025
Total Need	85	17
Total Owner Occupied	55	11
Affordable Low: <\$125,000	9	2
Affordable Moderate: \$125-\$175,000	12	3
Moderate Market: \$175-\$250,000	15	3
High Market: >\$250,000	19	3
Total Renter Occupied	30	6
Low: Less than \$450	11	2
Affordable: \$450-\$700	9	2
Market: Over \$700	9	2

\*65%/35% owner occupied/renter occupied split

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design

## POMEROY ASSESSMENT

Pomeroy's population is declining, but estimates indicate growth since 2010. The smaller population size of Pomeroy brings with it higher margins of error with Census estimates. Nonetheless, the Census does have a positive indication for future trends.

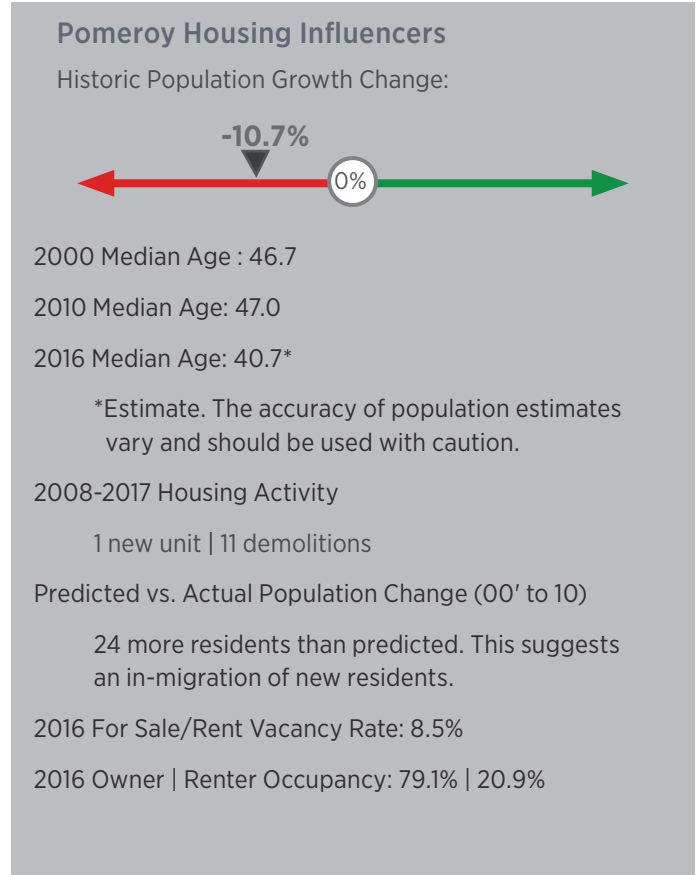
### Major Themes

**Aging population.** Like other communities, the population is aging, but not as much. The population is consistently older and many will retire in the next 20 years.

**No construction activity.** It is not expected that a town of less than 700 people will experience regular building activity. However, Pomeroy had only one new unit built in the last ten years while 11 units were demolished.

**Higher vacancy rates.** Vacancy rates when considering only homes for sale or rent are higher than other communities, shown in Figure 3.21. Community discussions indicate the quality of units may contribute to higher vacancy.

**Slight in-migration.** Figure 3.22 shows that Pomeroy had an overall in-migration between 2000 and 2010. In-migration means that the population loss in this time frame was not as much as expected. The in-migration appears to be contributing to recent population growth estimates as shown in Figure 3.20.



**FIGURE 3.20:** Population Change, Pomeroy

	POPULATION	DECADE CHANGE	DECADE % CHANGE	GROWTH RATE
1960	816			
1970	765	-51	-6.3%	-0.6%
1980	895	130	17.0%	1.6%
1990	762	-133	-14.9%	-1.6%
2000	710	-52	-6.8%	-0.7%
2010	662	-48	-6.8%	-0.7%
2016	729	67	10.1%	1.6%
1960-2016		-87	-10.7%	-0.2%

Source: U.S. Census Bureau; American Community Survey

**FIGURE 3.21:** Housing Occupancy, Pomeroy

	2000		2010		2016	
	NUMBER	% OCCUPIED UNITS	NUMBER	% OCCUPIED UNITS	NUMBER	% OCCUPIED UNITS
Owner- Occupied	244	77.7%	233	83.2%	250	79.1%
Renter-Occupied	70	22.3%	47	16.8%	66	20.9%
Total Vacant	42		70		98	
Vacancy Rate	11.8%		20.0%		23.7%	
Vacancy (for rent or sale)	4.8%		9.4%		8.5%	
Total Units	356		350		414	

Source: U.S. Census Bureau; American Community Survey

### Housing Demand Forecast

Recent estimates indicate that Pomeroy is attracting some households. However, building activity has not followed suite and vacancy rates are slightly above healthy rates. A positive growth scenario through 2030 would require at least a 6% in-migration rate, shown in Figure 3.23.

Based on Pomeroy's percentage of the county population and current housing units, Pomeroy will likely capture 7% of the demand identified in Figure 3.1 or a total of 6 units through 2025. New construction will come from custom home construction or potentially adding some attached units to meet the aging population housing needs.

Figure 3.22: Predicted versus Actual, Pomeroy

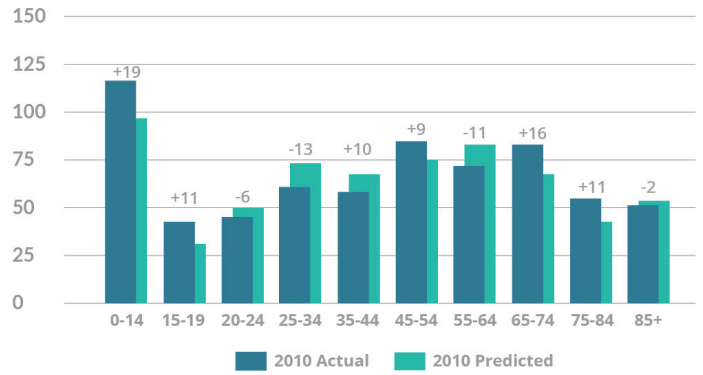
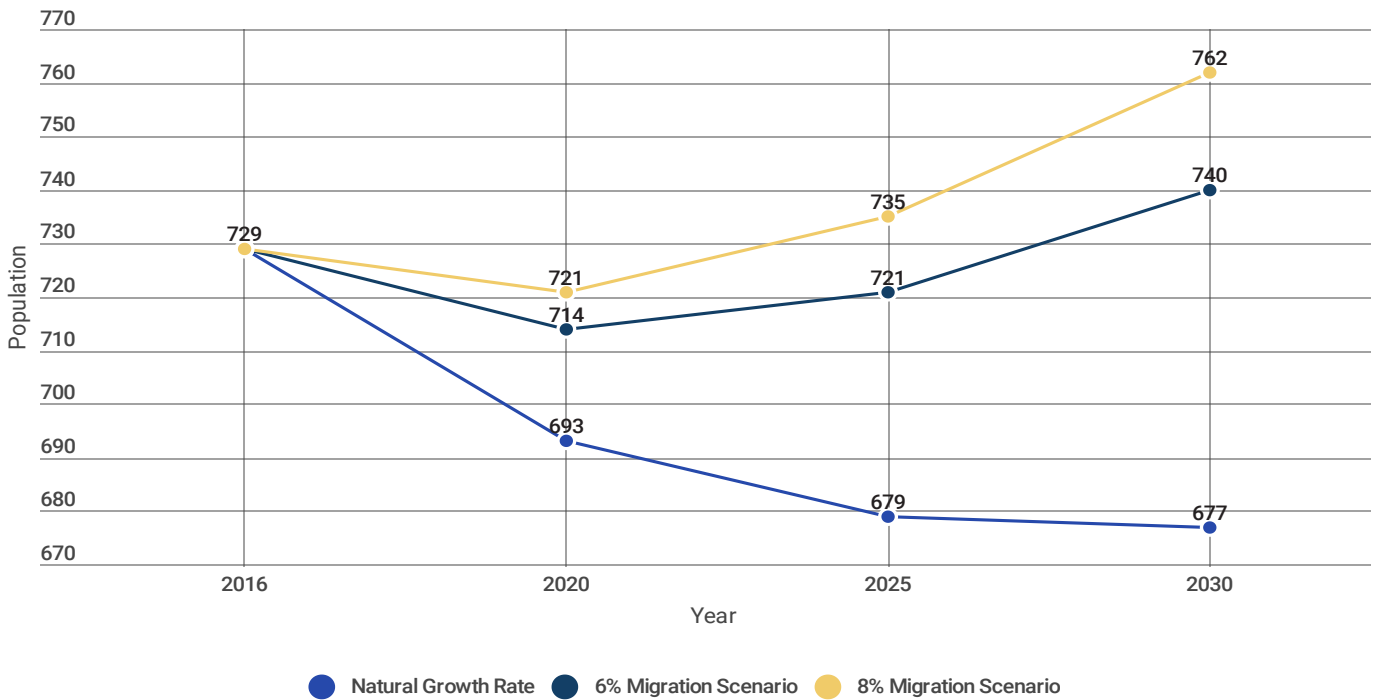


FIGURE 3.23: Population Scenarios, Pomeroy



ALL CALHOUN COUNTY	2016	2020	2025	2030
Natural Growth Rate	9,876	9,449	9,168	8,941
6% Migration Scenario	9,876	9,732	9,726	9,770
8% Migration Scenario	9,876	9,827	9,916	10,057

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design

## Development Program

Pomeroy has a gap in units for middle to higher income households earning above \$50,000, shown in Figure 3.24. Subsequently, the development program shown in Figure 3.25 indicates an equal need for housing units at every price point.

It is not expected that new construction will be feasible at price points under \$175,000. These units will become available through a filtering process if new homes are built that match the income levels of high income households that are currently living in homes below what they could afford and not be cost burdened. The same may be true for rent at under \$450 per month, but some programs do exist to fund construction of these units.

**FIGURE 3.24:** Housing Affordability, Pomeroy

INCOME RANGE	NUMBER OF HOUSEHOLDS	AFFORDABLE RANGE FOR OWNER UNITS	# OF OWNER UNITS	AFFORDABLE RANGE FOR RENTER UNITS	# OF RENTER UNITS	TOTAL AFFORDABLE UNITS	BALANCE
\$0-25,000	110	\$0-50,000	120	\$0-400	33	153	43
\$25,000-49,999	100	\$50K-99,999	90	\$400-800	30	120	20
\$50,000-74,999	51	\$100K-149,999	36	\$800-1250	0	36	-15
\$75-99,999	25	\$150K-199,999	4	\$1,250-1,500	0	4	-21
\$100-150,000	15	\$200K-\$300,000	0	\$1,500-2,000	0	0	-15
\$150,000+	15	\$300,000+	0	\$2,000+	3	3	-12
<b>Total</b>	<b>316</b>		<b>250</b>		<b>66</b>	<b>316</b>	<b>0</b>
Median	\$35,000	\$51,900		\$400			

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design

**FIGURE 3.25:** Housing Development Program

	CALHOUN COUNTY 2019-2025	POMEROY 2019-2025
Total Need	85	6
Total Owner Occupied	55	4
Affordable Low: <\$125,000	9	1
Affordable Moderate: \$125-\$175,000	12	1
Moderate Market: \$175-\$250,000	15	1
High Market: >\$250,000	19	1
Total Renter Occupied	30	2
Low: Less than \$450	11	1
Affordable: \$450-\$700	9	1
Market: Over \$700	9	1

\*65%/35% owner occupied/renter occupied split

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design

## FARNHAMVILLE ASSESSMENT

A housing forecast for Farnhamville is not included because of limitations on reliable data. The following data are general housing indicators to inform strategic directions in Chapter 5.

### Major Themes

**Aging population.** Farnhamville is losing population, as shown in Figure 3.26, and aging. Population is declining more than would be predicted from a natural birth and death scenario.

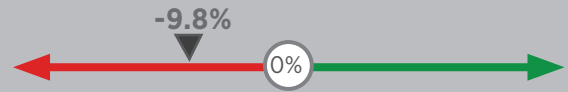
**No construction activity.** The community's demographics and existing housing stock make it difficult to support regular building activity. However, Farnhamville had two new units built in the last ten years and can continue to support rehabilitation of existing units. No demolitions is promising for retaining affordable housing units.

**Healthy vacancy rates.** Vacancy rates when considering only homes for sale or rent are healthy, shown in Figure 3.27.

**Population Stabilization Scenario.** Figure 3.28 indicates an approximately 4-6% migration scenario needed to maintain the 2016 estimated population.

### Farnhamville Housing Influencers

Historic Population Growth Change:



2000 Median Age : 43.7

2010 Median Age: 46.8

2016 Median Age: \*

\*Large Margin of Error

2008-2017 Housing Activity

2 new units | 0 demolitions

Predicted vs. Actual Population Change (00' to 10)

36 fewer residents than predicted. This suggests an out-migration of residents.

2010 For Sale/Rent Vacancy Rate: 5.0%

2010 Owner | Renter Occupancy: 75.0% | 25.0%

FIGURE 3.26: Population Change, Farnhamville

	POPULATION	DECADE CHANGE	DECADE % CHANGE	GROWTH RATE
1960	409			
1970	393	-16	-3.9%	-0.4%
1980	461	68	17.3%	1.6%
1990	414	-47	-10.2%	-1.1%
2000	430	16	3.9%	0.4%
2010	371	-59	-13.7%	-1.5%
2016	369	-2	-0.5%	-0.1%
1960-2016		-40	-9.8%	-0.2%

Source: U.S. Census Bureau; American Community Survey

FIGURE 3.27: Housing Occupancy, Farnhamville

	2000		2010		2016
	NUMBER	% OCCUPIED UNITS	NUMBER	% OCCUPIED UNITS	% OCCUPIED UNITS*
Owner- Occupied	155	79.5%	135	75.0%	73.3%
Renter-Occupied	40	20.5%	45	25.0%	26.7%
Total Vacant	18		21		**
Vacancy Rate	8.5%		10.4%		14.1%
Vacancy (for rent or sale)	3.8%		5.0%		**
Total Units	213		201		

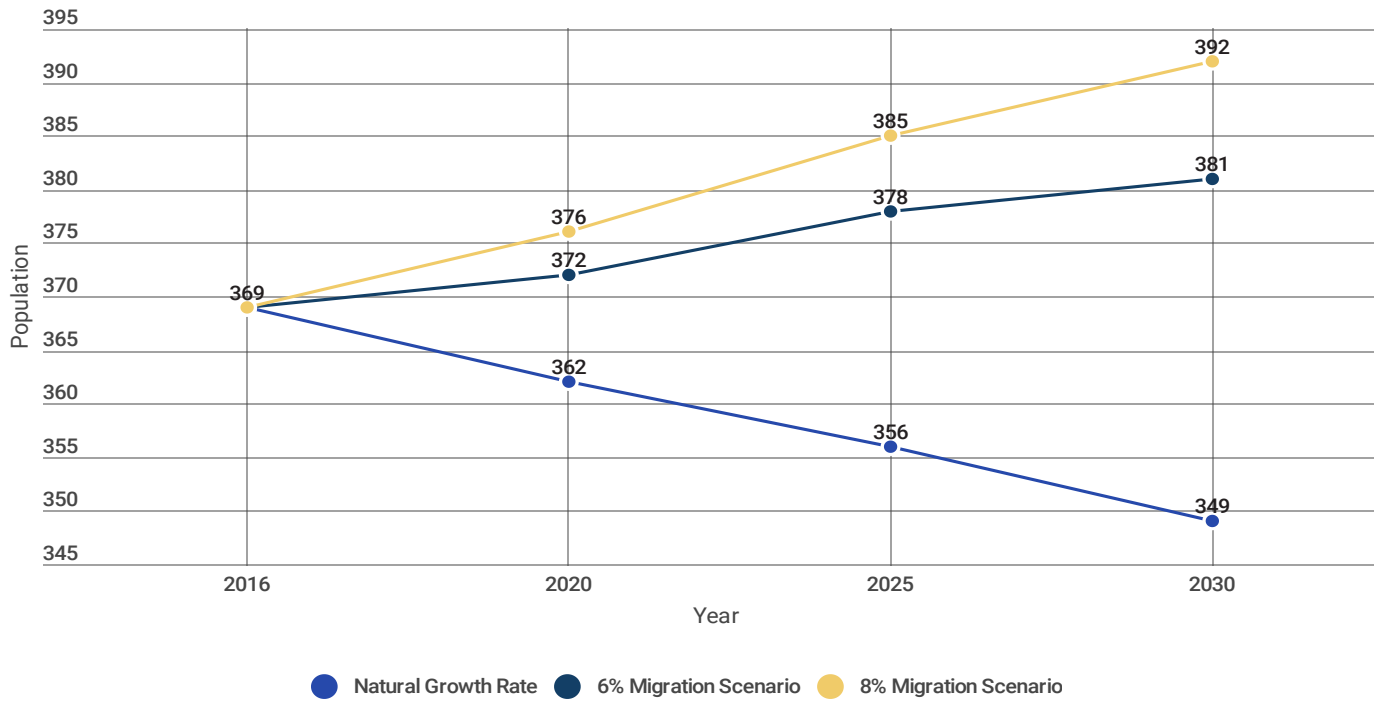
\*2016 data are estimates from the 2012-2016 American Community Survey. Number values are not shown because of the small sample size and sizable margin of errors. The percentage shown gives a general indication of housing occupancy ratios.

\*\*Margin of errors too large for informative data.

Source: U.S. Census; American Community Survey



**FIGURE 3.28:** Population Scenarios, Farnhamville



ALL CALHOUN COUNTY	2016	2020	2025	2030
Natural Growth Rate	9,876	9,449	9,168	8,941
6% Migration Scenario	9,876	9,732	9,726	9,770
8% Migration Scenario	9,876	9,827	9,916	10,057

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design

## LOHRVILLE ASSESSMENT

A housing forecast for Lohrville is not included because of limitations on reliable data. The following data are general housing indicators to inform strategic directions in Chapter 5.

### Major Themes

**Younger population.** Lohrville is losing population, as shown in Figure 3.29, but may be stabilizing in recent years attributed to families having children. The median age is lower than many other communities in the county. However, population continues to decline with more deaths than births.

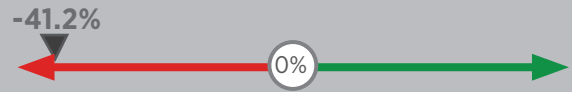
**Some construction activity.** It is usually difficult for a town with a population below 1,000 people to support regular building activity. However, Lohrville did have ten new units built in the last ten years. Eight demolitions in the same time frame lessens the impact these new units have on housing demand.

**Low vacancy rates.** Vacancy rates when considering only homes for sale or rent are low, shown in Figure 3.30. There are many units vacant for other reasons.

**Population Stabilization Scenario.** Figure 3.31 indicates an approximately 4-6% migration scenario needed to maintain the 2016 estimated population.

### Lohrville Housing Influencers

Historic Population Growth Change:



2000 Median Age : 39.7

2010 Median Age: 40.3

2016 Median Age: \*

\*Large Margin of Error

2008-2017 Housing Activity

10 new units | 8 demolitions

Predicted vs. Actual Population Change (00' to 10)

46 fewer residents than predicted. This suggests an out-migration of residents.

2010 For Sale/Rent Vacancy Rate: 1.0%

2010 Owner | Renter Occupancy: 77.2% | 22.8%

FIGURE 3.29: Population Change, Lohrville

	POPULATION	DECADE CHANGE	DECADE % CHANGE	GROWTH RATE
1960	653			
1970	553	-100	-15.3%	-1.6%
1980	521	-32	-5.8%	-0.6%
1990	453	-68	-13.1%	-1.4%
2000	431	-22	-4.9%	-0.5%
2010	368	-63	-14.6%	-1.6%
2016	384	16	4.3%	0.7%
1960-2016		-269	-41.2%	-0.9%

Source: U.S. Census Bureau; American Community Survey

FIGURE 3.30: Housing Occupancy, Lohrville

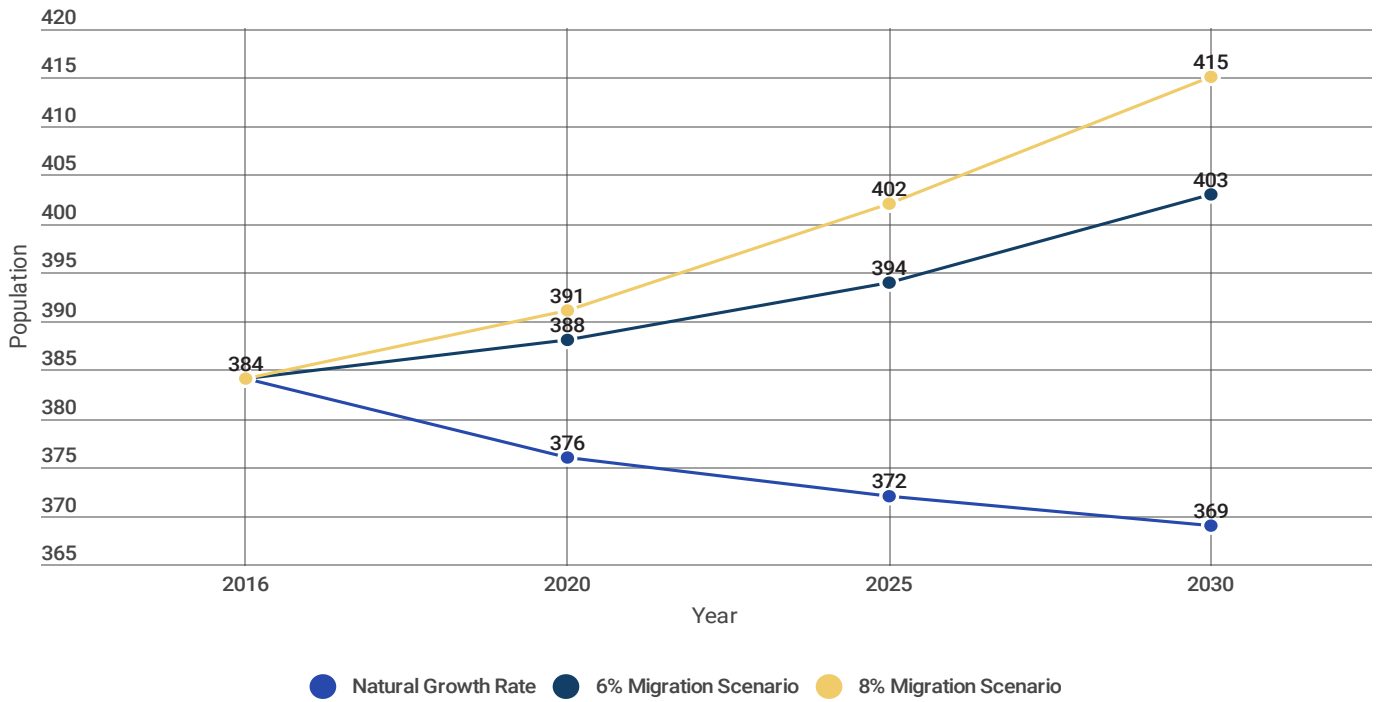
	2000		2010		2016
	NUMBER	% OCCUPIED UNITS	NUMBER	% OCCUPIED UNITS	% OCCUPIED UNITS*
Owner- Occupied	161	83.4%	129	77.2%	86.5%
Renter-Occupied	32	16.6%	38	22.8%	13.5%
Total Vacant	22		27		**
Vacancy Rate	10.2%		13.9%		15.9%
Vacancy (for rent or sale)	5.6%		1.0%		**
Total Units	215		194		

\*2016 data are estimates from the 2012-2016 American Community Survey. Number values are not shown because of the small sample size and sizable margin of errors. The percentage shown gives a general indication of housing occupancy ratios.

\*\*Margin of errors too large for informative data.

Source: U.S. Census; American Community Survey

FIGURE 3.31: Population Scenarios, Lohrville



ALL CALHOUN COUNTY	2016	2020	2025	2030
Natural Growth Rate	9,876	9,449	9,168	8,941
6% Migration Scenario	9,876	9,732	9,726	9,770
8% Migration Scenario	9,876	9,827	9,916	10,057

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design

## SOMERS ASSESSMENT

A housing forecast for Somers is not included because of limitations on reliable data. The following data are general housing indicators to inform strategic directions in Chapter 5.

### Major Themes

**Aging population.** Somers is losing population, although 2016 estimates may indicate some growth, shown in Figure 3.32. However, the population is aging significantly. Population is declining more than would be predicted from a natural birth and death scenario.

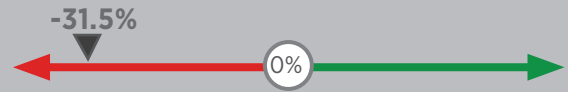
**No construction activity.** A community below 500 in population will find it difficult to support any new construction. In the past 10 years, no new units were constructed and one was demolished.

**High vacancy rates.** Vacancy rates when considering only homes for sale or rent are high, shown in Figure 3.33. The quality of units may be the reason for changes in vacancy between 2000 and 2010.

**Population Stabilization Scenario.** Figure 3.34 indicates the natural growth rate with predicted births and deaths will remain stable through 2030. However, the small population of Somers does result in larger margins of errors in 2016 base year population estimates. The stable natural growth rate scenario should be observed with caution.

### Somers Housing Influencers

Historic Population Growth Change:



2000 Median Age : 39.6

2010 Median Age: 48.1

2016 Median Age: \*

\*Large Margin of Error

2008-2017 Housing Activity

0 new units | 1 demolitions

Predicted vs. Actual Population Change (00' to 10)

47 fewer residents than predicted. This suggests an out-migration of residents.

2010 For Sale/Rent Vacancy Rate: 13.2%

2010 Owner | Renter Occupancy: 85.5% | 14.5%

FIGURE 3.32: Population Change, Somers

	POPULATION	DECADE CHANGE	DECADE % CHANGE	GROWTH RATE
1960	203			
1970	197	-6	-3.0%	-0.3%
1980	220	23	11.7%	1.1%
1990	161	-59	-26.8%	-3.1%
2000	165	4	2.5%	0.2%
2010	113	-52	-31.5%	-3.7%
2016	139	26	23.0%	3.5%
1960-2016		-64	-31.5%	-0.7%

Source: U.S. Census Bureau; American Community Survey

FIGURE 3.33: Housing Occupancy, Somers

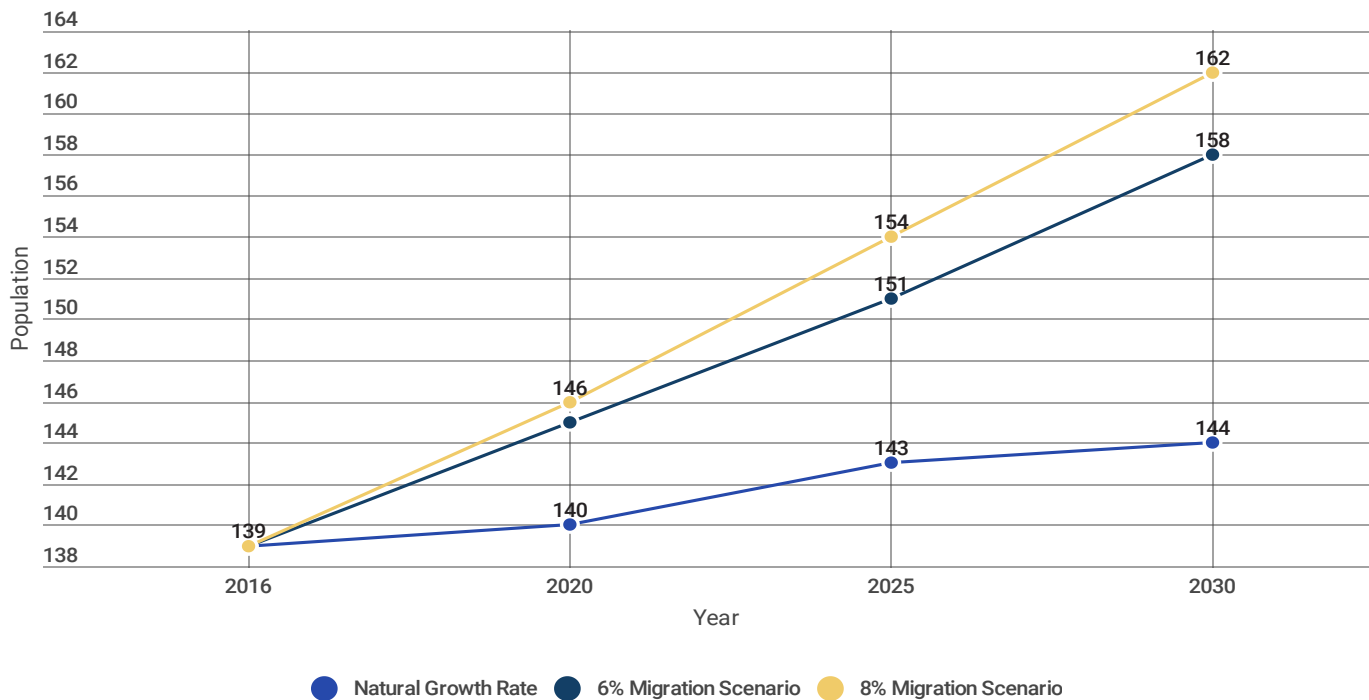
	2000		2010		2016
	NUMBER	% OCCUPIED UNITS	NUMBER	% OCCUPIED UNITS	% OCCUPIED UNITS*
Owner- Occupied	52	85.2%	47	85.5%	80.3%
Renter-Occupied	9	14.8%	8	14.5%	19.7%
Total Vacant	5		13		**
Vacancy Rate	7.6%		19.1%		7.6%
Vacancy (for rent or sale)	1.5%		13.2%		**
Total Units	66		68		

\*2016 data are estimates from the 2012-2016 American Community Survey. Number values are not shown because of the small sample size and sizable margin of errors. The percentage shown gives a general indication of housing occupancy ratios.

\*\*Margin of errors too large for informative data.

Source: U.S. Census; American Community Survey

FIGURE 3.34: Population Scenarios, Somers



ALL CALHOUN COUNTY	2016	2020	2025	2030
Natural Growth Rate	9,876	9,449	9,168	8,941
6% Migration Scenario	9,876	9,732	9,726	9,770
8% Migration Scenario	9,876	9,827	9,916	10,057

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design

## KNIERIM ASSESSMENT

A housing forecast for Knierim is not included because of limitations on reliable data. The following data are general housing indicators to inform strategic directions in Chapter 5.

### Major Themes

**Population decline.** Knierim is losing population, but not aging. As older residents die, no new residents are replacing them. Recent Census estimates indicate population growth, as shown in Figure 3.35, but the estimates have large margins of error.

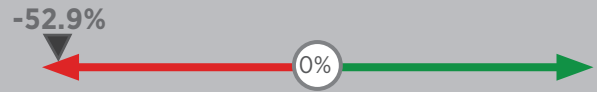
**No construction activity.** A community this size with limited infrastructure will find it difficult to build new housing and may even struggle to maintain existing units. Over the past ten years, they have net zero new units.

**Low vacancy rates.** Vacancy rates when considering only homes for sale or rent are low, shown in Figure 3.36. However, many more units became vacant for other reasons between 2000 and 2010, perhaps indicating declining quality.

**Population Stabilization Scenario.** Similar to Somers, Figure 3.37 indicates the natural growth rate with predicted births and deaths will remain stable through 2030. However, the small population of Knierim does result in larger margins of errors in 2016 base year population estimates. The stable natural growth rate scenario should be observed with caution.

### Knierim Housing Influencers

Historic Population Growth Change:



2000 Median Age : 40.3

2010 Median Age: 37.5

2016 Median Age: \*

\*Large Margin of Error

2008-2017 Housing Activity

2 new units | 2 demolitions

Predicted vs. Actual Population Change (00' to 10)

5 fewer residents than predicted. This suggests an out-migration of residents.

2010 For Sale/Rent Vacancy Rate: 3.6%

2010 Owner | Renter Occupancy: 96.0% | 4.0%

FIGURE 3.35: Population Change, Knierim

	POPULATION	DECADE CHANGE	DECADE % CHANGE	GROWTH RATE
1960	153			
1970	131	-22	-14.4%	-1.5%
1980	125	-6	-4.6%	-0.5%
1990	71	-54	-43.2%	-5.5%
2000	70	-1	-1.4%	-0.1%
2010	60	-10	-14.3%	-1.5%
2016	72	12	20.0%	3.1%
1960-2016		-81	-52.9%	-1.3%

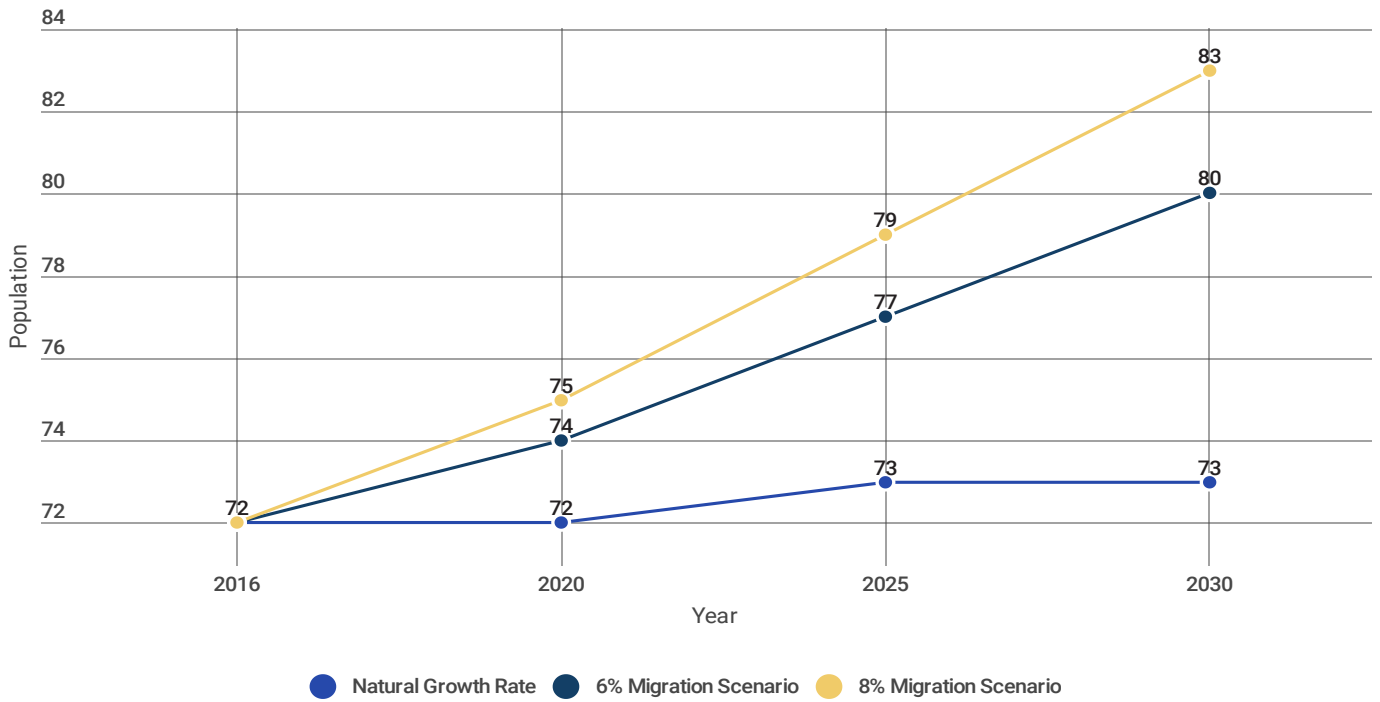
Source: U.S. Census Bureau; American Community Survey

FIGURE 3.36: Housing Occupancy, Knierim

	2000		2010		2016
	NUMBER	% OCCUPIED UNITS	NUMBER	% OCCUPIED UNITS	% OCCUPIED UNITS*
Owner- Occupied	31	91.2%	24	96.0%	N/A
Renter-Occupied	3	8.8%	1	4.0%	N/A
Total Vacant	1		3		
Vacancy Rate	2.9%		10.7%		
Vacancy (for rent or sale)	2.9%		3.6%		
Total Units	35		28		

\*2016 estimated data not available from the Census because of a small sample size  
Source: U.S. Census; American Community Survey

FIGURE 3.37: Population Scenarios, Knierim



ALL CALHOUN COUNTY	2016	2020	2025	2030
Natural Growth Rate	9,876	9,449	9,168	8,941
6% Migration Scenario	9,876	9,732	9,726	9,770
8% Migration Scenario	9,876	9,827	9,916	10,057

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design

## RINARD ASSESSMENT

A housing forecast for Rinard is not included because of limitations on reliable data. The following data are general housing indicators to inform strategic directions in Chapter 5.

### Major Themes

**Aging population.** Rinard is losing population and aging. Population is declining more than would be predicted from a natural birth and death scenario and was stagnant between 2010 and 2016 as shown in Figure 3.38.

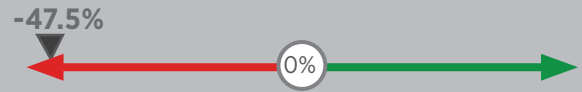
**No construction activity.** Rinard’s population and limited infrastructure make it difficult to support new construction. New units have not been built in many years and even limited rehabilitation work has been done.

**High vacancy rates.** Vacant units rose in 2010, shown in Figure 3.39.

**Population Stabilization Scenario.** Figure 3.40 indicates that the natural growth rate with predicted births and deaths will remain stable through 2030. However, the small population of Rinard does result in larger margins of errors in 2016 base year population estimates. The stable natural growth rate scenario should be observed with caution.

### Rinard Housing Influencers

Historic Population Growth Change:



2000 Median Age : 36.0

2010 Median Age: 46.0

2016 Median Age: \*

\*Large Margin of Error

2008-2017 Housing Activity

0 new units | 1 demolitions

Predicted vs. Actual Population Change (00' to 10)

20 fewer residents than predicted. This suggests an out-migration of residents.

2010 For Sale/Rent Vacancy Rate: 12.5%

2010 Owner | Renter Occupancy: 95.8% | 4.2%

FIGURE 3.38: Population Change, Rinard

	POPULATION	DECADE CHANGE	DECADE % CHANGE	GROWTH RATE
1960	99			
1970	88	-11	-11.1%	-1.17%
1980	97	9	10.2%	0.98%
1990	71	-26	-26.8%	-3.07%
2000	72	1	1.4%	0.14%
2010	52	-20	-27.8%	-3.20%
2016	54	2	3.8%	0.6%
1960-2010		-47	-47.5%	-1.3%

Source: U.S. Census Bureau; American Community Survey

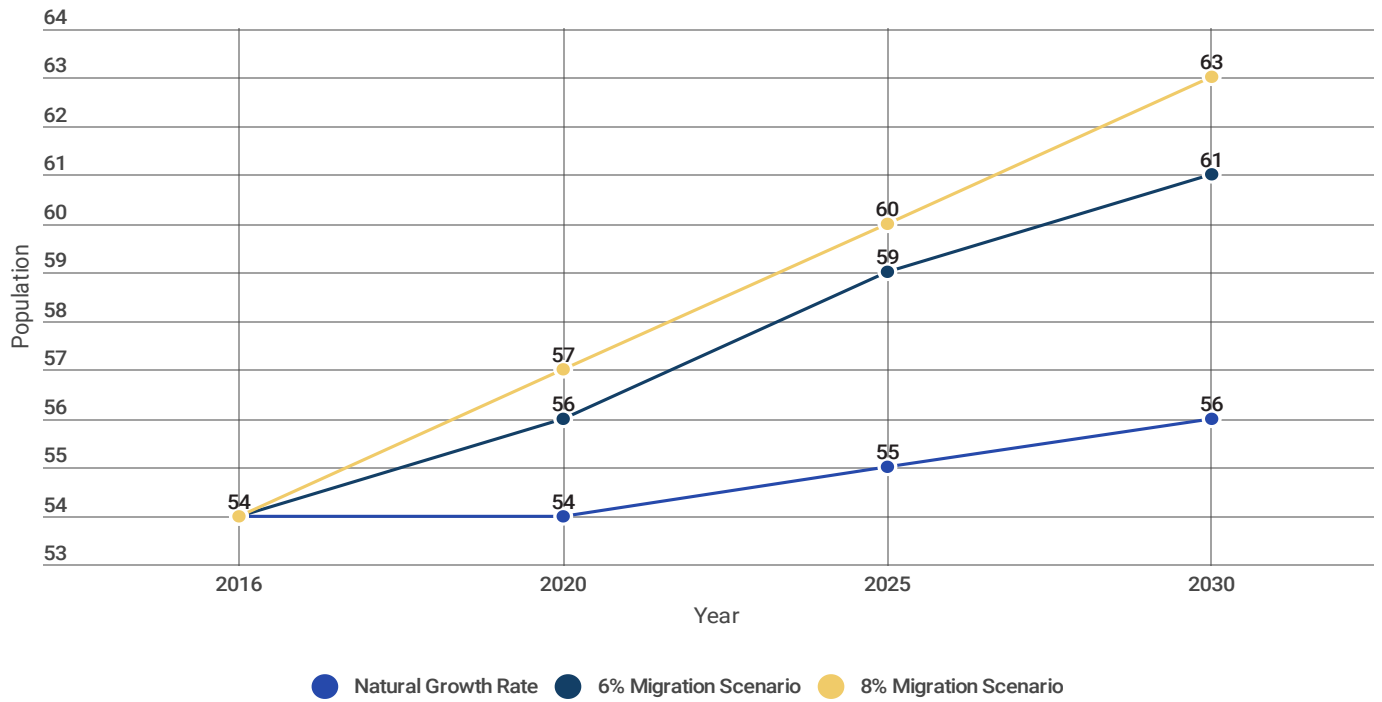
FIGURE 3.39: Housing Occupancy, Rinard

	2000		2010		2016
	NUMBER	% OCCUPIED UNITS	NUMBER	% OCCUPIED UNITS	% OCCUPIED UNITS*
Owner- Occupied	25	89.3%	23	95.8%	N/A
Renter-Occupied	3	10.7%	1	4.2%	N/A
Total Vacant	3		8		
Vacancy Rate	9.7%		25.0%		
Vacancy (for rent or sale)	0.0%		12.5%		
Total Units	31		32		

\*2016 estimated data not available from the Census because of a small sample size  
Source: U.S. Census; American Community Survey



FIGURE 3.40: Population Scenarios, Rinard



ALL CALHOUN COUNTY	2016	2020	2025	2030
Natural Growth Rate	9,876	9,449	9,168	8,941
6% Migration Scenario	9,876	9,732	9,726	9,770
8% Migration Scenario	9,876	9,827	9,916	10,057

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design

## JOLLEY ASSESSMENT

A housing forecast for Jolley is not included because of limitations on reliable data. The following data are general housing indicators to inform strategic directions in Chapter 5.

### Major Themes

**Aging population.** Jolley is losing population and aging. Population is declining more than would be predicted from a natural birth and death scenario and was stagnant between 2010 and 2016 as shown in Figure 3.41.

**No construction activity.** Lack of both infrastructure and investment in existing housing will make new construction nearly impossible.

**High vacancy rates.** Vacant units rose in 2010 but the vacancy of only for rent or sale units declined, shown in Figure 3.42. Some units previously for rent or sale may be transitioning to being vacant for other reasons.

**Population Stabilization Scenario.** Figure 3.43 indicates a more than 8% migration scenario is needed to maintain the 2016 estimated population. However, the small population of Jolley does result in larger margins of errors in 2016 base year population estimates. The growth rate scenario should be observed with caution.

### Jolley Housing Influencers

Historic Population Growth Change:



2000 Median Age : 42.0

2010 Median Age: 49.6

2016 Median Age: \*

\*Large Margin of Error

2008-2017 Housing Activity

N/A new units | N/A demolitions

Predicted vs. Actual Population Change (00' to 10)

11 fewer residents than predicted. This suggests an out-migration of residents.

2010 For Sale/Rent Vacancy Rate: 6.1%

2010 Owner | Renter Occupancy: 90.5% | 9.5%

FIGURE 3.41: Population Change, Jolley

	POPULATION	DECADE CHANGE	DECADE % CHANGE	GROWTH RATE
1960	120			
1970	112	-8	-6.7%	-0.69%
1980	91	-21	-18.8%	-2.05%
1990	68	-23	-25.3%	-2.87%
2000	54	-14	-20.6%	-2.28%
2010	41	-13	-24.1%	-2.72%
2016	41	0	0.0%	0.0%
1960-2016		-79	-65.8%	-2.1%

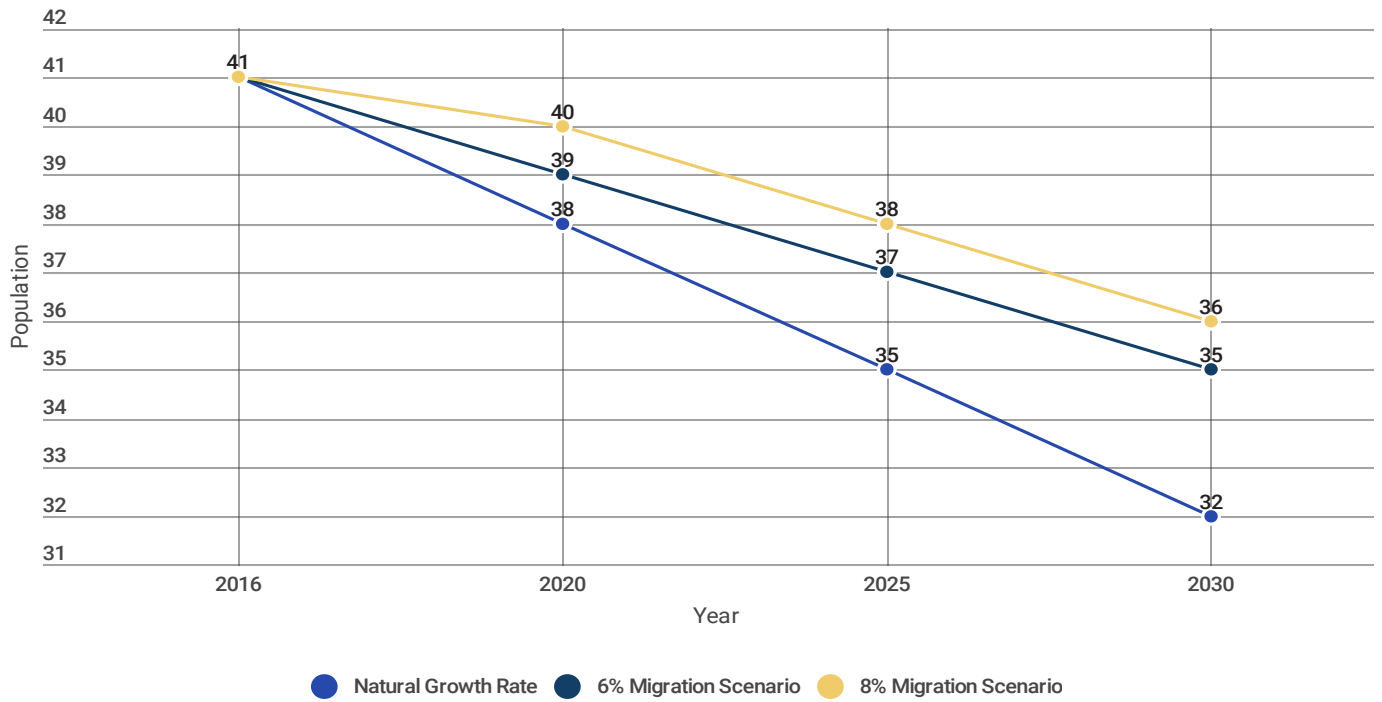
Source: U.S. Census Bureau; American Community Survey

FIGURE 3.42: Housing Occupancy, Jolley

	2000		2010		2016
	NUMBER	% OCCUPIED UNITS	NUMBER	% OCCUPIED UNITS	% OCCUPIED UNITS*
Owner- Occupied	23	82.1%	19	90.5%	N/A
Renter-Occupied	5	17.9%	2	9.5%	N/A
Total Vacant	11		12		
Vacancy Rate	28.2%		36.4%		
Vacancy (for rent or sale)	12.8%		6.1%		
Total Units	39		33		

\*2016 estimated data not available from the Census because of a small sample size  
Source: U.S. Census; American Community Survey

FIGURE 3.43: Population Scenarios, Jolley



ALL CALHOUN COUNTY	2016	2020	2025	2030
Natural Growth Rate	9,876	9,449	9,168	8,941
6% Migration Scenario	9,876	9,732	9,726	9,770
8% Migration Scenario	9,876	9,827	9,916	10,057

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design

## YETTER ASSESSMENT

A housing forecast for Yetter is not included because of limitations on reliable data. The following data are general housing indicators to inform strategic directions in Chapter 5.

### Major Themes

**Aging population.** Yetter is losing population and aging, as shown in Figure 3.44. The population in a natural growth state, changing by births and deaths.

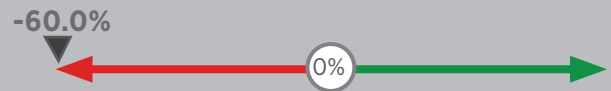
**No construction activity.** Lack of infrastructure and the population to support new infrastructure will impede new housing.

**High vacancy rates.** Vacant units rose in 2010, shown in Figure 3.45.

**Population Stabilization Scenario.** Figure 3.46 indicates that the natural growth rate with predicted births and deaths will remain stable through 2030. However, the small population of Yetter does result in larger margins of errors in 2016 base year population estimates. The stable natural growth rate scenario should be observed with caution.

### Yetter Housing Influencers

Historic Population Growth Change:



2000 Median Age : 44.5

2010 Median Age: 49.5

2016 Median Age: \*

\*Large Margin of Error

2008-2017 Housing Activity

N/A new units | N/A demolitions

Predicted vs. Actual Population Change (00' to 10)

1 more resident than predicted. This suggests a natural growth state.

2010 For Sale/Rent Vacancy Rate: 0.0%

2010 Owner | Renter Occupancy: 81.3% | 18.8%

FIGURE 3.44: Population Change, Yetter

	POPULATION	DECADE CHANGE	DECADE % CHANGE	GROWTH RATE
1960	85			
1970	52	-33	-38.8%	-4.80%
1980	52	0	0.0%	0.00%
1990	49	-3	-5.8%	-0.59%
2000	36	-13	-26.5%	-3.04%
2010	34	-2	-5.6%	-0.57%
2016	22	-12	-35.3%	-7.0%
1960-2010		-51	-60.0%	-1.8%

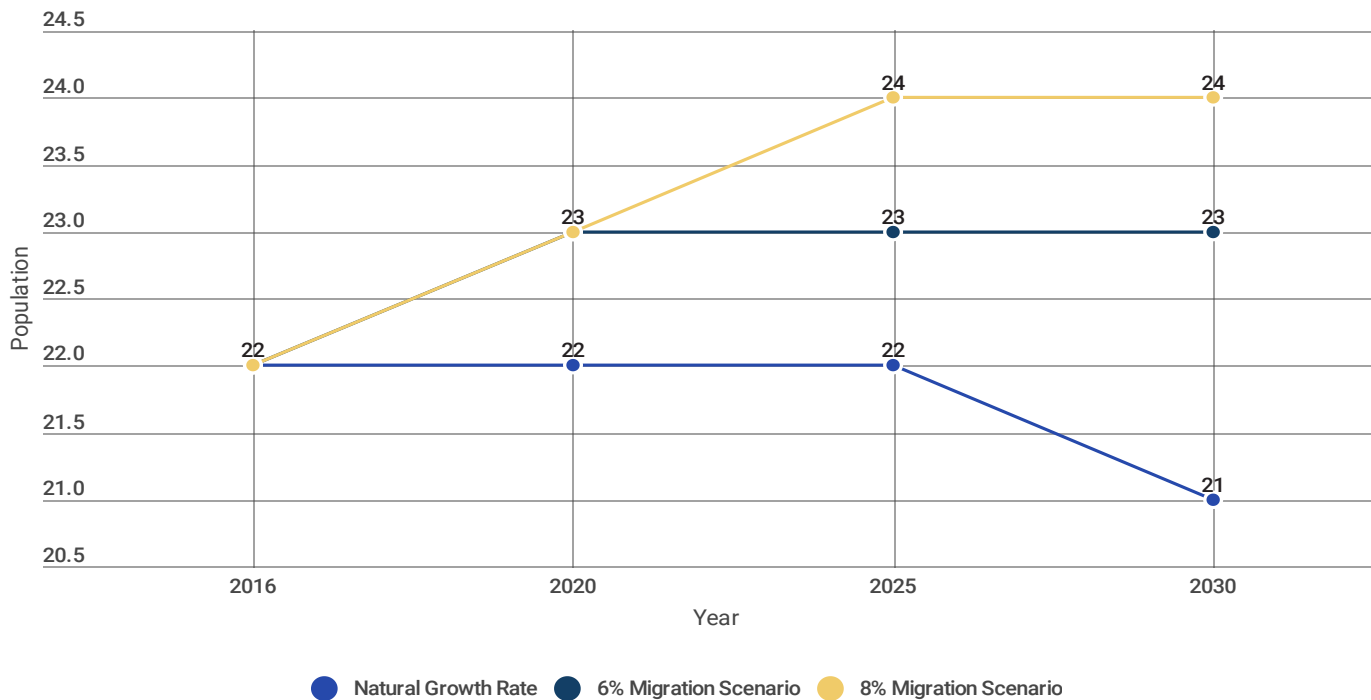
Source: U.S. Census Bureau; American Community Survey

FIGURE 3.45: Housing Occupancy, Yetter

	2000		2010		2016
	NUMBER	% OCCUPIED UNITS	NUMBER	% OCCUPIED UNITS	% OCCUPIED UNITS*
Owner- Occupied	17	94.4%	13	81.3%	N/A
Renter-Occupied	1	5.6%	2	18.8%	N/A
Total Vacant	2		4		
Vacancy Rate	10.0%		20.0%		
Vacancy (for rent or sale)	5.0%		0.0%		
Total Units	20		20		

\*2016 estimated data not available from the Census because of a small sample size  
Source: U.S. Census; American Community Survey

FIGURE 3.46: Population Scenarios, Yetter



ALL CALHOUN COUNTY	2016	2020	2025	2030
Natural Growth Rate	9,876	9,449	9,168	8,941
6% Migration Scenario	9,876	9,732	9,726	9,770
8% Migration Scenario	9,876	9,827	9,916	10,057

Source: U.S. Census Bureau; American Community Survey; RDG Planning & Design



## COMMUNITY SUMMARY

Communities in Calhoun County are similar in demographic characteristics and face similar housing challenges as the region. Major themes vary in the larger communities. Smaller communities experience similar issues. However, each community experiences common overall themes:

**Low construction activity.** Rental units are in high demand, as indicated in the surveys and low supply of new units. The few new housing units being built are primarily single-family homes. Rental housing is important to a market because:

- › Rentals provide options for empty-nesters and seniors looking to move or downsize from their current owner-occupied home
- › Rentals act as transitional housing options for those moving between housing types
- › Young families, professionals, and new employees to the region rely on rentals as an affordable housing option or to “try-out” the community before deciding to buy a home

The lack of rental options in a market can have a number of negative effects on a market, including:

- › Forcing potential new residents to look elsewhere for housing
- › Discouraging reinvestment in existing properties
- › Limiting the overall turnover of housing in the market

**Stagnant and declining population.** Communities are losing population in both Calhoun County and the region. This regional challenge puts strain on municipal budgets, school districts, and economic development. Adequate housing is one element influencing the potential for population growth, given there are ample job opportunities available in the future as indicated in the countywide and regional economic assessment.

**An undervalued market.** An undervalued housing market is reiterated several times throughout this study. Undervaluation makes new construction difficult to accomplish. Higher costs to build versus lower home appraisals eliminates all possible profit for the builder.

**Low to stable vacancy rates.** Vacancy rates of homes available for rent or purchase are low across the county, verified by Census data and the community survey. Low vacancy rates reduce housing choice for households looking to move to a community or those who may want to move from their existing home. These households then stay in their current homes longer limiting mobility in the market and options for new residents.

**Competition for affordable units.** Many communities have gaps in available housing units that households with middle to high median incomes can afford to purchase without being cost burdened. Therefore, these households are competing with lower income households for the same housing units. Households making less cannot choose to purchase more expensive homes without being severely cost burdened. Units made available at higher price points can help lessen the competition for units that those making less need.





CHAPTER 4

COMMUNITY  
OBSERVATIONS

## COMMUNITY OBSERVATIONS: CONDITIONS AND OPPORTUNITIES

The communities in Calhoun County exhibit differing economic situations, and also individual building and community character. Economic markets greatly influence housing supply and demand. However, housing quality and overall community quality of life also play a significant role in a household's desire to live in a community. Available units and affordability mean little for the housing market if the supply is low quality. Low quality units have several effects on the housing market and community:

- Decreases property values and discourages reinvestment in surrounding properties.
- Encourages potential residents to look at living in other communities. Potential residents generally form their image of a community on the quality of neighborhoods and the housing in the community.
- Forces current or new residents to live in units below their income level, creating temporary residents rather than life long residents.

This section summarizes a detailed house-by-house condition inventory of each community in the county to act as a basis for targeted community-oriented housing strategies. The inventory was taken over a series of community visits completed in the summer of 2018. Homes were rated from "Excellent" condition to "Dilapidated" condition based on the following criteria. Note that evaluations are based on exterior conditions as observed from the public right-of-way:

- 1. Excellent condition:** New construction or recent full rehabilitation. No noticeable deficiencies.
- 2. Good condition:** A few noticeable cosmetic deficiencies, but otherwise in good condition - a desirable home for many households and the community.
- 3. Fair condition:** More prominent cosmetic deficiencies, and one or more minor structural deficiencies. A habitable home that needs investment to prevent further deterioration.
- 4. Poor condition:** Many cosmetic deficiencies, and one or more minor/major structural deficiencies. The home may be habitable, but need significant investment to be brought to code and become a quality living space households.
- 5. Dilapidated condition:** Beyond repair and rehabilitation. Actions needed for demolition and removal of the property.

The house-by-house inventory was supplemented with a general driving tour of each community to identify community amenities, vacant parcels, and potential infill and redevelopment areas. The following pages include maps that display areas of lower housing condition, impacts on the community, and opportunities to target renovation investment and new development.

## SUMMARY OF INVENTORY FINDINGS

Figure 4.1 displays the percentage of each community's housing stock within each condition rating. The inventory along with general observations unveiled several key findings:

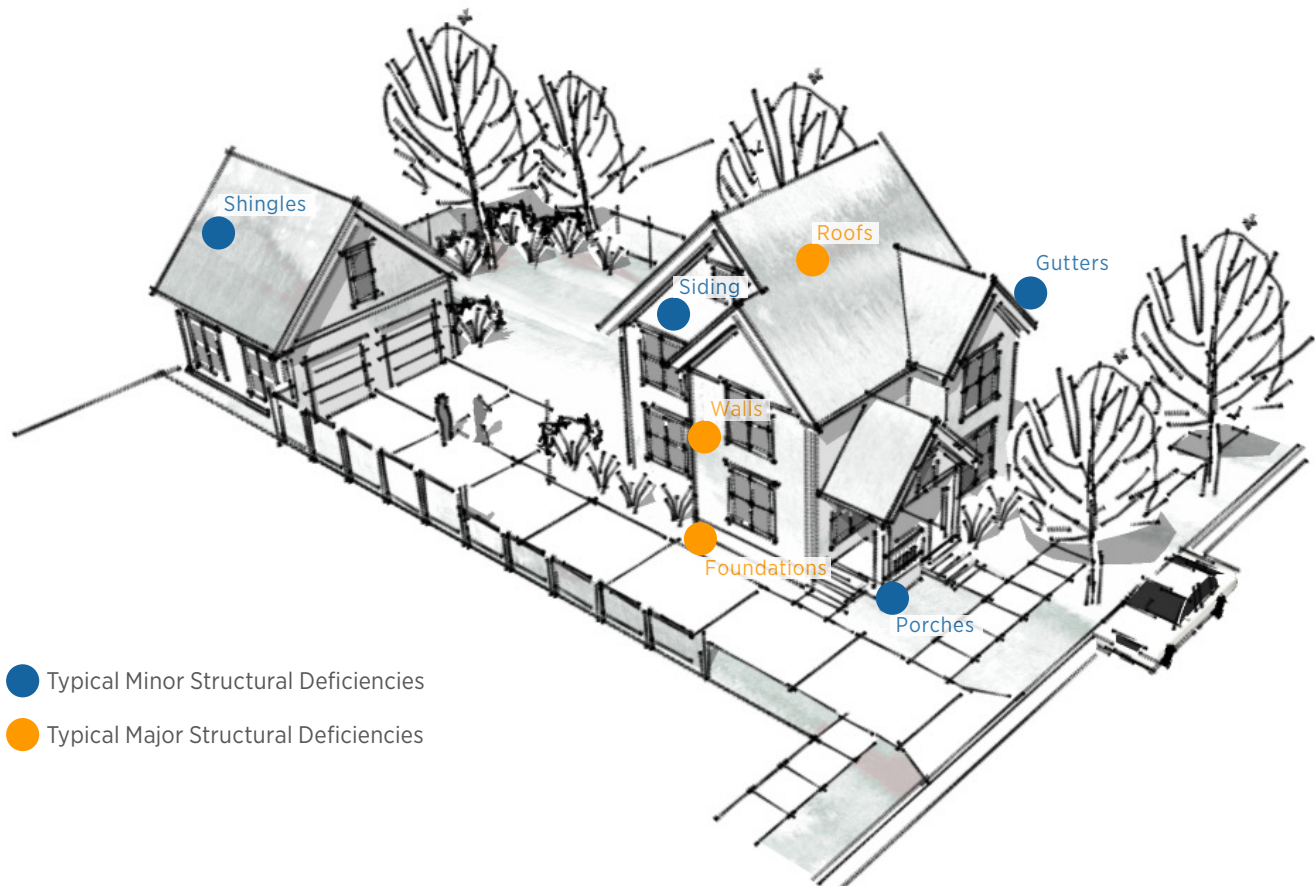
- Larger communities tend to have a higher quality housing stock, reflective of what is often perceived to be a more stable market.
- New development and new renovations are fairly evenly spread throughout the county, with the exception of more activity in Lake City.
- Lower-quality housing stock tends to cluster in specific areas in most communities. This reinforces sentiments that adjacent homes in poorer condition is a disincentive for homeowners to upkeep their homes. The same situation was prevalent for properties with poor environmental conditions such as junk in the lawn and overgrowth around the house.
- Lower-quality housing stock also appeared to correlate with communities that have fewer amenities such as schools and parks.
- Observations showed a low variety of housing types throughout the county, with less than 40 residential structures supporting multiple families - duplexes, townhomes, apartments, etc. Many of these structures were built more than 30 years ago and in fair condition. However, because of the low supply, people have no other choice than to accept lower quality if they are not seeking homeownership for financial or personal reasons.
- Streets appeared well maintained in most communities, although the status of utilities was not researched. This is important because community investment or lack of investment in public infrastructure and amenities creates a perception of high or low quality even when housing conditions are stable.

**FIGURE 4.1:** Housing Condition (highest percentage in bold)

COMMUNITY	1 (EXCELLENT)	2 (GOOD)	3 (FAIR)	4 (POOR)	5 (DILAPIDATED)	AVERAGE
Rockwell City	8.4%	<b>69.2%</b>	18.0%	4.2%	0.1%	2.18
Lake City	22.6%	<b>53.0%</b>	19.3%	4.8%	0.2%	2.07
Manson	3.3%	<b>71.9%</b>	23.4%	1.3%	0.1%	2.23
Pomeroy	8.8%	<b>46.3%</b>	32.4%	8.1%	0.3%	2.43
Farnhamville	11.2%	<b>61.8%</b>	23.7%	3.3%	0.0%	2.20
Lohrville	3.1%	<b>52.5%</b>	35.0%	8.8%	0.6%	2.50
Somers	11.1%	<b>59.3%</b>	22.2%	5.6%	1.9%	2.26
Knierim	7.7%	<b>61.5%</b>	23.1%	3.8%	3.8%	2.42
Rinard	0.0%	28.6%	<b>60.7%</b>	7.1%	3.6%	2.86
Jolley	2.7%	13.5%	<b>40.5%</b>	10.8%	32.4%	3.51
Yetter	5.6%	<b>38.9%</b>	22.2%	33.3%	0.0%	2.72
Calhoun County	10.1%	<b>60.8%</b>	23.4%	4.6%	0.7%	2.25

Source: RDG Planning & Design

**Figure 4.2:** Typical Minor versus Major Deficiencies



## COMMUNITY INVENTORY MAPS

As noted previously, the inventory completed for each community rated the exterior condition of housing. This inventory was consolidated and analyzed to identify areas to target for investment programs. Additionally, areas for new development are noted based on observations, market analysis, and stakeholder discussions.

The areas identified on the series of maps in this section include:

**New Development.** Areas adjacent to or within city limits that are potential sites for lot development and/or new construction. Assessment of site conditions and access to water and sewer services would need to be evaluated further to confirm the suitability of these sites.

**Neighborhood Conservation.** These areas have a cluster of housing in fair condition. Policies for this area should focus on conserving the existing housing stock through a coordinated rehabilitation strategy. These areas, although in adequate living condition today, are the most vulnerable to fall into poor or dilapidated condition if not cared for.

**Infill & Stabilization.** These areas have the most deteriorated structures and more serious housing deficiencies. The area is large enough & clustered enough that a targeted program for major rehabilitation or removal of deteriorated structures to develop vacant lots will have a major impact.

**The maps focus on block level investment.** Therefore, not every home in fair or poor condition falls within one of these areas on the map. Almost every community has some individual homes on a property by property basis in fair condition or below. However, targeting specific areas provide a strong foundation for implementing the policies and programs identified in the following chapters of this document.

## Inventory Preview

**Rockwell City.** Rockwell City has a good quality housing stock with several pockets of excellent condition homes. Arguably, some areas rated in good condition are borderline in excellent condition.

**Lake City.** Lake City has the highest quality housing stock across all communities in Calhoun County. Most homes are in excellent to good condition with only a few pockets of fair to poor housing, with several pockets of excellent condition homes.

**Manson.** Manson has a solid housing stock of quality homes. A clear pride exists in the community for property upkeep and maintenance. Homes are primarily single-family ranch style and few noticeable signs of unkept lawns or outdoors storage.

**Pomeroy.** Homes are in fair condition in Pomeroy with many visible vacancies. Several properties have nuisance issues beyond housing conditions for yard maintenance and storage.

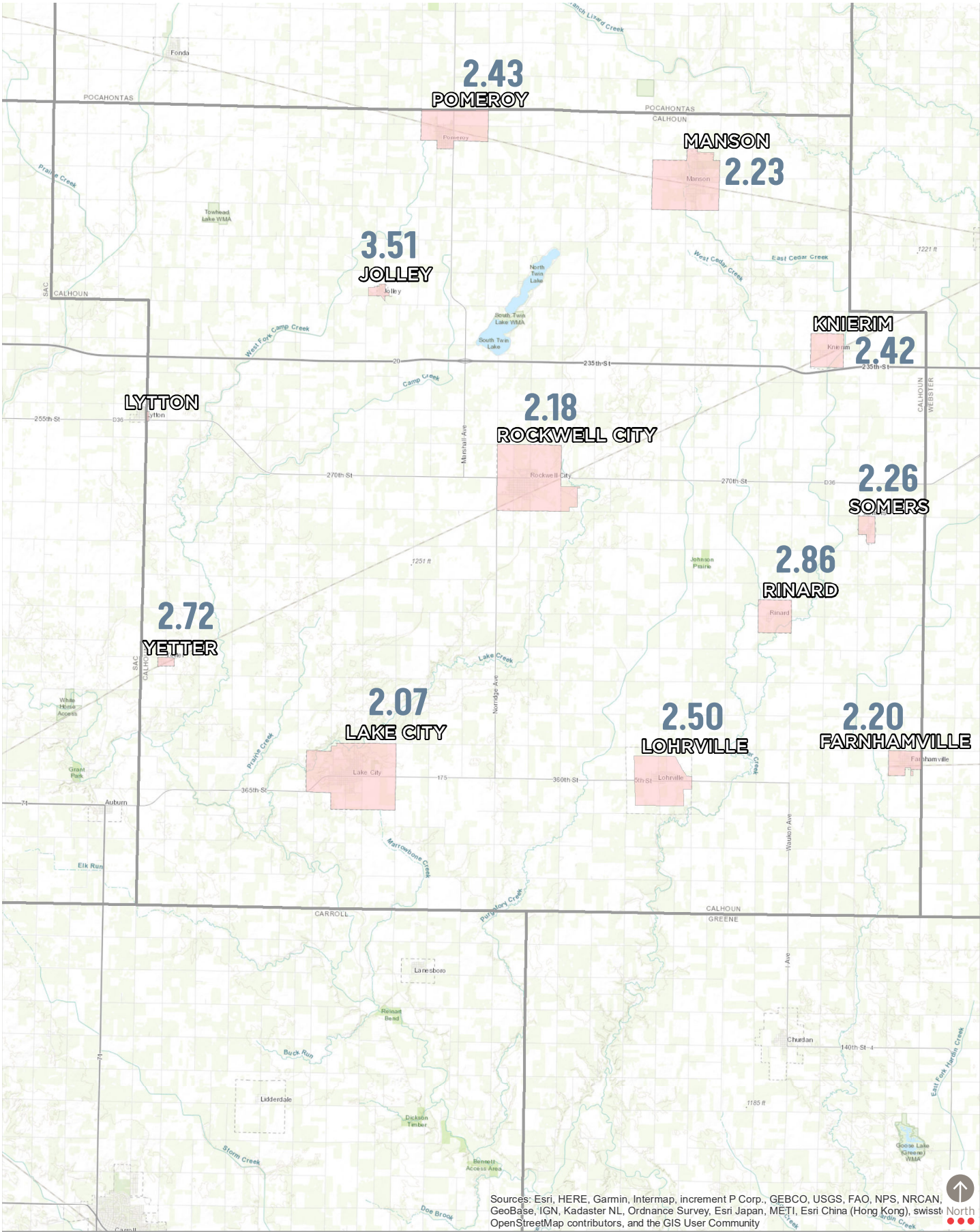
**Farnhamville.** Farnhamville contains almost all single-family dwellings that are in good condition with few noticeable property nuisances. Like many small communities, the town acts as a neighborhood with residents knowing their neighbor.

**Lohrville.** Lohrville has a fair overall housing stock with a limited supply of housing options. There are currently two multi-family buildings in the community.

**Somers.** Somers has a good housing stock. There are scattered vacant lots in the community that several adjacent property owners acquired for personal use.

**Remaining Communities.** The communities of Knierim, Rinard, Jolley, and Yetter all have less than 100 people and less than forty housing units. Home conditions vary by community and significant new housing development is not expected in the future.

Figure 4.3: Community Average Housing Condition Rating



Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, OpenStreetMap contributors, and the GIS User Community



## ROCKWELL CITY

Rockwell City has a good quality housing stock with several pockets of excellent condition homes. Arguably, some areas rated in good condition are borderline in excellent condition. As the County seat and largest community in Calhoun County, Rockwell City has all the amenities a family household would desire including a school, parks, downtown activities, a library, a grocery store, an independent living center, and employment opportunities.

### Targeted Conservation and Stabilization Areas

Areas in the community with fair to poor housing condition are generally clustered, most notably near County Highway D36 and areas to the south.

**Targeted Rehabilitation.** A targeted rehabilitation program would repair/stabilize participating homes and maintain property values in these neighborhoods. Programs to resolve these issues will benefit the neighborhood as a whole.

**Redevelopment/Demolition.** Some areas on the south end of town could require demolition over rehabilitation. These sites are opportunities to provide housing variety in the form of small scale rentals or housing compatible for seniors. These development opportunities will require partnerships by the city and other entities to enforce demolition or redevelopment, acquire the lot, and provide appropriate incentives to achieve the desired product type.

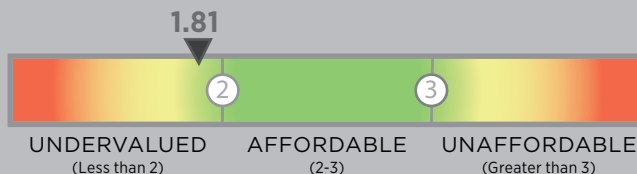
### Development Opportunities

**Scattered Vacant Lots.** There are several vacant lots scattered throughout the community, perhaps sites of homes that were demolished. However, many of these lots are either used by adjacent owners or restrictive in size, location, or quantity making them difficult to use in a consolidated strategy, but are still options on a case-by-case basis for people looking to build within established neighborhoods already served by utilities. The city should be flexible to adapt development regulations if single-family development proposals come forward for these vacant lots.

**New Housing Development.** Consolidated areas for new development are in short supply. Stakeholder discussions indicated some demand for new home construction if lots and contractors were available. This demand is supported by stable employment in the region and Rockwell City continues to offer the most services needed by households in the County. Near the middle school is a particularly attractive area for families. However, it will be important to couple new lot development with rehabilitation programs to raise home values and make new home construction feasible for developers.

### Rockwell City Reinvestment and Development Influencers

Affordability Gauge:



- » Median Income: \$35,417
- » Median Home Value: \$64,100
- » Median Contract Rent: \$380

Housing Demand Forecast

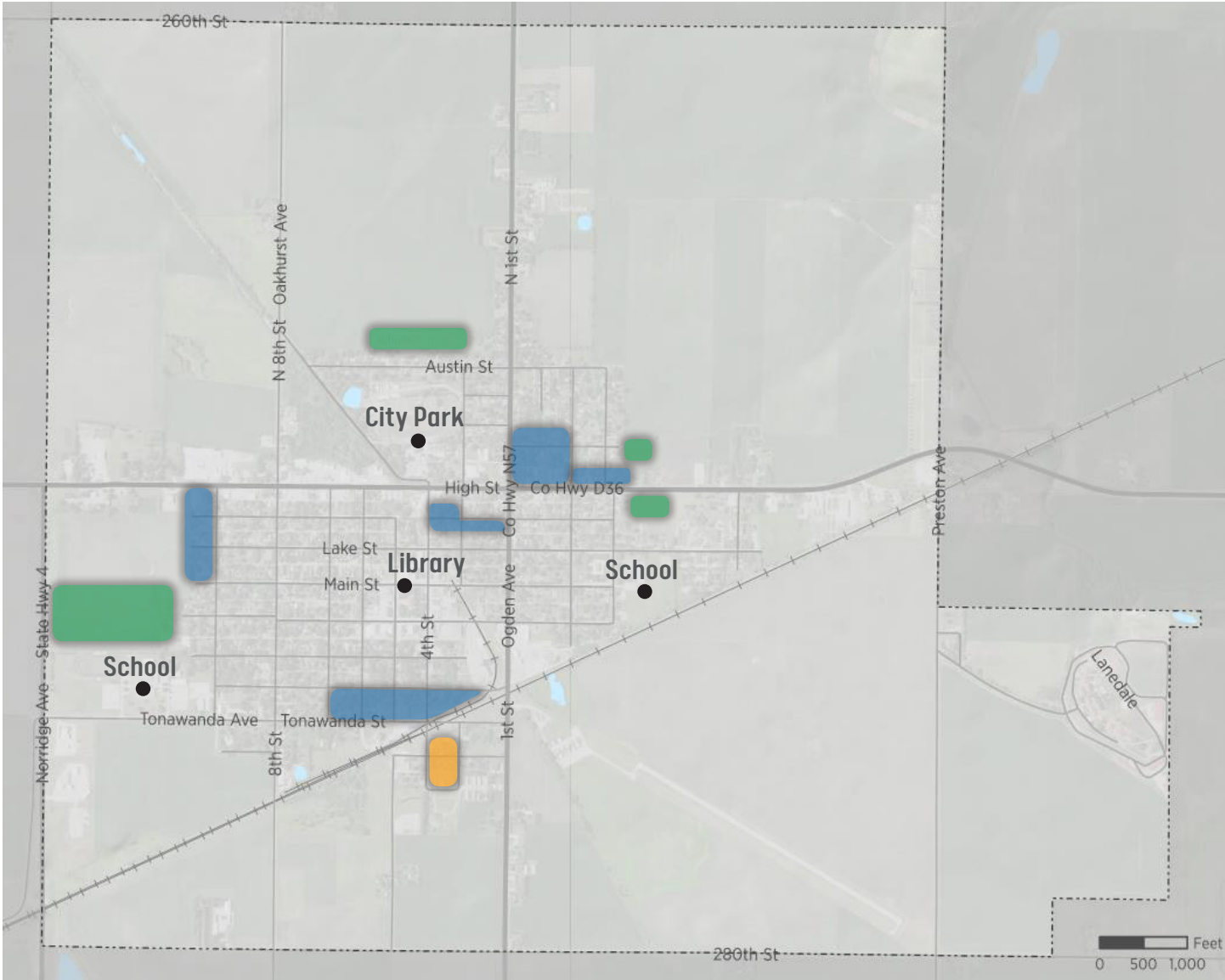
- » 2025: 21 total units

Affordability Balance:

- » Rockwell City has a gap in units that households with \$49,999 or more in annual income can afford



Figure 4.4: Rockwell City Policy Areas



-  New Development
-  Conservation & Stabilization
-  Rehabilitation & Infill
-  City Limits

## LAKE CITY

Lake City has the highest quality housing stock across all communities in Calhoun County. Most homes are in excellent to good condition with only a few pockets of fair to poor housing, with several pockets of excellent condition homes. Like Rockwell City, Lake City is fortunate to have many amenities for both families and senior age groups. A primary strategy for Lake City will be to maintain the existing housing stock, particularly multi-family units, and opening new options for development to build on past construction trends.

### Targeted Conservation and Stabilization Areas

**Targeted Rehabilitation.** There are a few areas in Lake City where the housing stock has started to show its age. These areas are appropriate for home repair programs that assist and stimulate homeowners to undertake needed maintenance such as roofing and siding.

**Redevelopment/Demolition.** Lake City has taken steps in the past to remove dilapidated buildings, transitioning these properties for infill development. As a result there are few dilapidated properties as of 2018. The City should shift focus to assistance for home rehabilitation over demolition, particularly geared toward recruiting contractors to complete the work.

### Development Opportunities

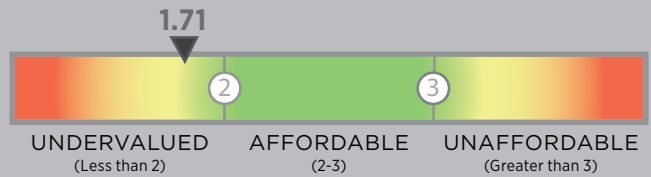
**Senior Housing.** Most communities will need more senior housing in the future. However, the presence of the hospital in Lake City presents increased demand and opportunities for senior housing options.

**New Housing Development.** Several areas are options for new lot supply with willing property owners and adjacency to successful home development in recent years. It will be important to couple new lot development with rehabilitation programs to raise home values and make new home construction feasible for contractors.

**Community Amenities.** Some characteristics of the community are out of the city's control. For example, the presence of a school has profound impacts on a family's decision to live in a community. However, the city needs to invest in marketing existing community attractions to continue recent in-migration trends.

### Lake City Reinvestment and Development Influencers

Affordability Gauge:



- » Median Income: \$41,350
- » Median Home Value: \$70,700
- » Median Contract Rent: \$378

Housing Demand Forecast

- » 2025: 17 total units

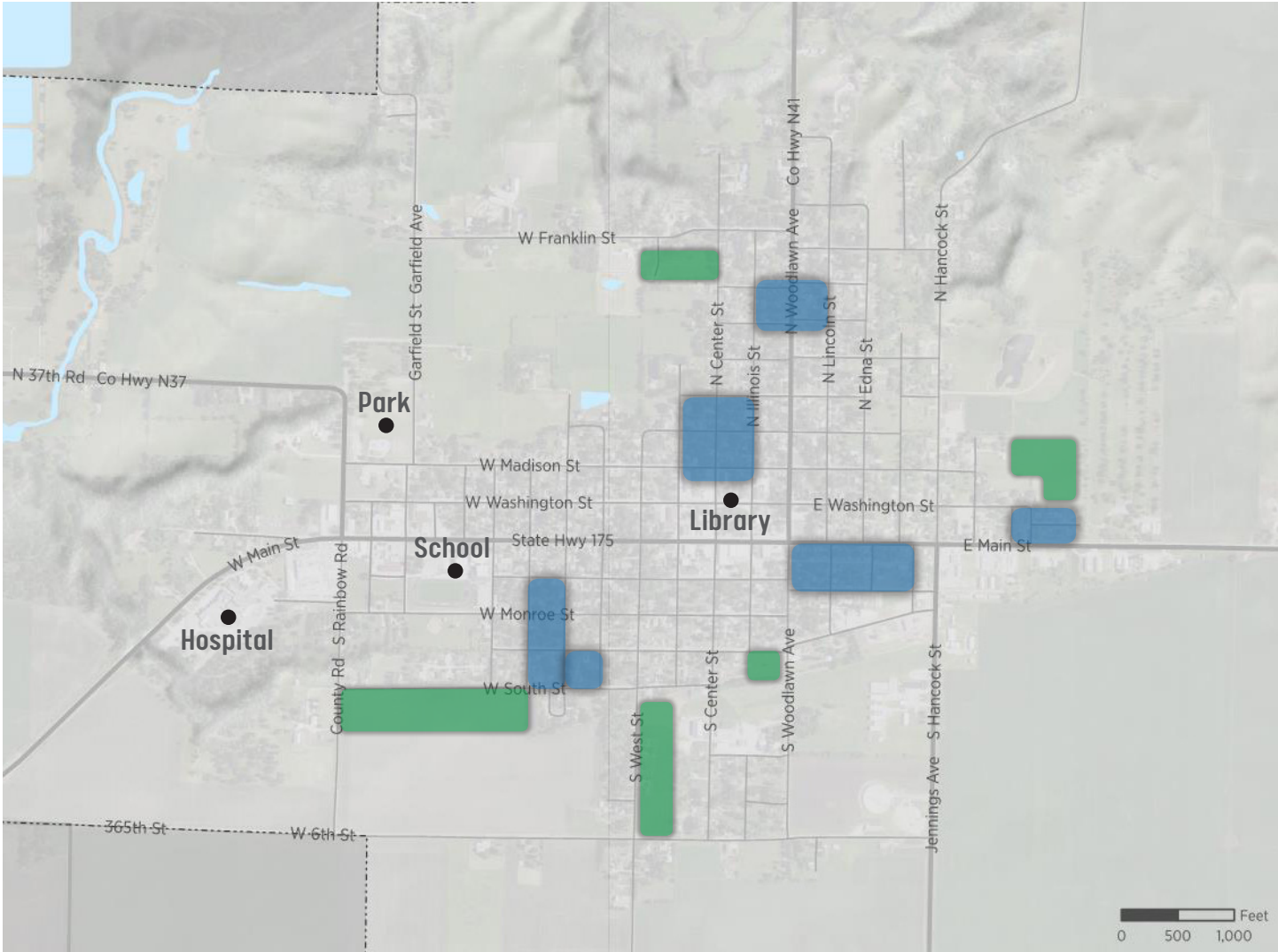
Affordability Balance:

- » Lake City has a gap in units available that households with \$49,999 or more in annual income can afford, but not as much at new construction levels.





Figure 4.5: Lake City Policy Areas



-  New Development
-  Conservation & Stabilization
-  Rehabilitation & Infill
-  City Limits

## MANSON

Manson has a solid housing stock of quality homes. A clear pride exists in the community for property upkeep and maintenance. Homes are primarily single-family ranch style and few noticeable signs of unkept lawns or outdoors storage. Manson includes some variety in multi-family housing. The strength of Manson lies in the number of community amenities and proximity to Fort Dodge.

### Targeted Conservation and Stabilization Areas

**Targeted Rehabilitation.** Like Lake City, there are a few areas in Manson where the housing stock is starting to show its age. These areas are appropriate for home repair programs that assist and stimulate homeowners to undertake needed maintenance such as roofing and siding.

**Redevelopment/Demolition.** Manson does not have a significant redevelopment or demolition need. Efforts and policies should work to prevent existing homes from reaching a state of dilapidation.

**Infill Development.** Infill development must be a strategy in Manson because of water utility limitations imposed by the DNR. There is one well source for the community that limits the number of new water meters. Vacant lots are limited, but scattered throughout the community where infrastructure is already in place. This issue also makes the need for efficient use of land essential to the future growth of the city.

### Development Opportunities

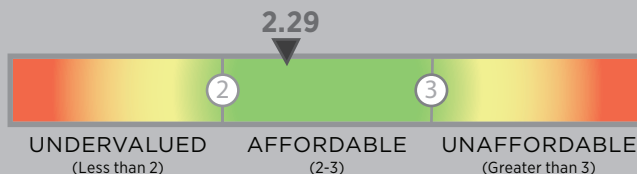
**Bedroom Community.** Manson is seen as an easy commute to Fort Dodge and many people make this drive every day. The quality school district and cost of living make Manson a consideration for new employees to the region, however a variety of affordable housing types has to be available to this market.

**New Housing Development.** As opposed to other communities in Calhoun County, homes in Manson are valued higher and the market would likely support new home development with fewer incentives. Policies need to focus on attracting contractors and developers, or revisiting past partnerships with the school to construct or renovate homes. Areas for development can expand recent lot development on the northeast and logical street extensions to the west and south.

**Rental Demand.** All communities in the county are in need of quality and affordable rental options. However, the higher housing costs in Manson create an additional strain on lower income households to afford down payments for home ownership. Teachers are one example of local employees that commute from Fort Dodge where more rental options are available. A small number of duplexes or townhomes could be all that is needed to fill the need in Manson.

### Manson Reinvestment and Development Influencers

Affordability Gauge:



- » Median Income: \$37,763
- » Median Home Value: \$86,400
- » Median Contract Rent: \$426

Housing Demand Forecast

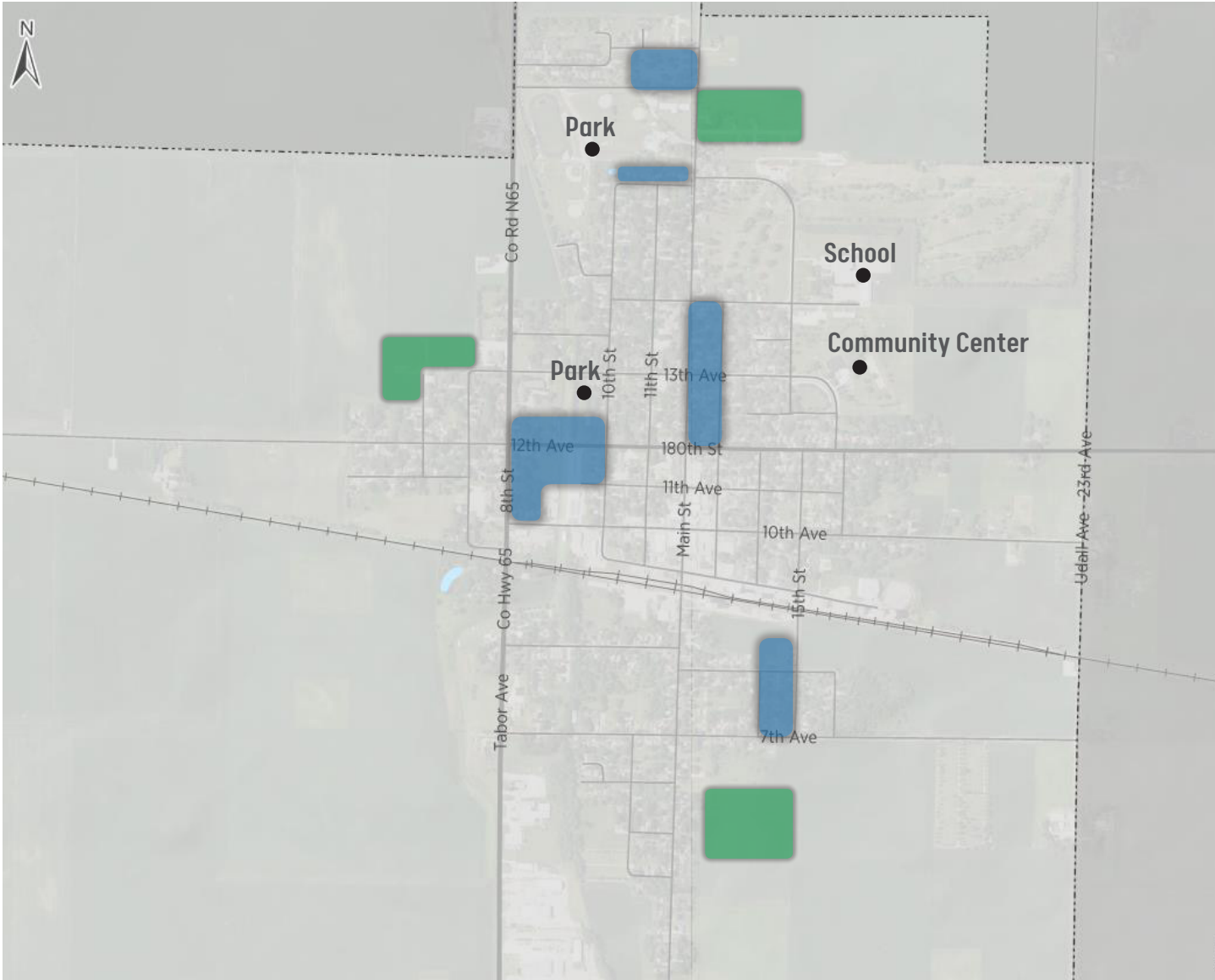
- » 2025: 17 total units

Affordability Balance:

- » Manson has a gap in units available that households with \$49,999 or more in annual income can afford, and a gap for households with less than \$25,000 in annual income.



Figure 4.6: Manson Policy Areas



-  New Development
-  Conservation & Stabilization
-  Rehabilitation & Infill
-  City Limits

## POMEROY

Homes are in fair condition in Pomeroy with many visible vacancies. Several properties have nuisance issues beyond housing conditions for yard maintenance and storage. Home values are more suppressed in Pomeroy than other communities which makes new construction more difficult for developers without incentives. Preservation of the existing housing stock should be the primary strategy for housing needs in the future.

### Targeted Conservation and Stabilization Areas

**Targeted Rehabilitation.** Census estimates indicate home values at four to five times below new construction costs. These low values make it very difficult to invest in new construction. This situation means that housing rehabilitation and strengthening the value of existing housing is an essential first step to encouraging new development. There are a number of houses that require attention ranging from minor to major reinvestment. A targeted rehabilitation program would repair/stabilize participating homes throughout the community.

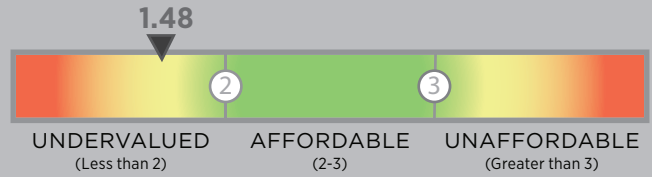
**Redevelopment/Demolition.** Pomeroy has a good number of vacant lots that are suitable for development. When these are adjacent to dilapidated structures an opportunity exists for targeted redevelopment.

### Development Opportunities

Pomeroy should not act alone to create financial incentives or assistance to attract development of new homes or subdivisions in areas that are not already served by utilities and infrastructure. These incentives are more feasible for small communities at a county or regional scale when costs can be shared through multiple partnerships. Of course, the city should be supportive if a property owner proposes to construct a new home. New homes should be adjacent to existing development where streets and utilities can be extended at lower costs.

### Pomeroy Reinvestment and Development Influencers

Affordability Gauge:



- » Median Income: \$35,000
- » Median Home Value: \$51,900
- » Median Contract Rent: \$400

Housing Demand Forecast

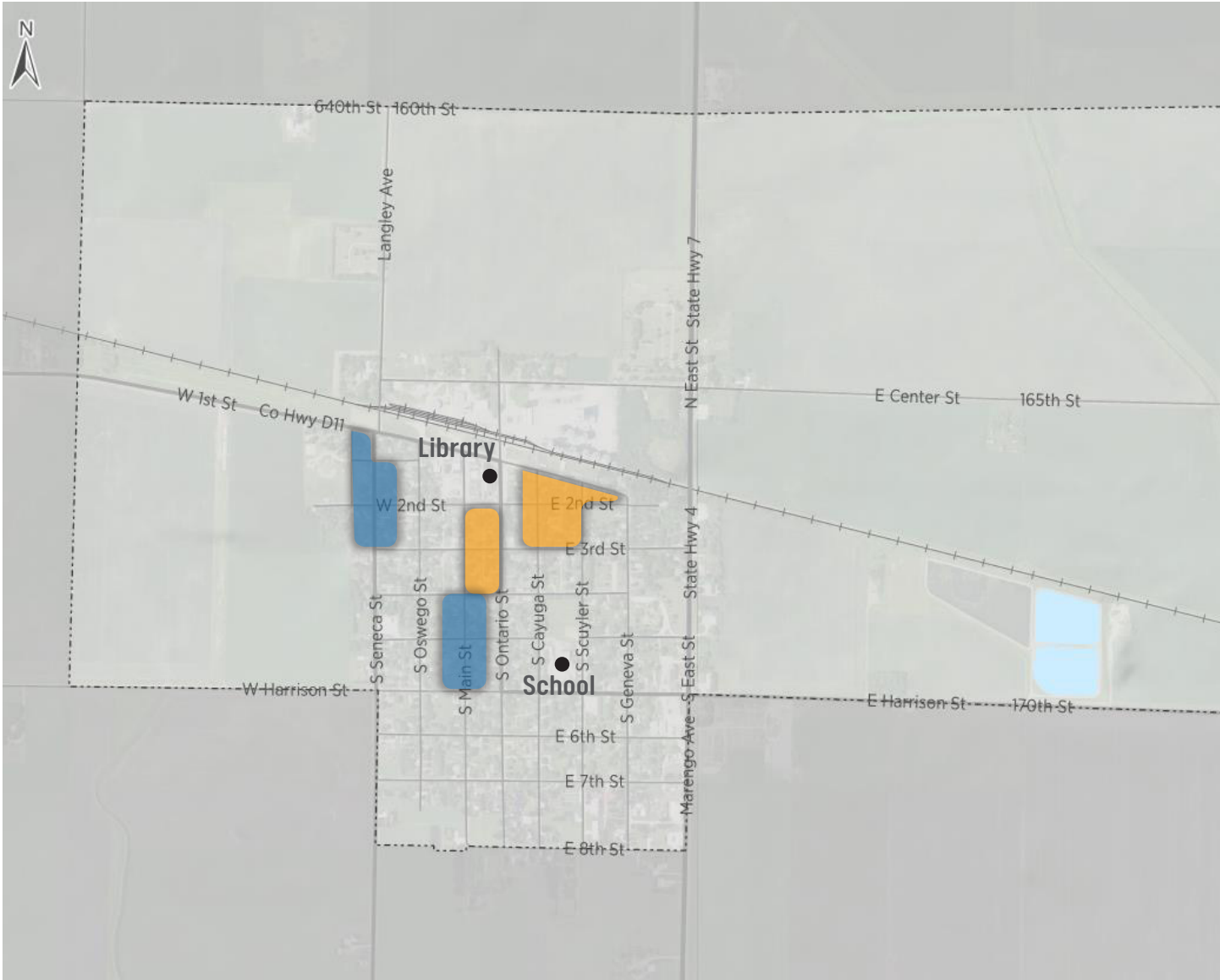
- » 2025: 6 total units

Affordability Balance:

- » Pomeroy has a gap in units available that households with \$49,999 or more in annual income can afford.



Figure 4.7: Pomeroy Policy Areas



-  New Development
-  Conservation & Stabilization
-  Rehabilitation & Infill
-  City Limits

## FARNHAMVILLE

Farnhamville contains almost all single-family dwellings that are in good condition with few noticeable property nuisances. Like many small communities, the town functions like a neighborhood with residents knowing their neighbors. A well-kept park is the center attraction in the community. Housing conservation should be a top priority for Farnhamville.

### Targeted Conservation and Stabilization Areas

**Targeted Rehabilitation.** Farnhamville is an attractive community for people working in the region, but experiences depressed home values similar to Pomeroy. Grants provided by MIDAS have been used with success in the community to maintain the housing stock over new construction. Home repair programs should continue to be an option available to homeowners to assist and stimulate needed maintenance such as roofing and siding.

**Redevelopment/Demolition.** Farnhamville does not have a significant redevelopment or demolition need. Efforts and policies should work to prevent existing homes from reaching a state of dilapidation.

### Development Opportunities

Farnhamville should not act alone to create financial incentives or assistance to attract development of new homes or subdivisions in areas that are not already served by utilities and infrastructure. These incentives are more feasible for small communities at a county or regional scale when costs can be shared through multiple partnerships. Of course, the city should be supportive if a property owner proposes to construct a new home. New homes should be adjacent to existing development where streets and utilities can be extended at lower costs.

### Farnhamville Reinvestment and Development Influencers

Affordability Gauge:

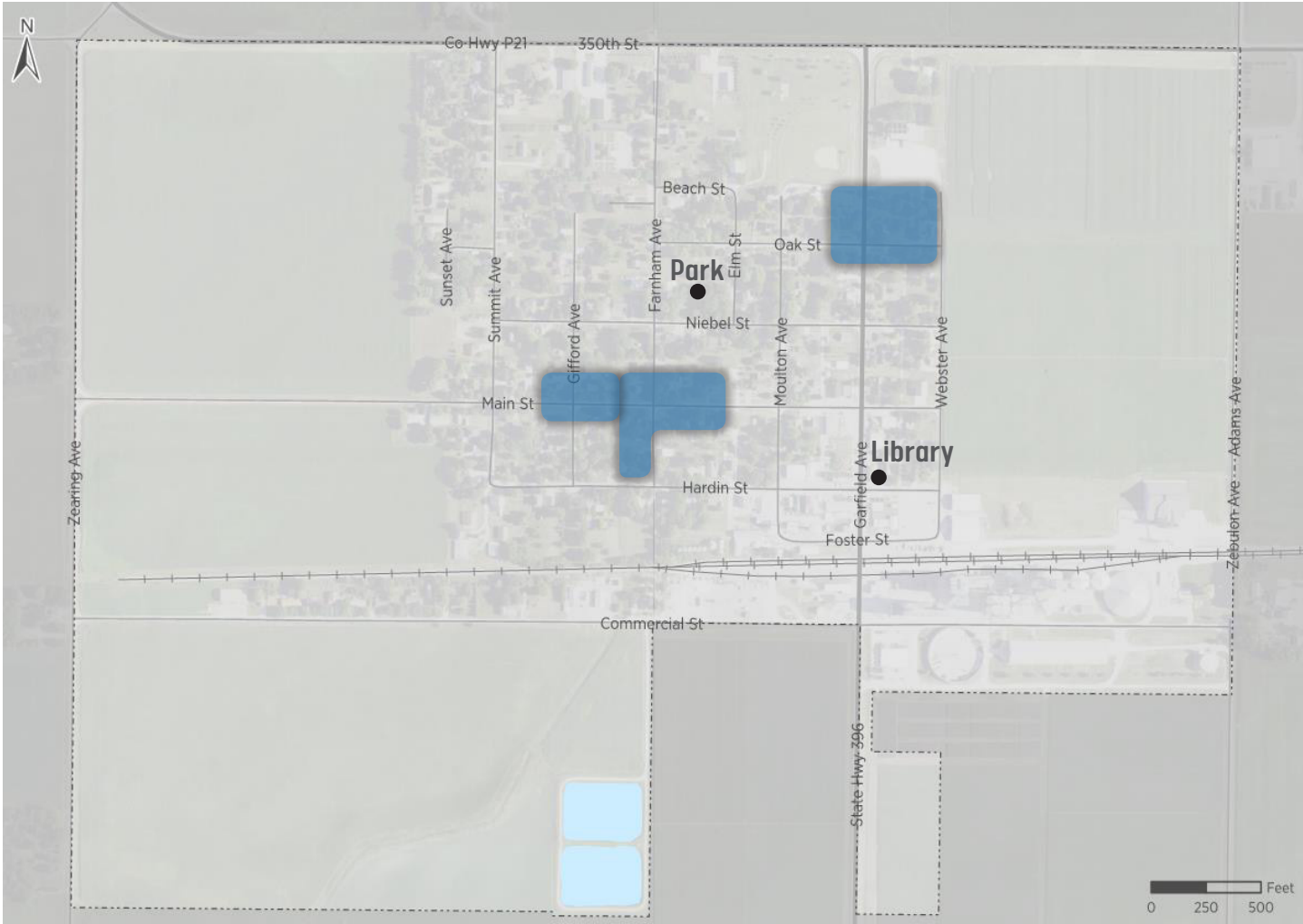


- » Median Income: \$39,125\*
- » Median Home Value: \$52,800\*
- » Median Contract Rent: \$367\*

\*Estimate. The accuracy of Census estimates for small communities should be used with caution.



Figure 4.8: Farnhamville Policy Areas



-  New Development
-  Conservation & Stabilization
-  Rehabilitation & Infill
-  City Limits

## LOHRVILLE

Lohrville has a fair overall housing stock with a limited supply of housing options. There is pressure in the community for more quality rentals. There are currently two multi-family buildings in the community. The city has not historically pursued housing programs but has five homes in 2018 using CDBG funding to do home repairs. The city's extremely low valuations make these types of improvements very important.

### Targeted Conservation and Stabilization Areas

**Targeted Rehabilitation.** Some areas in Lohrville are fair to poor housing conditions. These areas are targets for conservation or rehabilitation programs to retain affordable housing for future generations. Programs to assist property owners with investments could be explored.

**Redevelopment/Demolition.** There is not a significant need for demolition in Lohrville. Demolition should be pursued only if there are no other options for investment in rehabilitation.

### Development Opportunities

Lohrville should not act alone to create financial incentives or assistance to attract development of new homes or subdivisions in areas that are not already served by utilities and infrastructure. These incentives are more feasible for small communities at a county or regional scale when costs can be shared through multiple partnerships. Of course, the city should be supportive if a property owner proposes to construct a new home. New homes should be adjacent to existing development where streets and utilities can be extended at lower costs.

### Lohrville Reinvestment and Development Influencers

Affordability Gauge:



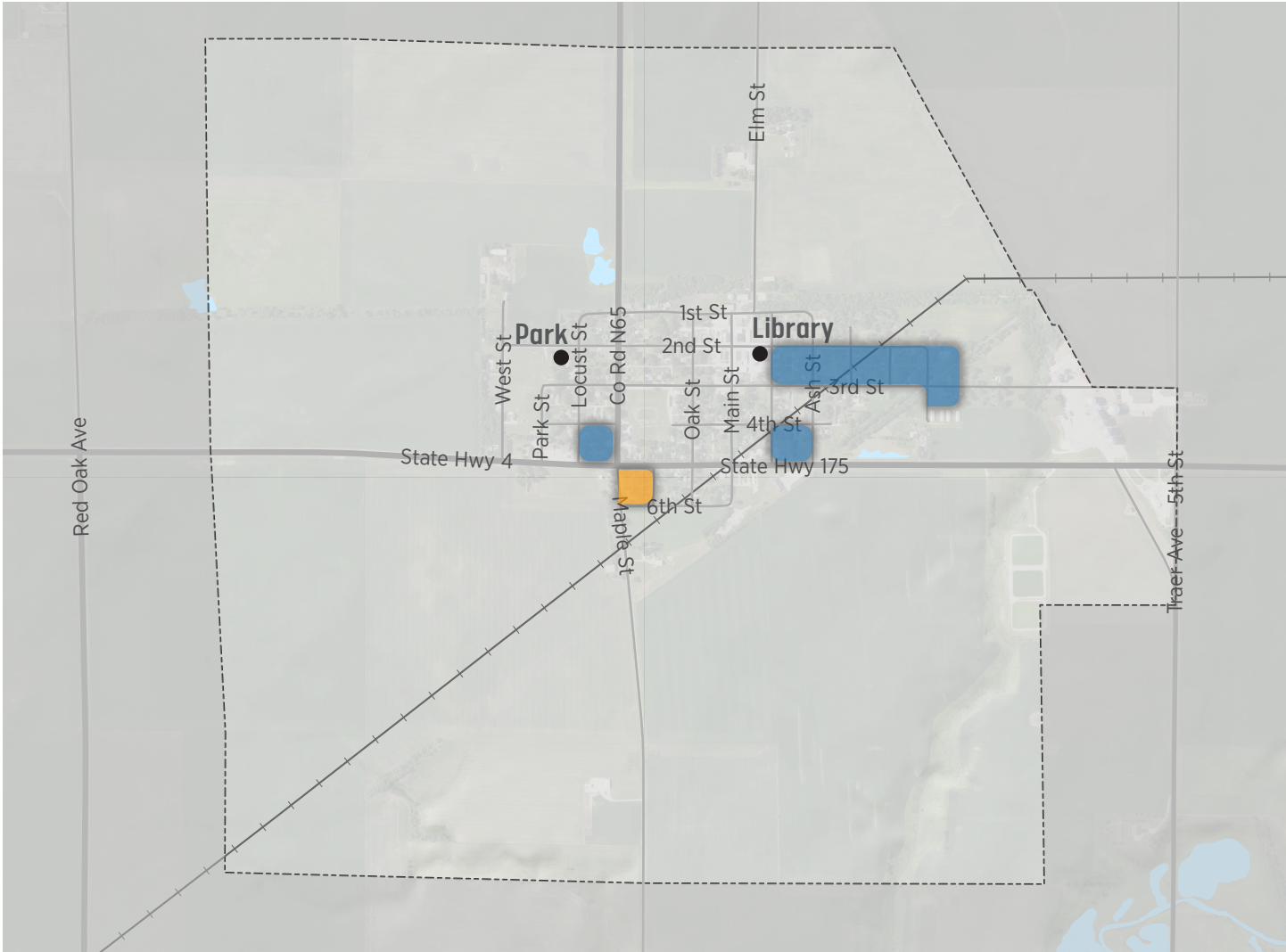
- » Median Income: \$45,833\*
- » Median Home Value: \$37,500\*
- » Median Contract Rent: \$358\*

\*Estimate. The accuracy of Census estimates for small communities should be used with caution.





Figure 4.9: Lohrville Policy Areas



-  New Development
-  Conservation & Stabilization
-  Rehabilitation & Infill
-  City Limits

## SOMERS

Somers has a good housing stock. There are scattered vacant lots in the community that several adjacent property owners acquired for personal use.

### Targeted Conservation and Stabilization Areas

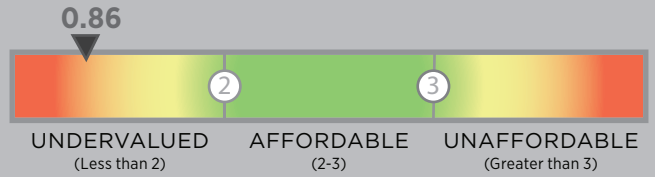
**Targeted Rehabilitation.** The northeast blocks are the most in need of maintenance and minor repair work. These areas are targets for conservation or rehabilitation programs to retain affordable housing for future generations. Programs to assist property owners with investments could be explored.

### Development Opportunities

Somers should not act alone to create financial incentives or assistance to attract development of new homes or subdivisions in areas that are not already served by utilities and infrastructure. These incentives are more feasible for small communities at a county or regional scale when costs can be shared through multiple partnerships. Of course, the city should be supportive if a property owner proposes to construct a new home. New homes should be adjacent to existing development where streets and utilities can be extended at lower costs.

### Somers Reinvestment and Development Influencers

Affordability Gauge:

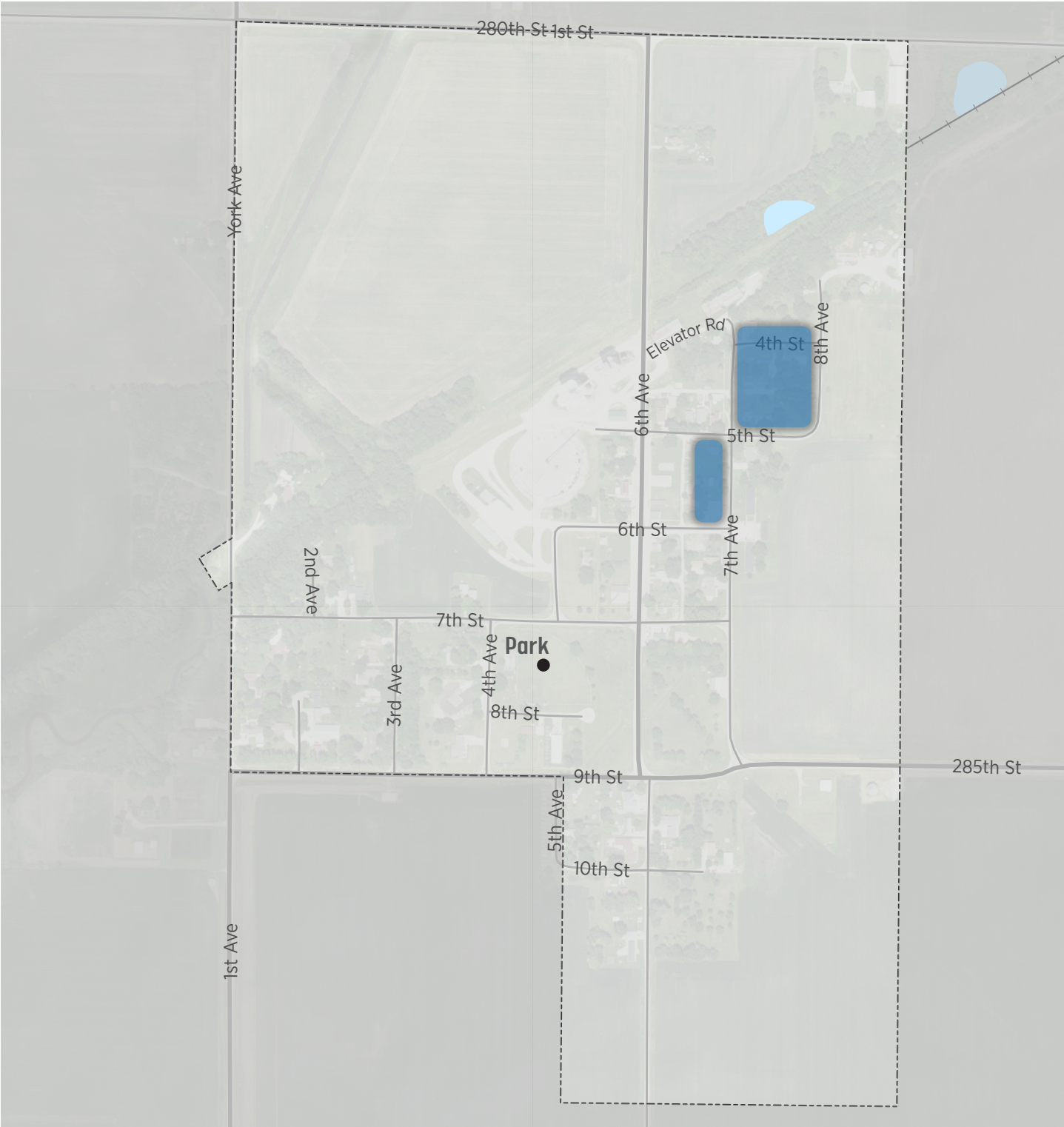


- » Median Income: \$54,375\*
- » Median Home Value: \$46,800\*
- » Median Contract Rent: \$754\*

\*Estimate. The accuracy of Census estimates for small communities should be used with caution.



Figure 4.9: Somers Policy Areas



-  New Development
-  Conservation & Stabilization
-  Rehabilitation & Infill
-  City Limits

## REMAINING COMMUNITIES: SOMERS, KNIERIM, RINARD, JOLLEY, & YETTER

The communities of Knierim, Rinard, Jolley, and Yetter all have less than 100 people and less than forty housing units. Home conditions vary by community and existing infrastructure could not support significant new housing development in the future. Strategies should focus on maintaining the existing housing stock.

**Knierim.** Most homes are in good condition with some investment needed on the southwest blocks of the community.

**Rinard.** Most homes are in fair condition. Reinvestment is needed to prevent homes from advancing to poor condition.

**Jolley.** Jolley has a significant number of dilapidated homes in need of major rehabilitation or demolition. It is imperative to ensure no more homes deteriorate to this point. Demolition eliminates an affordable unit from the market.

**Yetter.** There is a significant difference in home conditions in Yetter. Similar to Jolley, it is imperative to ensure no more homes deteriorate to the point of demolition. Demolition eliminates an affordable unit from the market.

### Development Opportunities

These communities should not act alone to create financial incentives or assistance to attract development of new homes or subdivisions in areas that are not already served by utilities and infrastructure. These incentives are more feasible for small communities at a county or regional scale when costs can be shared through multiple partnerships. Of course, the city should be supportive if a property owner proposes to construct a new home. New homes should be adjacent to existing development where streets and utilities can be extended at lower costs.

Figure 4.10: Knierim Housing Conditions



Figure 4.11: Rinard Housing Conditions



Figure 4.12: Jolley Housing Conditions



Figure 4.13: Yetter Housing Conditions





CHAPTER 5

# STRATEGIC DIRECTIONS

## STRATEGIC DIRECTIONS FORWARD

The community engagement process, information, analysis, and inventory presented in the previous chapters indicates several key issues and opportunities that face Calhoun County as it considers its capacity to meet housing needs during the next ten to 15 years. The conclusions in this section summarize the issues and opportunities that will drive the county's housing goals and priorities. The following chapter will provide the policy framework and program directions for addressing these priorities.

## RESOURCES AND ASSETS

Like many places, the communities in Calhoun County can become overwhelmed by the difficulty of the housing challenges they face. However, Calhoun County's communities have taken many positive steps and have key resources and assets with which to build a successful housing program. These include:

### Proximity to metro activity centers

Many residents of Calhoun County commute to nearby employment centers like Fort Dodge. There may be ample housing opportunities in Fort Dodge, but these households choose to live in communities like Manson and Rockwell City instead. Many people who move to rural Iowa communities are those who grew up in the community and come back looking for a lower cost of living, or simply to enjoy the slower pace of smaller communities. This bodes well for these communities to grow as bedroom communities for families.



### Strong employment opportunities

A strong job market promotes growth through increased employment opportunities, increased property tax base, and generally stable wages. Households will seek to live close to these jobs. Calhoun County has a low unemployment rate and close proximity to many regional employment opportunities. The increasing ability for people to work from home and the future potential of autonomous vehicles will also benefit Calhoun County, where costs of living are lower.



However, job growth does not guarantee population growth. If housing is unavailable or is low-quality, households will choose to live elsewhere. The employee pool for the skilled trades is decreasing, and unless this trend changes, communities will compete for these workers. Housing is important in this competition.

### Respected schools and high quality of life

Many communities in Calhoun County exhibit similar characteristics to other Iowa communities. Small town pride, annual community festivals and events, local school district loyalty, and general Iowa hospitality are qualities that attract people to live in rural Iowa. The perception of a strong school system with a high level of individualized attention is appealing to many young families.



### Demonstration Projects

Some of the larger communities in Calhoun County had successful housing projects in recent years that show housing demand in the region. The incentives and partnerships used to create these projects are models to build on when developing region-wide housing programs. Demonstration projects could also expand through incentives that target unique housing types such as townhomes, duplexes, or apartments.



### Housing stock condition

While the smallest communities have lower housing conditions, overall, communities boast a stable, quality housing stock with only a few targeted areas in need of demolition or major redevelopment. With most homes constructed before 1960, it is apparent that homes have been reinvested in over time. Housing availability and housing quality go hand in hand. One deteriorated house can influence neighborhood image and perceived safety. As construction costs continue to rise, the existing housing stock needs to remain an affordable option for middle and lower income households. One home demolished is one affordable unit lost.



### Collaborative Partners

The advancement of this housing study was due in part to many people recognizing a housing need spanning several counties. More importantly, these organizations and people collaborated to take action for the future of their counties and communities. Partnerships are a key first step to address housing issues in the region. The communication already happening between all stakeholders is promising for implementing the housing strategies identified in this plan.

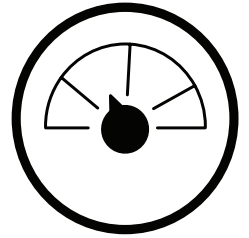


## CHALLENGES AND ISSUES

As unveiled in the market analysis, Calhoun County will continue to see an aging population and struggle to maintain populations without a plan to capture growth of regional employees, which includes providing adequate housing options.

### Low rental condition, options, construction

Under six units annually were constructed in Calhoun County communities since 2008. This period of time saw significant changes in the housing market, both on a state and national level. Tighter underwriting standards and down payment requirements increased rental demands, especially for younger households. In several communities, landlords are buying lower quality single-family homes for the purpose of renting. Single-family home rental does meet some demand, but there is little incentive for a landlord to improve these properties, which even with major improvements can often not demand significantly higher rents, leaving these units in a state of either disrepair or band-aided repairs. Communities are now beginning to see some demand from the children of Baby Boomers, a generation larger than their parents'. This large generation stays in rentals longer, whether that is due to lending requirements, greater college loan debt, or uncertainty in how long they will stay in the community. Despite this demand, they are finding few quality options that meet their needs, and communities have few builders/owners familiar with the multi-family market.



### Lack of housing variety

Single-family owner-occupied homes dominate the housing market, indicated in both the market analysis and community survey. While appealing to families, young professionals and seniors often need other options such as homes for rent, apartments, townhomes, or condominiums. These types of housing units do not require saving for a down payment and offer fewer maintenance requirements.



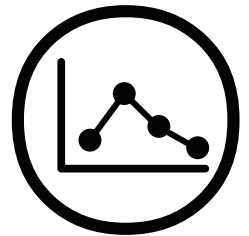
### Undervalued housing market

Other than Manson, housing is undervalued. Undervaluation may seem nice to potential homeowners, but the situation causes challenges. It most notably stifles new home construction. In an undervalued market, a developer knows a newly constructed home will appraise at a price lower than what it cost to build. The selling price has to be lower and limited or no profits are made. Secondly, it becomes more difficult to return a profit on house flipping. Homeowners/house flippers must evaluate which improvements will increase value more than the costs of input materials and labor.



### Population stability

The ability to attract and retain a new generation of families is crucial to maintain population level amidst an aging population. Communities that reinvest in their streets, parks, trails, infrastructure, and public spaces not only create a desirable place to live for regional employees, but also can spur residents to take pride and reinvest in their properties. Investments include maintaining quality neighborhoods through code enforcement and nuisance abatement to add value and make the community more appealing to potential residents.



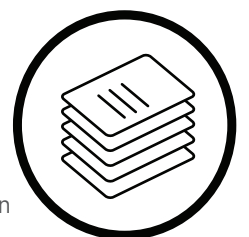
### Limited rehabilitation contractors

Contractors and the skilled trades are in low supply across the country. Most contractors working in the county do not have the capacity to do major rehabilitation or new construction on more than a few homes a year. While the challenges and risks of new construction are higher, rehab of existing homes typically has less risk. Rehab is essential to keep affordable units in the market.



### Outdated regulations and perceptions

Development regulations are known to have a large impact on housing affordability and supply if not properly adapted to the community. For example, requiring large setbacks on small infill lots that are typical of a suburban context limit the feasible amount of space needed to build a house. Communities need to think about what is appropriate for the neighborhood and change the perception that zoning codes are inflexible documents that cannot be changed. Zoning can also play a role in encouraging housing variety. For example, providing more flexibility in regulations for accessory dwelling units or tiny homes. City policy for subdivision and new lot development also should reflect best practices for fiscally sound growth. This means building adjacent to existing development and limiting lot sizes in developments where public incentives are granted. Cities will not see the return on investment on large lot development for much longer and fewer lots are provided from the investment.



## STRATEGIC DIRECTIONS

As Calhoun County looks ahead to the next decade, it appears that population decline will continue. An aging population and not enough in-migration of new residents will precipitate this decline. However, stakeholders indicate a willingness to commute and desire to live in Calhoun County communities. Market data shows a strong regional economy with projected increases in regional job growth. Calhoun County can take steps to counter declining population to a stable population both directly and indirectly through housing policy.

A strong future depends on the ability to capture regional employees as residents. For this to happen, analysis of both the current assets and issues suggest the need for a housing and community development strategy for Calhoun County that targets several goals (not intended as a high to low priority list):

- Find ways to share risk (a cascading goal)
- Increase housing variety
  - › Increase rental quality and supply
  - › Create options for seniors
- Fill gaps created by an undervalued market
- Invest in the existing housing stock
- Leverage existing lots and infrastructure
- Eliminate unnecessary regulatory barriers
- Offer desirable communities for all age groups

The County's existing resources and assets listed in the previous section will be essential when developing the housing strategy for each goal, as well as attracting contractors to do the work. The column to the right discusses the long-term benefits of regional workforce development programs.

Several case study examples are provided throughout this chapter. The authors recognize that some of the examples represent much larger cities than present in the county. However, any of the examples presented can be a model scaled to the regional, county, or community level. The issues each example addresses are similar to the challenges facing Calhoun County.

### A Note on Workforce Development:

Retiring baby boomers and decreasing interest by young people in the skilled trades warrants public sector action for the labor supply to meet housing demand. A workforce development program can market the career satisfaction and economic rewards that the construction industry offers young people. Partners in the program may include:

- Area Community Colleges. Community Colleges offer a variety of programs for students to gain experience and complete hands on projects in the building trades. The ability to retain these students in the region after graduation can be achieved by developing internships while they are in school and creating communities with the desirable amenities younger populations desire.
- Area School Districts. Many school districts over the years have moved away from traditional building trade classes and focused more on college preparation. With the demand for skilled trades people, this trend should shift but will need support from the broader community. Working with the school districts, programs should be put in place that include architecture and drawing, focuses on English/communication and math learning, construction skills, and business education.
- The Building Community. Through internship programs, students can learn first-hand experience. An introduction session may need to be developed that prepares students for their internships to create an asset to the builders rather than a burden.
- Cities, County, and Private Sector. Through risk sharing, resources, funding, and internships, all of these groups should play a role in expanding the area's workforce.

## GOAL: FIND WAYS TO SHARE RISK

Sharing the risk of housing development is an overarching goal in the strategic program for the county. The success of many other goals depend on the ability for multiple entities to collaborate and reduce the risk for developers to undertake housing projects.

### Why?

Housing supply and housing rehabilitation will not occur at a significant scale without the ability for the developer or contractor to make a profit. It is not the fault of the developer, as any business seeks this goal. The risks associated with housing development in the county more often show a loss. Some risk factors include low appraisal values; rising material and labor costs; soft costs such as fees, regulatory timelines, insurance, and contracting services; state and federal regulations; and uncertainty in approval procedures. Pre-development planning and set-up is the riskiest part of development and where financing can be the most difficult.

### Assets to Leverage

Demonstration Projects; Collaborative Partners

### Strategies

Strategies for sharing risk must include a variety of partners depending on the objective. Entities can include cities, financial institutions, economic development agencies, and even employers to find new ways to address gaps in the private market.

**Funding Pools.** Financing tools are a necessary element in all strategic directions. Creative approaches to financing should continually be explored. Tools explained in this chapter include lending consortium's, TIF, monitoring state/federal programs, and housing trust funds (described on the right). The Mid-Iowa Development Association Council of Governments (MIDAS) already provides a housing revolving loan fund, in addition to grant writing assistance (<http://www.midascog.net/services/regional-initiatives/rlf/housing>).

**Partnerships.** Partnership can provide project development, financing, and marketing capabilities using the tools and methods identified in this chapter. Partnerships can include any stakeholder interested in housing, and must extend beyond traditional partnerships. For example, employers should be involved to understand what their employees need and desire.

**Incentives.** Incentives are methods to stimulate an action by developers or homeowners. Several examples are described in this chapter. Incentives also need to consider that population stability will stem from regional employment growth. For example, employers (**including school districts**) could provide incentives for employees to live in the community that include signing bonuses, rent assistance, or down payment assistance.

## SUCCESSSES

### Webster City, Iowa: Subdivision Development

Needing home-sites and faced with a lack of interested or capable developers, Webster City developed the highly successful Brewer Creek Estates subdivision as a city project. The existing lots are almost fully built out and the city is looking to expand the development.



### A Note on Housing Trust Funds:

A housing trust fund provides a source of seed capital which can include the banking community, unconstrained by program regulations, for a community/county to use for the purpose of developing needed housing types. Housing trust funds may be able to expand programs to meet specific needs within the region with additional, targeted funding from county sources.

The popularity of trust funds can be attributed to their flexibility. These dollars could be used to support construction of new entry level housing, rehabilitation of existing housing, or development of new rental housing. Trust funds can be funded in several ways, including dedication of a specific share of local option sales tax, fees, local revenue bond issues, or grants and charitable contributions. Through charitable contributions to a trust fund, the county's employers could play a vital role in housing quality and choice.

## GOAL: INCREASE HOUSING VARIETY

### Why?

A variety of housing types directly addresses housing demand by a diverse demographic. The type of housing a household looks for is directly correlated to their stage of life. Diversifying the housing stock also addresses housing demand indirectly by encouraging movement in the housing market and freeing up homes like those lived in by seniors who want to downsize out of 3-4 bedroom single-family homes.

### Assets to Leverage

Proximity to Job Centers; Strong Employment Opportunities; Demonstration Projects; Collaborative Partners

### Strategies

Housing variety should bring more rentals and housing appealing to retirees to the market. Additionally, rental housing must serve all income levels - right now the majority of units serve middle to lower incomes. This also means quality and cost should match.

Strategies should target:

- New rentals along with improvements to existing rental stock
- Lessening rental housing dependence on low value single-family home conversions
- Retiree housing can be one of the simplest ways to free up housing stock in a community.
  - › A community should allow a resident to transition through several homes in accordance with their lifecycle – from an affordable rental, to a family home, and eventually to a downsize option for their empty-nester years.

Strategies may involve:

**Establish a not-for-profit developer.** A not-for-profit can leverage funding and take greater risk on new housing products because they only need to cover their costs and operations. This entity does not have to be a new organization but could be a subset of an existing organization, including economic development groups and even churches.

**Establish a demonstration project in one community.** A demonstration project should only be pursued or incentivised if the community is confident in long-term success. Success includes an appropriate scale, location, and design. Demonstrations should not sacrifice quality for getting a project done. A low quality project does not add long-term value to the community and may actually deter future investment if the project deteriorates or obtains a bad reputation. Success also means financial success. The community must consider the long term consequences to a community's infrastructure.

## SUCCESSSES

### Phase 2 Program, Sioux City, Iowa

The Sioux City Phase 2 Program is designed to preserve and improve properties currently tagged as uninhabitable. The program does so by providing funds to new owners to bring the property into compliance with applicable building codes and standards. Applicants are required to be a new owner of the property or a developer who intends to repair and sell the home.

Currently the program provides up to \$40,000 per home, as a forgivable loan forgiven over ten years. Owners must address the building code deficiencies first and then can use the remainder of the funds for additional exterior and interior improvements.

A main reason the City Council adopted the program was to repair rather than demolish units. Funding for Phase2 comes from City general funds, money that was previously budgeted for annual demolition of tagged homes not brought into compliance.

<https://www.sioux-city.org/home/showdocument?id=3644>



Credit: City of Sioux City

*Leverage is the ability of program dollars to generate private investment in response*

## GOAL: FILL GAPS IN UNDERVALUED MARKETS

### Why?

Undervaluation is an issue for both the owner and rental market.

- Owner: homes can't be appraised at cost

Single-family development and reinvestment relies heavily on homeowners planning to live in the home for a long-time.

- Rental: low rental rates cannot support new construction.

Without elevating overall values developers will not undertake rental projects. They need demonstration that higher rents can be absorbed.

### Assets to Leverage

Demonstration Projects; Quality Housing Stock; Collaborative Partners

### Strategies

Strategies need to be specific to the type of housing targeted for a specific site or community need. Strategies for owner and rental properties may involve:

**Bringing down the initial costs of development.** Some of the first costs, and barriers, to development is Infrastructure and lots. There are models of many communities that pay for a portion or provide full infrastructure (streets, water, sewer, etc) to service new lots. Some communities also undertake platting and rezoning procedures. Funding mechanisms include TIF, state/federal programs, a lending consortium (discussed below), general funds, or a combination of several sources.

**A not-for-profit developer that can leverage funding sources.** Similar to strategies for increasing housing variety, a not-for-profit can leverage funding and take greater risk on bearing initial costs for lot and infrastructure development.

**Gap financing through lending consortium's.** A lenders consortium is a cooperative venture among lending institutions active in the area market to spread individual risk. In addition, these cooperative ventures can attract the support of other agencies such as the Iowa Finance Authority (IFA), the Federal Home Loan Bank, and the Iowa Economic Development Authority. This type of financing program is designed for maximum leverage, shared risk, and quick turnover rather than long-term financing.

**Securing the lowest value homes.** Calhoun County has a number of very low value homes that often are acquired as investment properties and remain on the market as substandard rentals. These homes should be secured by a not-for-profit entity that can either invest in property or work with the city on demolition. This ensures either a quality affordable home or viable infill lot. A not-for-profit, land trust, or land bank are feasible entities to be the agent for acquisitions. This type of strategy should both improve the existing unit but also create greater security for surrounding properties.

Specifically for rental occupancy this may involve:

**Demonstration Project.** Many communities lack properties that were originally developed as apartments, duplexes, multiplexes, or townhomes. Almost no community has had one of these projects built in the last ten years. However, the market analysis and discussions indicate that some higher rents can likely be supported. The market just needs to be proven. A public entity can take the lead on sharing risk for a new project. Again, similar to strategies for increasing housing variety, the demonstration needs to be high quality and appropriately sized.

## SUCCESSES

### Omaha 100 Incorporated Omaha, Nebraska (Lending Consortium)

Omaha 100 was incorporated to provide homeownership opportunities enabling low and moderate income borrowers to own their own home. The group provides affordable mortgage loans, grant underwriting, and down payment assistance services.

Omaha 100, Inc., works with a consortium of lenders to provide lower interest rates on home loan products, down payment assistance, and city second mortgages to make homeownership affordable. Clients must complete a home-buyer education course.

More information can be found at: [www.omaha100.org](http://www.omaha100.org)

### A Note on Lending Consortium's:

A lending consortium is an ideal instrument to:

- Provide short-term financing or "patient financing" for builders and contractors in the community, and to provide interim financing for projects developed by the housing partnership, cities, or even the county.
- Fill gap financing needs that arise when the cost of construction is more than the finished value of the home. This often occurs when developers are tasked with building more affordable housing options or housing not tested in a local market.
- Offer down payment assistance for new homeowners, like programs offered by MIDAS. A major hurdle for many young or lower income households looking to buy includes saving enough money to make a down payment even though these households may not meet federal criteria to be considered low income. Assistance in the form of grants or forgivable loans help these households get into housing ownership and begin to build equity in the market.

## GOAL: INVEST IN THE EXISTING HOUSING STOCK

### Why?

The existing housing stock is any community's single greatest asset. Each existing home will forever be an affordable housing unit that cannot be generated by new construction. Qualitatively, existing homes give character to each community that residents know well and can attract new residents who seek the character of well-established neighborhoods.

### Assets to Leverage

Strong Employment Opportunities; Strong Existing Housing Stock; Collaborative Partners

### Strategies

Overall the county has a housing stock in good condition, but there is a demand for updated and move-in ready homes due in part to a lack of contractors who can do the work. The rehabilitation of homes is essential to providing quality entry level housing in any community and continual maintenance and rehabilitation is a high priority.

Strategies may involve:

**Property maintenance codes and enforcement.** Property maintenance codes received high support in the community survey. People understand that poor property maintenance often leads to dilapidated homes and a decrease in surrounding property values. Communities should share resources on developing necessary codes and funding staff to enforce these codes across the county.

**Training of next generation contractors.** There is a nationwide deficit in skilled trades people. The long-term solution is to develop innovative workforce development approaches to train new workers.

**Energy programs and emergency repair programs.** The two main challenges with older, existing homes includes energy efficiency and regular repair needs. Inefficient homes can easily become unaffordable if the homeowner faces high utility bills. Additionally, older homes are subject to more sudden repair needs when systems reach the end of their life. Programs that provide assistance, in funding or labor, can reduce homeowner burden, maintain affordability, and retain an existing housing unit in the long term.

**Rehab programs for both owner and renter.** Homes and rentals beyond emergency repair will require significant funds to prevent dilapidation. Rehabilitation programs can bridge the gap for owners by providing financial assistance for certain major repairs for low income households. Any program should be paired with a structural assessment to prevent repairs that are merely cosmetic and don't fix underlying problems such as foundation crumbling, rotting wood, or moisture leaks.

## SUCCESSSES

### Calhoun County, Iowa: Homeward Housing Trust Fund

Homeward, Inc is an organization that provides a variety of housing assistance programs. Eight rural electric cooperatives are members, including Calhoun County REC.

The Homeward Housing Trust Fund provides a pool of funding in the form of grants and loans to households making a certain percentage less than the area median income. These include minor home repairs for households under 30% of the area median income and home improvement grants for households under 80% of the area median income. Improvements include structural repairs, utility repairs, energy-efficiency, and others with the grant amount up to \$3,500 and loan amount up to \$3,500.

Since being created in 1996 the program has assisted over 1,800 rural households, with over \$6 million for down payment and improvement loans. Funding for the program comes primarily from a Housing Trust Fund grant.

<http://www.homewardiowa.com/content/trust-fund-grants-loans>



## GOAL: LEVERAGE EXISTING LOTS & INFRASTRUCTURE

### Why?

Communities have spent significant amounts of funds in the past to build and maintain infrastructure. Existing lots and infrastructure are the most efficient way to grow fiscally and from a community development perspective. Infill lots allow for greater variety in the housing market with variations in house style to fit on typically smaller lots.

### Assets to Leverage

Proximity to Job Centers; Strong Employment Opportunities; Demonstration Projects; Collaborative Partners

### Strategies

Strategies to leverage existing lots and infrastructure can make housing development more feasible in areas outside of larger cities. Strategies may involve:

**Demonstration project.** As noted early in this chapter, a demonstration project is a great way to show a program or project type works. Infill development on existing lots generally does not cater to large scale projects, but rather new construction on a lot by lot basis. Sharing the risk of development is essential to making lot by lot construction feasible.

**Shared risk with local builder or developer.** The strategies under the Goal of Finding Ways to Share Risk are necessary for small scale projects, and can go beyond funding mechanisms to include services such as preparing targeted sites for shovel ready development.

**Acquiring lots, dilapidated housing, and site prep to create affordable lots.** Communities or a housing partnership will need to take the lead role in identifying target areas/sites for infill. These are either existing vacant lots or homes in need of demolition. Creating a program that funds pre-development costs reduces risk for the developer, and avoids these costs being passed on to homebuyers or renters.

**Updating ordinances.** Some communities have ordinances in place that have made existing smaller lots non-conforming. These ordinances should be reviewed and updated to allow for successful infill that both uses resources efficiently and meets a market demand for lower maintenance lots. (See following goal for more detail)

## SUCCESSSES

### Grand Island, Nebraska: Micro Blight Redevelopment

The City of Grand Island has used tax increment financing to support small scale infill development in existing neighborhoods. Through the use of “micro-tax increment financing”, the city targets small concentrations of blight (vacant lots or dilapidated structures that require demolition). By calculating the additional value that would be created with a new duplex or four-plex, the Community Redevelopment Authority then issues a grant or loan that is given or sold to a developer that can used to secure financing from a bank.

Allowable expenses include: property acquisition, demolition, site preparation, utility extensions and connections, sidewalk and landscaping, TIF fees and contracts, city development fees, engineering and architecture costs, and interest and financing costs. In the below example, the City of Grand Island used micro-TIF to support the demolition of a dilapidated single family home (valued at \$48,000) and the development of two duplexes with an estimated value of \$320,000. The redevelopment removed a blighted structure, created an additional four affordable housing units, and brought additional tax base to the city without requiring additional infrastructure.

<http://www.grand-island.com/home/showdocument?id=4361>

## GOAL: ELIMINATE UNNECESSARY REGULATORY BARRIERS

### Why?

Zoning applications, permit fees, and other administrative costs to development add up and increase risk for a developer. Regulations are necessary but should not create unintended barriers. For example, making the majority of a community's existing lots non-conforming by requiring "Suburban" style site requirements with large setback requirements that do not fit the character of the neighborhood. Building codes should also be reviewed to exempt requirements that do not apply to older structures.

### Assets to Leverage

#### Collaborative Partners

### Strategies

Many smaller communities do not have zoning regulations, but all will have some form of building code. Nonetheless, strategies will require all communities to communicate with property owners and developers on which regulations create challenges for rehabilitation and new development. MIDAS can be a key organization to help communities evaluate the purpose of the regulations and whether they solve or prevent a problem, particularly related to:

- **Life safety:** Regulations that protect life safety generally should not be relaxed.
- **Pedestrian access, circulation, parking, and landscaping:** These regulations are important to creating a quality and safe community where people want to live. However, there are often many solutions to achieve these elements and flexibility should be allowed.
- **Avoid short-term savings:** The use of cheaper materials or delaying requirements for infrastructure like streets is not a viable way to reduce cost barriers. Expenses will be higher in the long-term.

### A note about NIMBYism (Not In My Backyard):

While a project may meet the development regulations, it may still not get approved. The acronym NIMBY, or "Not In My Backyard" refers to residents who are against a development proposal because of, most times, perceived effects the development may have on their property. Arguments often range from traffic congestion, density, and noise to even those that live on site. Unfortunately, NIMBY arguments often stem from a belief that the housing development will somehow have different impacts on a neighborhood. Other opposition can simply be because a property owner wants to maintain the rural setting around their house.

In any case, neighborhood opposition is often a hurdle that occurs late in the development process that can prevent funded, quality projects from happening. Communities should take a proactive role to involve neighboring residents early and often in the development process. Strategies include:

- **Educate elected officials.** Ongoing education about local codes, the local needs for certain housing types, and the potential impacts of housing development on the community is essential. When it comes time for a public hearing, the officials should have a solid understanding of the benefits to consider with any opposing public comments.
- **Engage with the community for larger projects.** It is not uncommon for larger cities to hold public open houses with the developer and community members to help people understand the proposal, answer questions, calm potential fears of residents, and stifle rumors that stem from uncertainty. A similar strategy can also be used in smaller communities.
- **Encourage community support.** Similar to educating elected officials, the community should also be informed about the benefits of housing development and affordability. A proactive education strategy should encourage supporters to show their support at public hearings to counteract potential NIMBY arguments.



## GOAL: OFFER DESIRABLE COMMUNITIES FOR ALL AGE GROUPS

### Why?

Strategies to create more housing opportunities mean little if regional employees do not want to live and age in a community. Amenities like parks, libraries, and grocery stores are highly valued and attractive to potential residents. The package to capture regional employees goes beyond housing to also providing quality communities with visible signs of community investment.

### Assets to Leverage

Proximity to Job Centers; Strong Employment Opportunities; Quality Housing Stock; Respected Schools/High Quality of Life; Collaborative Partners

### Strategies

Strategies include elements that many communities already do, but may need to make a higher priority. Note that smaller communities may not have the ability to provide some amenities. However, amenities in a nearby community, such as a pool, create value for these surrounding towns. Strategies should include:

#### Investment in quality of life amenities:

- Parks & Recreation: This includes both the facilities and programming opportunities.
- Trails: At a minimum, sidewalks or pathways to community destinations. Regional trail connections are becoming a desirable feature for households and require a broader collaborative approach.
- Schools: Schools are particularly important. Quality schools are an essential component to a healthy and vibrant community. For those communities that have lost their schools over the years, attracting and retaining residents becomes even more challenging. Unique assets should continue to be promoted for each community.

**Invest in basic infrastructure.** Maintaining existing streets and sidewalks creates a positive image of the community and shows the city cares. Often public investment can stimulate private property owner investment.

**Maintain city property.** Similar to investing in infrastructure, city property (library, city hall, vacant lots, etc.) should be kept to a level you want residents to maintain personal property.

## SUCCESSSES

### Schuyler, NE: Employee Housing Development and Residence Incentive

The Colfax County School District adopted a Workforce Housing Initiative Pilot Program (WHIPP) to reinforce their commitment to the philosophy that employees should reside within the community they work. This philosophy recognizes the mutual benefits to the organization (increased retention), the community (additional residents), and the employee (increased stability and decreased transportation costs). In addition to developing new single family homes, the WHIPP offers the following incentives to employees to rent or buy the new housing units:

- Eligibility for a \$1,000 bonus to employees moving into the district and the following:
  - › Home Renter subsidy of \$1,000 annually for a maximum of five years; or
  - › Home Owner (Option 1) subsidy of \$2,000 annually for a maximum of five years; or
  - › Home Owner (Option 2) lump sum subsidy of \$10,000 for down payment and closing costs on a WHIPP approved home.

Funding is budgeted annually by the school district for the program.

<http://www.livene.org/nifa/resources/?item=10688>





## GOING FORWARD

A targeted approach is needed to provide housing for regional employees and stabilize declining populations. Without intervention from the governing entities and their partners, housing for all age groups will continue to be in short supply, the housing market will continue to be less affordable, and communities will continue to struggle to have adequate housing options and stable populations.

The housing assessment recommended several approaches to address the county's housing needs. Some of these programs may be appropriate in one community but not another. However, a regional approach involving several counties may make more sense to allow larger scale opportunities for developers and to share resources among counties. By soliciting this assessment, leaders have already recognized a need for action. This recognition needs to be combined with strong leadership from each of the communities and local/regional partners to implement the long term strategies.

The next step is for community leaders to proactively organize the partnerships necessary to develop strategic program that address the goals in this chapter. The example on the right illustrates one way communities are going from housing assessment to action.

## SUCCESSSES

### Community Based Action and Risk Sharing

Risk sharing is noted throughout the strategies and goals to address housing challenges. However, communities cannot simply wait around for development opportunities and developer interest. Residents and stakeholder within several communities in Iowa are recognizing the need to take action by pooling their own resources and expertise to act as the developer of new lots. Two examples are described below:

**Fairfield, Iowa.** A group of local stakeholders combined equity stakes to act together as the developer and builder of 27+ townhomes and duplexes in Fairfield. Risk sharing included private equity, City TIF funds, tax abatement, and Iowa Workforce Housing Tax Credits. Units were priced between \$160K-\$220K.

**Humboldt, Iowa.** Similar to development in Fairfield, local stakeholder pooled equity to finance 32 single-family and duplex units. The City helped share risk through TIF financing and tax abatement. Units are priced between \$230K-\$280K.

**These are a couple examples of local action to share risk and start a grassroots, proactive effort to housing development.** These projects were assisted in part by 571 Polson Developments, LLC. For more information on these and similar projects in Iowa go to <https://571polson.com/>