Washington County Housing Study March 2019

Agenda

- Process
- Findings
- Directions Forward

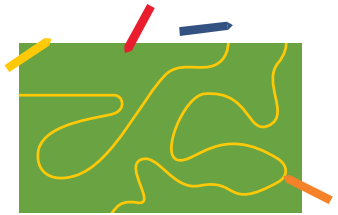
Process

1. What Do We Want: Community Insights

2. How do we compare and What do we need

Process

3. Where to target: Site Inventory



Process

4. Issues, Opportunities, & Goals

5. Strategic Directions

Findings

Findings: Community Insights

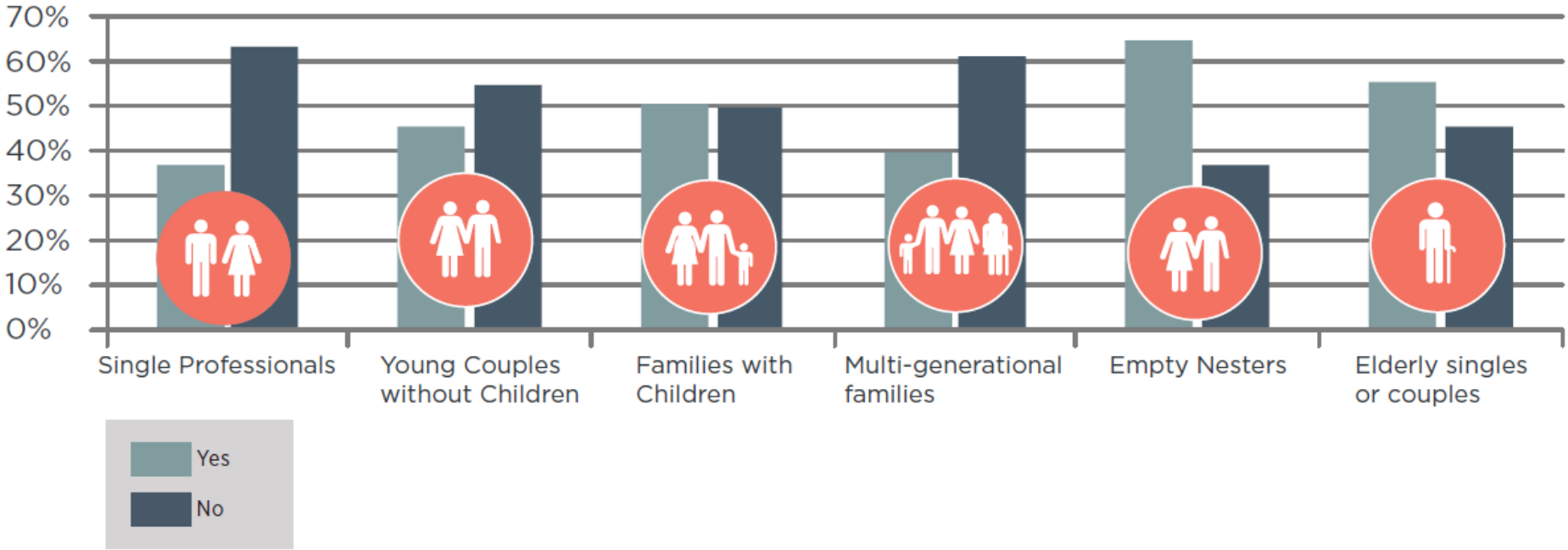
Community Survey: 300

Stakeholder Discussions:

Realtors
Lenders
Community Members
School District Staff
City Officials

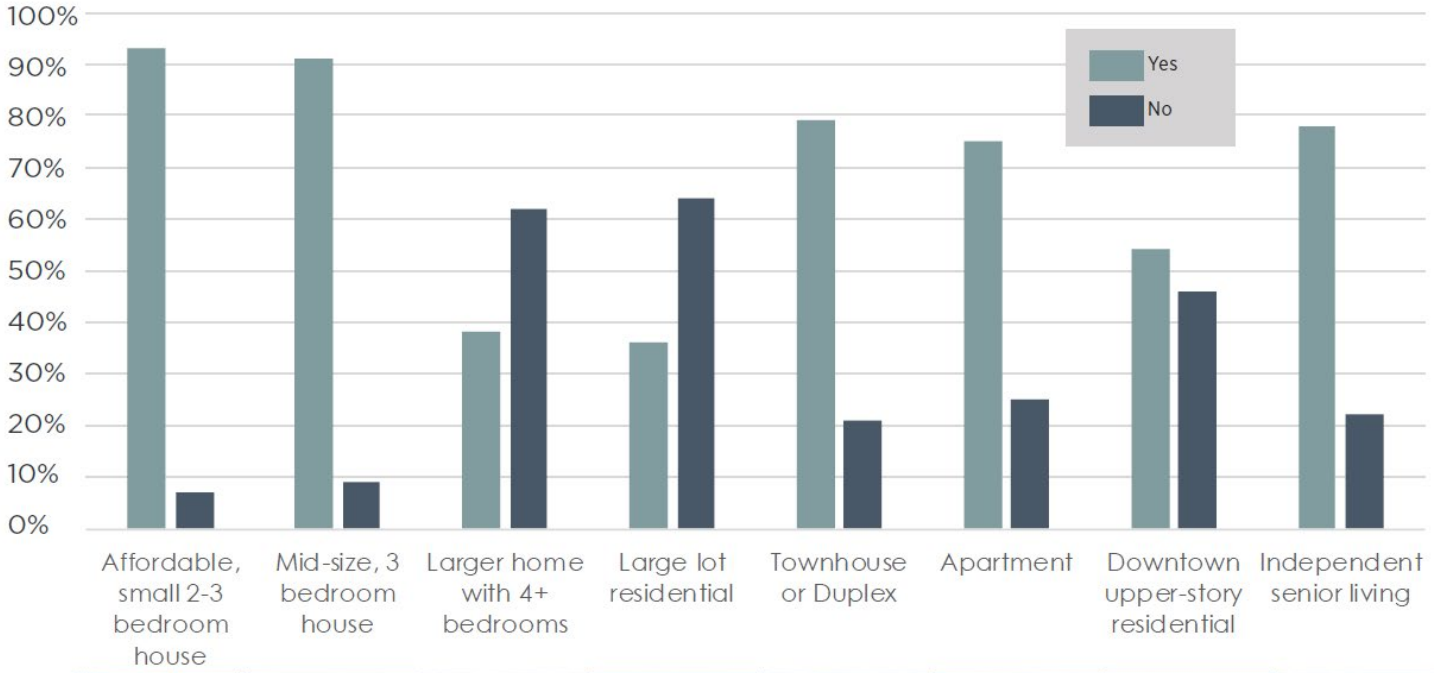
Findings: Community Survey

Do you believe that the current housing market adequately meets the needs of the following households in your community?



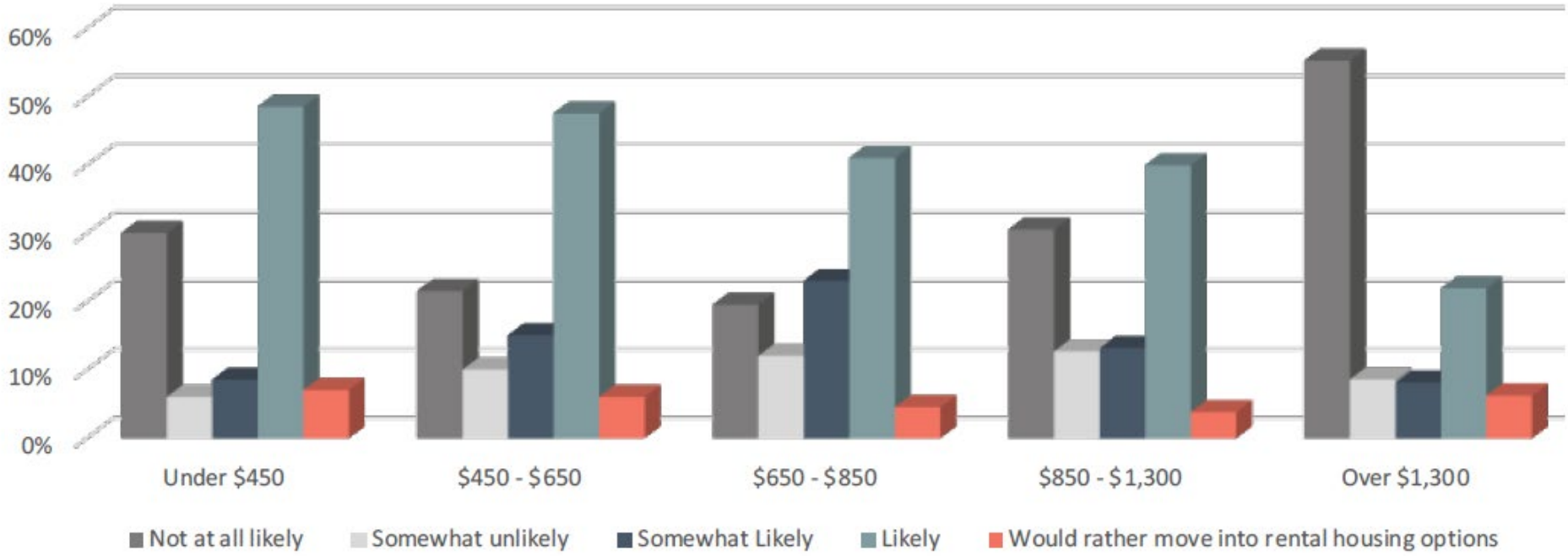
Findings: Community Survey

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



Findings: Community Survey

What would you be willing to spend on a monthly mortgage payment if you were moving?



Findings: Stakeholder Discussions

- **Entry level homes** priced between $100,000 and $150,000 are lacking
- **Lots** for development at prices **$35,000 and below** are difficult to find
- **Affordable rental** units are lacking
- Options for **empty nesters and young retiree's** are in need
- **Young people** want to move back but finding housing makes it difficult
- **Code enforcement** and **property maintenance** need to be prioritized

Findings: Market Analysis

FIGURE 2.3: Regional County Population Change

	2000 POPULATION	2010 POPULATION	2016 POPULATION ESTIMATE	2000-2016 CHANGE	2010-2016 PERCENT CHANGE
Washington	**20,670**	**21,704**	**22,115**	**1,445**	**2%**
Iowa	15,671	16,355	16,311	640	0%
Johnson	111,006	130,882	146,547	35,541	12%
Louisa	12,183	11,387	11,142	-1,041	-2%
Henry	20,336	20,145	19,773	-563	-2%
Jefferson	16.181	16.843	18.090	2	7%
Keokuk	11,400	10,511	10,119	-1,281	-4%

Source: US Census Bureau; Population Estimates Program

Findings: Market Analysis

FIGURE 2.6: Regional Median Household Income

COUNTY	2016 POPULATION ESTIMATE*	2016 MEDIAN HOUSEHOLD INCOME	80% OF MEDIAN	50% OF MEDIAN
Washington	**22,115**	**$56,864**	**$45,491**	**$28,432**
Iowa	16,311	$55,099	$44,079	$27,550
Johnson	146,547	$56,808	$45,446	$28,404
Louisa	11,142	$65,144	$52,115	$32,572
Henry	19,773	$49,606	$39,685	$24,803
Jefferson	18.090	$45,257	$36,206	$22,629
Keokuk	10,119	$45,227	$36,182	$22,614
State of Iowa	3,134,693	$54,570	$43,656	$27,285

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

Findings: Market Analysis

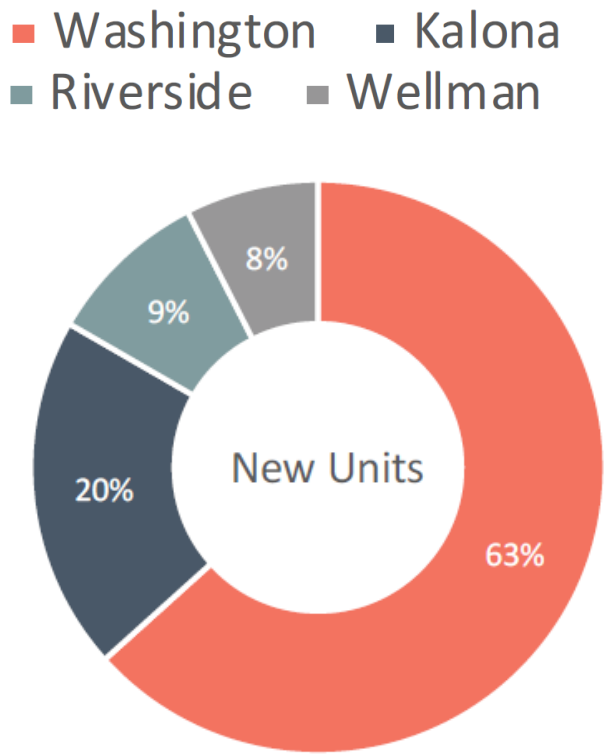
Findings: Market Analysis

FIGURE 2.12: Occupancy Status, 2016

	WASHINGTON	IOWA	JOHNSON	LOUISA	HENRY	JEFFERSON	KEOKUK	STATE OF IOWA
Owner-Occupied	6,384	5,333	33,209	3,346	5,421	4,575	3,419	883,119
% Owner-occupied	72.9%	78.7%	58.7%	76.6%	71.2%	66.3%	77.5%	71.1%
Renter-Occupied	2,373	1,446	23,334	1,020	2,198	2,321	995	359,522
% Renter Occupied	27.1%	21.3%	41.3%	23.4%	28.8%	33.7%	22.5%	28.9%
Total Vacant	800	500	3,008	642	647	658	477	119,978
Vacancy rate (All types)	8.4%	6.9%	5.1%	12.8%	7.8%	8.7%	9.8%	8.8%
Vacancy rate (for rent or sale)	4.1%	3.4%	3.1%	1.9%	2.9%	3.2%	2.5%	2.8%
Total	9,557	7,279	59,551	5,008	8,266	7,554	4891	1,362,619

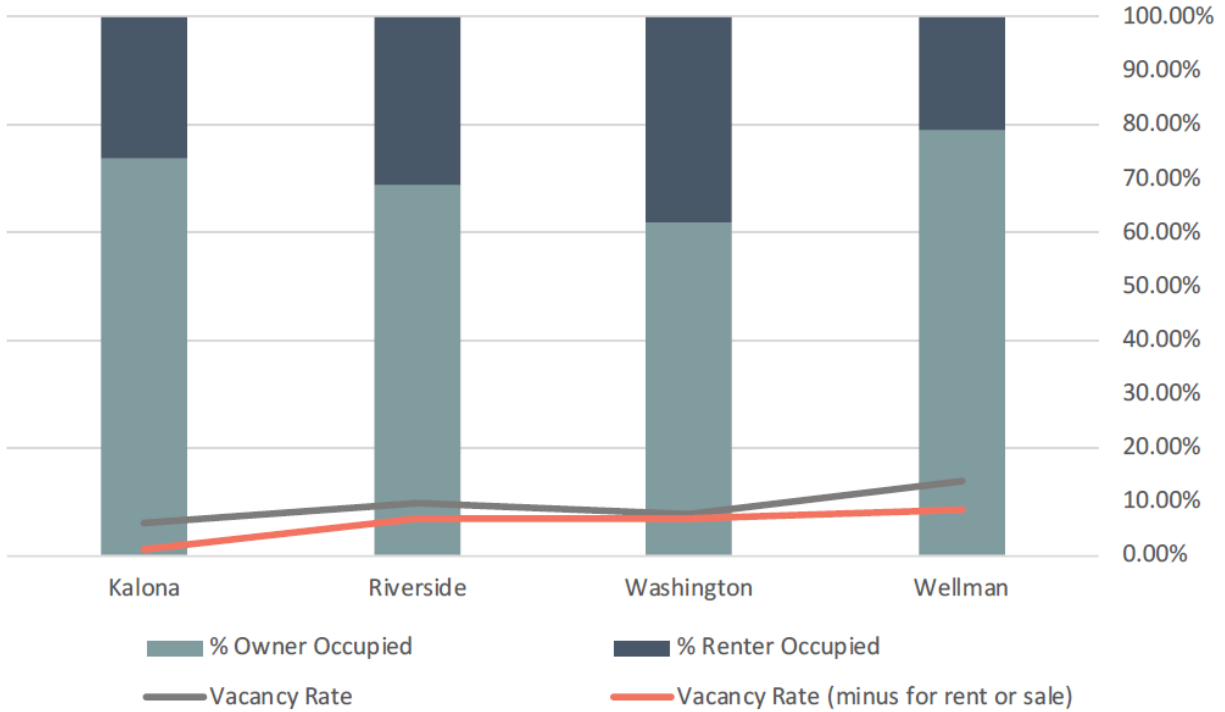
Source: American Community Survey, 2012-2016

Findings: Market Analysis



Source: Data provided by each city

FIGURE 2.17: Occupancy Status, 2016



Source: U.S. Census, American Community Survey estimates

Findings: Market Analysis

FIGURE 2.18: Community Housing Costs and Affordability, 2016

CITY	MEDIAN HOUSEHOLD INCOME	MEDIAN HOME VALUE	VALUE TO INCOME RATIO	MEDIAN CONTRACT RENT
Kalona	$48,077	$152,200	3.17	$512
Riverside	$56,176	$141,400	2.52	$520
Washington	$44,462	$102,900	2.31	$583
Wellman	$57,125	$111,800	1.96	$432

Source: US Census Bureau; American Community Survey

Findings: Future Demand Kalona

FIGURE 3.6: Housing Affordability, Kalona

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	266	$0-50,000	89	$0-400	70	159	**-107**
$25,000-49,999	300	$50,000-99,999	64	$400-800	199	263	**-37**
$50,000-74,999	199	$100,000-149,999	240	$800-1250	16	256	**57**
$75-99,999	165	$150,000-199,999	220	$1,250-1,500	0	220	**55**
$100-150,000	114	$200,000-$300,000	172	$1,500-2,000	0	172	**58**
$150,000+	48	$300,000+	21	$2,000+	0	21	**-27**
Total	1,092		806		286	1,092	**0**
Median	$48,077	$152,200		$512			

Findings: Future Demand Kalona

To support a 1% annual growth rate the city will need to produce **124 units** in the next 10 years.

FIGURE 3.6: Housing Development Program

	2020-2025	2026-2030	TOTAL
Total Need	**62**	**62**	**124**
Total Owner Occupied	43	43	87
Affordable Low: <$125,000	4	5	9
Affordable Moderate: $125-$175,000	11	11	22
Moderate Market: $175-$250,000	10	10	21
High Market: >$250,000	17	17	34
Total Renter Occupied	18	19	37
Low: Less than $450	9	9	17
Affordable: $450-$700	5	6	11
Market: Over $700	5	5	9

*70%/30% owner occupied/renter occupied split

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

Findings: Future Demand Riverside

FIGURE 3.12: Housing Affordability, Riverside

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	119	$0-50,000	9	$0-400	30	39	-80
$25,000-49,999	74	$50,000-99,999	54	$400-800	86	140	66
$50,000-74,999	138	$100,000-149,999	110	$800-1250	22	132	-6
$75-99,999	51	$150,000-199,999	68	$1,250-1,500	3	71	20
$100-150,000	63	$200,000-$300,000	61	$1,500-2,000	0	61	-2
$150,000+	7	$300,000+	9	$2,000+	0	9	2
Total	452		311		141	452	0
Median	$56,176	$141,400		$520			

Findings: Future Demand Riverside

To support a 1.25% annual growth rate the city will need to produce **83 units** in the next 10 years.

FIGURE 3.12: Housing Development Program

	2020-2025	2026-2030	TOTAL
Total Need	**46**	**36**	**83**
Total Owner Occupied	30	24	54
Affordable Low: <$125,000	2	2	4
Affordable Moderate: $125-$175,000	4	3	8
Moderate Market: $175-$250,000	13	10	22
High Market: >$250,000	11	9	20
Total Renter Occupied	16	13	29
Low: Less than $450	7	5	12
Affordable: $450-$700	7	5	12
Market: Over $700	3	2	5

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

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

Findings: Future Demand Washington

FIGURE 3.18: Housing Affordability, Washington

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	615	$0-50,000	80	$0-400	128	208	**-407**
$25,000-49,999	1,065	$50,000-99,999	845	$400-800	944	1,789	**724**
$50,000-74,999	644	$100,000-149,999	577	$800-1250	107	684	**40**
$75-99,999	416	$150,000-199,999	248	$1,250-1,500	10	258	**-158**
$100-150,000	300	$200,000-$300,000	128	$1,500-2,000	0	128	**-172**
$150,000+	80	$300,000+	53	$2,000+	0	53	**-27**
Total	3,120		1,931		1,189	3,120	**0**
Median	$44,462	$102,900		$583			

Findings: Future Demand Washington

To support a **0.5%** annual growth rate the city will need to produce **209 units** in the next 10 years.

FIGURE 3.18: Housing Development Program

	2020-2025	2026-2030	TOTAL
Total Need	**108**	**101**	**209**
Total Owner Occupied	65	60	125
Affordable Low: <$125,000	13	12	26
Affordable Moderate: $125-$175,000	14	13	27
Moderate Market: $175-$250,000	17	16	32
High Market: >$250,000	21	19	40
Total Renter Occupied	43	40	83
Low: Less than $450	9	8	17
Affordable: $450-$700	15	14	28
Market: Over $700	20	18	38

*60%/40% owner occupied/renter occupied split

Findings: Future Demand Wellman

FIGURE 3.23: Housing Affordability, Wellman

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	74	$0-50,000	47	$0-400	40	87	**13**
$25,000-49,999	134	$50,000-99,999	139	$400-800	63	202	**68**
$50,000-74,999	139	$100,000-149,999	116	$800-1250	9	125	**-14**
$75-99,999	107	$150,000-199,999	75	$1,250-1,500	0	75	**-32**
$100-150,000	42	$200,000-$300,000	38	$1,500-2,000	0	38	**-4**
$150,000+	37	$300,000+	7	$2,000+	0	7	**-30**
Total	533		422		111	533	**0**
Median	$57,125	$111,800		$432			

Findings: Future Demand Wellman

To support a **1.0%** annual growth rate the city will need to produce **82 units** in the next 10 years.

FIGURE 3.24: Housing Development Program

	2020-2025	2026-2030	TOTAL
Total Need	**47**	**35**	**82**
Total Owner Occupied	33	24	57
Affordable Low: <$125,000	4	3	7
Affordable Moderate: $125-$175,000	6	4	10
Moderate Market: $175-$250,000	10	7	17
High Market: >$250,000	13	10	23
Total Renter Occupied	14	10	24
Low: Less than $450	4	3	8
Affordable: $450-$700	4	3	6
Market: Over $700	6	4	10

*70%/30% owner occupied/renter occupied split

Findings: Community Insight Themes

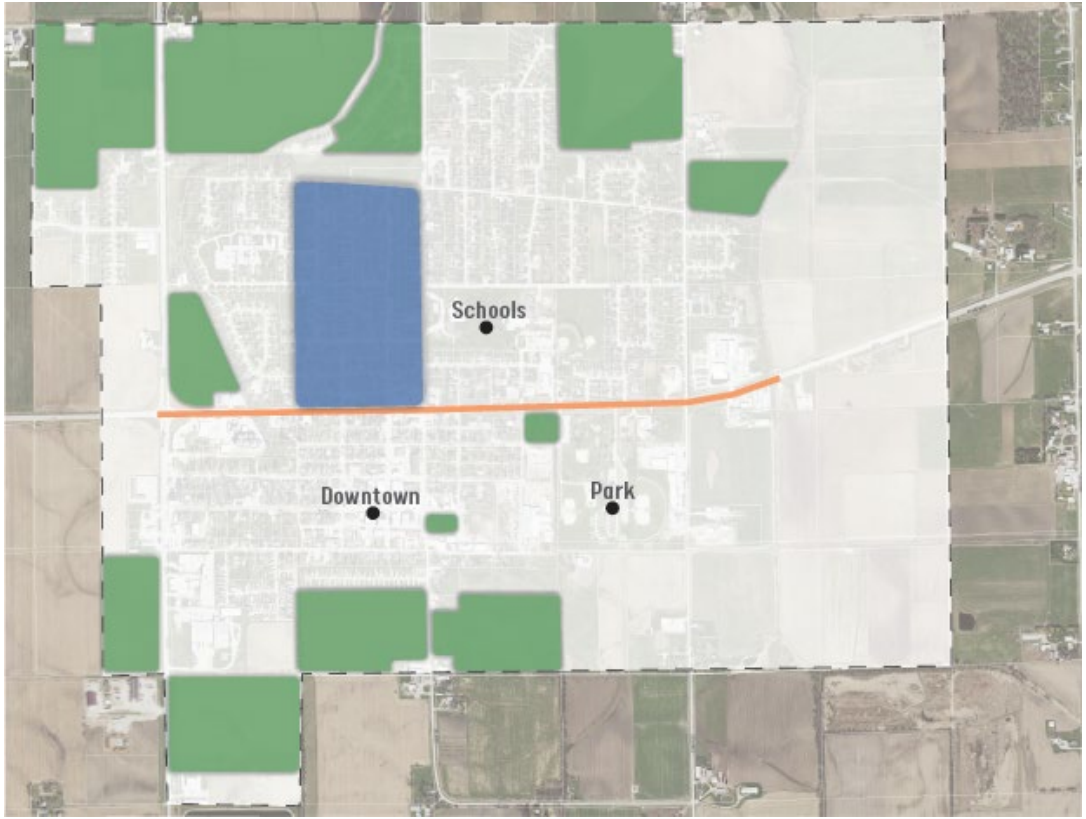
- Availability
- Senior and Retirement Options
- Affordable and Quality Rentals
- Support for Action

"Housing in our community is very hard to find, that is affordable and decent housing."

Opportunity Assessment-Kalona

Targeted Conservation and Stabilization Areas

- Northwest of E Avenue and 6th Street



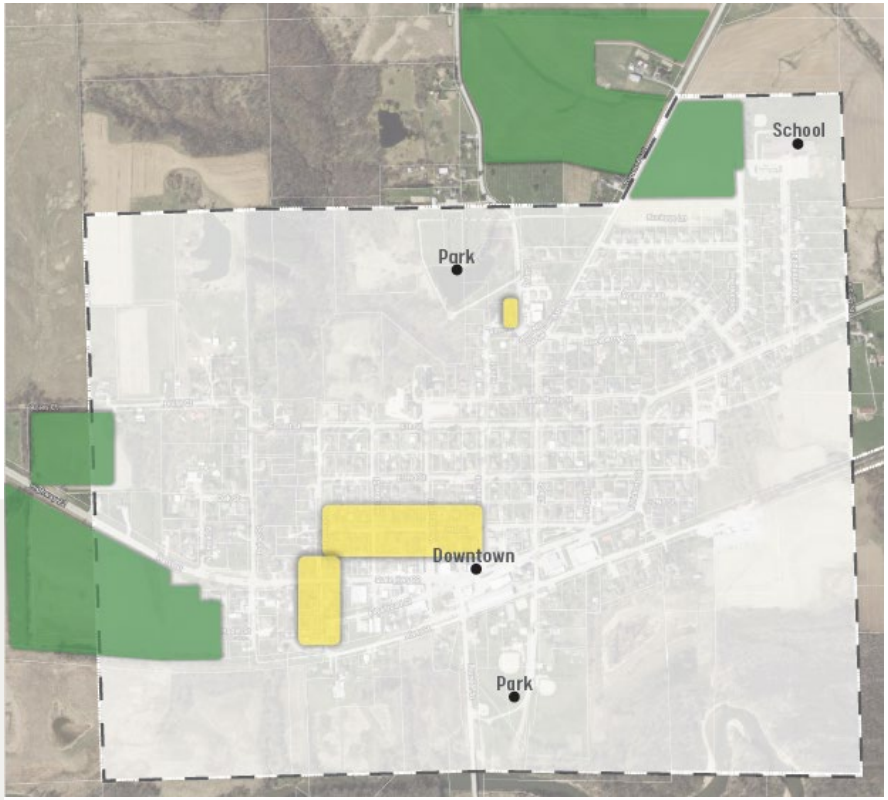
Opportunity Assessment-Riverside

Infill and Stabilization

- W 2nd Street between Washington and Ella Streets
- Demolition program may be appropriate

Development Opportunities

- Capture local workforce
- Senior housing



New Development
Neighborhood Conservation
Gateway Preservation
Infill and Stabilization
City Limits

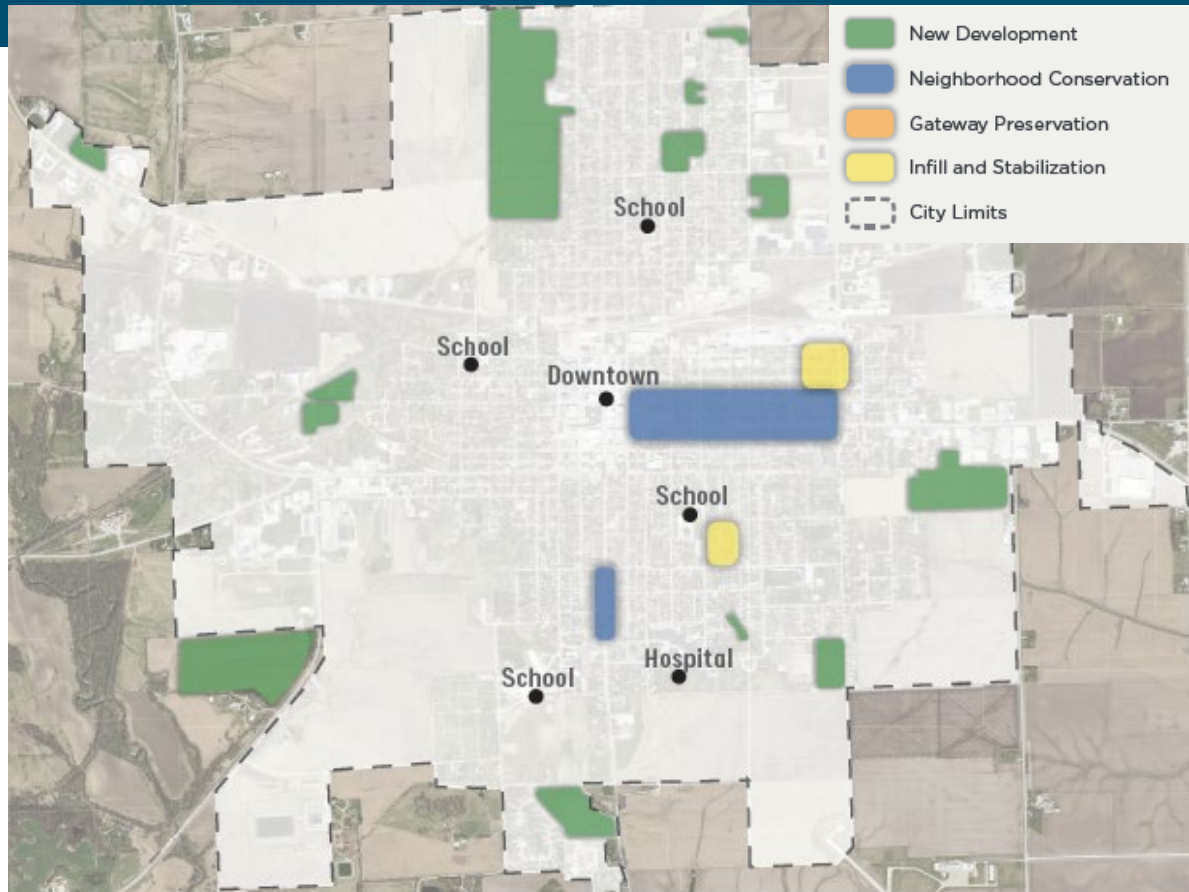
Opportunity Assessment-Washington

Targeted Conservation and Stabilization Areas

- Southeast quadrant has older homes with pockets of neglect

Development Opportunities

- Prioritize infill over new development that requires significant infrastructure



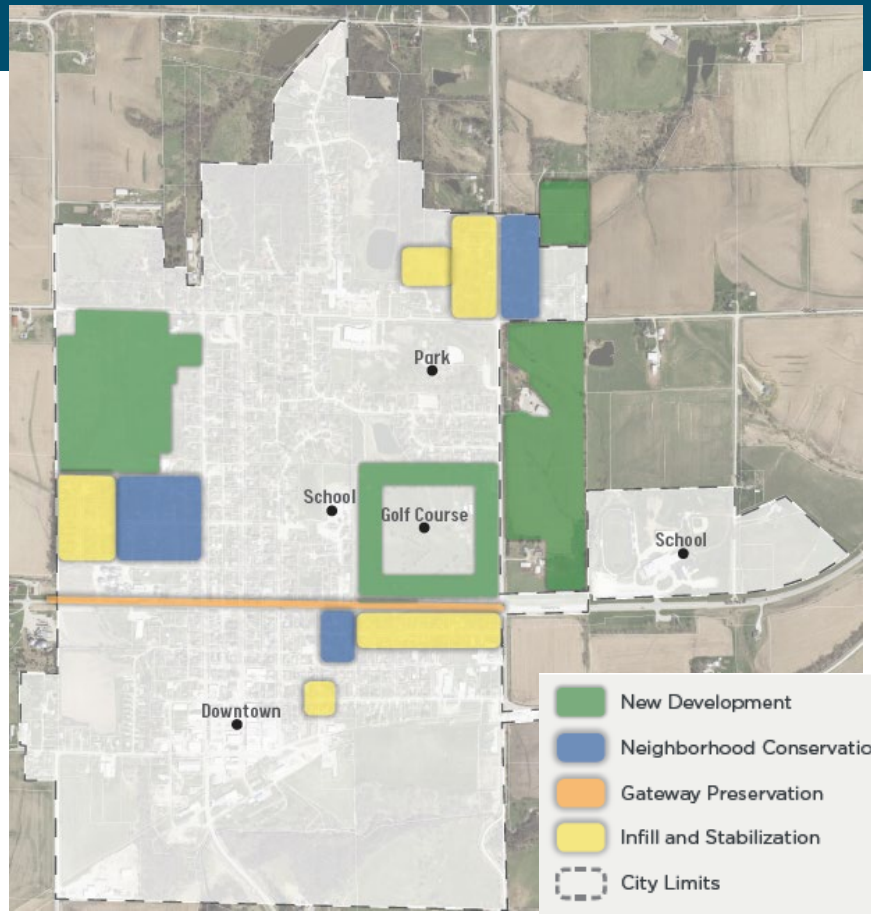
Opportunity Assessment-Wellman

Targeted Conservation and Stabilization Areas

- Focus on putting the best foot forward

Development Opportunities

- Begin within city limits and move outwards
- Capitalize on high school



Directions Forward

Directions Forward: Assets

- Strong job market in and adjacent to the county
- Respected schools and high quality of life
- Demonstration projects showing demand
- Housing stock condition
- Dedicated champions

Directions Forward: Challenges

- Limited rental options
- Lack of housing variety
- Retaining young professionals
- Aging population
- Limited rehabilitation contractors
- Lot supply and infill development

Directions Forward: Strategic Goals

1. Share development risks
2. Expand housing variety
3. Implement housing revitalization program
4. Leverage existing lots and infrastructure
5. Invest in the Future

G.1 Share development risks

Options to Achieve Goal:

- Funding Pools
  - Lending consortium/housing trust fund
- Partnerships
  - Employers providing rent guarantees
- Incentives
  - Employers providing incentives to live in the community – signing bonuses, etc.

1. **Share development risks**
2. Expand housing variety
3. Implement housing revitalization program
4. Leverage existing lots and infrastructure
5. Invest in the future

G.1 Share development risks

Additional Funding Sources:

- East Central Iowa Council of Governments (ECICOG)
- Tax Abatement
- Low Income Housing Assistance
- TIF
- Bonds
- Soft Seconds

1. **Share development risks**
2. Expand housing variety
3. Implement housing revitalization program
4. Leverage existing lots and infrastructure
5. Invest in the future

G.2 Expand housing variety

Options to Achieve Goal:

- Establish a **not-for-profit developer** that can leverage funding and take greater risk on new housing products.
- Establish a **demonstration project** in one community. But don't forget:
  - Scale, location, design – don't sacrifice quality for getting a project done.
  - Consider the long term consequences to a community's infrastructure

1. Share development risks
2. **Expand housing variety**
3. Implement housing revitalization program
4. Leverage existing lots and infrastructure
5. Invest in the future

G.3 Implement housing revitalization program

Options to Achieve Goal:

- Establish a not-for-profit developer
- Property maintenance codes and enforcement of those codes
- Training of next generation contractors, sweat equity training
- Energy programs and emergency repair programs
- Rehab programs for both owner and renter

1. Share development risks
2. Expand housing variety
3. **Implement housing revitalization program**
4. Leverage existing lots and infrastructure
5. Invest in the future

G.4 Leverage existing lots and infrastructure

Options to Achieve Goal:

- Demonstration projects
- Shared risk with local builders or developers
- Acquire lots, dilapidated housing, and prep sites to create affordable lots
- Update ordinances
- Educate decision makers and residents on the long term investments

1. Share development risks
2. Expand housing variety
3. Implement housing revitalization program
4. **Leverage existing lots and infrastructure**
5. Invest in the future

G.5 Invest in the Future

Options to Achieve Goal:

- Invest in quality of life amenities:
  - Parks & Rec
  - Trails
  - Schools
- Invest in basic infrastructure – streets, sidewalk, landscaping
- Maintain city property to a level you want residents to maintain personal property

1. Share development risks
2. Expand housing variety
3. Implement housing revitalization program
4. Leverage existing lots and infrastructure
5. **Invest in the future**

Questions?
Thank you!
STOP