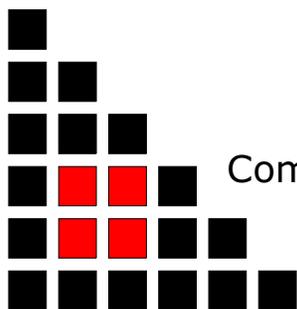


# **Beadle & Spink Enterprise Community, Inc. HOUSING STUDY**

December 2014

An analysis of the overall housing needs of the  
communities of Iroquois, Cavour and Yale



Community Partners Research, Inc.

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## **List of Sections**

	<u>Page</u>
Introduction	2
Demographic and Projection Data	4
Existing Housing Data	36
Employment and Local Economic Trends Analysis	48
Findings and Recommendations	56
City of Iroquois	56
Town of Yale	76
Town of Cavour	95
Agencies and Resources	114

## **Introduction**

Local elected and public officials are often held responsible for conditions and circumstances over which they have limited control. This is particularly true of housing. Most of the housing units in Iroquois, Yale, Cavour, and Beadle County are privately owned and were constructed with private funds. On an increasing scale, however, the public is demanding that public officials control what happens in this largely private housing market by eliminating blight, protecting individual investments, and generating new housing growth to meet economic development needs.

Community Partners Research, Inc., was hired Beadle & Spink Enterprise Community, Inc. (BASEC) to conduct a study of the housing needs and conditions in the City of Iroquois and the Towns of Yale and Cavour. The Towns of Cavour and Yale are located in Beadle County. Iroquois is located on the border of Beadle and Kingsbury Counties, with portions of the City in both Counties.

### **Goals**

The multiple goals of the study include:

- ▶ Provide updated demographic data including the 2010 Census
- ▶ Provide an analysis of the current housing stock and inventory
- ▶ Determine gaps or unmet housing needs
- ▶ Examine future housing trends that the area can expect to address in the coming years
- ▶ Provide a market analysis for housing development
- ▶ Provide housing recommendations and findings

### **Methodology**

A variety of resources were utilized to obtain information for the Housing Study. Community Partners Research, Inc., collected and analyzed data from August to November, 2014. Data sources included:

- U.S. Census Bureau
- American Community Survey
- ESRI, a private data company
- Records and data from the communities
- Records and data maintained by Beadle County
- South Dakota State Data Center
- Interviews with city and town officials, community leaders, housing stakeholders, etc.

- Area housing agencies
- State and Federal housing agencies
- Rental property owner surveys
- Housing condition and mobile home surveys

### **Limitations**

This Housing Study represents an analysis performed with the data available at the time of the Study. The findings and recommendations are based upon current solutions and the best available information on future trends and projections. Significant changes in the area's economy, employment growth, federal or State tax policy or other related factors could change the conclusions and recommendations contained in this Housing Study.

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## **Section Table of Contents**

	<u>Page</u>
Demographic Data Overview	5
Population Data and Trends	6
Population by Age Trends: 2000 to 2010	8
Population Projections	12
Household Data and Trends	13
Household by Age Trends: 2000 to 2010	14
Average Household Size	18
Household Projections	19
Household Projections by Age	20
Households by Type	22
Housing Tenure	25
Tenure by Age	27
Tenure by Household Size	28
2012 Income Data	29
Household Income Distribution	31
Income Distribution by Tenure	32
2012 Estimated Income and Housing Costs - Renters	34
2012 Estimated Income and Housing Costs - Owners	35

## **Demographic Data Overview**

### **Sources of Data**

The following pages contain demographic data obtained from a variety of local, state and national sources for Iroquois, Yale, Cavour and Beadle County. The 2010 Census provides much of the base data for population and household trends. However, the 2010 Census was more limited in scope than in the past. As a result, some of the demographic variables, such as income and housing cost information, were not collected.

To supplement the decennial Census, the Census Bureau has created the American Community Survey, an annual sampling of households. The American Community Survey provides detailed demographic characteristics, replacing information once collected by the decennial Census. However, because the American Survey is based on sampling data, there is a margin of error that exists for each estimate. In small cities and towns, limited sampling can result in unreliable information. The following tables incorporate the 2010 Census data, when available, or the American Community Survey data.

The frequency of American Community Survey estimates vary depending on the size of the jurisdiction. For most jurisdictions in South Dakota, the 2013 estimates were derived from sampling that was done over a five-year period, between 2009 and 2013. Unless otherwise noted, the American Community Survey estimates are based on the five-year survey data.

Additionally, Community Partners Research, Inc., has obtained information from ESRI, a private company based in California that generates demographic and projection data. ESRI estimates and projections are included in this demographic data section.

## Population Data and Trends

<b>Table 1 Population Trends - 1980 to 2014</b>						
	1990 Census	2000 Census	% Change 1990-2000	2010 Census	% Change 2000-2010	2014 ESRI Estimates
Iroquois	328	278	-15.2%	266	-4.3%	264
Yale	128	118	-7.8%	108	-8.5%	111
Cavour	166	141	-15.1%	114	-19.1%	117
Beadle County	18,253	17,023	-5.5%	17,398	2.2%	18,109

Source: U.S. Census; ESRI

- ▶ According to the 2010 U.S. Census, Iroquois, Yale and Cavour had population losses from 2000 to 2010. Beadle County gained population from 2000 to 2010.
- ▶ Iroquois’s population was 266 people in 2010. The 12-person decrease from 2000 was a population loss of 4.3%.
- ▶ Yale’s population was 108 people in 2010, which was a loss of 10 people (-8.5%) from 2000.
- ▶ Cavour’s 2010 population was 114 people in 2010, which was a loss of 27 people (19.1%) from 2000.
- ▶ Beadle County’s population was 17,398 in 2010. This was an increase of 375 people from 2000, for a population gain of 2.2%.
- ▶ Iroquois, Yale, Cavour and all of Beadle County experienced population decreases in the 1990s. Iroquois’s population decreased by 50 people, Yale’s population decreased by 10 people, Cavour’s population decreased by 25 people and Beadle County decreased by 1,230 people from 1990 to 2000.

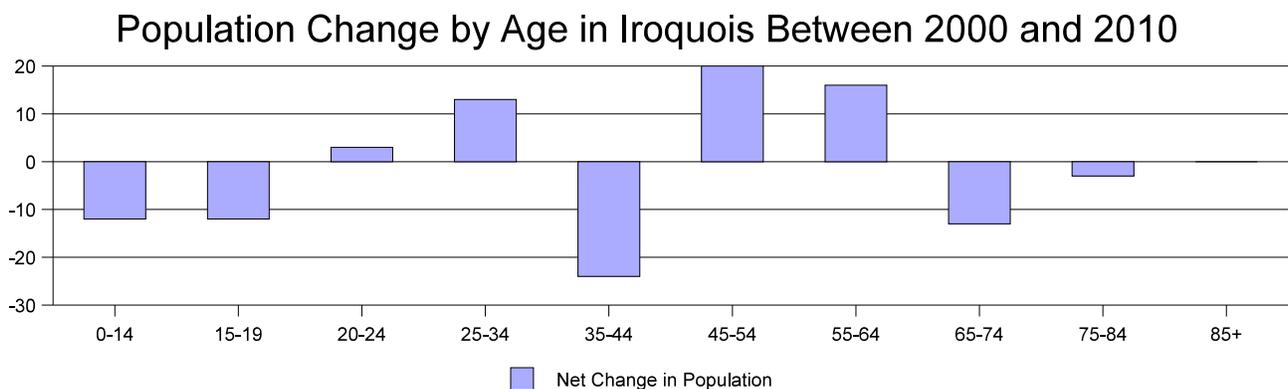
- ▶ For 2014, ESRI estimates that Yale, Cavour and Beadle County have all population, while Iroquois has lost population from 2010 to 2014. ESRI estimates that Iroquois had a loss of two people, Yale had a gain of three people and Cavour had a gain of three people.
- ▶ ESRI's 2014 estimate for Beadle County is 18,109, a gain of 711 people since 2010.
- ▶ Approximately 94% of the residents in Iroquois, Yale and Cavour identified their race as White. Nine residents in Cavour identified themselves as Hispanic/Latino for ethnicity.
- ▶ There were no group quarter's residents living in Iroquois, Yale or Cavour at the time of the 2010 Census.

## Population by Age Trends in Iroquois: 2000 to 2010

The release of demographic information from the 2010 Census allows for some analysis of the changing age patterns for Iroquois and Beadle County. The following table compares population by age in 2000 and 2010, along with the numeric changes.

Table 2 Population by Age - 2000 to 2010						
Age	Iroquois			Beadle County		
	2000	2010	Change	2000	2010	Change
0-14	62	50	-12	3,349	3,467	118
15-19	26	14	-12	1,322	1,147	-175
20-24	8	11	3	936	997	61
25-34	35	48	13	1,630	2,013	383
35-44	45	21	-24	2,575	1,813	-762
45-54	31	51	20	2,353	2,705	352
55-64	16	32	16	1,563	2,250	687
65-74	32	19	-13	1,555	1,349	-206
75-84	18	15	-3	1,238	1,102	-136
85+	5	5	0	502	555	53
Total	278	266	-12	17,023	17,398	375

Source: U.S. Census

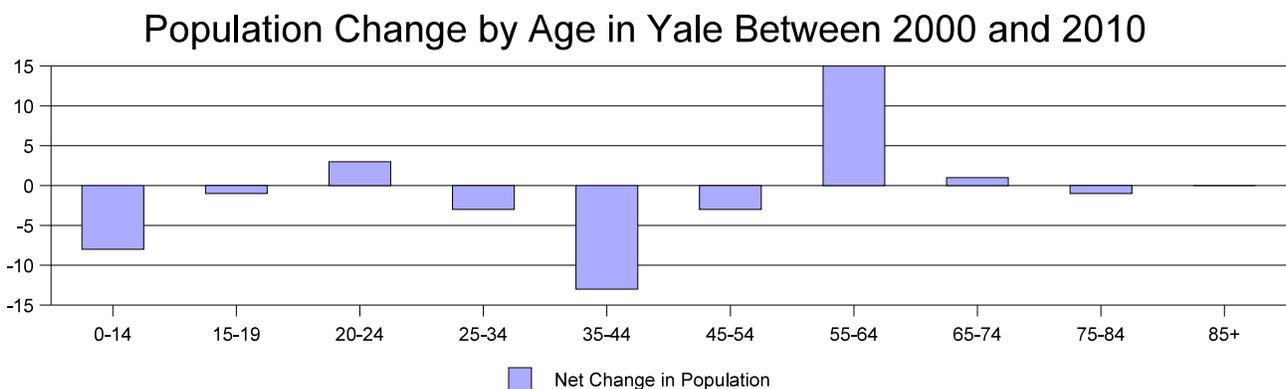


## Population by Age Trends in Yale: 2000 to 2010

The release of demographic information from the 2010 Census allows for some analysis of the changing age patterns for Yale and Beadle County. The following table compares population by age in 2000 and 2010, along with the numeric changes.

<b>Table 3 Population by Age - 2000 to 2010</b>						
Age	Yale			Beadle County		
	2000	2010	Change	2000	2010	Change
0-14	29	21	-8	3,349	3,467	118
15-19	5	4	-1	1,322	1,147	-175
20-24	4	7	3	936	997	61
25-34	19	16	-3	1,630	2,013	383
35-44	19	6	-13	2,575	1,813	-762
45-54	19	16	-3	2,353	2,705	352
55-64	8	23	15	1,563	2,250	687
65-74	7	8	1	1,555	1,349	-206
75-84	6	5	-1	1,238	1,102	-136
85+	2	2	0	502	555	53
Total	118	108	-10	17,023	17,398	375

Source: U.S. Census

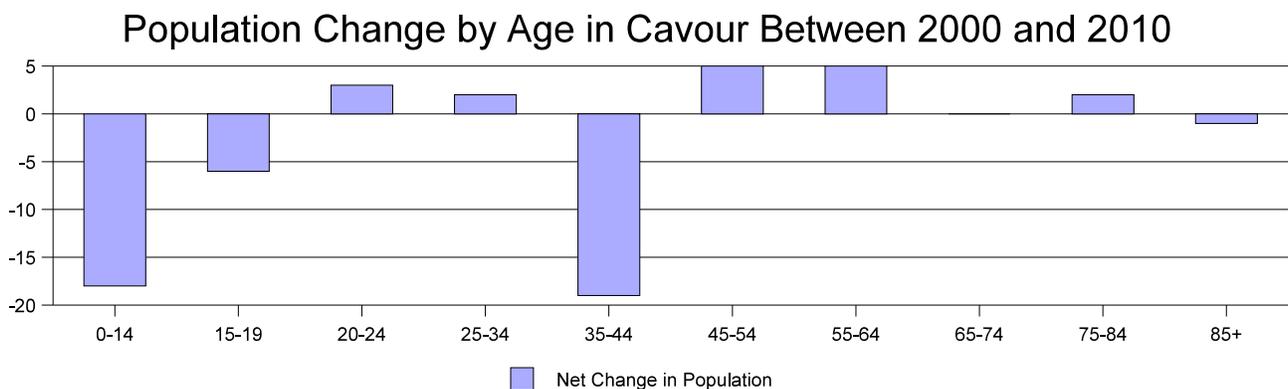


## Population by Age Trends in Cavour: 2000 to 2010

The release of demographic information from the 2010 Census allows for some analysis of the changing age patterns for Cavour and Beadle County. The following table compares population by age in 2000 and 2010, along with the numeric changes.

<b>Table 4 Population by Age - 2000 to 2010</b>						
Age	Cavour			Beadle County		
	2000	2010	Change	2000	2010	Change
0-14	33	15	-18	3,349	3,467	118
15-19	10	4	-6	1,322	1,147	-175
20-24	2	5	3	936	997	61
25-34	14	16	2	1,630	2,013	383
35-44	28	9	-19	2,575	1,813	-762
45-54	20	25	5	2,353	2,705	352
55-64	17	22	5	1,563	2,250	687
65-74	12	12	0	1,555	1,349	-206
75-84	4	6	2	1,238	1,102	-136
85+	1	0	-1	502	555	53
Total	141	114	-27	17,023	17,398	375

Source: U.S. Census



For many years, demographic analysts have been talking about the impact that is occurring as the large “baby boom” generation moves through the aging cycle. In 2010, nearly all of the baby boomers were within the 45 to 64 age ranges. This trend has been evident in Beadle County. Between 2000 and 2010, Iroquois had a gain of 36 people, Yale had a net gain of 12 people, Cavour had a gain of 10 people and Beadle County had a gain of 1,039 people in the age ranges between 45 and 64 years old.

Beadle County also had growth in the 0 to 14 age range, which had an increase of 118 people, a gain of 444 people in the 20 to 34 age ranges and a gain of 53 people in the 85 and older age range. Beadle County had a loss of 175 people in the 15 to 19 age range, a loss of 762 people in the 35 to 44 age range and a loss of 342 people in the 65 to 84 age ranges.

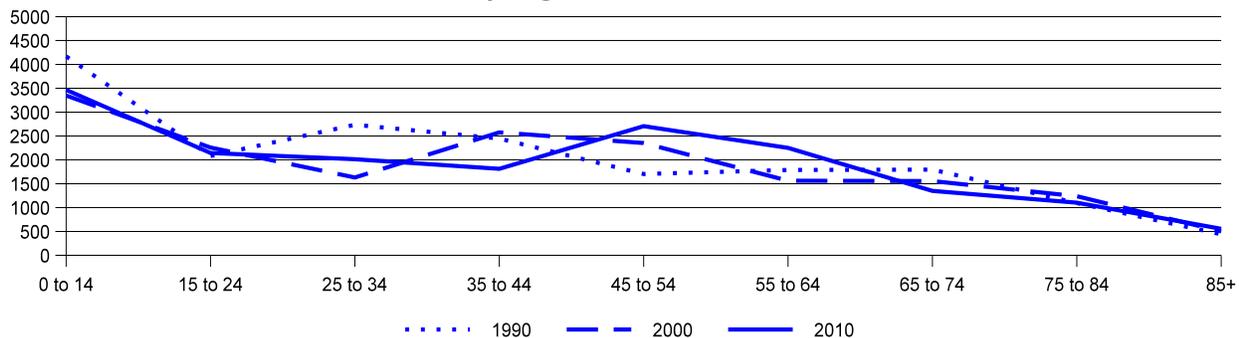
In addition to the gains in the 45 to 64 age ranges, Iroquois had a gain of 16 people in the 20 to 34 age ranges. Iroquois experienced a population loss of 24 people in the 0 to 19 age ranges, a loss of 24 people in the 35 to 44 age range and a loss of 16 people in the 65 to 84 age ranges.

Yale gained three people in the 20 to 24 age range and one person in the 65 to 74 age range. Yale had a loss of nine people in the 0 to 19 age ranges, a loss of 19 people in the 25 to 54 age ranges and a loss of one person in the 65 to 74 age range.

Cavour gained five people in the 20 to 34 age range and two people in the 75 to 84 age range in addition to the gain of 10 people in the 45 to 64 age range. Cavour had a loss of 24 people in the 0 to 19 age range, a loss of 19 people in the 35 to 44 age range and a loss of one person in the 85 and over age range.

The aging trends present in Beadle County can be traced back over the previous decades. It shows the advancing wave created by the aging of the baby boom generation.

**Beadle County Age Distribution: 1990 to 2010**



## Population Projections

The following table presents population projections using two different sources. The South Dakota State Data Center has issued Beadle County population projections for the year 2020. The other set of projections has been created by ESRI, and span the five-year period from 2014 to 2019. ESRI projections exist for the individual jurisdictions and for Beadle County.

<b>Table 5 Population Projections Through 2019/20</b>				
	2010 US Census	2014 Estimate ESRI	2019 Projection ESRI	2020 Projection State Data Center
Iroquois	266	264	261	N/A
Yale	108	111	115	N/A
Cavour	114	117	121	N/A
Beadle County	17,398	18,109	19,009	17,739

Source: ESRI, Inc.; U.S. Census; State Data Center

- ▶ ESRI’s growth projections expect a loss of three people in Iroquois, a gain of four people in Yale, and a gain of four people in Cavour from 2014 to 2019.
- ▶ ESRI’s population projections for Beadle County forecast an increase of 900 people from 2014 to 2019.
- ▶ The State Data Center projects that Beadle County’s population will be 17,739 in 2020, 1,270 people less than ESRI’s 2019 projection of 19,009 people. When compared to the 2010 Census, the State Data Center estimates that Beadle County will see an increase of 341 people during the current decade.

## Household Data and Trends

<b>Table 6 Household Trends - 1980 to 2014</b>						
	1990 Households	2000 Households	% Change 1990-2000	2010 Households	% Change 2000-2010	2014 ESRI Estimate
Iroquois	131	113	-13.7%	119	5.3%	120
Yale	49	47	-4.1%	50	6.4%	52
Cavour	65	60	-7.7%	56	-6.7%	58
Beadle Co.	7,341	7,210	-1.8%	7,276	0.9%	7,605

Source: U.S. Census; ESRI

- ▶ According to the 2010 Census, Iroquois, Yale and Beadle County gained households and Cavour had a loss of households from 2000 to 2010.
- ▶ Iroquois had a gain of six households (5.3%) from 2000 to 2010.
- ▶ Yale had a gain of three households (6.4%) from 2000 to 2010.
- ▶ Cavour had a loss of four households (-6.7%) from 2000 to 2010.
- ▶ Beadle County had 7,276 households in 2010. This was an increase of 66 households or 0.9% from 2000 to 2010.
- ▶ During the 1990s, Iroquois had a loss of 18 households, Yale had a loss of two households, Cavour had a loss of five households, and Beadle County had a loss of 131 households.
- ▶ The ESRI estimates for 2014 show that Iroquois had a gain of one household, Yale had a gain of two households, Cavour had a gain of two households and Beadle County had a gain of 329 households from 2010 to 2014.

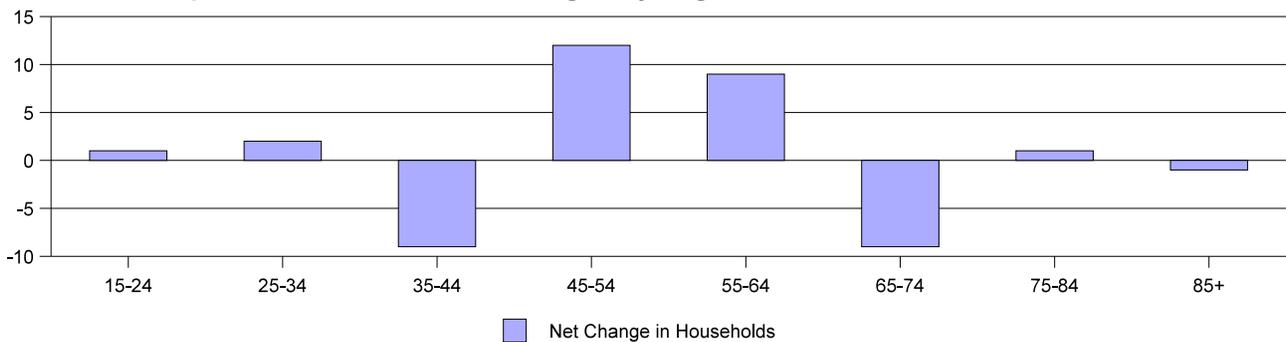
## Household by Age Trends in Iroquois: 2000 to 2010

The 2010 Census allows for some analysis of Iroquois and Beadle County’s changing age patterns. The following table compares households by age of householder in 2000 and 2010, along with the numeric changes.

Table 7 Households by Age - 2000 to 2010						
Age	Iroquois			Beadle County		
	2000	2010	Change	2000	2010	Change
15-24	4	5	1	494	415	-79
25-34	20	22	2	848	1,025	177
35-44	23	14	-9	1,421	992	-429
45-54	19	31	12	1,360	1,543	183
55-64	10	19	9	922	1,352	430
65-74	20	11	-9	979	846	-133
75-84	12	13	1	888	742	-146
85+	5	4	-1	298	361	63
Total	113	119	6	7,210	7,276	66

Source: U.S. Census

Iroquois Household Change by Age Between 2000 and 2010



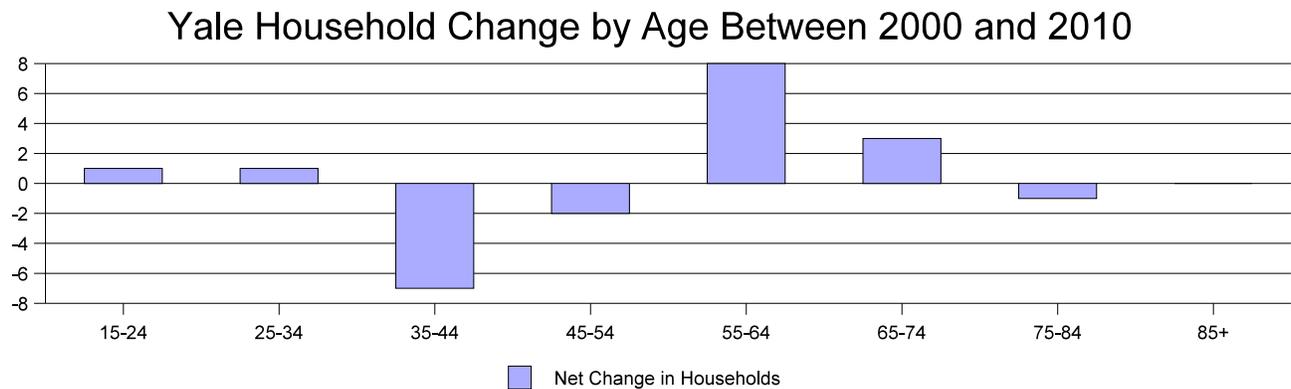
Iroquois added three households in the 15 to 34 year old age ranges, 21 households in the 45 to 64 age ranges and one household in the 75 to 84 age range. Iroquois had a decrease of nine households in the 35 to 44 age range, a loss of nine households in the 65 to 74 age range, and a loss of one household in the 85 and older age range.

## Household by Age Trends in Yale: 2000 to 2010

The 2010 Census allows for some analysis of Yale and Beadle County’s changing age patterns. The following table compares households by age of householder in 2000 and 2010, along with the numeric changes.

<b>Table 8 Households by Age - 2000 to 2010</b>						
Age	Yale			Beadle County		
	2000	2010	Change	2000	2010	Change
15-24	1	2	1	494	415	-79
25-34	9	10	1	848	1,025	177
35-44	10	3	-7	1,421	992	-429
45-54	11	9	-2	1,360	1,543	183
55-64	6	14	8	922	1,352	430
65-74	4	7	3	979	846	-133
75-84	4	3	-1	888	742	-146
85+	2	2	0	298	361	63
Total	47	50	3	7,210	7,276	66

Source: U.S. Census



Yale had a gain of two households in the 15 to 34 age ranges and 11 households in the 55 to 74 age ranges. Yale had a loss of nine households in the 35 to 54 age ranges and a loss of one household in the 75 to 84 age range.

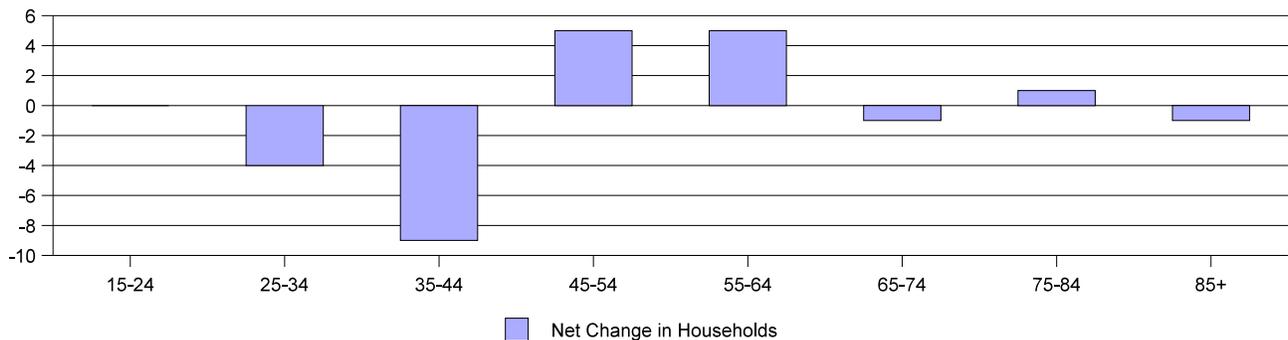
## Household by Age Trends in Cavour: 2000 to 2010

The 2010 Census allows for some analysis of Cavour and Beadle County's changing age patterns. The following table compares households by age of householder in 2000 and 2010, along with the numeric changes.

Table 9 Households by Age - 2000 to 2010						
Age	Cavour			Beadle County		
	2000	2010	Change	2000	2010	Change
15-24	0	0	0	494	415	-79
25-34	10	6	-4	848	1,025	177
35-44	15	6	-9	1,421	992	-429
45-54	11	16	5	1,360	1,543	183
55-64	11	16	5	922	1,352	430
65-74	9	8	-1	979	846	-133
75-84	3	4	1	888	742	-146
85+	1	0	-1	298	361	63
Total	60	56	-4	7,210	7,276	66

Source: U.S. Census

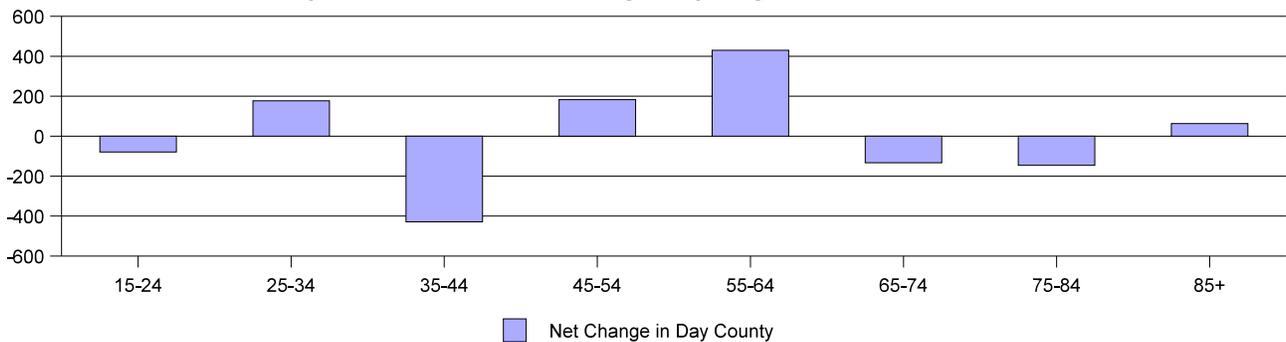
Cavour Household Change by Age Between 2000 and 2010



Cavour had an increase of 10 households in the 45 to 64 age ranges and a gain of one household in the 75 to 84 age range. Cavour had a decrease of 13 households in the 25 to 44 age ranges, and a loss of one household in each of the 65 to 74 and 85 and older age ranges.

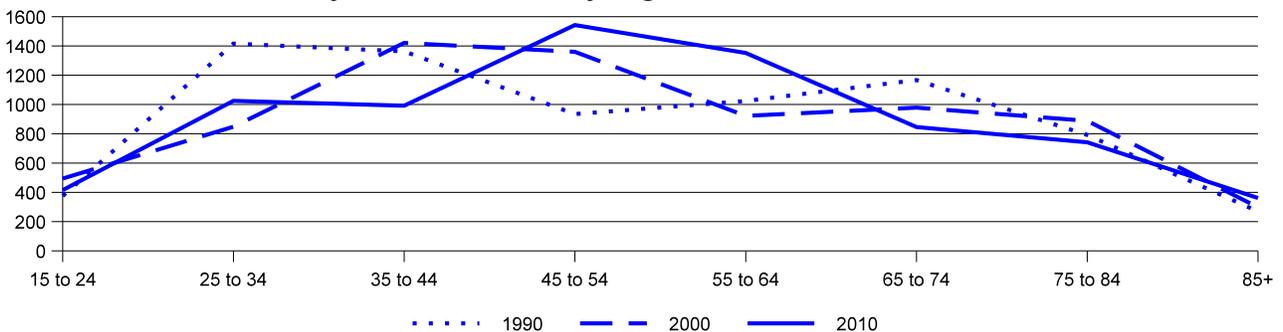
Beadle County experienced a gain of 177 households in the 25 to 34 age range, a gain of 613 households in the 45 to 64 age ranges and a gain of 63 households in the 85 and older age range. Beadle County had a loss of 79 households in the 15 to 24 age range, a loss of 429 households in the 35 to 44 age range and a decrease of 279 households in the 65 to 84 age ranges.

**Beadle County Household Change by Age Between 2000 and 2010**



As with the longer-term patterns for population, it is possible to track the age progression over the past 20 years in Beadle County, using Census information for households by the age of householder.

**Beadle County Households by Age of Householder: 1990 to 2010**



## Average Household Size

The following table provides decennial Census information on average household size, and a 2014 estimate from ESRI.

<b>Table 10 Average Number of Persons Per Household: 1990 to 2014</b>				
	1990 Census	2000 Census	2010 Census	2014 ESRI
Iroquois	2.50	2.46	2.24	2.11
Yale	2.61	2.51	2.16	1.83
Cavour	2.55	2.35	2.04	1.74
Beadle County	2.43	2.30	2.31	2.30
South Dakota	2.59	2.50	2.42	N/A

Source: U.S. Census; ESRI

Household formation has been occurring at a different rate than population change in recent decades due to a steady decrease in average household size. This has been caused by household composition changes, such as more single person and single parent families, fewer children per family, and more senior households due to longer life spans.

The average household size in Iroquois, Yale, Cavour, and Beadle County decreased from 1990 to 2010. Iroquois' average household size decreased from 2.50 to 2.24. Yale's average household size decreased from 2.61 to 2.16 and Cavour's average household size decreased from 2.55 to 2.04. Beadle County's average household size decreased from 2.43 in 1990 to 2.31 in 2010.

In 2010, the average household sizes in the three jurisdictions and in all of Beadle County were substantially smaller than the Statewide average.

## Household Projections

The following table presents ESRI’s 2014 household estimates and 2019 household projections for the three communities and for Beadle County.

<b>Table 11 Household Projections Through 2019</b>				
	2010 Census	2014 Estimate ESRI	2019 Projection ESRI	Change 2010 to 2019
Iroquois	119	120	119	0
Yale	50	52	55	5
Cavour	56	58	61	4
Beadle County	7,276	7,605	7,989	713

Source: U.S. Census; ESRI, Inc.

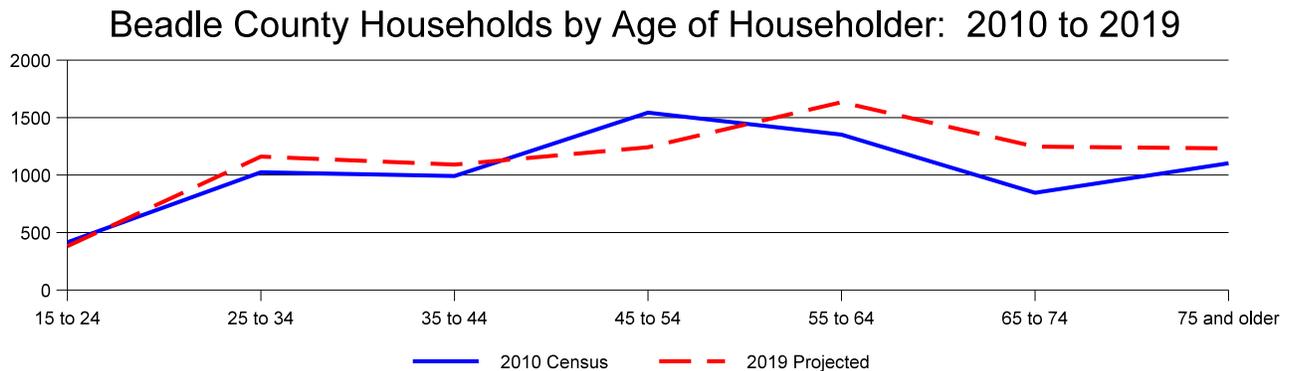
- ▶ The growth projections calculated by ESRI expect household gains for Cavour, Yale and Beadle County from 2010 to 2019. ESRI projects that Iroquois’ number of households will not change from 2010 to 2019.
- ▶ ESRI estimates that Iroquois increased by one household from 2010 to 2014, but is projected to decrease by one household from 2014 to 2019.
- ▶ ESRI estimates that Yale had a gain of two households from 2010 to 2014 and is projected to gain another three households from 2014 to 2019.
- ▶ ESRI estimates that Cavour had a gain of two households from 2010 to 2014 and will gain three households from 2014 to 2019.
- ▶ ESRI’s 2014 estimate for Beadle County shows a gain of 329 households from 2010. ESRI projects that Beadle County will add an additional 384 households from 2014 to 2019.

## Beadle County Household by Age Projections: 2010 to 2019

ESRI has generated household by age projections to the year 2019. The following table presents ESRI’s 2019 household by age projections and the household changes from 2010 to 2019.

<b>Table 12 Beadle County Projected Households by Age - 2010 to 2019</b>			
	2010 Census	2019 Projection	Change from 2010
15-24	415	381	-34
25-34	1,025	1,161	136
35-44	992	1,091	99
45-54	1,543	1,242	-301
55-64	1,352	1,634	282
65-74	846	1,248	402
75+	1,103	1,232	129
Total	7,276	7,989	713

Source: U.S. Census; ESRI, Inc.



Consistent with the age distribution data presented earlier, the movement of the “baby boom” generation through the aging cycle should generate most of the County’s growth in households in the age ranges between 55 and 74 years old. ESRI’s projections expect a gain of 684 households in these age ranges in Beadle County from 2010 to 2019.

ESRI is also projecting an increase of 235 households in the 25 to 44 age ranges and a gain of 129 households in the 75 and older age range.

ESRI is projecting a loss of 34 households in the 15 to 24 age range and a loss of 301 households in the 45 to 54 age range.

When viewed as larger age groupings, these projections expect a net decrease of 202 households age 54 and younger, but an increase of 813 households age 55 and older through the year 2019.

## Households by Type - Iroquois

The 2010 Census can be compared to statistics from 2000 to examine changes in household composition. The following table looks at household trends within the City of Iroquois.

<b>Table 13 Iroquois Household Composition - 2000 to 2010</b>			
	2000 Census	2010 Census	Change
Family Households			
Married Couple with own children	27	23	-4
Single Parent with own children	9	6	-3
Married Couple without own children	37	42	5
Family Householder without spouse	5	5	0
<b>Total Families</b>	<b>78</b>	<b>76</b>	<b>-2</b>
Non-Family Households			
Single Person	35	39	4
Two or more persons	0	4	4
<b>Total Non-Families</b>	<b>35</b>	<b>43</b>	<b>8</b>

Source: U.S. Census

Between 2000 and 2010, Iroquois experienced an overall net decrease of two “family” households. The City had a decrease of three single parent with children households and a decrease of four married couples with their own children. The City had an increase of five married couples without children.

Iroquois had an increase of eight “non-family” households. There was an increase of four one-person households and an increase of four households that had unrelated individuals living together.

## Households by Type - Yale

The 2010 Census can be compared to statistics from 2000 to examine changes in household composition. The following table looks at household trends within the Town of Yale.

<b>Table 14 Yale Household Composition - 2000 to 2010</b>			
	2000 Census	2010 Census	Change
Family Households			
Married Couple with own children	14	6	-8
Single Parent with own children	3	5	2
Married Couple without own children	17	17	0
Family Householder without spouse	0	2	2
<b>Total Families</b>	<b>34</b>	<b>30</b>	<b>-4</b>
Non-Family Households			
Single Person	12	16	4
Two or more persons	1	4	3
<b>Total Non-Families</b>	<b>13</b>	<b>20</b>	<b>7</b>

Source: U.S. Census

Between 2000 and 2010, Yale had a net loss of four “family” households. There was a decrease of eight married couples with children. There was an increase of two married couples without children and an increase of two family households without spouses.

Yale had an increase of seven “non-family” households. There was an increase of four one-person households and an increase of three households that had unrelated individuals living together.

## Households by Type - Cavour

The 2010 Census can be compared to statistics from 2000 to examine changes in household composition. The following table looks at household trends within the Town of Cavour.

<b>Table 15 Cavour Household Composition - 2000 to 2010</b>			
	2000 Census	2010 Census	Change
Family Households			
Married Couple with own children	15	7	-8
Single Parent with own children	4	2	-2
Married Couple without own children	17	19	2
Family Householder without spouse	3	2	-1
<b>Total Families</b>	<b>39</b>	<b>30</b>	<b>-9</b>
Non-Family Households			
Single Person	20	22	2
Two or more persons	1	4	3
<b>Total Non-Families</b>	<b>21</b>	<b>26</b>	<b>5</b>

Source: U.S. Census

Between 2000 and 2010, Cavour had a net loss of nine “family” households. Cavour had a decrease of eight married couples with their own children, a decrease of two single parent with children households, and a loss of one family household without a spouse. The Town had a gain of two married couples without children.

Cavour had a gain of five “non-family” households. There was a gain of two one-person households and a gain of three households that had unrelated individuals living together.

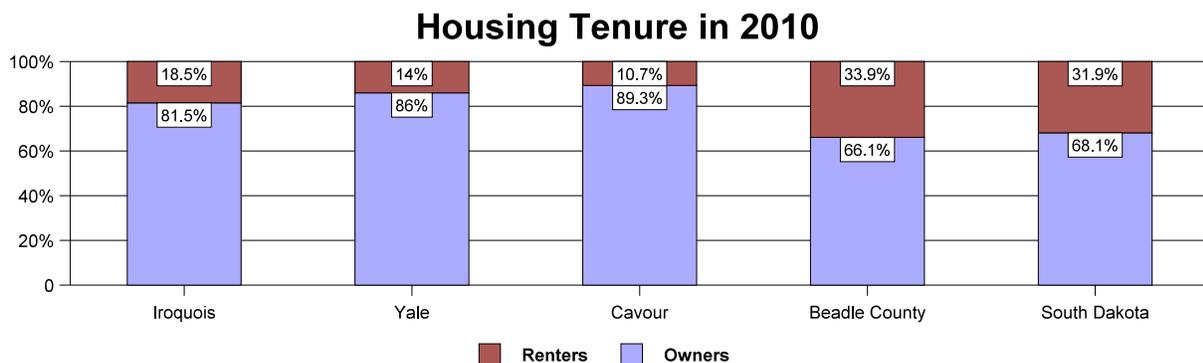
## Housing Tenure

The 2010 Census provided information on housing tenure patterns. The following tables examine tenure rates, along with changes that have occurred.

<b>Table 16 Household Tenure - 2010</b>				
	Number of Owners	Percent of all Households	Number of Renters	Percent of all Households
Iroquois	97	81.5%	22	18.5%
Yale	43	86.0%	7	14.0%
Cavour	50	89.3%	6	10.7%
Beadle County	4,813	66.1%	2,463	33.9%
State	-	68.1%	-	31.9%

Source: U.S. Census

According to the 2010 Census, the ownership tenure rate in Iroquois was 81.5%, Yale’s ownership rate was 86.0%, and Cavour’s ownership rate was 89.3%. Beadle County’s ownership rate was 66.1% in 2010. The rental tenure rates in Iroquois, Yale and Cavour were significantly below the statewide rate of 31.9% renter households. Beadle County’s rental tenure rate was above the statewide rate.



Tenure patterns in 2000 and 2010 can be compared to see changes that have been occurring within each community.

<b>Table 17 Households by Housing Tenure - 2000 to 2010</b>						
Tenure	Owners			Renters		
	2000	2010	Change	2000	2010	Change
Iroquois	87/77.0%	97/81.5%	10	26/23.0%	22/18.5%	-4
Yale	41/87.2%	43/86.0%	2	6/12.8%	7/14.0%	1
Cavour	52/86.7%	50/89.3%	-2	8/13.3%	6/10.7%	-2
Beadle Co.	4,891/67.8%	4,813/66.1%	-78	2,319/32.2%	2,463/33.9%	144

Source: U.S. Census

Cavour and Beadle County had a decrease in owner households between 2000 and 2010, while Iroquois and Yale had an increase in owner households. Countywide, there was a decrease of 78 owner-occupancy households from 2000 to 2010.

Yale and Beadle County had an increase in renter households. Iroquois and Cavour had a decrease in renter households. In all of Beadle County there was an increase of 144 renter-occupancy households from 2000 to 2010.

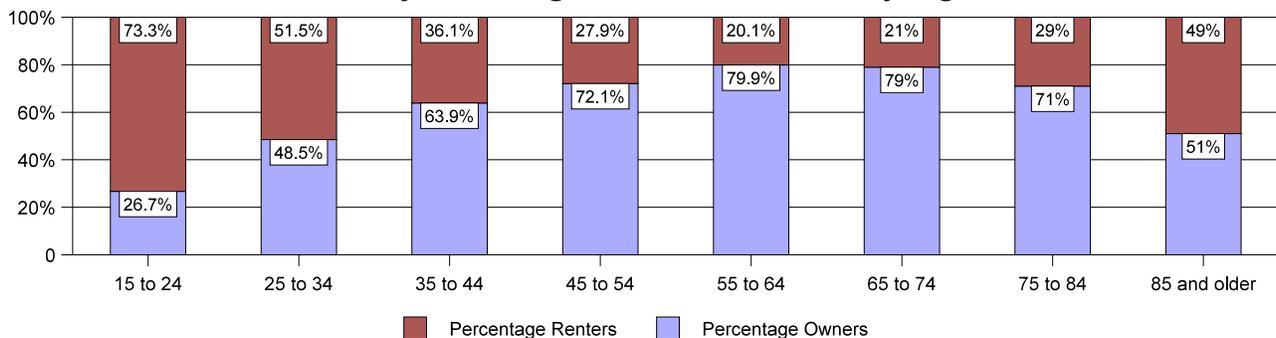
## Tenure by Age of Householder

The 2010 Census provided information on the tenure distribution of households within each defined age range. The following table examines the number and percentage of renters and owners in each age group in Beadle County.

Table 18 Beadle County Tenure by Age of Householder - 2010				
Age	Owners		Renters	
	Number	Percent within age	Number	Percent within age
15-24	111	26.7%	304	73.3%
25-34	497	48.5%	528	51.5%
35-44	634	63.9%	358	36.1%
45-54	1,112	72.1%	431	27.9%
55-64	1,080	79.9%	272	20.1%
65-74	668	79.0%	178	21.0%
75-84	527	71.0%	215	29.0%
85+	184	51.0%	177	49.0%
Total	4,813	66.1%	2,463	33.9%

Source: U.S. Census

Beadle County Housing Tenure Patterns by Age in 2010



Within the defined age ranges, typical tenure patterns were present. Households at the lowest and highest ends of the age spectrum showed a higher preference for rented housing, while middle-aged adult households were primarily homeowners. Approximately 74% of households age 24 and younger rented their unit, and approximately 49% of households age 85 and older were renters. Home ownership rates for each of the 10-year age cohorts between 45 and 84 years old were 71% or higher.

## Tenure by Household Size

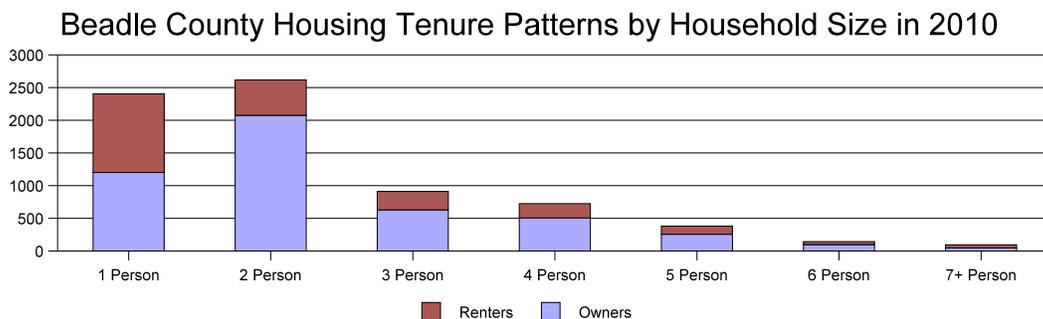
The 2010 Census provided information on housing tenure by household size. This can be compared to 2000 Census information to better understand changing trends. The following table provides information for Beadle County.

Table 19 Beadle County Tenure by Household Size - 2000 to 2010						
Household Size	Owners			Renters		
	2000	2010	Change	2000	2010	Change
1-Person	1,115	1,201	86	1,270	1,203	-67
2-Person	2,050	2,076	26	508	541	33
3-Person	657	629	-28	219	283	64
4-Person	663	506	-157	164	218	54
5-Person	286	257	-29	89	124	35
6-Person	81	98	17	39	45	6
7-Persons+	39	46	7	30	49	19
Total	4,891	4,813	-78	2,319	2,463	144

Source: U.S. Census

From 2000 to 2010, there was a decrease in the number of owner households and an increase in the number of renter households in Beadle County. There was an increase of 112 owner households with one or two household members and an increase of 24 households with six or more household members. There was a decrease of 214 households with three to five household members.

There was a decrease of 67 one-person renter households. All of the other renter household sizes had household gains. Renter households with two to four members had a gain of 151 households and renter households with five or more members had a gain of 60 households. Approximately 71% of the renter households in Beadle County were one or two person households in 2010.



## 2013 Income Data

The 2010 Census did not collect information on household income. However, estimates are available at the town, city and county level through the 2013 American Community Survey. The number of households in Iroquois, Yale, and Cavour is very small, thus, the survey sample in each jurisdiction is small, which makes the margin of error large. This must be considered in analyzing the income data.

Household income represents all independent households, including people living alone and unrelated individuals together in a housing unit. Families are two or more related individuals living in a household.

<b>Table 20 Median Household Income - 2000 to 2013</b>			
	2000 Median	2013 Median	% Change
Iroquois	\$25,625	\$45,781	78.7%
Yale	\$41,250	\$68,438	65.9%
Cavour	\$27,750	\$61,250	120.7%
Beadle County	\$30,510	\$42,778	40.2%
South Dakota	\$35,271	\$46,369	31.5%

Source: U.S. Census; 2013 ACS 5-year survey

<b>Table 21 Median Family Income - 2000 to 2013</b>			
	2000 Median	2013 Median	% Change
Iroquois	\$36,250	\$49,500	36.6%
Yale	\$49,167	\$78,750	60.2%
Cavour	\$38,750	\$65,313	68.5%
Beadle County	\$40,596	\$57,617	41.9%
South Dakota	\$43,237	\$58,958	36.4%

Source: U.S. Census; 2013 ACS 5-year survey

Information contained in the 2013 American Community Survey shows that the median household and family incomes have increased from 2000 to 2013 in the four jurisdictions, and in all of Beadle County. Iroquois and Beadle County's median family and household incomes are below the comparable statewide medians. Yale and Cavour's household and family median incomes are significantly above the Statewide medians.

Generally, family household incomes tend to be much higher than the overall household median, as families have at least two household members, and potentially more income-earners.

Using the commonly accepted standard that up to 30% of gross income can be applied to housing expenses without experiencing a cost burden, a median income household in Beadle County could afford approximately \$1,055 per month and a median income family household could afford \$1,455 per month for ownership or rental housing in 2013.

## Household Income Distribution

The 2013 American Community Survey provides household income distribution estimates for the four jurisdictions.

<b>Table 22 Household Income Distribution - 2013</b>				
Household Income	Iroquois	Yale	Cavour	Beadle County
\$0 - \$14,999	9 / 7.3%	9 / 24.3%	7 / 13.2%	1,058/14.4%
\$15,000 - \$24,999	14 / 11.3%	0 / 0.0%	1 / 1.9%	1,027/14.0%
\$25,000 - \$34,999	10 / 8.1%	1 / 2.7%	4 / 7.5%	1,002/13.6%
\$35,000 - \$49,999	44 / 35.5%	3 / 8.1%	8 / 15.0%	1,083/14.8%
\$50,000 - \$74,999	23 / 18.5%	15 / 40.5%	16 / 30.2%	1,427/19.4%
\$75,000 - \$99,999	15 / 12.1%	4 / 10.8%	14 / 26.4%	956/13.0%
\$100,000+	9 / 7.2%	5 / 13.5%	3 / 5.7%	790/10.8%
Total	124 / 100%	37 / 100%	53 / 100%	7,343/100%

Source: 2000 Census; 2013 ACS

- ▶ In 2013, approximately 62% of Iroquois’s households, 35% of Yale’s households, 38% of Cavour’s households and 57% of Beadle County’s households had annual incomes less than \$50,000.
- ▶ In 2013, approximately 38% of Iroquois’s households, 65% of Yale’s households, 62% of Cavour’s households and 43% of Beadle County’s households had annual incomes more than \$50,000.
- ▶ Approximately 19% of the total households in Iroquois, Yale and Cavour have annual incomes less than \$25,000 in 2013.

## Beadle County Income Distribution by Housing Tenure

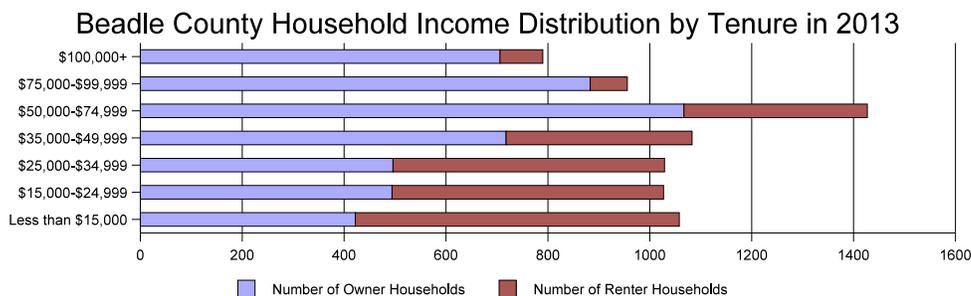
The 2013 American Community Survey provides income data by owner and renter status. The following table examines income distribution in Beadle County.

The American Community Survey is an estimate, based on limited sampling data, and there are some differences when compared to the 2010 Census. The 2013 American Community Survey reported income information on 7,343 households while the 2014 estimate from ESRI showed 7,605 households in the County. Based on the ESRI estimate, it appears that the 2013 American Community Survey estimate of 7,343 is lower than the actual number of households in 2013. However, the estimate is relatively accurate.

While the American Community Survey estimate for total households appears to be relatively accurate, it does appear to have undercounted owner households and overcounted renter households, when compared to the 2010 Census.

<b>Table 23 Beadle County Income Distribution by Tenure - 2013</b>			
Household Income	Number of Owner Households	Number of Renter Households	Total Households
\$0 - \$14,999	422/39.9%	636/60.1%	1,058
\$15,000 - \$24,999	494/48.1%	533/51.9%	1,027
\$25,000 - \$34,999	469/46.8%	533/53.2%	1,002
\$35,000 - \$49,999	718/66.3%	365/33.7%	1,083
\$50,000 - \$74,999	1,067/74.8%	360/25.2%	1,427
\$75,000 - \$99,999	883/93.4%	73/7.6%	956
\$100,000+	706/89.4%	84/10.6%	790
<b>Total</b>	<b>4,759</b>	<b>2,584</b>	<b>7,343</b>

Source: 2013 American Community Survey



Income and housing tenure are often linked for most households, with home owners generally having higher annual income levels, and renters having lower incomes.

In 2013, approximately 66% of all renter households in Beadle County had an annual income below \$35,000. At 30% of income, these households would have \$875, or less, that could be applied to monthly housing costs. The median income for all renter households was approximately \$27,307 in 2013. At 30% of income, a renter at the median level could afford approximately \$683 per month or less for housing costs.

Most owner households had a higher income level than rental households. Approximately 56% of all owner households had an annual income of \$50,000 or more. The estimated median household income for owners in 2013 was approximately \$56,467. At 30% of income, an owner at the median income level could afford approximately \$1,412 per month for housing costs.

## 2013 Estimated Income and Housing Costs - Renters

The American Community Survey also collected information on housing costs. The following table provides data on the number of renter households that are paying different percentages of their gross household income for housing in Beadle County.

<b>Table 24 Gross Rent as a Percentage of Household Income - 2013</b>			
Percent of Income for Housing	Households Age 64 and Younger	Households Age 65 and Older	Total
Less than 20%	783/39.8%	75/12.2%	858/33.2%
20% to 29.9%	434/22.1%	118/19.1%	552/21.4%
30% to 34.9%	189/9.6%	39/6.3%	228/8.8%
35% or more	420/21.4%	282/45.7%	702/27.2%
Not Computed	141/7.1%	103/16.7%	244/9.4%
Total	1,967/100%	617/100%	2,584/100%

Source: 2013 American Community Survey

According to the American Community Survey, approximately 36% of all renters in the County were paying 30% or more of their income for rent. The large majority of these households were actually paying 35% or more of their income for housing. Federal standards for rent subsidy programs generally identify 30% of household income as the maximum household contribution. When more than 30% of income is required, this is often called a “rent burden”. When more than 35% is required, this can be considered a “severe rent burden”.

Although a housing cost burden could be caused by either high housing costs or low household income, in Beadle County it was primarily due to low income levels for renters. A majority of the renter households with a housing cost burden had an annual household income below \$20,000. To avoid a cost burden, these lower income households would have needed a unit with a gross monthly rent of \$500 or less.

Senior citizen renters (age 65 and older) represented approximately 35% of all households with a rental cost burden. Households in the age ranges between 15 and 64 years old represented approximately 65% of all households with a rental cost burden.

## 2013 Estimated Income and Housing Costs - Owners

The American Community Survey also provided housing cost estimates for owner-occupants. The following table provides estimates of the number of households in Beadle County that are paying different percentages of their gross household income for housing costs.

<b>Table 25 Ownership Costs as a Percentage of Income - Beadle County</b>		
Percentage of Household Income for Housing Costs	Number of Owner Households 2013	Percent of All Owner Households 2013
0% to 19.9%	3,128	65.7%
20% to 29.9%	845	17.8%
30% to 34.9%	204	4.3%
35% or more	548	11.5%
Not Computed	34	0.7%
Total	4,759	100%

Source: 2013 ACS

Most owner-occupants in Beadle County, which would include households with and without a mortgage, reported paying less than 30% of their income for housing. However, approximately 16% of all home owners reported that they paid more than 30% of their income for housing. The large majority of these households were paying more than 35% of income for housing costs.

## Occupancy Status of Housing Units - 2010

Table 26 Occupancy Status of Housing Units - 2010						
	Occupied Units		Vacant Units			
	Owner	Renter	For Rent	For Sale	Seasonal Use	Other Vacant
Iroquois	97	22	3	2	6	5
Yale	43	7	0	1	1	4
Cavour	50	6	0	0	0	5
Beadle Co.	4,813	2,463	337	82	206	403

Source: U.S. Census

- ▶ In 2010, according to the U.S. Census, there were 206 seasonal housing units in Beadle County including six units in Iroquois, one vacant unit in Yale and no units in Cavour.
- ▶ In addition to the seasonal units in 2010, there were 822 vacant housing units in Beadle County, including 10 units in Iroquois, five units in Yale and five units in Cavour.

## **Existing Home Sales**

Home sale information exists from Beadle County and from reports that the County files with the South Dakota Department of Revenue. The City of Iroquois extends into both Beadle and Kingsbury Counties. The Counties collect and utilize information from residential sales for their annual sales ratio study. The listings of residential sales are then provided to the Department of Revenue, which makes the reports available on its website.

Each County compares the actual sale price to the estimated taxable value for each property. As a result, the County information for sales primarily reflects existing homes that have an established tax value. New construction sales activity would generally not be recorded in the data that was used for this analysis, unless the house had been constructed some time ago and did have an established tax value from the prior year.

The County also attempts to sort the residential sales into different groupings, primarily based on whether or not the house was actively listed for sale in the open market. As a result, some sales each year are rejected because they were not viewed as open market transactions.

Sales are rejected if the price exceeds 150% of the taxable market value, even when these sales are open market transactions. However, when these sales are identified as open market transactions, Community Partners Research, Inc., has included these higher-ratio sales in the analysis that follows.

The County's time period for analyzing annual sales differs slightly from the calendar year. It begins on November 1<sup>st</sup> and ends on October 31<sup>st</sup> of each year. Information was analyzed beginning with year 2009 (starting November 1, 2008) and extending through October 31, 2014. The sales activity for 2014 had not been audited by the State at the time of the research for this Study.

It is important to note that the number of houses sold in any 12-month period can be limited and may not be an accurate indicator of overall home values in the community. However, this sample does provide some insight into those units that have turned-over during this time period. By looking at a multi-year grouping of sales, it is also possible to analyze more reliable data.

## Existing Home Sales - Iroquois

The sales in the following table include both the Beadle and Kingsbury County portions of the City.

<b>Table 27 Iroquois Residential Sales Activity - 2009 through 2014</b>				
Sales Year	Number of Sales	Median Sale Price	Highest Sale	Lowest Sale
2014	0	-	-	-
2013	2	\$112,750*	\$175,000	\$50,500
2012	3	\$17,750*	\$95,000	\$9,000
2011	4	\$22,500*	\$30,000	\$17,000
2010	6	\$54,000*	\$115,000	\$8,350
2009	5	\$43,000	\$100,000	\$4,000
Six-year	20	\$ 33,750*	\$175,000	\$4,000

Source: SD Dept. of Revenue; Community Partners Research, Inc.

\* Median calculated from nearest sales

- ▶ Over the entire six-year time period reviewed, only 20 residential sales occurred in Iroquois that were viewed as open market transactions. Within any single 12-month time period, no more than six sales occurred. In 2014, there were no open market sales recorded.
- ▶ Over the entire six-year period, the median home sales price in Iroquois was \$33,750.
- ▶ Over the six-year period, only three homes were sold for \$100,000 or more, with the highest-priced sale in 2010 at \$115,000.
- ▶ In one-half of the years reviewed, at least one residential sale occurred for less than \$10,000.

### Distressed Sales

- ▶ A separate sales search was completed looking for residential foreclosures or Sheriff's Sale activity in Iroquois. Two transactions were identified, with one in 2010 and one in 2011. Both of these Sheriff's Sales were in the Kingsbury County portion of the City.

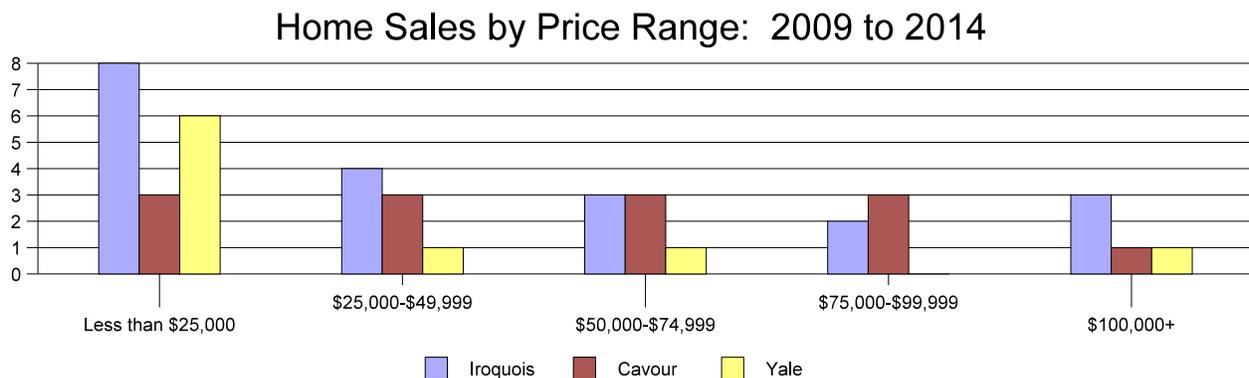
## Home Sales by Price Range - Iroquois

The following table looks at single family houses that sold within defined price ranges in Iroquois over the six-year period from November 1, 2008, to October 31, 2014. Due to the limited number of sales in any single year, the longer time frame has been used for the analysis.

Table 28 Iroquois Home Sales by Price Range: 2009 to 2014		
Sale Price	Number of Sales	Percentage of All Sales
Less than \$25,000	8	40.0%
\$25,000 - \$49,999	4	20.0%
\$50,000 - \$74,999	3	15.0%
\$75,000 - \$99,999	2	10.0%
\$100,000 or more	3	15.0%
Total	20	100%

Source: SD Department of Revenue; Community Partners Research, Inc.

- ▶ Recent home sales have been primarily in the lower price ranges, with 60% of the sales occurring for less than \$50,000 and 75% of the sales for less than \$75,000.
- ▶ Over the past six years, only three houses in Iroquois were sold for \$100,000 or more, including a sale for \$115,000 in 2010, the highest sales value achieved.



## Existing Home Sales - Cavour

In Cavour, only 13 open market sales have been recorded over the last six years. Due to the limited number of sales in any 12-month period, the sales have been aggregated in the following table.

<b>Table 29 Cavour Residential Sales Activity - 2009 through 2014</b>				
Sales Year	Number of Sales	Median Sale Price	Highest Sale	Lowest Sale
Six-year Total	13	\$55,000	\$107,900	\$15,000

Source: SD Dept. of Revenue; Community Partners Research, Inc.

- ▶ Over the entire six-year time period reviewed, only 13 residential sales occurred in Cavour that were viewed as open market transactions. Three open market sales occurred in both 2013 and 2014.
- ▶ The median price for the nine sales was \$55,000.
- ▶ Over the six-year period, four homes in Cavour were sold for more than \$75,000, with the highest-valued sale recorded at \$107,900. This sale occurred in 2013.
- ▶ The lowest-valued sale was for \$15,000, and was recorded in 2012.

### Distressed Sales

- ▶ A separate sales search was completed looking for residential foreclosures or Sheriff's Sale activity in Cavour. No transactions were identified.

## Existing Home Sales - Yale

In Yale, only nine open market sales have been recorded over the last six years. Due to the limited number of sales in any 12-month period, the sales have been aggregated in the following table.

<b>Table 30 Yale Residential Sales Activity - 2009 through 2014</b>				
Sales Year	Number of Sales	Median Sale Price	Highest Sale	Lowest Sale
Six-year Total	9	\$12,000	\$110,000	\$2,000

Source: SD Dept. of Revenue; Community Partners Research, Inc.

- ▶ Over the entire six-year time period reviewed, only nine residential sales occurred in Yale that were viewed as open market transactions. No open market sales occurred in 2013 or 2014.
- ▶ The median price for the nine sales was \$12,000. Six of the nine sales were for less than \$15,000.
- ▶ Over the six-year period, only two homes were sold for more than \$60,000, with the highest-valued sale recorded at \$110,000. This sale occurred in 2012.
- ▶ The lowest-valued sale was for only \$2000, and was recorded in 2009.

### Distressed Sales

- ▶ A separate sales search was completed looking for residential foreclosures or Sheriff's Sale activity in Yale. Only one transaction was identified, in 2014.

## Housing Condition

Community Partners Research, Inc. representatives conducted a visual 'windshield' survey of all the single family/duplex houses in the three cities and towns. The number of houses surveyed in each city and town is:

- ▶ Iroquois - 116
- ▶ Yale - 52
- ▶ Cavour - 41

Houses that appeared to contain three or more residential units were excluded from the survey. Houses were categorized in one of four levels of physical condition, Sound, Minor Repair, Major Repair, and Dilapidated as defined below. The visual survey analyzed only the physical condition of the visible exterior of each structure. Exterior condition is assumed to be a reasonable indicator of the structure's interior quality.

Dilapidated was the lowest rating used. These houses need major renovation to become decent, safe and sanitary housing. Some Dilapidated properties may be abandoned and may be candidates for demolition and clearance.

Major Rehabilitation is defined as a house needing multiple major improvements such as roof, windows, sidings, structural/foundation, etc. Houses in this condition category may or may not be economically feasible to rehabilitate.

Minor Repair houses are judged to be generally in good condition and require less extensive repair, such as one major improvement. Houses in this condition category will generally be good candidates for rehabilitation programs because they are in a salable price range and are economically feasible to repair.

Sound houses are judged to be in good, 'move-in' condition. Sound houses may contain minor code violations and still be considered Sound.

<b>Table 31 Windshield Survey Housing Condition Estimate - 2014</b>					
	Sound	Minor Repair	Major Repair	Dilapidated	Total
Iroquois	58/50.0%	31/26.7%	19/16.4%	8/6.9%	116
Cavour	18/43.9%	11/26.9%	6/14.6%	6/14.6%	41
Yale	14/26.9%	14/26.9%	17/32.7%	7/13.5%	52
Total	90/43.1%	56/26.8%	42/20.1%	21/10.0%	209

Source: Community Partners Research, Inc.

- ▶ Approximately 27% of the houses in Iroquois, Cavour and Yale need minor repair and 20% need major repair. Approximately 43% are sound, with no required improvements. Twenty-one houses are dilapidated and possibly beyond repair.
- ▶ In Iroquois, more than 23% of all rated houses were in one of the two lowest condition categories, including eight houses that received the lowest rating of dilapidated.
- ▶ In Cavour, approximately 29% of all rated houses were in one of the two lowest condition categories, including six houses that received the lowest rating of dilapidated.
- ▶ In Yale, more than 46% of all rated houses were in one of the two lowest condition categories, including seven houses that received the lowest rating of dilapidated.
- ▶ Although many of the houses in each community were in need of repair, approximately 27% or more of the housing stock in the three jurisdictions received a rating of sound, indicating no visible repairs.

## Mobile Home Housing Condition

Community Partners Research, Inc. representatives conducted a visual 'windshield' survey of the 23 mobile homes located in Iroquois, Yale and Cavour.

Mobile homes were categorized in one of four levels of physical condition, Sound, Minor Repair, Major Repair, and Dilapidated as defined below. The visual survey analyzed only the physical condition of the visible exterior of each structure. Exterior condition is assumed to be a reasonable indicator of the structure's interior quality.

Dilapidated was the lowest rating used. Dilapidated mobile homes need major renovation to become decent, safe and sanitary housing. Some Dilapidated properties may be abandoned and may be candidates for removal. Major Rehabilitation is defined as a mobile home needing multiple major improvements such as roof, windows, sidings, structural/foundation, etc. Houses and mobile homes in this condition category may or may not be economically feasible to rehabilitate.

Minor Repair mobile homes are judged to be generally in good condition and require less extensive repair, such as one major improvement. Mobile homes in this condition category may be good candidates for rehabilitation programs because they are in a salable price range and may be feasible to repair.

Sound mobile homes are judged to be in good, 'move-in' condition. Mobile homes may contain minor code violations and still be considered Sound.

	Sound	Minor Repair	Major Repair	Dilapidated	Total
Iroquois	1/25.0%	3/75.0%	0/0%	0/0%	4
Cavour	5/29.4%	4/23.5%	5/29.4%	3/17.7%	17
Yale	0/0%	1/50.0%	1/50.0%	0/0%	2
Total	6/26.1%	8/34.8%	6/26.1%	3/13.0%	23

Source: Community Partners Research, Inc.

- ▶ Eight of the mobile homes in the three jurisdictions need minor repair and six mobile homes need major repair. Six mobile homes are sound, with no required improvements. Three mobile homes were rated as dilapidated and possibly beyond repair.

## **New Housing Construction**

Over the past 15 years, from 2000 to 2014, Iroquois had 18 new houses constructed, and Yale and Cavour both had two new homes constructed.

There were 581 housing units constructed in Beadle County from 2000 to 2014, primarily reflecting activity in Huron.

The following charts identify new housing construction annually in Iroquois and Beadle County.

## Iroquois Building Permit Trends

Iroquois has experienced a significant amount of new housing construction activity in recent years for a City its size. The following table identifies the units that have been constructed from 2000 to November of 2014.

<b>Table 33 Iroquois Housing Unit Construction Activity: 2000 to 2014*</b>			
Year	Single Family	Two or More Units	Total Units Constructed
2014	0	0	0
2013	0	0	0
2012	2	0	2
2011	0	0	0
2010	1	0	1
2009	1	0	1
2008	2	0	2
2007	6	0	6
2006	4	0	4
2005	0	0	0
2004	0	0	0
2003	0	0	0
2002	1	0	1
2001	0	0	0
2000	1	0	1
<b>TOTAL</b>	<b>18</b>	<b>0</b>	<b>18</b>

Source: Census Bureau; Community Partners Research, Inc.

\* 2014 is through November

Over the past 15 years, 18 new housing units have been constructed or moved into Iroquois, based on building permit issuance and U.S. Census information. The units are all single family homes.

During this seven-year period from 2000 to 2007, Iroquois averaged 1.5 new housing units per year. From 2008 to 2014, Iroquois averaged approximately one new housing unit per year.

## **Beadle County Building Permit Trends**

Beadle County has experienced a significant amount of new housing construction activity in recent years. The following table identifies the units that have been constructed from 2000 to October of 2014.

<b>Table 34 Beadle County Housing Unit Construction Activity: 2000 to 2014*</b>			
Year	Single Family	Two or More Units	Total Units Constructed
2014	22	0	22
2013	22	9	31
2012	32	6	38
2011	30	46	76
2010	31	0	31
2009	39	2	41
2008	41	0	41
2007	27	3	30
2006	52	0	52
2005	49	8	57
2004	27	4	31
2003	26	0	26
2002	48	0	48
2001	20	8	28
2000	29	0	29
<b>TOTAL</b>	<b>495</b>	<b>86</b>	<b>581</b>

Source: Census Bureau; Community Partners Research, Inc.

\* 2014 is through October

Over the past 15 years, 581 new housing units have been constructed in Beadle County, based on building permit issuance and U.S. Census information. The units include 495 single family homes and 86 units in buildings with two or more units.

During this eight-year period from 2000 to 2007, the County averaged approximately 38 new housing units per year. After 2007, housing construction activity remained consistent, and the County has averaged 37 new units per year from 2008 to 2014.

## Employment and Local Economic Trends Analysis

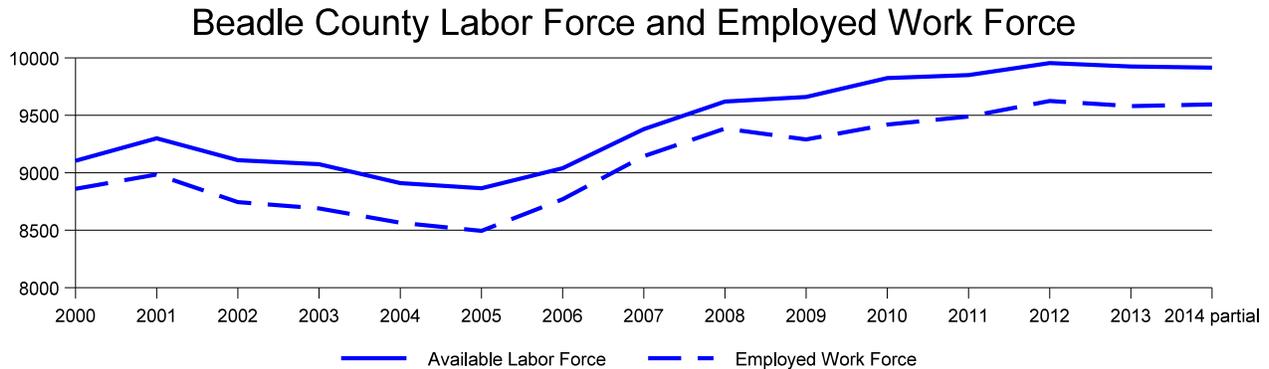
While many factors influence the need for housing, employment opportunities represent a predominant demand generator. Without jobs and corresponding wages, the means to pay for housing is severely limited.

Employment opportunities may be provided by a broad range of private and public business sectors. Jobs may be available in manufacturing, commercial services, agriculture, public administration, and other industries. The type of employment, wage level, and working conditions will each influence the kind of housing that is needed and at what level of affordability.

Employment information is available at the county level. The labor force statistics in the table below tracks people by place of residence, rather than place of employment.

<b>Table 35 Beadle County Annual Labor Statistics: 2000 to 2014*</b>						
Year	Labor Force	Employed	Unemployed	Unemployment Rate - County	Unemployment Rate - SD	Unemployment Rate - US
2000	9,105	8,860	245	2.7%	2.7%	4.0%
2001	9,300	8,985	315	3.4%	3.1%	4.7%
2002	9,110	8,745	365	4.0%	3.3%	5.8%
2003	9,075	8,690	385	4.2%	3.5%	6.0%
2004	8,910	8,565	345	3.9%	3.7%	5.6%
2005	8,865	8,495	370	4.2%	3.7%	5.1%
2006	9,040	8,770	270	3.0%	3.1%	4.6%
2007	9,380	9,145	235	2.5%	2.9%	4.6%
2008	9,620	9,385	235	2.5%	3.0%	5.8%
2009	9,660	9,290	370	3.8%	5.2%	9.3%
2010	9,825	9,420	405	4.1%	5.1%	9.6%
2011	9,850	9,490	360	3.6%	4.7%	8.9%
2012	9,955	9,625	330	3.3%	4.2%	8.1%
2013	9,925	9,580	345	3.5%	3.8%	7.4%
2014*	9,915	9,595	320	3.2%	3.7%	6.5%

Source: South Dakota Department of Labor \* 2014 information is for January through October



When viewed over a longer time period, there has been solid growth in the area’s labor force and employed work force, despite some downward movement from 2001 to 2005. Between 2000 and 2013, the last full year of information, the size of the resident labor force decreased by 820 people, or 9%. The employed work force increased by 720 people over that same time period, or 8.1%.

Partial-year information for 2014 indicates that the level in the current year may be very comparable to the average for 2013, but this cannot be fully determined until the final two months of the year are included.

Throughout the time period reviewed, the County’s unemployment rate has remained below the national average. It has also been lower than the Statewide rate since 2006.

## Average Annual Wages by Industry Sector

The following table shows the annual employment and average annual wages by major employment sector in 2013, the last full year of data. It is important to note that the major employment sectors listed do not represent all employment in the County.

This information is for all of Beadle County. Covered employment and wages are based on the location of the job, not the residency of the worker.

<b>Table 36 Beadle County Average Wages by Industry Detail: 2013</b>		
Industry	2013 Employment	2013 Average Annual Wage
Total All Industry	8,463	\$34,306
Natural Resources, Mining	186	\$45,980
Construction	354	\$42,277
Manufacturing	1,729	\$35,469
Trade, Transportation, Utilities	1,790	\$32,372
Information	96	\$21,167
Financial Activities	474	\$41,244
Professional and Business Services	409	\$54,941
Education and Health Services	1,264	\$32,531
Leisure and Hospitality	717	\$11,018
Other Services	183	\$25,944
Government	1,260	\$39,458

Source: South Dakota Department of Labor

The average annual wage for all industry in 2013 was \$34,306. The highest paying wage sector was Professional and Business Services, with an annual average wage of nearly \$55,000. However, fewer than 5% of the County’s jobs were in this sector. Trade, Transportation and Utilities was the largest industry sector for number of employees, and had an annual wage slightly below the overall average.

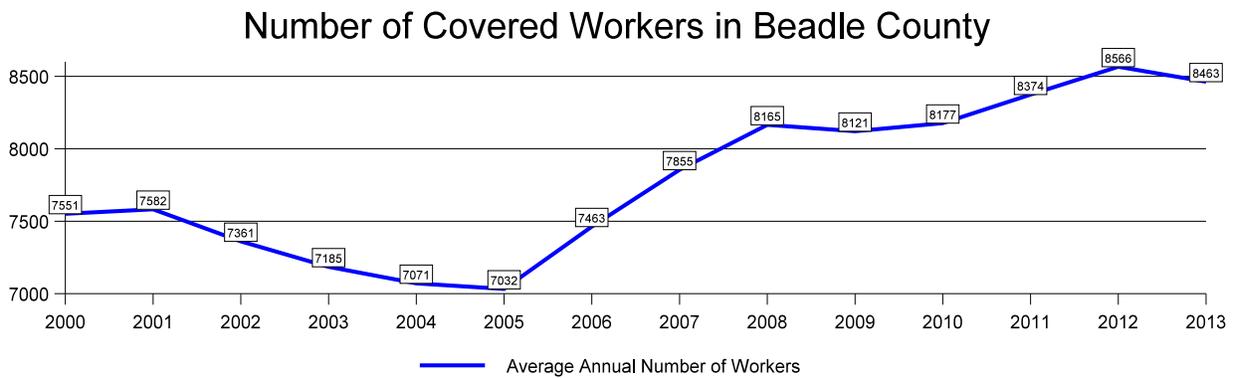
The lowest paying wage sector was Leisure and Hospitality, with an average annual wage of approximately \$11,000.

## Annual Covered Employment

Since the Quarterly Census of Covered Workers (QCEW) tracks employees covered by unemployment insurance by location of the worker, it is possible to examine longer-term patterns in the local employment level. The following table displays the total number of workers reported in Beadle County back to the year 2000.

<b>Table 37 Beadle Average Annual Employment</b>			
Year	Total Covered Employment	Year	Total Covered Employment
2000	7,551	2007	7,855
2001	7,582	2008	8,165
2002	7,361	2009	8,121
2003	7,185	2010	8,177
2004	7,071	2011	8,374
2005	7,032	2012	8,566
2006	7,463	2013	8,463

Source: QCEW - SD Department of Labor



After experiencing a steady decline in the number of covered workers from 2001 to 2005, employment patterns reversed in Beadle County and there has been relatively steady growth in the number of jobs since that time. The highest employment level was reached in 2012. Although the number of workers covered by unemployment insurance in 2013 was slightly below the level achieved in 2012, 2013 still represented the second highest annual level for the County.

## Regional Unemployment and Wage Rates

Beadle County has a concern about maintaining an adequate labor force. As existing businesses look to expand, or new businesses look to locate into the area, potential worker shortages could become an issue. In addition to labor force and employment information for Beadle County, information has also been collected for the larger region, including the State's larger cities. Information is presented for 2013, the last full year of available data. Unemployment numbers are at the city level, while annual wage information is for the entire county.

<b>Table 38 Regional and State Unemployment Data - 2013</b>			
Area	Number of Unemployed - 2013	Unemployment Rate - 2013	2013 Average Annual Wage all Industry County Wage
Beadle County	345	3.5%	\$34,306
Watertown	465	3.6%	\$34,854
Aberdeen	535	3.5%	\$36,673
Brookings	440	3.3%	\$37,526
Mitchell	295	3.2%	\$34,361
Pierre	255	3.1%	\$37,901
Yankton	290	3.8%	\$35,823
Sioux Falls	3,200	3.5%	\$41,627
South Dakota	-	3.8%	\$37,226
North Dakota	-	2.9%	\$47,788
Minnesota	-	5.1%	\$50,128

Source: Various sources including State Departments of Labor and the Federal Bureau of Labor Statistics

For calendar year 2013, the national unemployment rate was at 7.4%. All of the regional entities reviewed had an unemployment rate that was well below the national average. The State of Minnesota, with an unemployment rate of 5.1%, was the highest of the jurisdictions examined.

The average annual wage data is from the Quarterly Census of Employment and Wages (QCEW) and represents the average pay for all employed workers within the jurisdiction. It does not represent any estimate of the pay that is being offered for available jobs. However, it does provide some perspective on the overall wage conditions that exist.

The average annual wage in Beadle County in 2013 was below the Statewide average by nearly \$3,000 annually. While annual wages in Beadle County were generally similar to those being paid in Watertown and Mitchell, they were lower than the wages in Aberdeen, Brookings or Pierre.

The average annual wage in South Dakota was the lowest of the three States examined. The highest average annual wage in 2013 was in the State of Minnesota. Both North Dakota and Minnesota had statewide average wages that were more than \$13,000 higher than the average wage in Beadle County.

## Commuting Patterns of Area Workers

Some information is available on area workers that commute for employment. The best information is from the 2013 American Community Survey, and has been examined for the City of Huron, the largest city and the employment center for Beadle County.

The American Community Survey identifies travel time by location of employment. For people that worked in Huron, the following travel times were identified.

<b>Table 39 Commuting Times for Huron-based Employees - 2013</b>		
Travel Time	Number	Percent
Less than 15 minutes	5,106	71.2%
15 to 24 minutes	1,092	15.2%
25 minutes +	971	13.5%
Total	7,169	100%

Source: 2013 American Community Survey 5-year estimates

For people that worked in Huron, more than 71% traveled 14 minutes or less, and presumably lived within the city limits or very close to the community. Approximately 15% of the Huron-based employees traveled from 15 to 24 minutes, and were probably commuting from other parts of Beadle County or from destinations in adjoining counties. Overall, more than 86% of workers lived within the immediate vicinity, and had a travel time that was less than 25 minutes.

## Census On the Map

The Census Bureau also produces commuter reports through its Center for Economic Studies division. This information is based on reports for the year 2011, but provides a further breakdown of worker movement.

According to the report for Beadle County, there were 7,645 people that were employed within the County in 2011. Nearly 70% of these County-based employees also lived within the County. The remaining 30% of employees lived outside the County and traveled in.

The On the Map reporting service can be used to track worker outflow patterns from the County. Overall, there were 8,069 Beadle County residents that were employed. Most of these County residents worked inside the County, as only 34% traveled to other locations for employment. Nearly 67% of the employed residents living in Beadle County also worked at a location within the County.

# City of Iroquois

## Introduction

Iroquois is a small city located in Beadle and Kingsbury Counties approximately 18 miles from Huron, 56 miles from Brookings and 66 miles from Redfield.

<b>Key Statistics: Iroquois</b>	
<b><i>Demographic</i></b>	
Population:	264 people in 2014
Households:	120 households in 2014
Household Size:	2.11 persons per household in 2014
Population Trend:	Down 2 people from 2010 to 2014
Household Trend:	Up 1 household from 2010 to 2014
Household Projection:	A loss of 1 household between 2014 and 2019
<b><i>Income</i></b>	
Median Household Income:	\$45,781 in 2013
Median Family Income:	\$49,500 in 2013
<b><i>Housing</i></b>	
Home Ownership Rate:	81.5% home owners
Rental Rate:	18.5% renters
Median Home Value:	\$33,750 based on sales from 2009 to 2014
New Construction:	18 houses from 2000 to 2014
<b><i>Housing Condition</i></b>	
Condition Rating:	Sound - 58 homes Minor Rehab - 31 homes Major Rehab - 19 homes Dilapidated - 8 homes

## **Findings on Growth Trends**

Iroquois' population was 266 people in 2010, which is a loss of 12 people from 2000. Iroquois had a loss of 50 people during the 1990s. Iroquois had 119 households in 2010, which is a gain of six households from 2000. Iroquois had a gain of 18 households in the 1990s.

In the 1990s, Beadle County had a decrease of 1,230 people and 131 households. From 2000 to 2010, Beadle County had a gain of 375 people and 66 households.

## **Findings on Growth Projections**

As part of this Study, ESRI has provided population and household projections to the year 2019 for Iroquois and Beadle County.

ESRI is projecting that Iroquois will lose three people and one household from 2014 to 2019.

For all of Beadle County, ESRI expects an increase of 900 people and a gain of 384 households from 2014 to 2019.

## **Rental Housing Data**

### **Census Bureau Rental Inventory**

According to the 2010 U.S. Census, there were 22 occupied rental units and three unoccupied rental units in Iroquois, for a total estimated rental inventory of 25 units. Iroquois's rental tenure rate was 18.5%, which was well below the Statewide rate in 2010 of 31.9%.

At the time of the 2000 Census, Iroquois had 26 occupied rental units, and one vacant rental unit, for a total estimated rental inventory of 27 units. The rental tenure rate in 2000 was 23%.

Based on a Census comparison, Iroquois had a decrease of four renter-occupancy households, and a loss of two rental units from 2000 to 2010.

### **Rental Survey**

As part of the research for this Study, Community Partners Research, Inc., attempted to contact owners or managers of multifamily buildings with four or more units. There are two multi-family projects in Iroquois.

Two market rate four-plexes were constructed in the mid-1970s. These were previously a Rural Development subsidized project, but they converted to a market rate project. The eight units include two one-bedroom and six two-bedroom units. Rents are \$250 for a one-bedroom unit and \$275 for a two-bedroom unit. Tenants also pay electricity. The owner reports no vacancies.

The Peskey Apartments include three rental units. The three rental units include one one-bedroom unit and two two-bedroom units. Rent is \$400 and includes all utilities. The owner reports no vacancies.

<b>Table 40 Iroquois Multifamily Rental Housing Inventory</b>					
<b>Name</b>	<b>Number of Units / Bedroom Mix</b>	<b>Rent</b>	<b>Vacancy / Wait List</b>	<b>Tenant Mix</b>	<b>Comments</b>
<b>Market Rate</b>					
Two Four-plexes	2 - 1 bedroom <u>6 - 2 bedroom</u> 8 total units	\$250 \$275	No vacancies	General occupancy	Two 4-plexes constructed in the mid 1970s. The units include two one-bedroom and six two-bedroom units. The project was originally a Rural Development subsidized development, but converted to a market rate project. Rent is \$250 for a one-bedroom unit and \$275 for a two-bedroom unit. Tenants also pay electricity. The owner reports no vacancies.
Peskey Apartments	1 - 1 bedroom <u>2 - 2 bedroom</u> 3 total units	\$400	No vacancies	General occupancy	The Peskey Apartments include three units in a 4-plex. The fourth unit is owner-occupied. The units include one one-bedroom and 2 two-bedroom. Rent is \$400 and includes utilities. The owner reports no vacancies.

Source: Community Partners Research, Inc.

## Recommendations, Strategies and Housing Market Opportunities

Based on the research contained in this study, and the housing strengths and barriers identified above, we believe that the following recommendations are realistic options for Iroquois. They are based on the following strategies.

- ▶ **Be realistic in expectations for housing development** - Large-scale residential growth has not occurred in the recent past and is not likely to occur in the near future. The scale of activities proposed for the future should be comparable with the City's potential for growth.
- ▶ **New housing development and housing rehabilitation generally will not occur without proactive community involvement** - To attract new home construction or housing rehabilitation in Iroquois, subsidies or some other form of financial assistance will be needed from Iroquois Housing, Inc., BASEC, regional housing agencies and the South Dakota Housing Development Authority.
- ▶ **Protect the Town's existing housing stock** - The future of Iroquois will be heavily dependent on the City's appeal as a residential location. The condition of the existing housing stock is a major factor in determining the City's long-term viability. The existing housing stock is in good condition and the City's major asset, however, rehabilitation efforts are needed to preserve the housing stock.
- ▶ **Develop a realistic action plan with goals and time lines** - The City should prioritize its housing issues and establish goals and time lines to achieve success in addressing its housing needs.
- ▶ **Access all available resources for housing** - In addition to the local efforts, the City has other resources to draw on including Grow South Dakota, Homes are Possible, Inc., USDA Rural Development and the South Dakota Housing Development Authority. These resources should be accessed as needed to assist with housing activities.

## **Summary of Findings/Recommendations**

The findings/recommendations for Iroquois have been formulated through the analysis of the information provided in the previous sections and include 12 recommendations. The findings/recommendations have been developed in the following five categories:

- ▶ **Rental Housing Development**
- ▶ **Home Ownership**
- ▶ **Single Family Housing Development**
- ▶ **Housing Rehabilitation**
- ▶ **Other Housing Issues**

The findings/recommendations for each category are as follows:

### **Rental Housing Development**

1. Consider the development of four affordable rental units
2. Utilize vacant homes for rental housing
3. Utilize the Housing Choice Voucher Program

### **Home Ownership**

4. Utilize and promote all programs that assist with home ownership
5. Develop a purchase/rehabilitation program

### **Single Family Housing Development**

6. Lot availability
7. Governors Homes/Housing Development

### **Housing Rehabilitation**

8. Promote rental housing rehabilitation
9. Promote owner-occupied housing rehabilitation efforts

**Other Housing Issues**

10. Acquire and demolish dilapidated structures
11. Create a plan and a coordinated effort among housing agencies
12. Promote commercial rehabilitation and development

## Rental Housing Development

**Findings:** The 2010 U.S. Census reports that there are 22 renter households in Iroquois. The renter households live in two rental projects and in single family homes that are used as rental housing.

ESRI's projections indicate that Iroquois is expected to decrease by one household from 2014 to 2019 and Beadle County is projected to add 384 households.

### 1. Consider the development of four affordable rental units

**Findings:** From 2014 to 2019, Iroquois's population is projected to decrease by one household, and Iroquois lacks some of the amenities to attract a large number of rental households including employment, commercial, health care, retail and service opportunities.

However, two rental projects are located in Iroquois and they are fully occupied. The rental projects include:

One project includes two market rate four-plexes constructed in the mid-1970s. These were previously a Rural Development subsidized project, but they converted to a market rate project. The eight units include two one-bedroom and six two-bedroom units. Rents are \$250 for a one-bedroom unit and \$275 for a two-bedroom unit. Tenants also pay electricity. The owner reports no vacancies.

The Peskey Apartments include three rental units. The three rental units include one one-bedroom unit and two two-bedroom units. Rent is \$400 and includes all utilities. The owner reports no vacancies.

**Recommendation:** We recommend the construction of four affordable rental units over the next five years.

Although Iroquois is not projected to add households and has limited amenities, Iroquois has two fully occupied multifamily rental projects, a K-12 school, retail/commercial opportunities and 18 homes have been constructed in Iroquois since 2000.

We recommend that the four units are all two-bedroom and rent does not exceed \$650 to \$700 plus utilities. To achieve this rent, assistance would be

needed from the City of Iroquois, Iroquois Housing, Inc., BASEC and regional housing agencies. Assistance could include land donations, tax abatement, low interest loans, etc.

## **2. Utilize vacant homes or buildings for rental housing**

**Findings:** In addition to the new rental housing recommendation, we recommend the utilization of vacant homes or buildings for rental housing. Currently, there has been preliminary analysis of converting a vacant church into rental housing. Iroquois is within commuting distance of several cities including Huron. These cities have employment opportunities. Iroquois also has employment opportunities. According to the 2010 U.S. Census, and our housing condition survey, there are vacant homes and seasonal homes in Iroquois.

**Recommendation:** We recommend that Iroquois coordinate with private rental property owners and housing agencies to acquire vacant and/or seasonal homes or buildings for rental housing. Private rental property owners could purchase the structures and utilize funding from housing agencies to rehabilitate the structures. Potential funding sources include USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank. Grow South Dakota and HAPI, Inc., are regional housing agencies that could potentially assist with this project.

Additionally, housing vouchers may be available to assist the eligible rental households with the rent.

## **3. Utilize the Housing Choice Voucher Program**

**Findings:** The Housing Choice Voucher Program provides portable, tenant-based rent assistance to lower income renter households. The program requires participating households to contribute from 30% to 40% of their adjusted income for rent, with the rent subsidy payment making up the difference. Tenants may lease any suitable rental unit in the community, provided that it passes a Housing Quality Standards inspection, and has a reasonable gross rent when compared to prevailing rents in the community.

Although the federal government provides almost no funding for subsidized housing construction, it has provided new Housing Choice Voucher allocations over the last two decades.

Because of the flexibility offered through the program, eligible households often prefer the portable rent assistance to other forms of subsidized housing that are project-based, and can only be accessed by living in a specific rental development.

The Housing Choice Voucher Program is administered in Beadle County by the Huron Housing Authority and in Kingsbury County by the Brookings Housing Authority.

**Recommendation:** The Huron Housing Authority and Brookings Housing Authority should work with Iroquois to assure that Iroquois receives its share of Housing Choice Vouchers and that tenants are aware of the program.

## Home Ownership

**Findings:** Expanding home ownership opportunities is a primary goal for most cities and towns. High rates of home ownership promote stable communities and strengthen the local tax base. The median owner-occupied home value in Iroquois is estimated to be \$33,750 based on sales activity over the past six years. The home values in Iroquois provide an excellent market for first time buyers and households seeking moderately priced homes.

Some Iroquois households have not been able to achieve the goal of home ownership may need the assistance of special programs to help them purchase their first home. To assist in promoting the goal of home ownership, the following activities are recommended:

#### 4. Utilize and promote all programs that assist with home ownership

**Findings:** We believe that affordable home ownership is one of the issues facing Iroquois in the future. Home ownership is generally the preferred housing option for most households and most communities. There are a number of strategies and programs that can be used to promote home ownership programs, and can assist with this effort.

First time home buyer assistance, down payment assistance, low interest loans and home ownership counseling and training programs can help to address affordable housing issues. Iroquois has a supply of houses that are price-eligible for these assistance programs. The home value estimates used in this study indicate that a large majority of the existing stock currently is valued under the purchase price limits for the first-time home buyer assistance programs.

While these individual home ownership assistance programs may not generate a large volume of new ownership activity, the combination of below market mortgage money, home ownership training, credit counseling, and down payment assistance may be the mix of incentives that moves a potential home buyer into home ownership.

**Recommendation:** The Town of Iroquois, BASEC and Iroquois Housing, Inc., should continue to work with area housing agencies, the South Dakota Housing Development Authority and local financial institutions to utilize all available home ownership assistance programs. Currently, BASEC has down payment assistance and mortgage funds available.

Private and nonprofit agencies should be encouraged to provide home ownership opportunities. Iroquois should also work with housing agencies to assure that residents are receiving its share of resources that are available in Beadle and Kingsbury Counties and in the region.

Funding sources for home ownership programs may include Rural Development, the South Dakota Housing Development Authority, and the Federal Home Loan Bank. Also, BASEC, Grow South Dakota and HAPI, Inc., utilize several funding sources to provide home ownership programs in the region.

## **5. Develop a Purchase/Rehabilitation Program**

**Findings:** Iroquois has a stock of older, lower valued homes, some of which need repairs. Our analysis of recent sales activity over the last six years indicates that approximately 50% of the homes in Iroquois are valued less than \$33,750. As some lower valued homes come up for sale, they may not be attractive options for potential home buyers because of the amount of repair work that is required.

Some communities with a stock of older homes that need rehabilitation have developed a purchase/rehabilitation program. Under a purchase/rehabilitation program, the Town or a housing agency purchases an existing home that needs rehabilitation, rehabilitates the home, sells the home to a low/moderate income family and provides a mortgage with no down payment, no interest and a monthly payment that is affordable for the family.

In many cases, the cost of acquisition and rehab will exceed the house's after-rehab value, thus, a subsidy is needed. Although a public subsidy may be involved, the cost to rehab and sell an existing housing unit is generally lower than the subsidy required to provide an equally affordable unit through new construction.

**Recommendation:** We recommend that BASEC develop and implement a purchase/rehab program that can be implemented in Spink and Beadle County's cities and towns. The low values of existing homes in small Spink and Beadle County's cities and towns make a purchase/rehab program feasible. Attitudinal surveys that we have conducted in other cities have found that purchase/rehabilitation programs are appealing to people who are currently renting their housing. In some similar sized communities, a large majority of survey respondents who were renters indicated an interest in buying a home in need of repair if rehabilitation assistance was available.

A purchase/rehabilitation program achieves several goals. The program encourages home ownership, prevents substandard homes from becoming rental properties and rehabilitates homes that are currently substandard.

Because a purchase/rehabilitation program can be expensive and its cost effectiveness in some cases may be marginal, it may be advantageous in some cases to directly assist low and moderate income households with purchasing and rehabilitating homes. Area housing agencies and financial institutions could offer some rehabilitation assistance in conjunction with first-time home buyer programs to make the City's older housing a more attractive option for potential home buyers. Also, USDA Rural Development provides purchase/rehabilitation loans to low and moderate income buyers.

Also, there may be an opportunity for BASEC to financially assist the private sector with purchasing, rehabilitating and selling homes.

## Single Family Housing Development

**Findings:** Eighteen new homes have been constructed or moved into Iroquois since 2000. Eight of the homes are Governors Homes.

Household projections for Iroquois expect the loss of one household over the next five years, thus, there is limited demand for owner-occupied housing construction. Housing growth is anticipated over the next five years among Spink County households in the 55 and 74 year old age ranges in the Region. Households in these age ranges tend to be predominantly home owners, and form a market for higher priced and trade-up housing.

Our projections also expect the number of households in the 25 to 34 age range to increase over the next five years in the Region. Many households in this age range are first-time home buyers and may be in the market for new affordable homes.

It is our opinion that new housing construction will be limited over the next five years. This is due to multiple factors including the small size of the community, the current low property values and no projected household growth. However, based on past success with housing development, housing construction incentives and Iroquois Housing Inc., involvement, it is our projection that three to four homes could be constructed or moved into Iroquois over the next five years from 2015 to 2020.

### 6. Lot Availability

**Findings:** As part of this Study, we attempted to identify the inventory of available residential lots for single family housing construction in Iroquois. Buildable lots are defined as having sewer and water available to the lots. There are no new lots or subdivisions in Iroquois and a limited number of in fill lots available throughout the community.

**Recommendation:** We use a standard that a 2.5-year supply of lots should be available in the marketplace, based on annual lot usage. Using our projections that three to four houses will be constructed or moved in over the next five years, there currently is not an adequate supply of in fill lots in Iroquois to meet demand.

We recommend that the City continue to acquire and demolish dilapidated structures to make the cleared lots available for housing development. Also, it may be necessary to develop a small subdivision. The City previously has developed a five-lot subdivision. However, it is more economically feasible to utilize in fill lots, if possible.

We also recommend that Iroquois Housing, Inc., inventory lots in the City to determine their availability, price, etc. Therefore, if there is a household that has an interest in building a home in Iroquois or moving a home into Iroquois, an inventory of lots will be available.

## **7. Governors Homes/Housing Development**

**Findings:** Eight Governors Homes have been moved into Iroquois over the past several years. Although the Governor's Program has been successful in Iroquois, Iroquois Housing, Inc., plans to construct stick-built homes in Iroquois because of Governor's Home Program rule changes.

Iroquois Housing, Inc., awards \$4,000 to any household that builds a home in Iroquois.

**Recommendation:** We recommend that the City of Iroquois continue to utilize the Governor's Home Program or develop a program that provides affordable new housing utilizing stick-built homes. It is our opinion that three to four homes can be constructed or moved in over the next five years. However, the number of homes may change based on demand.

For new home construction to be successful in Iroquois, the price of the home must be as low as possible. To accomplish this, all stakeholders must continue to be involved, including the City of Iroquois, Iroquois Housing, Inc., and BASEC. Financial assistance such as land donations, low interest loans, down payment assistance, tax abatement, etc. will need to be included to keep the homes affordable. Also, Iroquois Housing, Inc., should continue its \$4,000 New Construction Program.

## Housing Rehabilitation

**Findings:** Iroquois has an asset in its existing housing stock. Existing units, both now and into the future, will represent the large majority of the affordable housing opportunities. Existing units generally sell at a discount to their replacement value. Units that are not maintained and improved may slip into disrepair and be lost from the housing stock. Efforts and investment in housing rehabilitation activities will be critical to offering affordable housing opportunities.

It is our opinion that Iroquois and area housing agencies will need to make housing rehabilitation a priority in the future. Housing options for households at or below the median income level will largely be met by the existing, more affordable housing stock. As this existing stock ages, more maintenance and repair will be required. Without rehabilitation assistance, there is a chance that this affordable stock could shrink, creating an even more difficult affordability situation.

The following specific recommendations are made to address the housing rehabilitation needs.

### 8. Promote rental housing rehabilitation

**Findings:** Iroquois has 25 rental units according to the 2010 U.S. Census. Our condition analysis identified several substandard rental units. The rental units in need of repair are primarily single family homes. It is difficult for rental property owners to rehabilitate and maintain their rental properties while keeping the rents affordable for the tenants. The rehabilitation of older rental units can be one of the most effective ways to produce decent, safe and sanitary affordable housing.

**Recommendation:** Iroquois should work with housing agencies to seek funds that allow for program design flexibility that make a rental rehabilitation program workable. Potential funding sources may include Grow South Dakota, HAPI, Inc., USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank.

## **9. Promote owner-occupied housing rehabilitation efforts**

**Findings:** The affordability of the existing housing stock in Iroquois will continue to be an attraction for households that are seeking housing in Iroquois. Investment in owner-occupied housing rehabilitation activities will be critical to offering affordable housing opportunities.

Our 2014 housing condition survey of 116 Iroquois homes found 31 homes that need minor repairs and 19 homes that need major repairs. Without rehabilitation assistance, there is the potential that the affordable housing stock will shrink in Iroquois.

**Recommendation:** We recommend that Iroquois and area housing agencies continue to seek local, state and federal funds to assist in financing housing rehabilitation. BASEC has been active in obtaining funds for housing rehabilitation. USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank, are all potential funding sources.

Currently, Grow South Dakota and Homes are Possible, Inc., are implementing owner-occupied housing rehabilitation programs in Beadle and Kingsbury Counties. Households that meet eligibility requirements are eligible for a deferred loan to rehabilitate their homes. Deferred loans do not have to be paid back if the household lives in the rehabilitated home for a stipulated amount of time after the rehabilitation is completed. We encourage Iroquois households to utilize these programs.

## Other Housing Initiatives

### 10. Acquire and Demolish Dilapidated Structures

**Findings:** Our housing condition survey identified that of the 116 homes in Iroquois, eight homes are dilapidated and too deteriorated to rehabilitate. We also identified 19 homes as needing major repair and several of these homes may be too dilapidated to rehabilitate. To improve the quality of Iroquois' housing stock and to maintain the appearance of the community, dilapidated structures should be demolished.

**Recommendation:** Iroquois should continue to work with property owners to demolish severely dilapidated structures. Iroquois is enhanced when blighted and dilapidated structures are removed. Also, some of the cleared lots can be utilized for the construction of new affordable housing units. Some cities are adopting ordinances that give towns more authority to require property owners to demolish vacant, dilapidated homes.

Also, Iroquois Housing, Inc., and BASEC should maintain an inventory of dilapidated homes, which will enable the City to acquire dilapidated homes as opportunities come to fruition.

### 11. Create a plan and a coordinated effort among housing agencies

**Findings:** In addition to local resources, Iroquois has access to BASEC, Grow Spink, Grow South Dakota, Homes are Possible, Inc., the USDA Rural Development Office and the South Dakota Housing Development Authority. These agencies all have experience with housing and community development programs.

**Recommendation:** Iroquois has access to multiple agencies that can assist with addressing housing needs. It is our recommendation that Iroquois work with the housing agencies to prioritize the recommendations of this Study and to develop a plan in coordination with BASEC to address Iroquois's housing needs. The Plan should include strategies, time lines and the responsibilities of each agency. While there has traditionally been a degree of staff interaction between these agencies, it will be important that a coordinated approach be used to prioritize and assign responsibility for housing programs.

It will also be important for Iroquois to look for opportunities to work cooperatively with other area towns and cities to address housing issues. With the number of small towns and cities in the Region, and limited staff capacity at the town and county levels, cooperative efforts may be the only way to accomplish certain projects. Cooperative efforts will not only make housing projects more practical, but they will often be more cost-effective and competitive.

## **12. Promote Commercial Rehabilitation and Development**

**Findings:** Iroquois's commercial district is limited and in fair condition. There are several vacant and substandard commercial buildings.

When households are selecting a city to purchase a home in, they often determine if the city's commercial sector is sufficient to serve their daily needs. A viable commercial district is an important factor in their decision making process.

**Recommendation:** We recommend that the City of Iroquois, Iroquois Housing, Inc., and BASEC continue to work with commercial property owners to rehabilitate their buildings and to demolish the buildings if they are beyond repair. Also, new businesses should, to the extent that it is feasible, be encouraged to locate in Iroquois.

# Town of Yale

## Introduction

Yale is a small town located in Beadle County approximately 16 miles from Huron and 67 miles from Brookings.

<b>Key Statistics: Yale</b>	
<b><i>Demographic</i></b>	
Population:	111 people in 2014
Households:	52 households in 2014
Household Size:	1.83 persons per household in 2014
Population Trend:	Up 3 people from 2010
Household Trend:	Up 2 households from 2010
Household Projection:	A gain of 3 households between 2014 and 2019
<b><i>Income</i></b>	
Median Household Income:	\$68,438 in 2013
Median Family Income:	\$78,750 in 2013
<b><i>Housing</i></b>	
Home Ownership Rate:	86.0% home owners
Rental Rate:	14.0% renters
Median Home Value:	\$12,000 based on sales from 2009 to 2014
New Construction:	Two houses from 2000 to 2014
<b><i>Housing Condition</i></b>	
Condition Rating:	Sound - 14 homes Minor Rehab - 14 homes Major Rehab - 17 homes Dilapidated - 7 homes

## **Findings on Growth Trends**

Yale's population was 108 people in 2010, which is a loss of 10 people from 2000. Yale also had a loss of 10 people during the 1990s. Yale had 50 households in 2010, which is a gain of three households from 2000. Yale had a loss of two households in the 1990s.

In the 1990s, Beadle County had a decrease of 1,230 people and 131 households. From 2000 to 2010, Beadle County had a gain of 375 people and 66 households.

## **Findings on Growth Projections**

As part of this Study, ESRI provided population and household projections to the year 2019 for Yale and Beadle County.

ESRI is projecting that Yale's population will increase by four people and three households from 2014 to 2019.

For all of Beadle County, ESRI expects an increase of 900 people and a gain of 384 households from 2014 to 2019.

## **Rental Housing Data**

### **Census Bureau Rental Inventory**

According to the 2010 U.S. Census, there were seven occupied rental units and no unoccupied rental unit in Yale, for a total estimated rental inventory of seven units. Yale's rental tenure rate, was 14.0%, based on renter-occupancy households, which was well below the Statewide rate in 2010 of 31.9%.

At the time of the 2000 Census, Yale had six occupied rental units, and two vacant rental units, for a total estimated rental inventory of eight units. The rental tenure rate in 2000 was 12.8%.

Based on a Census comparison, Yale had an increase of one renter-occupancy household, and a loss of one rental unit from 2000 to 2010.

### **Rental Survey**

As part of the research for this Study, Community Partners Research, Inc., attempted to contact owners or managers of multifamily buildings with four or more units.

Yale has one multi-family rental project. The Kempf four-plex is a general occupancy market rate project that was constructed in the late 1990s. All of the units have two bedrooms. The rent is \$550 and includes all utilities. Currently, there are two vacancies. The owner reports that he typically has full occupancy until the past three or four months.

<b>Table 41 Yale Multifamily Rental Housing Inventory</b>					
<b>Name</b>	<b>Number of Units / Bedroom Mix</b>	<b>Rent</b>	<b>Vacancy/ Wait List</b>	<b>Tenant Mix</b>	<b>Comments</b>
<b>Market Rate</b>					
Kempf Four-plex	<u>4 - 2 bedroom</u> 4 total units	\$550	Two vacancies	General occupancy	The Kempf four-plex is a general occupancy market rate project that was constructed in the late 1990s. All of the units have two bedrooms. The rent is \$550 and includes all utilities. Currently, there are two vacancies. The owner reports that he typically has full occupancy until the past three or four months.

Source: Community Partners Research, Inc.

## Recommendations, Strategies and Housing Market Opportunities

Based on the research contained in this study, and the housing strengths and barriers identified above, we believe that the following recommendations are realistic options for Yale. They are based on the following strategies.

- ▶ **Be realistic in expectations for housing development** - Large-scale residential growth has not occurred in the recent past and is not likely to occur in the near future. The scale of activities proposed for the future should be comparable with the Town's potential for growth.
- ▶ **New housing development and housing rehabilitation generally will not occur without proactive community involvement** - To attract new home construction or housing rehabilitation in Yale, subsidies or some other form of financial assistance will be needed from Yale, BASEC, regional housing agencies and the South Dakota Housing Development Authority.
- ▶ **Protect the City's existing housing stock** - The future of Yale will be heavily dependent on the Town's appeal as a residential location. The condition of the existing housing stock is a major factor in determining the Town's long-term viability. The existing housing stock is in fair condition and the Town's major asset, however, rehabilitation efforts are needed to preserve the housing stock.
- ▶ **Develop a realistic action plan with goals and time lines** - The Town should prioritize its housing issues and establish goals and time lines to achieve success in addressing its housing needs.
- ▶ **Access all available resources for housing** - In addition to the local efforts, the Town has other resources to draw on including Grow South Dakota, Homes are Possible, Inc., USDA Rural Development and the South Dakota Housing Development Authority. These resources should be accessed as needed to assist with housing activities.

## Summary of Findings/Recommendations

The findings/recommendations for Yale have been formulated through the analysis of the information provided in the previous sections and include 12 recommendations. The findings/recommendations have been developed in the following five categories:

- ▶ **Rental Housing Development**
- ▶ **Home Ownership**
- ▶ **Single Family Housing Development**
- ▶ **Housing Rehabilitation**
- ▶ **Other Housing Issues**

The findings/recommendations for each category are as follows:

### **Rental Housing Development**

1. Monitor the need to develop new market rate or subsidized housing
2. Utilize vacant homes for rental housing
3. Utilize the Housing Choice Voucher Program

### **Home Ownership**

4. Utilize and promote all programs that assist with home ownership
5. Develop a purchase/rehabilitation program

### **Single Family Housing Development**

6. Lot availability
7. Governors Homes/Housing Development

### **Housing Rehabilitation**

8. Promote rental housing rehabilitation
9. Promote owner-occupied housing rehabilitation efforts

**Other Housing Issues**

10. Acquire and demolish dilapidated structures
11. Create a plan and a coordinated effort among housing agencies
12. Promote commercial development

## Rental Housing Development

**Findings:** The 2010 U.S. Census reports that there were seven rental households in Yale. Yale's renter households are living in the Kempf four-plex and single family homes.

ESRI's projections indicate that Yale is expected to increase by three households from 2014 to 2019 and Beadle County is projected to add 66 households.

### 1. Monitor the need to develop new market rate or subsidized rental housing

**Findings:** From 2014 to 2019, Yale's population is projected to increase by four people and three households, thus, Yale's demand for additional rental housing is limited. Also, Yale lacks amenities to attract a large number of rental households including employment, commercial, health care, retail and service opportunities. Yale historically has been a City with a high owner occupancy rate due to the lack of demand and the lack of a significant household growth over the past five years.

Yale has one four-plex with four two-bedroom units. Currently, the four-plex has two vacancies, although, historically the four-plex has had a high occupancy rate.

**Recommendation:** We do not recommend the construction of market rate or subsidized rental housing at this time. We do recommend that Yale monitor the need for the production of market rate or subsidized housing in the future.

### 2. Utilize vacant homes for rental housing

**Findings:** We are not recommending the construction of new rental housing, however, we do believe there is some limited demand for affordable rental housing. Yale is within commuting distance of Huron, which offers employment opportunities.

According to the 2010 U.S. Census, and our housing condition survey, there are several vacant homes in Yale.

**Recommendation:** We recommend that Yale coordinate with private rental property owners and regional housing agencies to acquire vacant seasonal homes for rental housing. Private rental property owners could purchase the homes and utilize funding from housing agencies to rehabilitate the homes.

Potential funding sources include USDA Rural Development, The South Dakota Housing Development Authority and the Federal Home Loan Bank. Grow South Dakota and HAPI, Inc., are regional housing agencies that could potentially assist with this project.

Additionally, housing vouchers may be available to assist the eligible rental households with the rent.

### **3. Utilize the Housing Choice Voucher Program**

**Findings:** The Housing Choice Voucher Program provides portable, tenant-based rent assistance to lower income renter households. The program requires participating households to contribute from 30% to 40% of their adjusted income for rent, with the rent subsidy payment making up the difference. Tenants may lease any suitable rental unit in the community, provided that it passes a Housing Quality Standards inspection, and has a reasonable gross rent when compared to prevailing rents in the community.

Although the federal government provides almost no funding for subsidized housing construction, it has provided new Housing Choice Voucher allocations over the last two decades.

Because of the flexibility offered through the program, eligible households often prefer the portable rent assistance to other forms of subsidized housing that are project-based, and can only be accessed by living in a specific rental development.

The Housing Choice Voucher Program is administered in Beadle County by the Huron Housing Authority. The Huron Housing Authority has the ability to issue approximately 251 vouchers.

**Recommendation:** The Huron Housing Authority should work with Yale to assure that Yale receives its share of Housing Choice Vouchers and that tenants are aware of the program.

## Home Ownership

**Findings:** Expanding home ownership opportunities is a primary goal for most cities. High rates of home ownership promote stable communities and strengthen the local tax base. The median owner-occupied home value in Yale is estimated to be \$12,000 based on sales activity over the past six years. The home values in Yale provide an excellent market for first time buyers and households seeking moderately priced homes.

Some Yale and Beadle County households have not been able to achieve the goal of home ownership and may need the assistance of special programs to help them purchase their first home. Also, the number of households in the 25 to 44 age ranges is expected to grow significantly in Beadle County. Some of these younger households need assistance to purchase a home. To assist in promoting the goal of home ownership, the following activities are recommended:

#### 4. Utilize and promote all programs that assist with home ownership

**Findings:** We believe that affordable home ownership is one of the issues facing Yale in the future. Home ownership is generally the preferred housing option for most households and most communities. There are a number of strategies and programs that can be used to promote home ownership programs, and can assist with this effort.

First time home buyer assistance, down payment assistance, low interest loans and home ownership counseling and training programs can help to address affordable housing issues. Yale has a supply of houses that are price-eligible for these assistance programs. The home value estimates used in this study indicate that a large majority of the existing stock currently is valued under the purchase price limits for the first-time home buyer assistance programs.

While these individual home ownership assistance programs may not generate a large volume of new ownership activity, the combination of below market mortgage money, home ownership training, credit counseling, and down payment assistance may be the mix of incentives that moves a potential home buyer into home ownership.

**Recommendation:** The Town of Yale and BASEC should continue to work with area housing agencies, the South Dakota Housing Development Authority and local financial institutions to utilize all available home ownership assistance programs. Currently, BASEC has down payment assistance and mortgage funds available. Private and nonprofit agencies should be encouraged to provide home ownership opportunities.

Yale and BASEC should also work with housing agencies to assure that Yale is receiving its share of resources that are available in Beadle County and the region.

Funding sources for home ownership programs may include Rural Development, the South Dakota Housing Development Authority, and the Federal Home Loan Bank. Also, BASEC, Grow South Dakota and HAPI, Inc., utilize several funding sources to provide home ownership programs in the Region.

## 5. Develop a Purchase/Rehabilitation Program

**Findings:** Yale has a stock of older, lower valued homes, many of which need repairs. Our analysis of sales activity indicates that some of the homes in Yale are valued at less than \$20,000. As some lower valued homes come up for sale, they may not be attractive options for potential home buyers because of the amount of repair work that is required.

Some communities with a stock of older homes that need rehabilitation have developed a purchase/rehabilitation program. Under a purchase/rehabilitation program, the Town or a housing agency purchases an existing home that needs rehabilitation, rehabilitates the home, sells the home to a low/moderate income family and provides a mortgage with no down payment, no interest and a monthly payment that is affordable for the family.

In many cases, the cost of acquisition and rehab will exceed the house's after-rehab value, thus, a subsidy is needed. Although a public subsidy may be involved, the cost to rehab and sell an existing housing unit is generally lower than the subsidy required to provide an equally affordable unit through new construction.

**Recommendation:** We recommend that BASEC develop and implement a purchase/rehab program that can be implemented in Beadle County cities and towns. The low values of existing homes in small Beadle County cities and towns make a purchase/rehab program feasible. Attitudinal surveys that we have conducted in other cities have found that purchase/rehabilitation programs are appealing to people who are currently renting their housing. In some similar sized communities, a large majority of survey respondents who were renters indicated an interest in buying a home in need of repair if rehabilitation assistance was available.

A purchase/rehabilitation program achieves several goals. The program encourages home ownership, prevents substandard homes from becoming rental properties and rehabilitates homes that are currently substandard.

Because a purchase/rehabilitation program can be expensive and its cost effectiveness in some cases may be marginal, it may be advantageous in some cases to directly assist low and moderate income households with purchasing and rehabilitating homes. Area housing agencies and financial institutions could offer some rehabilitation assistance in conjunction with first-time home buyer programs to make the City's older housing a more attractive option for potential home buyers. Also, USDA Rural Development provides purchase/rehabilitation loans to low and moderate income buyers.

Also, there may be an opportunity for BASEC to financially assist the private sector with purchasing, rehabilitating and selling homes.

## Single Family Housing Development

**Findings:** Two new homes have been constructed or moved into Yale since 2000.

Household projections for Yale expect the gain of three households over the next five years, thus, there is very limited demand for owner-occupied housing construction. Strong growth is anticipated over the next five years among Beadle County households in the 55 and 74 year old age ranges. Households in these age ranges tend to be predominantly home owners, and form a market for higher priced and trade-up housing.

Our projections also expect Beadle County's number of households in the 25 to 44 age ranges to increase substantially over the next five years. Many households in this age range are first-time home buyers and may be in the market for new affordable homes.

Although there will be household growth in Beadle County, it is our opinion that new housing construction will be limited in Yale over the next five years. This is due to multiple factors including the small size of the community, the current low property values and no housing construction over the past 14 years. However, it is our projection that one home could be constructed or moved into Yale over the next five years from 2015 to 2020.

### 6. Lot Availability

**Findings:** As part of this Study, we attempted to identify the inventory of available residential lots for single family housing construction in Yale. Buildable lots are defined as having sewer and water available to the lots. There are no new lots or subdivisions in Yale, however, there are several infill lots throughout the community.

**Recommendation:** We use a standard that a 2.5-year supply of lots should be available in the marketplace, based on annual lot usage. Using our projections that one house will be constructed or moved in over the next five years, there currently is an adequate supply of infill lots in Yale and these lots can meet demand.

We recommend that Yale and BASEC inventory lots in the Town to determine their availability, price, etc. Therefore, if there is a household that has an interest in building a home or moving a home into Yale, an inventory of lots will be available.

## **7. Governors Homes/Housing Development**

**Findings:** Two homes have been constructed in Yale since 2000. These homes were not governors homes.

**Recommendation:** We recommend that the Town of Yale utilize the Governor's Home Program. It is our opinion that one Governors Home could be moved into Yale over the next five years. Also, there is potential for a household to move a modular home into the community.

For the Governor's Home Program to be successful in Yale, the price of the home must be as low as possible. To accomplish this, all stakeholders must continue to be involved, including the Town of Yale and BASEC. Also, financial assistance such as land donations, low interest loans, down payment assistance, tax abatement, etc. will need to be included in the development and purchase of the homes to keep the homes affordable.

Additionally, the Town and BASEC could assist a household with moving a modular home into the community.

## Housing Rehabilitation

**Findings:** Yale has an asset in its existing housing stock. Existing units, both now and into the future, will represent the large majority of the affordable housing opportunities. Existing units generally sell at a discount to their replacement value. Units that are not maintained and improved may slip into disrepair and be lost from the housing stock. Efforts and investment in housing rehabilitation activities will be critical to offering affordable housing opportunities.

It is our opinion that Yale and area housing agencies will need to make housing rehabilitation a priority in the future. Housing options for households at or below the median income level will largely be met by the existing, more affordable housing stock. As this existing stock ages, more maintenance and repair will be required. Without rehabilitation assistance, there is a chance that this affordable stock could shrink, creating an even more difficult affordability situation.

The following specific recommendations are made to address the housing rehabilitation needs.

### 8. Promote rental housing rehabilitation

**Findings:** Yale has seven rental units according to the 2010 U.S. Census. Our condition analysis identified several substandard rental units. The rental units in need of repair are primarily single family homes. It is difficult for rental property owners to rehabilitate and maintain their rental properties while keeping the rents affordable for the tenants. The rehabilitation of older rental units can be one of the most effective ways to produce decent, safe and sanitary affordable housing.

**Recommendation:** Yale should work with housing agencies to seek funds that allow for program design flexibility that make a rental rehabilitation program workable. Potential funding sources may include Grow South Dakota, HAPI, Inc., USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank.

## 9. Promote owner-occupied housing rehabilitation efforts

**Findings:** The affordability of the existing housing stock in Yale will continue to be an attraction for households that are seeking housing in Yale. Investment in owner-occupied housing rehabilitation activities will be critical to offering affordable housing opportunities.

Our 2014 housing condition survey of 52 Yale homes found 14 homes that need minor repairs and 17 homes that need major repairs. Without rehabilitation assistance, there is the potential that the affordable housing stock will shrink in Yale.

**Recommendation:** We recommend that Yale and area housing agencies continue to seek local, state and federal funds to assist in financing housing rehabilitation. BASEC has been active in obtaining funds for housing rehabilitation. USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank, are all potential funding sources.

Currently, Grow South Dakota and Homes are Possible, Inc., are implementing owner-occupied housing rehabilitation programs in Beadle County. Households that meet eligibility requirements are eligible for a deferred loan to rehabilitate their homes. Deferred loans do not have to be paid back if the household lives in the rehabilitated home for a stipulated amount of time after the rehabilitation is completed. We encourage Yale households to utilize these programs.

## Other Housing Initiatives

### 10. Acquire and Demolish Dilapidated Structures

**Findings:** Our housing condition survey identified that of the 52 homes in Yale, seven homes are dilapidated and too deteriorated to rehabilitate. We also identified 17 homes as needing major repair and several of these homes may be too dilapidated to rehabilitate. To improve the quality of Yale's housing stock and to maintain the appearance of the community, dilapidated structures should be demolished.

**Recommendation:** Yale should continue to work with property owners to demolish severely dilapidated structures. Yale is enhanced when blighted and dilapidated structures are removed. Also, some of the cleared lots can be utilized for the construction of new affordable housing units. Some cities and towns are adopting ordinances that give cities more authority to require property owners to demolish vacant, dilapidated homes.

Also, Yale and BASEC should maintain an inventory of dilapidated houses, which will enable the Town to acquire dilapidated homes as opportunities come to fruition.

### 11. Create a plan and a coordinated effort among housing agencies

**Findings:** In addition to local resources, Yale has access to BASEC, Grow South Dakota, Homes are Possible, Inc., the USDA Rural Development Office and the South Dakota Housing Development Authority. These agencies all have experience with housing and community development programs.

**Recommendation:** Yale has access to multiple agencies that can assist with addressing housing needs. It is our recommendation that Yale work with the housing agencies to prioritize the recommendations of this Study and to develop a plan in coordination with BASEC to address Yale's housing needs. The plan should include strategies, time lines and the responsibilities of each agency.

It will also be important for Yale to look for opportunities to work cooperatively with other area towns and cities to address housing issues. With the number of small towns and cities in the County, and limited staff capacity at the town and county levels, cooperative efforts may be the only way to accomplish certain projects. Cooperative efforts will not only make housing projects more practical, but they will often be more cost-effective and competitive.

## **12. Promote Commercial Rehabilitation and Development**

**Findings:** Yale's commercial/retail opportunities are very limited and in fair condition. There are several vacant and substandard buildings. Yale would be a more attractive residential location for households if more of their commercial/retail needs could be met in Yale.

**Recommendation:** We recommend that the Town of Yale and BASEC work with commercial property owners to rehabilitate their buildings and to demolish the buildings that are beyond repair. Also, new businesses should, to the extent that is feasible, be encouraged to locate in Yale.

# Town of Cavour

## Introduction

Cavour is a small town located in Beadle County approximately nine miles from Huron, 57 miles from Redfield and 65 miles from Brookings.

<b>Key Statistics: Cavour</b>	
<b><i>Demographic</i></b>	
Population:	117 people in 2014
Households:	58 households in 2014
Household Size:	1.74 persons per household in 2014
Population Trend:	Up 3 people from 2010
Household Trend:	Up 2 households from 2010
Household Projection:	A gain of 3 households between 2014 and 2019
<b><i>Income</i></b>	
Median Household Income:	\$61,250 in 2013
Median Family Income:	\$65,313 in 2013
<b><i>Housing</i></b>	
Home Ownership Rate:	89.3% home owners
Rental Rate:	10.7% renters
Median Home Value:	\$55,000 based on sales from 2009 to 2014
New Construction:	2 houses from 2000 to 2014
<b><i>Housing Condition</i></b>	
Condition Rating:	Sound - 18 homes Minor Rehab - 11 homes Major Rehab - 6 homes Dilapidated - 6 homes

## **Findings on Growth Trends**

Cavour's population was 114 people in 2010, which is a loss of 27 people from 2000. Cavour had a loss of 25 people during the 1990s. Cavour had 56 households in 2010, which is a loss of four households from 2000. Cavour had a loss of five households in the 1990s.

In the 1990s, Beadle County had a decrease of 1,230 people and 131 households. From 2000 to 2010, Beadle County had a gain of 375 people and 66 households.

## **Findings on Growth Projections**

As part of this Study, ESRI provided population and household projections to the year 2019 for Cavour and Beadle County.

ESRI is projecting that Cavour's population will increase by four people and three households from 2014 to 2019.

For all of Beadle County, ESRI expects an increase of 900 people and a gain of 384 households from 2014 to 2019.

## **Rental Housing Data**

### **Census Bureau Rental Inventory**

According to the 2010 U.S. Census, there were six occupied rental units and no unoccupied rental unit in Cavour, for a total estimated rental inventory of six units. Cavour's rental tenure rate was 10.7%, which was well below the Statewide rate in 2010 of 31.9%.

At the time of the 2000 Census, Cavour had eight occupied rental units, and nine vacant rental units, for a total estimated rental inventory of 17 units. The rental tenure rate in 2000 was 13.3%.

Based on a Census comparison, Cavour had an decrease of two renter-occupancy households, and loss of 11 rental units from 2000 to 2010.

### **Rental Survey**

As part of the research for this Study, Community Partners Research, Inc., attempted to contact owners or managers of multifamily buildings with four or more units.

There is one multi-family project with four or more units in Cavour. The Jones four-plex is located in Cavour. The Jones four-plex is a market rate project with four two-bedroom units. Rent is \$425 plus heat and electricity. The owner reports no vacancies.

<b>Table 42 Cavour Multifamily Rental Housing Inventory</b>					
<b>Name</b>	<b>Number of Units /Bedroom Mix</b>	<b>Rent</b>	<b>Vacancy/ Wait List</b>	<b>Tenant Mix</b>	<b>Comments</b>
<b>Market Rate</b>					
Jones 4-plex	<u>4 - 2 bedroom</u> 4 total units	\$425	No vacancies	General occupancy	The Jones 4-plex includes four two-bedroom units. Rent is \$425 plus heat and electricity. The owner reports no vacancies.

Source: Community Partners Research, Inc.

## Recommendations, Strategies and Housing Market Opportunities

Based on the research contained in this study, and the housing strengths and barriers identified above, we believe that the following recommendations are realistic options for Cavour. They are based on the following strategies.

- ▶ **Be realistic in expectations for housing development** - Large-scale residential growth has not occurred in the recent past and is not likely to occur in the near future. The scale of activities proposed for the future should be comparable with the Town's potential for growth.
- ▶ **New housing development and housing rehabilitation generally will not occur without proactive community involvement** - To attract new home construction or housing rehabilitation in Cavour, subsidies or some other form of financial assistance will be needed from Cavour, the Cavour Development Corporation, BASEC, regional housing agencies and the South Dakota Housing Development Authority.
- ▶ **Protect the Town's existing housing stock** - The future of Cavour will be heavily dependent on the Town's appeal as a residential location. The condition of the existing housing stock is a major factor in determining the Town's long-term viability. The existing housing stock is in fair condition and the Town's major asset, however, rehabilitation efforts are needed to preserve the housing stock.
- ▶ **Develop a realistic action plan with goals and time lines** - The Town should prioritize its housing issues and establish goals and time lines to achieve success in addressing its housing needs.
- ▶ **Access all available resources for housing** - In addition to the local efforts, the Town has other resources to draw on including Grow South Dakota, Homes are Possible, Inc., USDA Rural Development and the South Dakota Housing Development Authority. These resources should be accessed as needed to assist with housing activities.

## **Summary of Findings/Recommendations**

The findings/recommendations for Cavour have been formulated through the analysis of the information provided in the previous sections and include 12 recommendations. The findings/recommendations have been developed in the following five categories:

- ▶ **Rental Housing Development**
- ▶ **Home Ownership**
- ▶ **Single Family Housing Development**
- ▶ **Housing Rehabilitation**
- ▶ **Other Housing Issues**

The findings/recommendations for each category are as follows:

### **Rental Housing Development**

1. Monitor the need to develop new market rate or subsidized housing
2. Utilize vacant homes for rental housing
3. Utilize the Housing Choice Voucher Program

### **Home Ownership**

4. Utilize and promote all programs that assist with home ownership
5. Develop a purchase/rehabilitation program

### **Single Family Housing Development**

6. Lot availability
7. Governors Homes/Housing Development

### **Housing Rehabilitation**

8. Promote rental housing rehabilitation
9. Promote owner-occupied housing rehabilitation efforts

**Other Housing Issues**

10. Acquire and demolish dilapidated structures
11. Create a plan and a coordinated effort among housing agencies
12. Promote commercial development

## Rental Housing Development

**Findings:** The 2010 U.S. Census reports that there were six rental households in Cavour. Cavour's renter households are in a four-plex and in single family rental houses.

ESRI's projections indicate that Cavour is expected to add three households from 2014 to 2019 and Beadle County is projected to add 66 households.

### 1. Monitor the need to develop new market rate or subsidized rental housing

**Findings:** From 2014 to 2019, Cavour is projected to add three households, thus, Cavour's demand for rental housing is limited. Also, Cavour lacks amenities to attract a large number of rental households including employment, commercial, health care, retail and service opportunities. Cavour historically has been a Town with a high owner-occupancy rate due to the lack of rental demand and the lack of a significant household growth over the past several years.

The Town of Cavour has one market rate general occupancy rental project. The Jones four-plex is a market rate project with four two-bedroom units. Rent is \$425 plus heat and electricity. The owner reports no vacancies.

**Recommendation:** We do not recommend the construction of market rate or subsidized rental housing at this time. We do recommend that Cavour monitor the need for the production of market rate or subsidized housing in the future.

### 2. Utilize vacant homes for rental housing

**Findings:** We are not recommending the construction of new rental housing, however, we do believe there is some limited demand for affordable rental housing. Cavour is within commuting distance of Redfield, Huron and Brookings. These cities have employment opportunities.

According to the 2010 U.S. Census, and our housing condition survey, there are several vacant homes in Cavour.

**Recommendation:** We recommend that Cavour coordinate with private rental property owners and regional housing agencies to acquire vacant homes for rental housing. Private rental property owners could purchase the homes and utilize funding from housing agencies to rehabilitate the homes.

Potential funding sources include USDA Rural Development, The South Dakota Housing Development Authority and the Federal Home Loan Bank. Grow South Dakota and HAPI, Inc., are regional housing agencies that could potentially assist with this project.

Additionally, housing vouchers may be available to assist the eligible rental households with the rent.

### **3. Utilize the Housing Choice Voucher Program**

**Findings:** The Housing Choice Voucher Program provides portable, tenant-based rent assistance to lower income renter households. The program requires participating households to contribute from 30% to 40% of their adjusted income for rent, with the rent subsidy payment making up the difference. Tenants may lease any suitable rental unit in the community, provided that it passes a Housing Quality Standards inspection, and has a reasonable gross rent when compared to prevailing rents in the community.

Although the federal government provides almost no funding for subsidized housing construction, it has provided new Housing Choice Voucher allocations over the last two decades.

Because of the flexibility offered through the program, eligible households often prefer the portable rent assistance to other forms of subsidized housing that are project-based, and can only be accessed by living in a specific rental development.

The Housing Choice Voucher Program is administered in Beadle County by the Huron Housing Authority. The Huron Housing Authority has the ability to issue approximately 251 vouchers.

**Recommendation:** The Huron Housing Authority should work with Cavour to assure that Cavour receives its share of Housing Choice Vouchers and that tenants are aware of the program.

## Home Ownership

**Findings:** Expanding home ownership opportunities is a primary goal for most cities and towns. High rates of home ownership promote stable communities and strengthen the local tax base. The median owner-occupied home value in Cavour is estimated to be \$55,000 based on sales activity over the past six years. The home values in Cavour provide an excellent market for first time buyers and households seeking moderately priced homes.

Some Cavour and Beadle County households have not been able to achieve the goal of home ownership and may need the assistance of special programs to help them purchase their first home. Also, the number of households in the 25 to 44 age ranges is expected to grow significantly in Beadle County. Some of these younger households need assistance to purchase a home. To assist in promoting the goal of home ownership, the following activities are recommended:

#### **4. Utilize and promote all programs that assist with home ownership**

**Findings:** We believe that affordable home ownership is one of the issues facing Cavour in the future. Home ownership is generally the preferred housing option for most households and most communities. There are a number of strategies and programs that can be used to promote home ownership programs, and can assist with this effort.

First time home buyer assistance, down payment assistance, low interest loans and home ownership counseling and training programs can help to address affordable housing issues. Cavour has a supply of houses that are price-eligible for these assistance programs. The home value estimates used in this study indicate that a large majority of the existing stock currently is valued under the purchase price limits for the first-time home buyer assistance programs.

While these individual home ownership assistance programs may not generate a large volume of new ownership activity, the combination of below market mortgage money, home ownership training, credit counseling, and down payment assistance may be the mix of incentives that moves a potential home buyer into home ownership.

**Recommendation:** The Town of Cavour, the Cavour Development Corporation and BASEC should continue to work with area housing agencies, the South Dakota Housing Development Authority and local financial institutions to utilize all available home ownership assistance programs. Currently, BASEC has down payment assistance and mortgage funds available. Private and nonprofit agencies should be encouraged to provide home ownership opportunities.

Cavour and BASEC should also work with housing agencies to assure that Cavour is receiving its share of resources that are available in Beadle County and the region.

Funding sources for home ownership programs may include Rural Development, the South Dakota Housing Development Authority, and the Federal Home Loan Bank. Also, BASEC, Grow South Dakota and HAPI, Inc., utilize several funding sources to provide home ownership programs in the Region.

## **5. Develop a Purchase/Rehabilitation Program**

**Findings:** Cavour has a stock of older, lower valued homes, many of which need repairs. Our analysis of sales activity indicates that approximately 50% of the homes in Cavour are valued at less than \$55,000. As some lower valued homes come up for sale, they may not be attractive options for potential home buyers because of the amount of repair work that is required.

Some communities with a stock of older homes that need rehabilitation have developed a purchase/rehabilitation program. Under a purchase/rehabilitation program, the Town or a housing agency purchases an existing home that needs rehabilitation, rehabilitates the home, sells the home to a low/moderate income family and provides a mortgage with no down payment, no interest and a monthly payment that is affordable for the family.

In many cases, the cost of acquisition and rehab will exceed the house's after-rehab value, thus, a subsidy is needed. Although a public subsidy may be involved, the cost to rehab and sell an existing housing unit is generally lower than the subsidy required to provide an equally affordable unit through new construction.

**Recommendation:** We recommend that BASEC develop and implement a purchase/rehab program that can be implemented in Beadle County cities and towns. The low values of existing homes in small Beadle County cities and towns make a purchase/rehab program feasible. Attitudinal surveys that we have conducted in other cities have found that purchase/rehabilitation programs are appealing to people who are currently renting their housing. In some similar sized communities, a large majority of survey respondents who were renters indicated an interest in buying a home in need of repair if rehabilitation assistance was available.

A purchase/rehabilitation program achieves several goals. The program encourages home ownership, prevents substandard homes from becoming rental properties and rehabilitates homes that are currently substandard.

Because a purchase/rehabilitation program can be expensive and its cost effectiveness in some cases may be marginal, it may be advantageous in some cases to directly assist low and moderate income households with purchasing and rehabilitating homes. Area housing agencies and financial institutions could offer some rehabilitation assistance in conjunction with first-time home buyer programs to make the City's older housing a more attractive option for potential home buyers. Also, USDA Rural Development provides purchase/rehabilitation loans to low and moderate income buyers.

Also, there may be an opportunity for BASEC to financially assist the private sector with purchasing, rehabilitating and selling homes.

## Single Family Housing Development

**Findings:** Two new homes have been constructed or moved into Cavour since 2000. A Governors Home was also moved in to be utilized as a day care center. The day care center was later converted to a home.

Household projections for Cavour expect the gain of three households over the next five years, thus, there is very limited demand for owner-occupied housing construction. Strong growth is anticipated over the next five years among Beadle County households in the 55 and 74 year old age ranges. Households in these age ranges tend to be predominantly home owners, and form a market for higher priced and trade-up housing.

Our projections also expect Beadle County's number of households in the 25 to 44 age ranges to increase substantially over the next five years. Many households in this age range are first-time home buyers and may be in the market for new affordable homes.

Although there will be household growth in Beadle County, it is our opinion that new housing construction in Cavour will be limited over the next five years. This is due to multiple factors including the small size of the community, the current low property values and limited housing construction over the past 14 years. However, it is our projection that two homes could be constructed or moved into Cavour over the next five years from 2015 to 2020.

### 6. Lot Availability

**Findings:** As part of this Study, we attempted to identify the inventory of available residential lots for single family housing construction in Cavour. Buildable lots are defined as having sewer and water available to the lots. There are no new lots or subdivisions in Cavour, however, there are several infill lots throughout the community.

**Recommendation:** We use a standard that a 2.5-year supply of lots should be available in the marketplace, based on annual lot usage. Using our projections that two houses will be constructed or moved in over the next five years, there currently is an adequate supply of infill lots in Cavour and these lots can meet demand.

We recommend that Cavour inventory lots in the Town to determine their availability, price, etc. Therefore, if there is a household that has an interest in building a home or moving a home into Cavour, an inventory of lots will be available.

## **7. Governors Homes/Housing Development**

**Findings:** Two homes have been constructed in Cavour over the past several years. Neither of the homes was a Governors Home.

**Recommendation:** We recommend that the Town of Cavour utilize the Governor's Home Program and also work with households to construct new homes or to move homes into Cavour. It is our opinion that two homes could be constructed in or moved into Cavour over the next five years.

For the Governor's Home Program to be successful in Cavour, the price of the home must be as low as possible. To accomplish this, all stakeholders must continue to be involved, including the Town of Cavour, the Cavour Development Corporation and BASEC. Also, financial assistance such as land donations, low interest loans, down payment assistance, tax abatement, etc. will need to be included in the development and purchase of the homes to keep the homes affordable.

## Housing Rehabilitation

**Findings:** Cavour has an asset in its existing housing stock. Existing units, both now and into the future, will represent the large majority of the affordable housing opportunities. Existing units generally sell at a discount to their replacement value. Units that are not maintained and improved may slip into disrepair and be lost from the housing stock. Efforts and investment in housing rehabilitation activities will be critical to offering affordable housing opportunities.

It is our opinion that Cavour and area housing agencies will need to make housing rehabilitation a priority in the future. Housing options for households at or below the median income level will largely be met by the existing, more affordable housing stock. As this existing stock ages, more maintenance and repair will be required. Without rehabilitation assistance, there is a chance that this affordable stock could shrink, creating an even more difficult affordability situation.

The following specific recommendations are made to address the housing rehabilitation needs.

### 8. Promote rental housing rehabilitation

**Findings:** Cavour has six rental units according to the 2010 U.S. Census. Our condition analysis identified several substandard rental units. It is difficult for rental property owners to rehabilitate and maintain their rental properties while keeping the rents affordable for the tenants. The rehabilitation of older rental units can be one of the most effective ways to produce decent, safe and sanitary affordable housing.

**Recommendation:** Cavour should work with housing agencies to seek funds that allow for program design flexibility that make a rental rehabilitation program workable. Potential funding sources may include Grow South Dakota, HAPI, Inc., USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank.

## **9. Promote owner-occupied housing rehabilitation efforts**

**Findings:** The affordability of the existing housing stock in Cavour will continue to be an attraction for households that are seeking housing in Cavour. Investment in owner-occupied housing rehabilitation activities will be critical to offering affordable housing opportunities.

Our 2014 housing condition survey of 41 Cavour homes found 11 homes that need minor repairs and six homes that need major repairs. Without rehabilitation assistance, there is the potential that the affordable housing stock will shrink in Cavour.

**Recommendation:** We recommend that Cavour, BASEC and area housing agencies continue to seek local, state and federal funds to assist in financing housing rehabilitation. BASEC has been active in obtaining funds for housing rehabilitation. USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank, are all potential funding sources.

Currently, Grow South Dakota and Homes are Possible, Inc., are implementing owner-occupied housing rehabilitation programs in Beadle County. Households that meet eligibility requirements are eligible for a deferred loan to rehabilitate their homes. Deferred loans do not have to be paid back if the household lives in the rehabilitated home for a stipulated amount of time after the rehabilitation is completed. We encourage Cavour households to utilize these programs.

## Other Housing Initiatives

### 10. Acquire and Demolish Dilapidated Structures

**Findings:** Our housing condition survey identified that of the 41 homes in Cavour, six homes are dilapidated and too deteriorated to rehabilitate. We also identified six homes as needing major repair and several of these homes may be too dilapidated to rehabilitate. To improve the quality of Cavour's housing stock and to maintain the appearance of the community, dilapidated structures should be demolished.

**Recommendation:** Cavour should continue to work with property owners to demolish severely dilapidated structures. Cavour is enhanced when blighted and dilapidated structures are removed. Also, some of the cleared lots can be utilized for the construction of new affordable housing units. Some cities and towns are adopting ordinances that give cities more authority to require property owners to demolish vacant, dilapidated homes.

Also, the Cavour Development Corporation and BASEC should maintain an inventory of dilapidated houses, which will enable the Town to acquire dilapidated homes as opportunities come to fruition.

### 11. Create a plan and a coordinated effort among housing agencies

**Findings:** In addition to local resources, Cavour has access to BASEC, Grow Beadle, Grow South Dakota, Homes are Possible, Inc., the USDA Rural Development Office and the South Dakota Housing Development Authority. These agencies all have experience with housing and community development programs.

**Recommendation:** Cavour has access to multiple agencies that can assist with addressing housing needs. It is our recommendation that Cavour work with the housing agencies to prioritize the recommendations of this Study and to develop a plan in coordination with BASEC to address Cavour's housing needs. The plan should include strategies, time lines and the responsibilities of each agency.

It will also be important for Cavour to look for opportunities to work cooperatively with other area towns and cities to address housing issues. With the number of small towns and cities in the County, and limited staff capacity at the town and county levels, cooperative efforts may be the only way to accomplish certain projects. Cooperative efforts will not only make housing projects more practical, but they will often be more cost-effective and competitive.

## **12. Promote Commercial Rehabilitation and Development**

**Findings:** Cavour's commercial/retail opportunities are very limited and in fair condition. There are several vacant and substandard buildings. Cavour would be a more attractive residential location for households if more of their commercial/retail needs could be met in Cavour.

**Recommendation:** We recommend that the Cavour Development Corporation and BASEC work with commercial property owners to rehabilitate their buildings and to demolish the buildings that are beyond repair. Also, new businesses should, to the extent that is feasible, be encouraged to locate in Cavour.

## **Agencies and Resources**

The following regional and state agencies administer programs or provide funds for housing programs and projects:

### **Grow South Dakota**

104 Ash Street East  
Sisseton, SD 57262  
(605) 698-7654

### **Homes Are Possible, Inc.**

318 S. Main  
Aberdeen, SD 57401  
(605) 225-4274

### **South Dakota Housing Development Authority**

221 South Central Avenue  
Pierre, SD 57501  
(605) 773-3181

### **USDA Rural Development**

524 Enterprise Street South  
Aberdeen, SD 57401  
(605) 226-3360