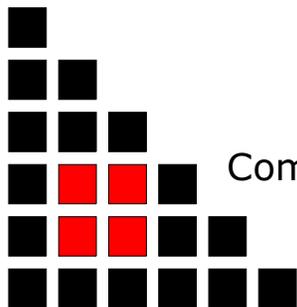


Day County HOUSING STUDY

February 2015

An analysis of the overall housing needs of the
Cities of Bristol and Waubay and the
Towns of Butler and Lily



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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 Bristol, Waubay, Butler, Lily and Day 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 by Day County Housing Development to conduct a study of the housing needs and conditions in the Cities of Bristol and Waubay and the Towns of Butler and Lily.

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 Cities and Towns
- Records and data maintained by Day County
- South Dakota State Data Center
- Interviews with 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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Demographic Data Overview

Sources of Data

The following pages contain demographic data obtained from a variety of local, state and national sources for the Towns of Bristol, Waubay, Butler and Lily, and Day 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 2012 estimates were derived from sampling that was done over a five-year period, between 2008 and 2012. 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

Table 1 Population Trends - 1980 to 2014						
	1990 Census	2000 Census	% Change 1990-2000	2010 Census	% Change 2000-2010	2014 ESRI Estimates
Bristol	419	377	-10.0%	341	-9.5%	328
Waubay	647	662	2.3%	576	-13.0%	571
Butler	17	17	0%	17	0%	15
Lily	26	21	-19.2%	4	-809.5%	3
Day County	6,978	6,267	-10.2%	5,710	-8.9%	5,644

Source: U.S. Census; ESRI

- ▶ According to the 2010 U.S. Census, Bristol, Waubay and Lily had population losses from 2000 to 2010, and Butler’s number of residents did not change.
- ▶ Bristol’s population was 341 people in 2010. The 36-person decrease from 2000 was a population loss of 9.5%.
- ▶ Waubay’s population was 576 people in 2010, which was a loss of 86 people (-13.0%) from 2000.
- ▶ Lily’s population was four people in 2010, which was a loss of 17 people (-809.5%) from 2000.
- ▶ Butler’s 2010 population was 17 people and its population was also 17 in 2000.
- ▶ Day County’s population was 5,710 in 2010. This was a decrease of 557 people from 2000, for a population loss of 8.9%.
- ▶ Bristol, Lily and all of Day County experienced population decreases in the 1990s. Waubay’s population increased and Butler’s population did not change. Bristol’s population decreased by 42 people, Waubay’s population increased by 15 people and Butler’s population remained the same at 17. Lily’s population decreased by 5 people and Day County decreased by 711 people from 1990 to 2000.

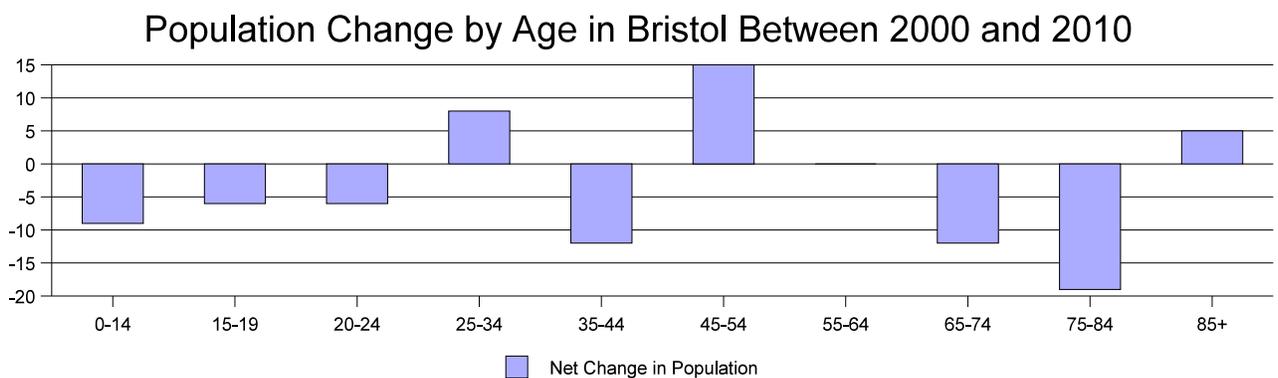
- ▶ ESRI's 2014 estimates for all four cities and towns show population losses from 2010 to 2014. ESRI estimates that Bristol had a loss of 13 people, Waubay had a loss of five people, Butler had a loss of two people and Lily had a loss of one person.
- ▶ ESRI's 2014 estimate for Day County is 5,644, a loss of 66 people since 2010.
- ▶ All of the residents in Butler and Lily are White and not Hispanic/Latino. Approximately 98% of the residents in Bristol identified their race as White. Approximately 60% of the residents in Waubay were White and 36.5% were American Indian in 2010.
- ▶ There were no group quarters residents living in Lily, Waubay or Butler. There were 48 group quarters residents in Bristol living in a skilled nursing home and in an assisted living project.

Population by Age Trends in Bristol: 2000 to 2010

The release of demographic information from the 2010 Census allows for some analysis of the changing age patterns for Bristol and Day 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	Bristol			Day County		
	2000	2010	Change	2000	2010	Change
0-14	54	45	-9	1,265	1,018	-247
15-19	17	11	-6	457	320	-137
20-24	22	16	-6	201	243	42
25-34	24	32	8	519	527	8
35-44	44	32	-12	887	531	-356
45-54	30	45	15	861	895	34
55-64	36	36	0	605	867	262
65-74	50	38	-12	675	587	-88
75-84	63	44	-19	567	485	-82
85+	37	42	5	230	237	7
Total	377	341	36	6,267	5,710	-557

Source: U.S. Census

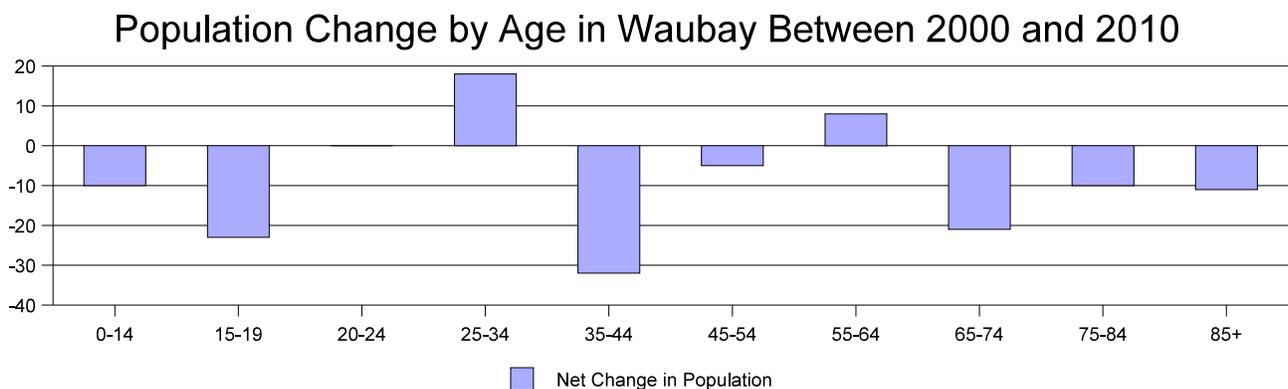


Population by Age Trends in Waubay: 2000 to 2010

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

Table 3 Population by Age - 2000 to 2010						
Age	Waubay			Day County		
	2000	2010	Change	2000	2010	Change
0-14	148	138	-10	1,265	1,018	-247
15-19	53	30	-23	457	320	-137
20-24	23	23	0	201	243	42
25-34	44	62	18	519	527	8
35-44	86	54	-32	887	531	-356
45-54	78	73	-5	861	895	34
55-64	70	78	8	605	867	262
65-74	80	59	-21	675	587	-88
75-84	59	49	-10	567	485	-82
85+	21	10	-11	230	237	7
Total	662	576	-86	6,267	5,710	-557

Source: U.S. Census

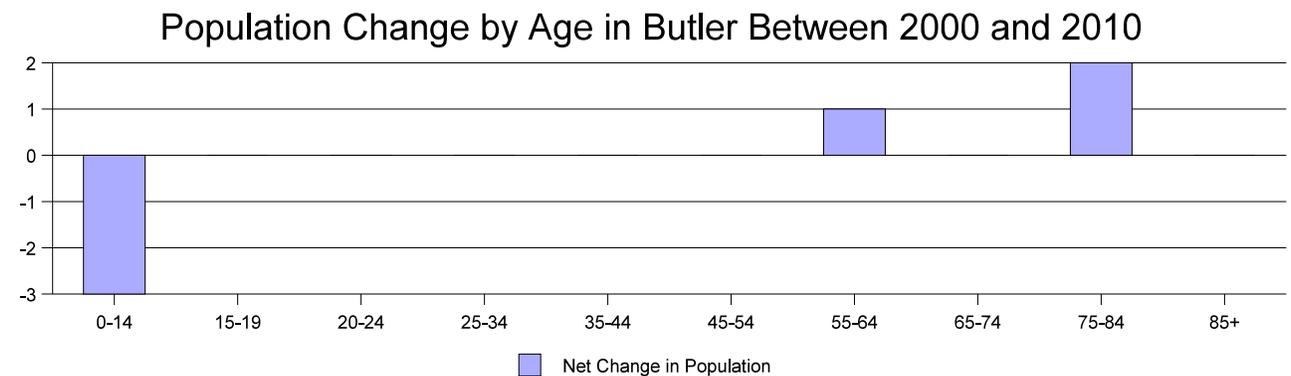


Population by Age Trends in Butler: 2000 to 2010

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

Table 4 Population by Age - 2000 to 2010						
Age	Butler			Day County		
	2000	2010	Change	2000	2010	Change
0-14	3	0	-3	1,265	1,018	-247
15-19	1	1	0	457	320	-137
20-24	0	0	0	201	243	42
25-34	2	2	0	519	527	8
35-44	2	2	0	887	531	-356
45-54	5	5	0	861	895	34
55-64	2	3	1	605	867	262
65-74	2	2	0	675	587	-88
75-84	0	2	2	567	485	-82
85+	0	0	0	230	237	7
Total	17	17	0	6,267	5,710	-557

Source: U.S. Census

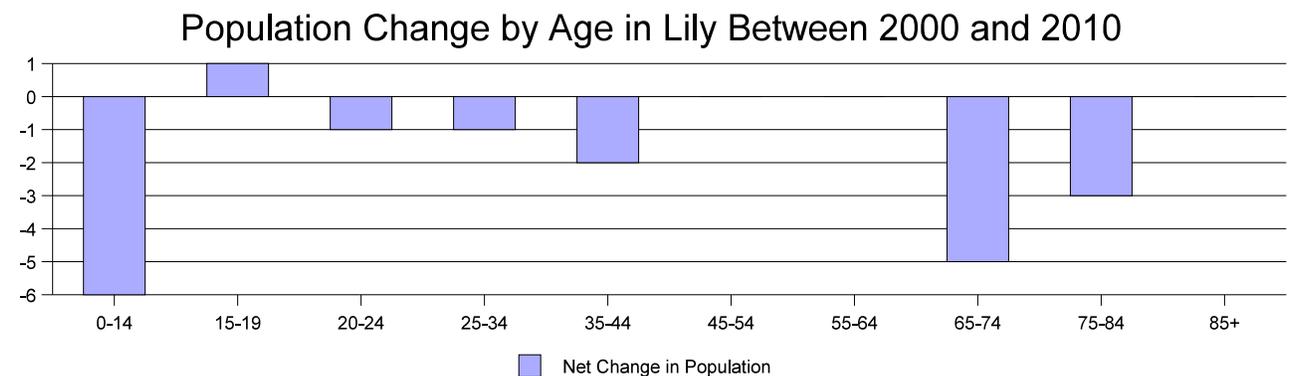


Population by Age Trends in Lily: 2000 to 2010

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

Table 5 Population by Age - 2000 to 2010						
Age	Lily			Day County		
	2000	2010	Change	2000	2010	Change
0-14	6	0	-6	1,265	1,018	-247
15-19	0	1	1	457	320	-137
20-24	1	0	-1	201	243	42
25-34	1	0	-1	519	527	8
35-44	2	0	-2	887	531	-356
45-54	1	1	0	861	895	34
55-64	1	1	0	605	867	262
65-74	6	1	-5	675	587	-88
75-84	3	0	-3	567	485	-82
85+	0	0	0	230	237	7
Total	21	4	-17	6,267	5,710	-557

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. This trend has been evident in Day County. Between 2000 and 2010, Bristol had a gain of 15 people, Waubay had a net gain of three people, Butler had a gain of one person and Day County had a gain of 296 people in the age ranges between 45 and 64 years old. Lily’s number of people in the 55 to 64 age range did not change. In 2010, nearly all of the baby boomers were within the 45 to 64 age ranges.

Day County also had growth in the 20 to 34 age ranges, which had an increase of 50 people, and the 85 and older age range, which had a slight gain of seven people. Day County had a loss of 384 people in the 0 to 19 age ranges, a loss of 356 people in the 35 to 44 age range and a loss of 170 people in the 65 to 84 age ranges.

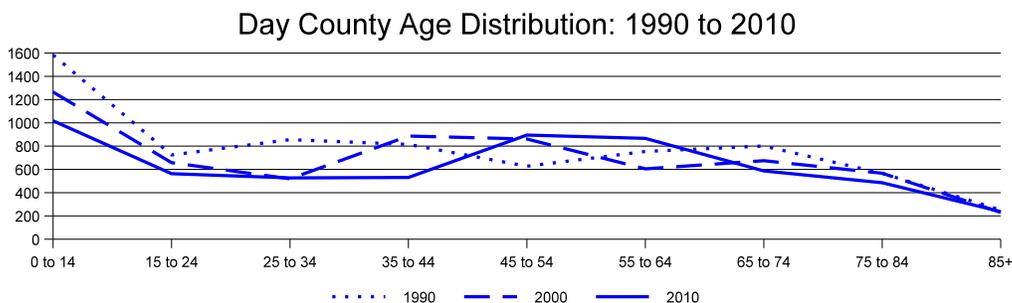
Bristol had a gain of eight people in the 25 to 34 age range, a gain of 15 people in the 45 to 54 age range and an increase of five people in the 85 and older age range. Bristol experienced a population loss of 21 people in the 0 to 24 age ranges, a loss of 12 people in the 35 to 44 age range and a loss of 31 people in the 65 to 84 age ranges.

Waubay gained 18 people in the 25 to 34 age ranges and eight people in the 55 to 64 age range. Waubay had a loss of 33 people in the 0 to 19 age ranges, a loss of 37 people in the 35 to 54 age ranges and a loss of 42 people in the 65 and older age ranges.

Butler gained three people age 55 and older. Butler had a loss of 3 people in the 0 to 14 age range, and a loss of two people in the 75 to 84 year old age group.

Lily gained one person in the 15 to 19 age range. Lily had a loss of six people in the 0 to 14 age range, four people in the 20 to 44 age range and eight people in the 65 to 84 age range.

The aging trends present in Day County can be traced back over the previous decades.



Population Projections

The following table presents population projections using two different sources. The South Dakota State Data Center has issued Day 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 towns and cities and for the county.

Table 6 Population Projections Through 2019/20				
	2010 US Census	2014 Estimate ESRI	2019 Projection ESRI	2020 Projection State Data Center
Bristol	341	328	317	N/A
Waubay	576	571	559	N/A
Butler	17	15	13	N/A
Lily	4	3	3	N/A
Day County	5,710	5,644	5,539	5,355

Source: Community Partners Research, Inc.; U.S. Census; State Data Center

- ▶ ESRI’s growth projections expect a loss of 11 people in Bristol, a loss of 12 people in Waubay, a loss of two people in Butler and no change in Lily’s population from 2014 to 2019.
- ▶ ESRI’s population projections for Day County forecast a decrease of 105 people from 2014 to 2019.
- ▶ The State Data Center projects that Day County’s population will be 5,355 in 2020, 184 people less than ESRI’s 2019 projection of 5,539 people. When compared to the 2010 Census, the State Data Center expects that Day County will see a decrease of 355 people during the current decade.

Household Data and Trends

Table 7 Household Trends - 1980 to 2014						
	1990 Households	2000 Households	% Change 1990-2000	2010 Households	% Change 2000-2010	2014 ESRI Estimate
Bristol	171	165	-3.5%	150	-9.1%	145
Waubay	264	275	4.2%	242	-12.0%	241
Butler	5	6	20.0%	9	50.0%	8
Lily	13	10	23.1%	2	-80.0%	2
Day Co.	2,732	2,586	-5.3%	2,504	-3.2%	2,488

Source: U.S. Census; ESRI

- ▶ According to the 2010 Census, Butler gained households but Bristol, Waubay, Lily and Day County all had a loss of households from 2000 to 2010.
- ▶ Butler had nine households in 2010. This was an increase of three households from 2000, or a household gain of 50%.
- ▶ Bristol had a loss of 15 households (-9.1%) from 2000 to 2010.
- ▶ Waubay had a loss of 33 households (-12.0%) from 2000 to 2010.
- ▶ Lily had a loss of eight households (-80.0%) from 2000 to 2010.
- ▶ Day County had 2,504 households in 2010. This was a decrease of 82 households, or a household loss of 3.2% from 2000 to 2010.
- ▶ During the 1990s, Bristol had a loss of six households, Waubay had a gain of 11 households, Butler had a gain of one household, Lily had a loss of three households and Day County had a loss of 146 households.
- ▶ The ESRI estimates for 2014 show that Bristol had a loss of five households, Butler had a loss of one household, Waubay had a loss of one household and Day County had a loss of 16 households from 2010 to 2014. Lily's number of households did not change from 2010 to 2014.

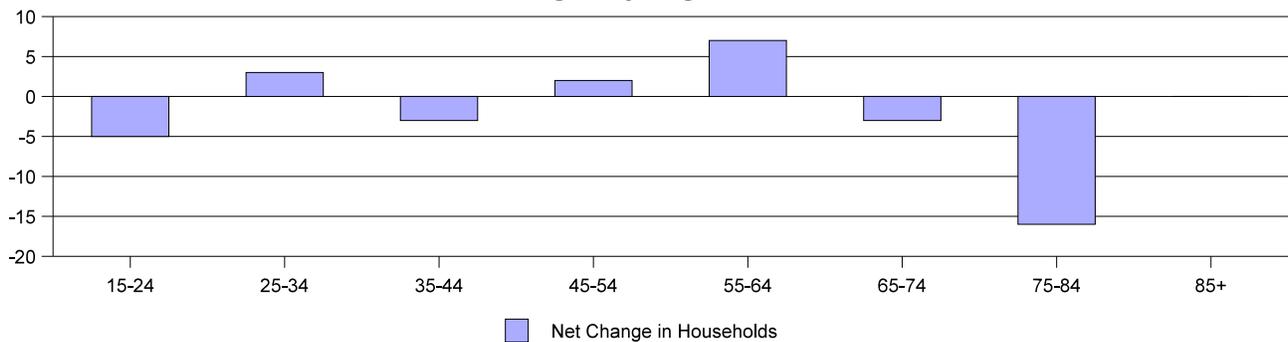
Household by Age Trends in Bristol: 2000 to 2010

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

Table 8 Households by Age - 2000 to 2010						
Age	Bristol			Day County		
	2000	2010	Change	2000	2010	Change
15-24	10	5	-5	69	68	-1
25-34	15	18	3	248	276	28
35-44	25	22	-3	470	294	-176
45-54	19	21	2	495	495	0
55-64	20	27	7	357	532	175
65-74	26	23	-3	409	373	-36
75-84	38	22	-16	404	331	-73
85+	12	12	0	134	135	1
Total	165	150	-15	2,586	2504	-82

Source: U.S. Census

Bristol Household Change by Age Between 2000 and 2010



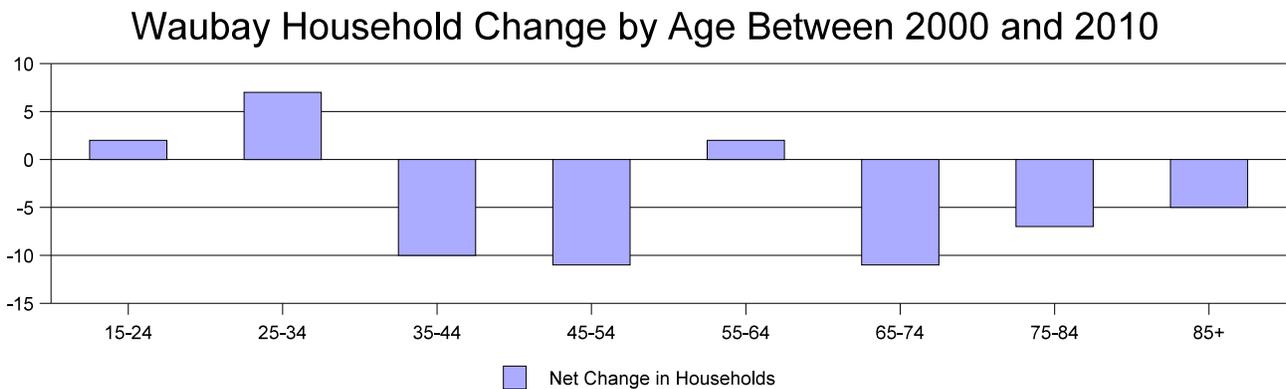
Bristol added three households in the 25 to 34 year old age range and nine households in the 45 to 64 age ranges. Bristol had a decrease of five households in the 15 to 24 age range, a loss of three households in the 35 to 44 age range, and a loss of 19 households in the 65 to 84 age ranges.

Household by Age Trends in Waubay: 2000 to 2010

The 2010 Census allows for some analysis of Waubay and Day 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	Waubay			Day County		
	2000	2010	Change	2000	2010	Change
15-24	7	9	2	69	68	-1
25-34	24	31	7	248	276	28
35-44	39	29	-10	470	294	-176
45-54	50	39	-11	495	495	0
55-64	47	49	2	357	532	175
65-74	51	40	-11	409	373	-36
75-84	43	36	-7	404	331	-73
85+	14	9	-5	134	135	1
Total	275	242	-33	2,586	2504	-82

Source: U.S. Census



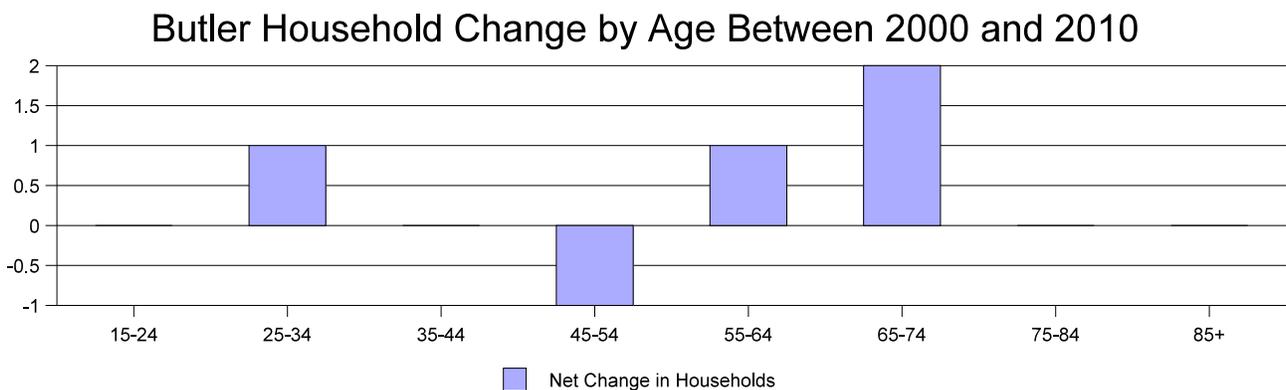
Waubay had a gain of nine households in the 15 to 34 age ranges and two households in the 55 to 64 age range. Waubay had a loss of 21 households in the 35 to 54 age ranges and a loss of 23 households in the 65 and older age ranges.

Household by Age Trends in Butler: 2000 to 2010

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

Table 10 Households by Age - 2000 to 2010						
Age	Butler			Day County		
	2000	2010	Change	2000	2010	Change
15-24	0	0	0	69	68	-1
25-34	0	1	1	248	276	28
35-44	1	1	0	470	294	-176
45-54	3	2	-1	495	495	0
55-64	2	3	1	357	532	175
65-74	0	2	2	409	373	-36
75-84	0	0	0	404	331	-73
85+	0	0	0	134	135	1
Total	6	9	3	2,586	2504	-82

Source: U.S. Census



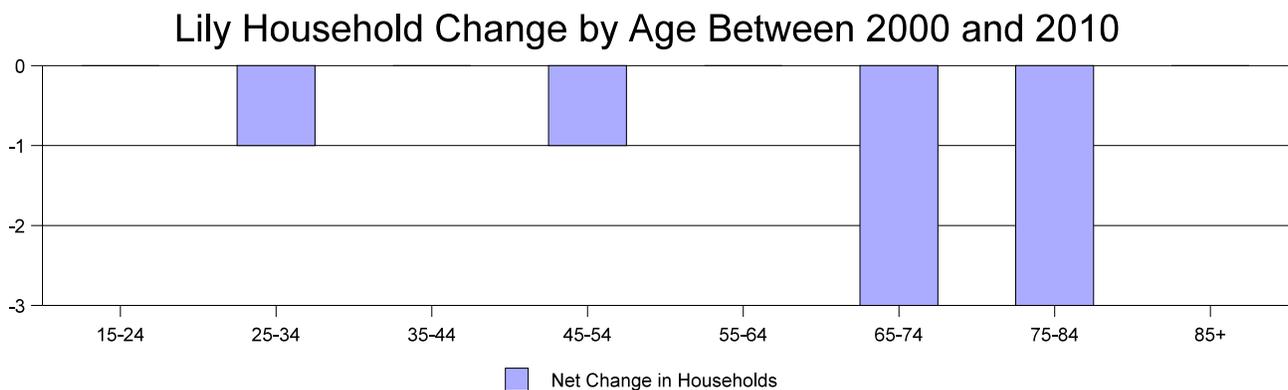
Butler had an increase of one household in the 25 to 34 age range and a gain of three households in the 55 to 74 age ranges. Butler had a decrease of one household in the 45 to 54 age range.

Household by Age Trends in Lily: 2000 to 2010

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

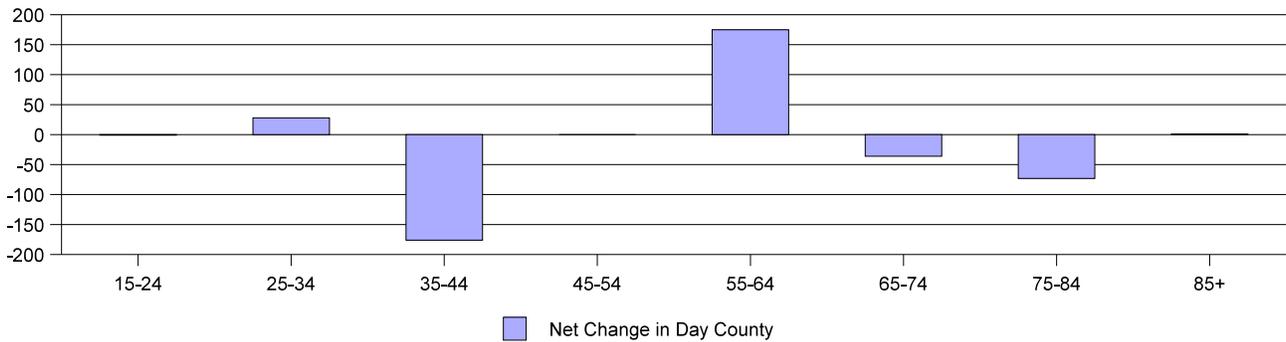
Table 11 Households by Age - 2000 to 2010						
Age	Lily			Day County		
	2000	2010	Change	2000	2010	Change
15-24	0	0	0	69	68	-1
25-34	1	0	-1	248	276	28
35-44	0	0	0	470	294	-176
45-54	1	0	-1	495	495	0
55-64	1	1	0	357	532	175
65-74	4	1	-3	409	373	-36
75-84	3	0	-3	404	331	-73
85+	0	0	0	134	135	1
Total	10	2	-8	2,586	2504	-82

Source: U.S. Census



Lily had a loss of one household in the 25 to 34 age range, a loss of one household in the 45 to 54 age range and a loss of six households in the 65 to 84 age ranges.

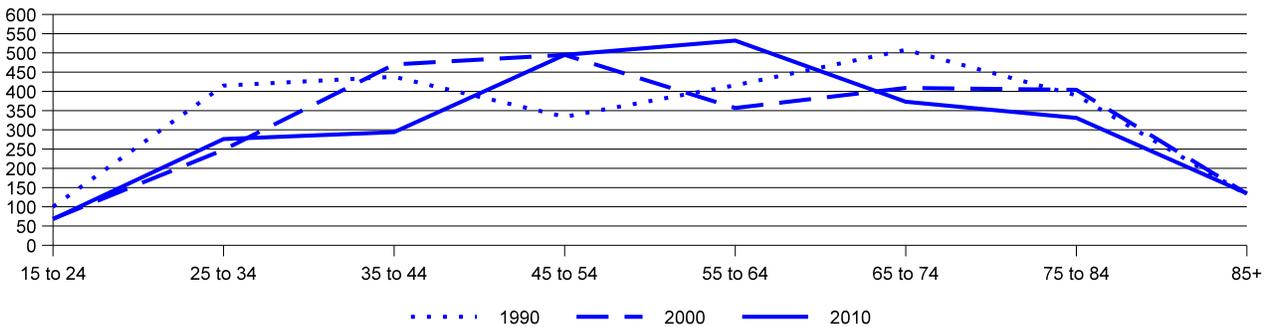
Day County Household Change by Age Between 2000 and 2010



Day County experienced a gain of 28 households in the 25 to 34 age range and a gain of 175 households in the 55 to 64 age range. Day County had a slight loss of one household in the 15 to 24 age range, a loss of 176 households in the 35 to 44 age range and a decrease of 109 households in the 65 to 84 age ranges.

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

Day 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.

Table 12 Average Number of Persons Per Household: 1990 to 2014				
	1990 Census	2000 Census	2010 Census	2014 ESRI Estimate
Bristol	2.24	2.01	1.95	2.15
Waubay	2.42	2.38	2.38	2.37
Butler	3.40	2.83	1.89	1.75
Lily	2.00	2.10	2.00	1.50
Day County	2.50	2.36	2.22	2.21
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 Bristol, Waubay, Butler, Lily and Day County decreased from 1990 to 2010. Bristol’s average household size decreased from 2.24 to 1.95. Waubay’s average household size decreased from 2.42 to 2.38, Butler’s decreased from 3.40 to 1.89 and Lily’s average household size remained the same at 2.00. Day County’s average household size decreased from 2.50 in 1990 to 2.22 in 2010.

In 2010, the average household sizes in the cities and towns and in all of Day 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 four towns and Day County.

Table 13 Household Projections Through 2019				
	2010 Census	2014 Estimate ESRI	2019 Projection ESRI	Change 2010 to 2019
Bristol	150	145	141	-9
Waubay	242	241	239	-3
Butler	9	8	7	-2
Lily	2	2	2	0
Day County	2,504	2,488	2,465	-39

Source: U.S. Census; ESRI

- ▶ The growth projections calculated by ESRI expect household losses for Bristol, Butler, Waubay and Day County from 2010 to 2019. ESRI projects that Lily’s number of households will not change from 2014 to 2019. These projections would generally be consistent with past trends as there has been a long-term pattern of household loss in each of these jurisdictions.
- ▶ ESRI estimates that Bristol decreased by five households from 2010 to 2014 and is projected to decrease by an additional four households from 2014 to 2019.
- ▶ ESRI estimates that Waubay had a loss of one household from 2010 to 2014 and is projected to lose another two households from 2014 to 2019.
- ▶ ESRI estimates that Butler had a loss of one household from 2010 to 2014 and will lose one household from 2014 to 2019.
- ▶ ESRI estimates that Lily’s number of households did not change from 2010 to 2014 and will not change from 2014 to 2019.
- ▶ ESRI’s 2014 estimate for Day County shows a loss of 16 households from 2010. ESRI projects that Day County will lose an additional 23 households from 2014 to 2019.

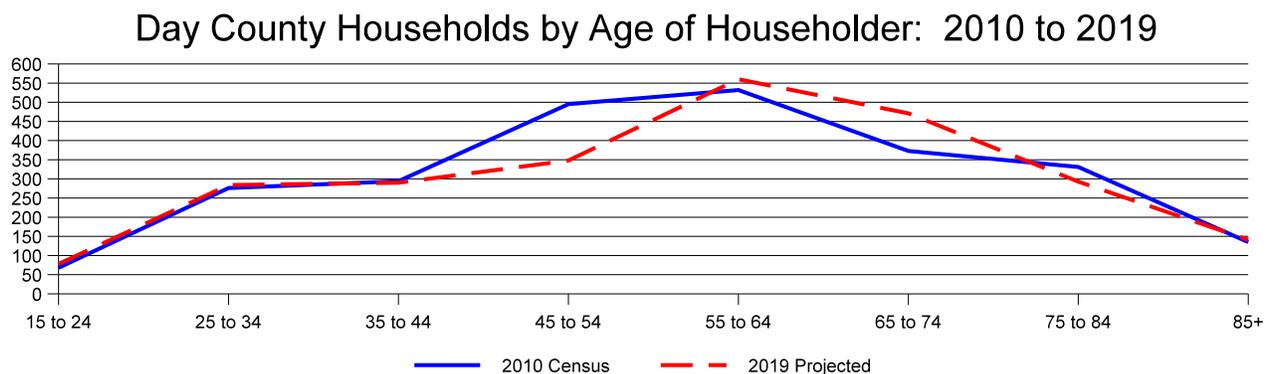
Day County Household by Age Projections: 2010 to 2019

ESRI has released population by age projections to the year 2019. In the following table, Community Partners Research, Inc., has converted the age-based population data into household projections for Day County for the year 2019.

The projections assume that historical patterns will continue into the near-future, especially related to household formation and household size within specific age groups. If population changes in Day County are at a rate that is faster or slower than past patterns would suggest, traditional age-based forecasts would be altered.

Table 14 Day County Projected Households by Age - 2010 to 2019			
	2010 Census	2019 Projection	Change from 2010
15-24	68	78	10
25-34	276	284	8
35-44	294	290	-4
45-54	495	348	-147
55-64	532	560	28
65-74	373	471	98
75-84	331	293	-38
85+	135	141	6
Total	2,504	2,465	-39

Source: U.S. Census; Community Partners Research, 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. Community Partners Research, Inc., projections expect a gain of 126 households in these age ranges in Day County from 2010 to 2019.

Community Partners Research, Inc., is also projecting an increase of 18 households in the 15 to 34 age ranges and a gain of six households in the 85 and older age range.

Community Partners Research, Inc., is projecting a loss of 151 households in the 35 to 54 age ranges and a loss of 38 households in the 75 to 84 age range.

When viewed as larger age groupings, these projections expect a net decrease of 133 households age 54 and younger, but a net increase of 94 households age 55 and older through the year 2019.

Households by Type - Bristol

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 Bristol.

Table 15 Bristol Household Composition - 2000 to 2010			
	2000 Census	2010 Census	Change
Family Households			
Married Couple with own children	25	19	-6
Single Parent with own children	6	8	2
Married Couple without own children	53	48	-5
Family Householder without spouse	5	3	-2
Total Families	89	78	-11
Non-Family Households			
Single Person	67	64	-3
Two or more persons	9	8	-1
Total Non-Families	76	72	-4

Source: U.S. Census

Between 2000 and 2010, Bristol experienced an overall net decrease of 11 “family” households. The City had an increase of two single parent with children households. There was a decrease of six married couples with their own children, a decrease of five married couples without children and a decrease of two family householder without spouse households.

Bristol had a decrease of four “non-family” households. There was a decrease of three one-person households and a decrease of one household that had unrelated individuals living together.

Households by Type - Waubay

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 Waubay.

Table 16 Waubay Household Composition - 2000 to 2010			
	2000 Census	2010 Census	Change
Family Households			
Married Couple with own children	43	27	-16
Single Parent with own children	29	33	4
Married Couple without own children	80	65	-15
Family Householder without spouse	16	23	7
Total Families	168	148	-20
Non-Family Households			
Single Person	95	84	-11
Two or more persons	12	10	-2
Total Non-Families	107	94	-13

Source: U.S. Census

Between 2000 and 2010, Waubay had a net loss of 20 “family” households. There was a decrease of 16 married couples with children and a decrease of 15 married couples without children. There was an increase of four single parent households that had their own children and an increase of seven family households without spouses, or children under the age of 18.

Waubay had a decrease of 13 “non-family” households. There was a decrease of 11 one-person households and a decrease of two households that had unrelated individuals living together.

Households by Type - Butler

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 Butler.

Table 17 Butler Household Composition - 2000 to 2010			
	2000 Census	2010 Census	Change
Family Households			
Married Couple with own children	2	0	-2
Single Parent with own children	1	0	-1
Married Couple without own children	3	6	3
Family Householder without spouse	0	0	0
Total Families	6	6	0
Non-Family Households			
Single Person	0	2	2
Two or more persons	0	1	1
Total Non-Families	0	3	3

Source: U.S. Census

Between 2000 and 2010, Butler’s number of “family” households did not change. Butler had a decrease of two married couples with their own children households and a decrease of one single parent with children household. The City had a gain of three married couples without children households.

Butler had no change in the number of “non-family” households. There was also no change in the number of one-person households or in the number of households that had unrelated individuals living together.

Households by Type - Lily

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 Lily.

Table 18 Lily Household Composition - 2000 to 2010			
	2000 Census	2010 Census	Change
Family Households			
Married Couple with own children	2	0	-2
Single Parent with own children	1	0	-1
Married Couple without own children	2	1	-1
Family Householder without spouse	0	0	0
Total Families	5	1	-4
Non-Family Households			
Single Person	5	1	-4
Two or more persons	0	0	0
Total Non-Families	5	1	-4

Source: U.S. Census

Between 2000 and 2010, Lily had an overall decrease of four “family” households. There was a decrease of two married couples with children and a decrease of one single parent household with their own children. There was also a decrease of one married couple without children household.

Lily had a decrease of four “non-family” households. There was a decrease of four one-person households.

Housing Tenure

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

Table 19 Household Tenure - 2010				
	Number of Owners	Percent of all Households	Number of Renters	Percent of all Households
Bristol	117	78.0%	33	22.0%
Waubay	181	74.8%	61	25.2%
Butler	9	100%	0	0%
Lily	2	100%	0	0%
Day County	1,918	76.6%	586	23.4%
State	-	68.1%	-	31.9%

Source: U.S. Census

According to the 2010 Census, the ownership tenure rate in Bristol was 78.0%, Waubay’s ownership rate was 74.8%, Day County ownership rate was 76.6%, and Butler and Lily’s ownership rate was 100%. The rental tenure rates of all cities and towns were significantly below the Statewide rate of 31.9% renter households.



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

Table 20 Households by Housing Tenure - 2000 to 2010						
Tenure	Owners			Renters		
	2000	2010	Change	2000	2010	Change
Bristol	132/80.0%	117/78.0%	-15	33/20.0%	33/22.0%	0
Waubay	195/70.9%	181/74.8%	-14	80/29.1%	61/25.2%	-19
Butler	6/100%	9/100%	3	0/0%	0/0%	0
Lily	10/100%	2/100%	-8	0/0%	0/0%	0
Day County	1,966	1,918	-48	620	586	-34

Source: U.S. Census

Bristol, Waubay, Lily and Day County all had a decrease in owner households between 2000 and 2010, while Butler had an increase in owner households. Countywide, there was a decrease of 48 owner-occupancy households from 2000 to 2010.

No cities or towns had an increase in renter households. Waubay had a decrease of 19 renter households and Bristol’s number of renter households did not change. Butler and Lily had no renter households in 2000 or 2010. In all of Day County there was a decrease of 34 renter-occupancy households during the decade.

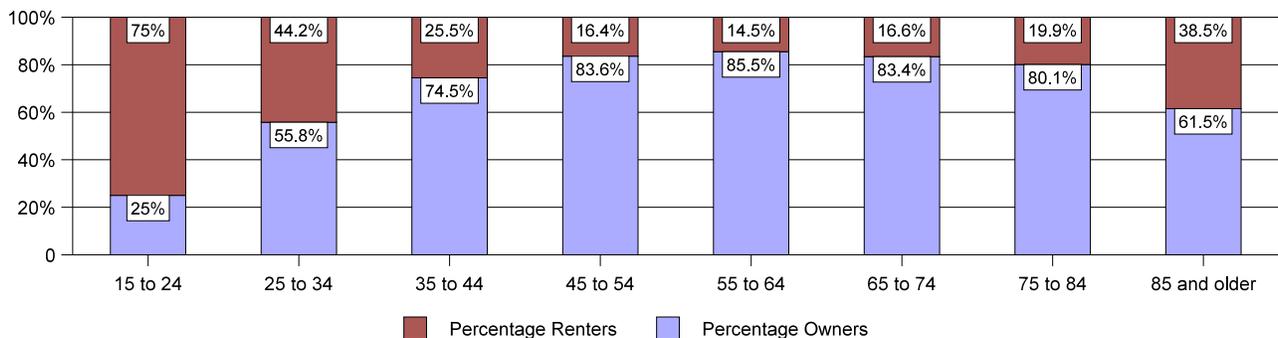
Tenure by Age of Householder

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 Day County.

Table 21 Day County Tenure by Age of Householder - 2010				
Age	Owners		Renters	
	Number	Percent within age	Number	Percent within age
15-24	17	25.0%	51	75.0%
25-34	154	55.8%	122	44.2%
35-44	219	74.5%	75	25.5%
45-54	414	83.6%	81	16.4%
55-64	455	85.5%	77	14.5%
65-74	311	83.4%	62	16.6%
75-84	265	80.1%	66	19.9%
85+	83	61.5%	52	38.5%
Total	1,918	76.6%	586	23.4%

Source: U.S. Census

Day 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 75% of households age 24 and younger rented their unit, and approximately 39% of households age 85 and older were renters. Home ownership rates for each of the 10-year age cohorts between 35 and 84 years old were above 74%.

Tenure by Household Size

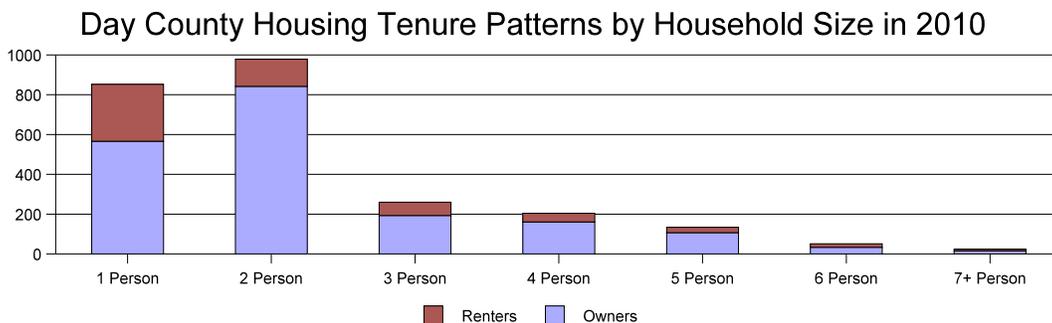
The 2010 Census provided information on housing tenure by household size. This can be compared to 2000 Census information to better understand changing trends. The following table provides information for Day County.

Table 22 Day County Tenure by Household Size - 2000 to 2010						
Household Size	Owners			Renters		
	2000	2010	Change	2000	2010	Change
1-Person	492	566	74	331	286	-45
2-Person	797	842	45	123	137	14
3-Person	278	193	-85	55	67	12
4-Person	224	161	-63	48	43	-5
5-Person	119	107	-12	24	27	3
6-Person	33	33	0	16	18	2
7-Persons+	23	16	-7	23	8	-15
Total	1,966	1,918	-48	620	586	-34

Source: U.S. Census

From 2000 to 2010, there were overall decreases in the number of owner and renter households in Day County. There was an increase of 119 owner households with one or two household members, but a decrease of 167 households with three or more household members.

There was a decrease of 45 one-person renter households, a loss of five four-person households and a loss of 15 renter households with seven or more people. There was a gain of 26 households with two and three household members and a gain of five five-person and six-person households. Approximately 72% of the renter households in Day County were one or two person households in 2010.



2012 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 2012 American Community Survey.

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.

Table 23 Median Household Income - 2000 to 2012			
	2000 Median	2012 Median	% Change
Bristol	\$32,031	\$33,125	3.4%
Waubay	\$25,395	\$29,167	14.9%
Butler	\$16,875	\$41,250	144.4%
Lily	\$16,250	\$23,750	46.2%
Day County	\$30,227	\$40,095	32.6%
South Dakota	\$35,271	\$46,369	31.5%

Source: U.S. Census; 2012 ACS 5-year survey

Table 24 Median Family Income - 2000 to 2012			
	2000 Median	2012 Median	% Change
Bristol	\$39,375	\$41,458	5.3%
Waubay	\$30,833	\$40,040	29.9%
Butler	\$16,875	\$41,250	144.4%
Lily	\$23,750	\$33,125	39.5%
Day County	\$38,011	\$49,135	29.3%
South Dakota	\$43,237	\$58,958	36.4%

Source: U.S. Census; 2012 ACS 5-year survey

It is important to note that the American Community Survey is based on household sampling, and a margin of error exists within each estimate. For very small communities, the number of completed surveys may be very limited, and the 2012 estimate may not be an accurate reflection of actual median income levels.

Information contained in the 2012 American Community Survey shows that the median household and family incomes have increased from 2000 to 2012 in the four cities and towns and in all of Day County. However, the four cities and towns and Day County's median family and household incomes are below the comparable 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 Day County could afford approximately \$1,002 per month and a median income family household could afford \$1,228 per month for ownership or rental housing in 2012.

Household Income Distribution

The 2012 American Community Survey provides household income distribution estimates for the four towns.

Table 25 Household Income Distribution - 2012				
Household Income	Bristol	Waubay	Butler	Lily
\$0 - \$14,999	26 / 19.4%	94 / 43.5%	0 / 0%	2 / 40%
\$15,000 - \$24,999	17 / 12.7%	9 / 4.2%	0 / 0%	1 / 20%
\$25,000 - \$34,999	27 / 20.1%	21 / 9.7%	3 / 50%	2 / 40%
\$35,000 - \$49,999	30 / 22.4%	70 / 32.4%	0 / 0%	0 / 0%
\$50,000 - \$74,999	6 / 4.5%	15 / 6.9%	3 / 50%	0 / 0%
\$75,000 - \$99,999	25 / 18.7%	4 / 1.9%	0 / 0%	0 / 0%
\$100,000+	3 / 2.2%	3 / 1.4%	0 / 0%	0 / 0%
Total	134 / 100%	216 / 100%	6 / 100%	5 100%

Source: 2000 Census; 2012 ACS

- ▶ In 2012, approximately 75% of Bristol’s households, 90% of Waubay’s households, 50% of Butler’s households and 100% of Lily’s households had annual incomes less than \$50,000.
- ▶ In 2012, approximately 25% of Bristol’s households, 10% of Waubay’s households, 50% of Butler’s households and 0% of Lily’s households had annual incomes more than \$50,000.
- ▶ Approximately 41% of the total households in the four cities and towns have annual incomes less than \$25,000.

Day County Income Distribution by Housing Tenure

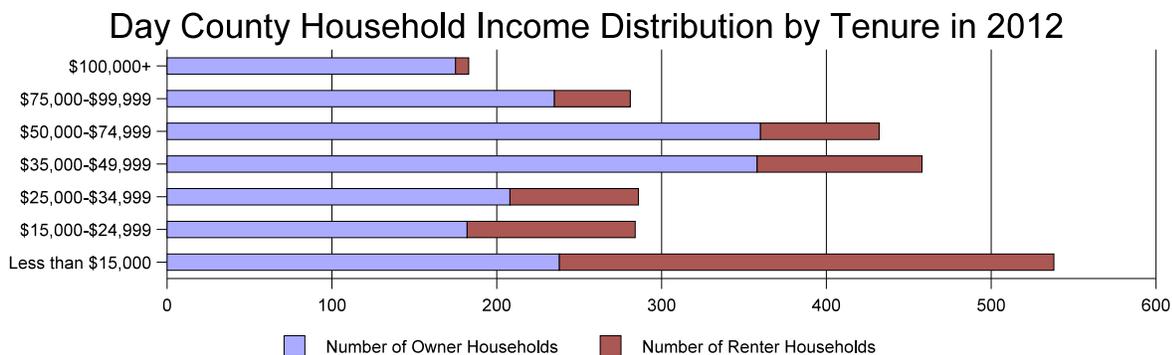
The 2012 American Community Survey provides income data by owner and renter status. The following table examines income distribution in Day County.

The American Community Survey is an estimate, based on limited sampling data, and there are some differences when compared to the 2010 Census. The 2012 American Community Survey reported income information on 2,462 households while the U.S. 2010 Census reported that there are 2,504 households in Day County. However, the variation does reflect a two-year time difference.

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.

Household Income	Number of Owner Households	Number of Renter Households	Total Households
\$0 - \$14,999	238 / 44.2%	300 / 55.8%	538
\$15,000 - \$24,999	182 / 64.1%	102 / 35.9%	284
\$25,000 - \$34,999	208 / 72.7%	78 / 27.3%	286
\$35,000 - \$49,999	358 / 78.2%	100 / 21.8%	458
\$50,000 - \$74,999	360 / 83.3%	72 / 16.7%	432
\$75,000 - \$99,999	235 / 83.6%	46 / 16.4%	281
\$100,000+	175 / 95.6%	8 / 4.4%	183
Total	1,756	706	2,462

Source: 2012 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 2012, approximately 68% of all renter households in Day 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 \$20,200 in 2012. At 30% of income, a renter at the median level could afford approximately \$505 per month or less for housing costs.

Most owner households had a higher income level than rental households. Approximately 44% of all owner households had an annual income of \$50,000 or more. The estimated median household income for owners in 2012 was approximately \$45,600. At 30% of income, an owner at the median income level could afford approximately \$1,140 per month for housing costs.

2012 Estimated Income and Housing Costs - Day County 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 Day County.

Table 27 Gross Rent as a Percentage of Income - Day County			
Percent of 2012 Income for Housing	Households Age 64 and Younger	Households Age 65 and Older	Total
Less than 20%	201 / 40.0%	57 / 28.0%	258 / 36.5%
20% to 29.9%	29 / 5.8%	43 / 21.1%	72 / 10.2%
30% to 34.9%	3 / 0.6%	10 / 4.9%	13 / 1.9%
35% or more	158 / 31.5%	47 / 23.0%	205 / 29.0%
Not Computed	111 / 22.1%	47 / 23.0%	158 / 22.4%
Total	502	204	706

Source: 2012 American Community Survey

According to the American Community Survey, approximately 31% 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 Day 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 26% of all households with a rental cost burden. Households in the age ranges between 15 and 64 years old represented approximately 74% of all households with a rental cost burden.

2012 Estimated Income and Housing Costs - Day County Owners

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

Table 28 Ownership Costs as a Percentage of Income - Day County		
Percentage of Household Income for Housing Costs	Number of Owner Households 2012	Percent of All Owner Households 2012
0% to 19.9%	1,071	61.0%
20% to 29.9%	293	16.7%
30% to 34.9%	88	5.0%
35% or more	282	16.1%
Not Computed	22	1.2%
Total	1,756	100%

Source: 2012 ACS

The 2012 American Community Survey underestimated the number of owner households in Day County. However, this source still represents the best available information on income compared to housing costs.

Most owner-occupants, which would include households with and without a mortgage, reported paying less than 30% of their income for housing. However, approximately 21% 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 29 Occupancy Status of Housing Units - 2010						
	Occupied Units		Vacant Units			
	Owner	Renter	For Rent	For Sale	Seasonal Use	Other Vacant
Bristol	117	33	4	3	8	11
Waubay	181	61	5	4	94	29
Butler	9	0	0	0	1	2
Lily	2	0	0	0	0	11
Day Co.	1,918	586	69	31	765	261

Source: U.S. Census

- ▶ In 2010, according to the U.S. Census, there were 765 seasonal housing units in Day County including eight units in Bristol, 94 units in Waubay, one unit in Butler and no units in Lily.
- ▶ County statistics for housing unit construction from 2000 to 2010 showed a significant amount of new construction during the decade. However, it appears that much of this was in the form of seasonal/recreational use housing. At the time of the 2000 Census, Day County had 626 seasonal use units. By 2010, this had increased to 765 units, a net gain of 139 units.
- ▶ Day County also had some units removed, in many cases due to flood damage mitigation efforts. Some of the construction activity that can be tracked by building permit reports may have been unit replacement. When the total inventory of housing in 2010 is compared to the total inventory in 2000, Day County showed a net gain of only 12 housing units Countywide during the entire decade. Based on these numbers, nearly all of the housing built in the County effectively represented unit replacement, as other housing was lost from the inventory.
- ▶ In addition to the seasonal units in 2010, there were 361 vacant housing units in Day County, including 18 units in Bristol, 38 units in Waubay, two units in Butler and 11 units in Lily.

Existing Home Sales

This section examines houses that have been sold in Bristol, Waubay, Butler and Lily from November 1, 2011, to March 31, 2014. It is important to note that the number of houses sold is limited and may not be an accurate indicator of overall home values in each town. However, this sample does provide some insight into those units that have turned-over during this time period. This table primarily reflects existing home sales. New construction sales would generally not be recorded in the data that was used for this analysis.

Only the “good market value” transactions have been reviewed for this study. Sales that are not “good market value” include, but are not limited to, sales between relatives, forced sales and foreclosures, and estate transfers that are not available on the open market.

Table 30 Median Value of Recent Residential Sales			
	Number of Good Sales	Median Sale Price	Average Sales Price
Bristol	22	\$26,500	\$36,523
Waubay	23	\$42,872	\$51,475
Butler	0	N/A	N/A
Lily	4	\$16,500	\$18,500

Source: Day County Assessor; Community Partners Research, Inc.

- ▶ From November 1, 2011, to March 31, 2014, there were 22 residential sales of single family houses in Bristol that were considered to be “good market value” transactions. The median sales price for the Bristol sales was \$26,500. The highest valued sale was for \$84,000 and lowest valued sale was for \$12,000.
- ▶ The median sales price for the 23 residential sales in Waubay was \$42,872. The highest valued sale was for \$350,000 and the lowest valued sale was for \$15,000.
- ▶ The median sales price for the four residential sales in Lily was \$16,500. The highest valued sale was for \$38,000 and the lowest valued sale was for \$3,000.
- ▶ There were no good residential sales in Butler from November 1, 2011, to March 21, 2014.

Home Sales by Price Range

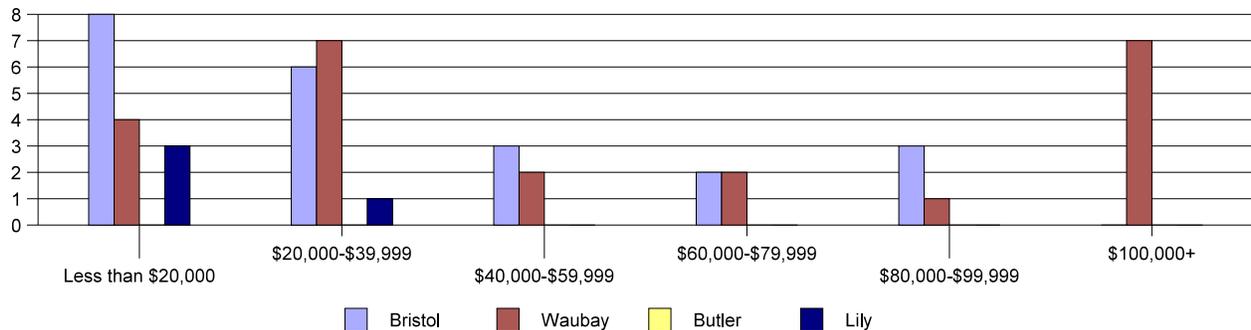
The following table looks at single family houses that sold within defined price ranges in the four towns from November 1, 2011, to March 31, 2014, using the information that was available from the County Equalization Office.

Table 31 Home Sales by Price Range				
Sale Price	Bristol	Waubay	Butler	Lily
Less than \$20,000	8	4	0	3
\$20,000 - \$39,999	6	7	0	1
\$40,000 - \$59,999	3	2	0	0
\$60,000 - \$79,999	2	2	0	0
\$80,000 - \$99,999	3	1	0	0
\$100,000 or more	0	7	0	0
Total	22	23	0	4

Source: Day County Equalization; Community Partners Research, Inc.

Recent home sales in the four cities and towns have been primarily in the lower price ranges. Approximately 59% of the sales were for less than \$40,000 and 18% of the sales were in the \$40,000 to \$80,000 range. Only 14% of the home sales were for \$100,000 or more.

Home Sales by Price Range



Housing Condition

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

- ▶ Bristol - 155
- ▶ Waubay - 161 (in two neighborhoods)
- ▶ Butler - 14
- ▶ Lily - 14

All of the homes were surveyed in Bristol, Butler and Lily. The two oldest neighborhoods in Waubay were surveyed. The boundaries of the two neighborhoods are:

- ▶ Neighborhood #1: North - Summitt Ave.
South - Railroad tracks
East - City limits
West - Main Street
- ▶ Neighborhood #2: North - Hwy 12
South - Railroad tracks
East - Main Street
West - City limits

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.

Table 32 Windshield Survey Housing Condition Estimate - 2014

	Sound	Minor Repair	Major Repair	Dilapidated	Total
Bristol	59/38.0%	37/23.9%	37/23.9%	22/14.2%	155
Butler	1/7.1%	1/7.1%	3/21.5%	9/64.3%	14
Lily	0/0%	2/14.3%	5/35.7%	7/50.0%	14
Waubay #1	32/45.7%	16/22.9%	16/22.9%	6/8.5%	70
Waubay #2	33/36.3%	22/24.2%	17/18.7%	19/20.8%	91
Total	125/36.3%	78/22.7%	78/22.7%	63/18.3%	344

Source: Community Partners Research, Inc.

- ▶ Approximately 23% of the houses in the four cities and towns need minor repair and 23% need major repair. Approximately 36% are sound, with no required improvements. Sixty-three houses are dilapidated and possibly beyond repair.
- ▶ In Bristol, more than 38% of all rated houses were in one of the two lowest condition categories, including 22 houses that received the lowest rating of dilapidated.
- ▶ In Waubay, approximately 36% of the houses rated in Waubay's two oldest neighborhoods were in one of the two lowest condition categories, including 25 houses that received the lowest rating of dilapidated.
- ▶ In Butler, nearly 86% of all rated houses were in one of the two lowest condition categories, including nine houses that received the lowest rating of dilapidated.
- ▶ In Lily, approximately 86% of all rated houses were in one of the two lowest condition categories, including seven houses that received the lowest rating of dilapidated.

Mobile Home Housing Condition

Community Partners Research, Inc. representatives conducted a visual 'windshield' survey of the 14 mobile homes located in Bristol, Waubay, Butler and Lily.

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.

Table 33 Windshield Survey Mobile Home Condition Estimate - 2014

	Sound	Minor Repair	Major Repair	Dilapidated	Total
Bristol	0/0%	2/66.7%	1/33.3%	0/0%	3
Butler	0/0%	1/50.0%	0/0%	1/50.0%	2
Lily	0/0%	0/0%	0/0%	1/100%	1
Waubay #1	0/0%	1/100%	0/0%	0/0%	1
Waubay #2	1/14.3%	5/71.4%	0/0%	1/14.3%	7
Total	1/7.1%	9/64.3%	1/7.1%	3/21.5%	14

Source: Community Partners Research, Inc.

- ▶ Nine of the mobile homes in the cities and towns need minor repair and one mobile home needs major repair. One mobile home is 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, Bristol, had two new houses constructed, Waubay had 47 new housing units constructed and Butler and Lily had no homes constructed.

No multifamily rental housing has been constructed in any of these communities.

The following charts identify new housing construction annually in Waubay and Day County.

Waubay Building Permit Trends

Waubay 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 2014.

Table 34 Waubay Housing Unit Construction Activity: 2000 to 2014			
Year	Single Family	Two or More Units	Total Units Constructed
2014	3	0	3
2013	1	0	1
2012	9	0	9
2011	3	0	3
2010	1	0	1
2009	0	2	2
2008	4	0	4
2007	4	0	4
2006	5	0	5
2005	2	0	2
2004	1	0	1
2003	4	0	4
2002	1	0	1
2001	6	0	6
2000	1	0	1
TOTAL	45	2	47

Source: Census Bureau; City of Waubay; Community Partners Research, Inc.

Over the past 15 years, 47 new housing units have been constructed in Waubay, based on building permit issuance and U.S. Census information. The units include 45 single family homes and one duplex.

During this seven-year period from 2000 to 2006, the City averaged 2.87 new housing units per year. From 2007 to 2014, Waubay averaged 3.13 new housing units per year.

Day County Building Permit Trends

Day 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 2013.

Table 35 Day County Housing Unit Construction Activity: 2000 to 2013			
Year	Single Family	Two or More Units	Total Units Constructed
2013	14	0	14
2012	22	0	22
2011	3	0	3
2010	24	4	28
2009	19	6	25
2008	4	4	8
2007	6	0	6
2006	32	0	32
2005	30	0	30
2004	36	0	36
2003	22	0	22
2002	23	0	23
2001	10	0	10
2000	21	0	21
TOTAL	266	14	280

Source: Census Bureau; Community Partners Research, Inc.

Over the past 14 years, 280 new housing units have been constructed in Day County, based on building permit issuance and U.S. Census information. The units include 266 single family homes and 14 units are in three four-plexes and one duplex. As stated earlier, most of these housing units appear to have been built for seasonal/recreation use, or as replacement units for lost housing.

During the seven-year period from 2000 to 2006, the County averaged approximately 25 new housing units per year. After 2006, housing construction activity slowed somewhat, and the County has averaged 13 new units per year from 2006 to 2013.

Employment and Local Economic Trends Analysis

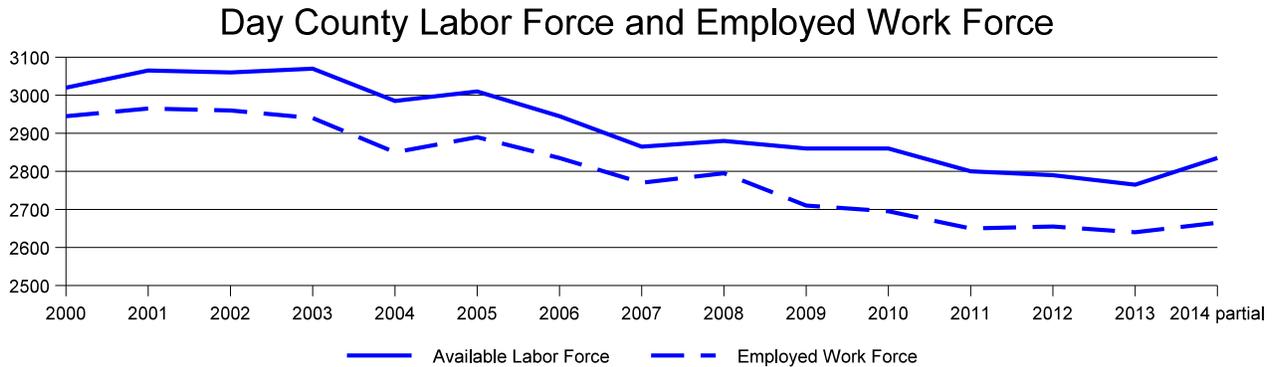
While many factors influence the need for housing, employment opportunities represent a predominant demand generator. Without jobs and corresponding wages, the means to pay for housing is severely limited.

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.

Table 36 Day County Annual Labor Statistics: 2000 to 2014*						
Year	Labor Force	Employed	Unemployed	Unemployment Rate - County	Unemployment Rate - SD	Unemployment Rate - US
2000	3,020	2,945	75	2.5%	2.7%	4.0%
2001	3,065	2,965	100	3.2%	3.1%	4.7%
2002	3,060	2,960	100	3.3%	3.3%	5.8%
2003	3,070	2,940	130	4.2%	3.5%	6.0%
2004	2,985	2,850	135	4.5%	3.7%	5.6%
2005	3,010	2,890	120	4.1%	3.7%	5.1%
2006	2,945	2,835	110	3.7%	3.1%	4.6%
2007	2,865	2,770	95	3.3%	2.9%	4.6%
2008	2,880	2,795	85	2.9%	3.0%	5.8%
2009	2,860	2,710	150	5.3%	5.2%	9.3%
2010	2,860	2,695	165	5.7%	5.1%	9.6%
2011	2,800	2,650	150	5.4%	4.7%	8.9%
2012	2,790	2,655	135	4.9%	4.2%	8.1%
2013	2,765	2,640	125	4.5%	3.8%	7.4%
2014*	2,835	2,665	170	6.0%	3.7%	6.5%

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



When viewed over a longer time period, there has been no growth in the area’s labor force and employed work force, despite some up and down movement from year to year. Between 2000 and 2013, the last full year of information, the size of the resident labor force decreased by 255 people, or 8.4%. The employed work force decreased by 305 people over that same time period.

From 2000 to 2005, the County’s resident labor force remained relatively stable, but has generally been declining since that time. The year 2013, the last full year of data, represented the smallest County labor force. Partial-year information for 2014 indicates that the level in the current year may be higher, but this cannot be fully determined until the final quarter of the year is included.

The County’s employed resident work force also reached its lowest level in 2013. The highest number of employed County residents occurred in 2001. Although the County’s unemployment rate has remained below the national average throughout the time period reviewed, it has been above the Statewide rate since 2009.

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 Day County. Covered employment and wages are based on the location of the job, not the residency of the worker.

Table 37 Day County Average Wages by Industry Detail: 2013		
Industry	2013 Employment	2013 Average Annual Wage
Total All Industry	1,938	\$27,731
Natural Resources, Mining	N/A	N/A
Construction	69	\$37,666
Manufacturing	231	\$33,311
Trade, Transportation, Utilities	499	\$32,337
Information	N/A	N/A
Financial Activities	84	\$34,842
Professional and Business Services	32	\$31,711
Education and Health Services	271	\$23,569
Leisure and Hospitality	188	\$8,439
Other Services	45	\$22,980
Government	438	\$26,943

Source: South Dakota Department of Labor

The average annual wage for all industry in 2013 was \$27,731. The highest paying wage sectors were Construction and Financial Activities, each with an annual average wage above \$34,500. Trade, Transportation and Utilities was the largest industry sector for number of employees, and had an annual wage above the overall average.

The lowest paying wage sector was Leisure and Hospitality, with an average annual wage below \$8,500.

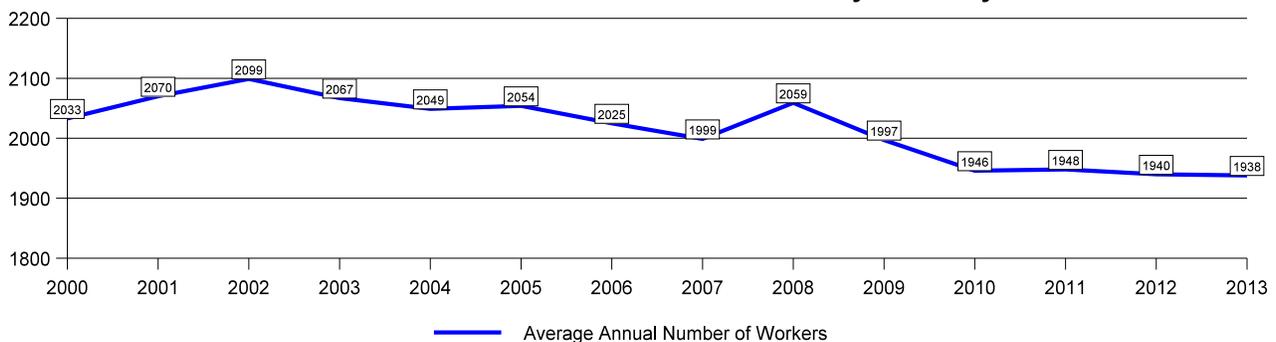
Annual Covered Employment

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 Day County back to the year 2000.

Table 38 Day Average Annual Employment			
Year	Total Covered Employment	Year	Total Covered Employment
2000	2,033	2007	1,999
2001	2,070	2008	2,059
2002	2,099	2009	1,997
2003	2,067	2010	1,946
2004	2,049	2011	1,948
2005	2,054	2012	1,940
2006	2,025	2013	1,938

Source: QCEW - SD Department of Labor

Number of Covered Workers in Day County



Although there has been some upward movement in the number of employees working in Day County, the long-term pattern shows a decrease in the number of workers covered by unemployment insurance. From 2000 to 2013, the number of workers decreased by 95 people. Despite the long-term trend of fewer workers, the employment level has remained very stable since 2010.

Regional Unemployment and Wage Rates

Day 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 Day 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.

Table 39 Regional and State Unemployment Data - 2013			
Area	Number of Unemployed - 2013	Unemployment Rate - 2013	2013 Average Annual Wage all Industry County Wage
Day County	125	4.5%	\$27,731
Watertown	465	3.6%	\$34,854
Aberdeen	535	3.5%	\$36,673
Brookings	440	3.3%	\$37,526
Huron	260	3.6%	\$34,306
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 Day County in 2013 was below the Statewide average by approximately \$9,500 annually. It was also lower than in the large communities in the area, including Watertown and Aberdeen.

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 \$20,000 higher than the average wage in Day County.

Commuting Patterns of Area Workers

Some information is available on area workers that commute for employment. The best information is from the 2012 American Community Survey, and has been examined for the City of Webster, the largest city in Day County. The first table only examines travel time for Webster residents, and excludes people that work at home.

Table 40 Commuting Times for Webster Residents - 2012		
Travel Time	Number	Percent
Less than 10 minutes	636	77.2%
10 to 19 minutes	76	9.2%
20 to 29 minutes	11	1.3%
30 minutes +	101	12.3%
Total	824	100%

Source: 2012 American Community Survey 3-year estimates

The large majority of Webster residents were driving less than 10 minutes to work in 2012. Overall, more than 77% of residents traveling less than 10 minutes, and more than 86% were traveling less than 20 minutes to work. Fewer than 3% of the City’s residents did commute a half hour or more for employment.

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

Table 41 Commuting Times for Webster Employees - 2012		
Travel Time	Number	Percent
Less than 10 minutes	664	58.7%
10 to 19 minutes	315	27.8%
20 to 29 minutes	44	3.9%
30 minutes +	109	9.6%
Total	1,132	100%

Source: 2012 American Community Survey 3-year estimates

For people that worked in Webster, more than 41% traveled 10 minutes or more, and presumably lived outside the city limits. However, most workers lived within the immediate vicinity, with fewer than 14% of all employees traveling 20 minutes or more to Webster.

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 Day County, there were 1,736 people that were employed within the County in 2011. Nearly 57% of these County-based employees also lived within the County. The remaining 43% of employees lived outside the County and traveled into Day County for employment.

The On the Map reporting service can be used to track worker outflow patterns from the County. Overall, there were 2,263 Day County residents that were employed. Most of these County residents actually worked outside the County, as nearly 57% traveled to other locations. Only 43% of County residents also worked within the County.

City of Bristol

Introduction

Bristol is a small city located in Day County approximately 12 miles from Webster, 39 miles from Aberdeen and 56 miles from Watertown.

Key Statistics: Bristol	
<i>Demographic</i>	
Population:	328 people in 2014
Households:	145 households in 2014
Household Size:	2.15 persons per household in 2014
Population Trend:	Down 13 people from 2010
Household Trend:	Down 5 households from 2010
Household Projection:	A loss of 5 households between 2014 and 2019
<i>Income</i>	
Median Household Income:	\$33,125 in 2012
Median Family Income:	\$41,458 in 2012
<i>Housing</i>	
Home Ownership Rate:	78% home owners
Rental Rate:	22% renters
Median Home Value:	\$26,500 based on recent sales
New Construction:	2 houses from 2000 to 2014
<i>Housing Condition</i>	
Condition Rating:	Sound - 59 homes Minor Rehab - 37 homes Major Rehab - 37 homes Dilapidated - 22 homes

Findings on Growth Trends

Bristol's population was 341 in 2010, which is a loss of 36 people from 2000. Bristol had a loss of 42 people during the 1990s. Bristol had 150 households in 2010, which is a loss of 15 households from 2000. Bristol had a loss of six households in the 1990s.

In the 1990s, Day County had a decrease of 711 people and 146 households. From 2000 to 2010, Day County had a loss of 557 people and 82 households.

Findings on Growth Projections

As part of this Study, we have utilized ESRI's population and household projections to the year 2019 for Bristol and Day County. ESRI projects that Bristol's population will decrease by 11 people, and by four households from 2014 to 2019. For all of Day County, ESRI expects a decrease of 105 people and a loss of 23 households.

Rental Housing Data

Census Bureau Rental Inventory

According to the 2010 U.S. Census, there were 33 occupied rental units and four unoccupied rental units in Bristol, for a total estimated rental inventory of 37 units. Bristol's rental tenure rate, was 22.0%, based on renter-occupancy households, which is above the Statewide rate in 2010 of 31.9%.

At the time of the 2000 Census, Bristol had 33 occupied rental units, and two vacant rental units, for a total estimated rental inventory of 35 units. The rental tenure rate in 2000 was 20.0%.

Based on a Census comparison, Bristol's number of renter-occupancy households did not change and Bristol gained 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 the multifamily buildings with six or more units.

Bristol has two multi-family rental projects and two senior with services projects. Bristol Apartments is an eight-unit general occupancy project with eight two-bedroom units. Sher-Mar Apartments is an eight-unit general occupancy project with 1 one-bedroom and seven two-bedroom units. Both projects were Rural Development projects, but opted out of the subsidy program and converted to market rate in 2007. The projects were recently sold and the new owner has not provided rent and occupancy information.

Sun Dial Manor is a 37-bed nursing home located in Bristol. The facility was constructed in 1968. At the time of the survey, there were two vacant beds.

Johnson Assisted Living Center is a 13-room assisted living project located in Bristol. The rooms include 10 single rooms and three double rooms for a 16-resident capacity. The facility provides the full array of senior assisted living services. There were no vacancies at the time of the survey.

Table 42 Bristol Multifamily Rental Housing Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Bristol Apartments	<u>8 - 2 Bedroom</u> 8 total units	Not available	Not available	General occupancy	Bristol Apartments is an eight-unit project with eight two-bedroom units. The project was a subsidized Rural Development project, but opted out of the subsidy program and converted to general occupancy. The project was recently sold to new owners.
Sher-Mar	<u>1 - 1 Bedroom</u> <u>7 - 2 Bedroom</u> 8 total units	Not available	Not available	General occupancy	Sher-Mar Apartments is an eight-unit project with 1 one-bedroom and seven two-bedroom units. The project was a subsidized Rural Development project, but opted out of the subsidy program and converted to general occupancy. The project was recently sold to new owners.
Senior with Services					
Sun Dial Manor	37 beds	Based on services	2 vacancies	Skilled nursing home	Sun Dial Manor is a 37-bed nursing home that was constructed in 1968. The facility currently has two vacancies. The staff reports that the facility operates at a high occupancy rate. Sun Dial Manor is not a licensed memory care facility, however, there are residents with memory loss.
Johnson Assisted Living Center	10 - private rooms <u>3 - double rooms</u> 13 total	\$2950 \$3750/single \$5600/couple	No vacancies	Assisted Living Center	The Johnson Assisted Living Center is part of the Sun Dial Manor Campus. The facility has 13 rooms, which includes 10 single and three double rooms. The facility provides all assisted living services including meals, laundry, medication assistance, 24-hour staffing, bathing, etc. Rent and fees range from \$2,950 for a single room to \$5,600 for a couple in a double room. The staff reports full occupancy, however, this is the first year the facility has been totally occupied.

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 Bristol. 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 Bristol, subsidies or some other form of financial assistance will be needed from Bristol, regional housing agencies and the South Dakota Housing Development Authority.
- ▶ **Protect the City's existing housing stock** - The future of Bristol 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 fair 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 the Day County Housing Development, 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 Bristol have been formulated through the analysis of the information provided in the previous sections and include 10 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

Single Family Housing Development

5. Lot Availability

Housing Rehabilitation

6. Promote rental housing rehabilitation
7. Promote owner-occupied housing rehabilitation efforts

Other Housing Issues

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

Rental Housing Development

Findings: The 2010 U.S. Census reports that there are 33 rental households in Bristol. Bristol has two eight-unit rental projects. It is assumed that many renter households are also renting single family homes.

Our projections indicate that Bristol is expected to decrease by four households from 2014 to 2019 and Day County is projected to decrease by 23 households.

Based on limited demand for rental housing from household growth and limited pent-up demand, we are not recommending new rental housing construction in Bristol over the next five years. However, we are recommending the development of additional rental housing utilizing existing homes in Bristol.

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

Findings: Bristol has approximately 37 market rate units. From 2014 to 2019, Bristol's population is projected to decrease by 11 people and four households.

Also, Bristol lacks some of the amenities to attract rental households including employment, health care, retail and service opportunities.

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

Also, we recommend that Bristol and Day County Housing Development communicate with the owner of the two eight-unit projects to assure that the projects continue to be a community asset.

2. Utilize vacant homes for rental housing

Findings: We are not recommending the construction of new rental housing, based on the lack of demand from household growth. However, we do believe there is limited demand for affordable rental housing. Bristol is located in close proximity to Webster and is within commuting distance of Aberdeen and Watertown. These cities have employment opportunities. According to the 2010 U.S. Census, there are vacant homes and seasonal homes in Bristol.

Recommendation: We recommend that Bristol coordinate with private rental property owners and regional housing agencies to acquire vacant and/or 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 Day County by the Aberdeen Housing Authority. The Aberdeen Housing Authority has the funding to issue approximately 375 vouchers in a five-county area.

Recommendation: The Aberdeen Housing Authority should work with Bristol to assure that Bristol 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 Bristol is estimated to be \$26,500 based on recent sales activity. The home values in Bristol provide an excellent market for first time buyers and households seeking moderately priced homes.

Our analysis of Day County demographic trends shows an increasing number of households in the traditionally strong home ownership age range between 55 and 74 years old. Households in these age ranges tend to be predominantly home owners, and form a market for higher priced and trade-up housing. The number of households in the younger age ranges of 20 to 34 also is expected to increase in Day County over the next five years. These households are often first-time home buyers. The other age ranges are projected to lose households or will remain relatively stable. Some households in these age ranges that 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 Bristol 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. Bristol 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: Bristol should work with area housing agencies, the South Dakota Housing Development Authority and local financial institutions to utilize all available home ownership assistance programs. Private and nonprofit agencies should be encouraged to provide home ownership opportunities.

Bristol should also work with housing agencies to assure that Bristol is receiving its share of resources that are available in Day 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, Grow South Dakota and HAPI, Inc., utilize several funding sources to provide home ownership programs in the Region.

Single Family Housing Development

Findings: Over the past 15 years, from 2000 to 2014, two single family homes have been constructed in Bristol.

Household projections for Bristol expect the loss of two households over the next five years, thus, there is limited demand for owner-occupied housing construction. Growth is anticipated over the next five years among Day 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 Day County's number of households in the 20 to 34 age ranges to remain relatively stable 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.

It is our opinion that new housing construction will be limited over the next five years in Bristol. This is due to multiple factors including the small size of the community, the projected loss of households, the current low property values, the lack of communities amenities, and a history of limited housing construction over the past 15 years. It is our projection that one to two homes may be constructed or moved into Bristol over the next five years from 2014 to 2019.

5. Lot Availability

Findings: As part of this Study, we attempted to identify the inventory of available residential lots for single family housing construction in Bristol. There are no new lots in subdivisions in Bristol, however, there are several in fill lots that may be available throughout the community.

Recommendation: Using our projections that one to two houses will be constructed or moved in over the next five years, there currently is an adequate supply of in fill lots in Bristol and these lots can meet demand.

We recommend that Bristol 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 Bristol or moving a home into Bristol, an inventory of lots will be available.

Housing Rehabilitation

Findings: Bristol 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 Bristol 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.

6. Promote rental housing rehabilitation

Findings: Bristol has rental properties that need repair. 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: Bristol 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 USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank.

7. Promote owner-occupied housing rehabilitation efforts

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

Our 2014 housing condition survey of 155 Bristol homes found 37 homes that need minor repairs and 37 homes that need major repairs. Without rehabilitation assistance, there is the potential that the affordable housing stock will shrink in Bristol.

Recommendation: We recommend that Bristol and area housing agencies seek local, state and federal funds to assist in financing 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 Day 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 Bristol and Day County households to utilize these programs.

Other Housing Initiatives

8. Acquire and demolish dilapidated structures

Findings: Our housing condition survey identified that of the 155 homes in Bristol, 22 homes are dilapidated and too deteriorated to rehabilitate. We also identified 37 homes as needing major repair and several of these homes may be too dilapidated to rehabilitate. To improve the quality of Bristol's housing stock and to maintain the appearance of the community, dilapidated structures should be demolished.

Recommendation: Bristol should continue to work with property owners to demolish severely dilapidated structures. Bristol 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 cities more authority to require property owners to demolish vacant, dilapidated homes.

9. Create a plan and a coordinated effort among housing agencies

Findings: Bristol will need staff resources in addition to existing Town personnel and volunteers to plan and implement many of the housing recommendations advanced in this Study. Bristol has access to Day County Housing Development, 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: Bristol has access to multiple agencies that can assist with addressing housing needs. It is our recommendation that Bristol work with the housing agencies to prioritize the recommendations of this Study. This could include the development of a plan in coordination with Day County Housing Development and the other Day County cities and towns to address 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 Bristol 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.

10. Promote commercial rehabilitation and development

Findings: Bristol's commercial district is in fair condition, however, there are several vacant and substandard commercial buildings.

When households are selecting a town to purchase a home in, they often determine if the town'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 Bristol 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 Bristol.

City of Waubay

Introduction

Waubay is a small city located in Day County approximately 12 miles from Webster, 61 miles from Aberdeen and 45 miles from Watertown.

Key Statistics: Waubay	
<i>Demographic</i>	
Population:	571 people in 2014
Households:	241 households in 2014
Household Size:	2.37 persons per household in 2014
Population Trend:	Down 5 people from 2010
Household Trend:	Down 1 household from 2010
Household Projection:	A loss of 2 households between 2014 and 2019
<i>Income</i>	
Median Household Income:	\$29,167 in 2012
Median Family Income:	\$40,040 in 2012
<i>Housing</i>	
Home Ownership Rate:	74.8% home owners
Rental Rate:	25.2% renters
Median Home Value:	\$42,872 based on recent sales
New Construction:	47 units from 2000 to 2014 (includes seasonal)
<i>Housing Condition (two defined neighborhoods)</i>	
Condition Rating:	Sound - 65 homes Minor Rehab - 38 homes Major Rehab - 33 homes Dilapidated - 25 homes

Findings on Growth Trends

Waubay's population was 576 in 2010, which is a loss of 86 people from 2000. Waubay had a gain of 15 people during the 1990s. Waubay had 242 households in 2010, which is a loss of 33 households from 2000. Waubay had a gain of 11 households in the 1990s.

In the 1990s, Day County had a decrease of 711 people and 146 households. From 2000 to 2010, Day County had a loss of 557 people and 82 households.

Findings on Growth Projections

As part of this Study, we have utilized ESRI's population and household projections to the year 2019 for Waubay and Day County. ESRI projects that Waubay's population will decrease by 12 people, and by two households from 2014 to 2019. For all of Day County, ESRI expects a decrease of 105 people and a loss of 23 households.

Rental Housing Data

Census Bureau Rental Inventory

According to the 2010 U.S. Census, there were 61 occupied rental units and six unoccupied rental units in Waubay, for a total estimated rental inventory of 67 units. Waubay's rental tenure rate, was 25.2%, based on renter-occupancy households, which is below the Statewide rate in 2010 of 31.9%.

At the time of the 2000 Census, Waubay had 80 occupied rental units, and seven vacant rental units, for a total estimated rental inventory of 87 units. The rental tenure rate in 2000 was 29.1%.

Based on a Census comparison, Waubay had a decrease of 19 renter-occupancy households, and 21 rental units from 2000 to 2010. The City of Waubay had more than 50 housing units removed from flood areas in the City. Sixteen of these units were tribal rental housing. Also, several of the single family homes that were lost due to flooding were rental properties.

Rental Survey

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

Waubay has 16 Rural Development General Occupancy units in two four-plexes and one eight-plex. The four-plexes were constructed in the 1970s and the eight-plex was constructed in 1982. There was one vacancy in the 16 units at the time of the survey.

Waubay also had 16 units of tribal housing that was removed from the housing stock due to flooding.

Table 43 Waubay Multifamily Rental Housing Inventory					
Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized					
Waubay Housing, Inc.	2 - 1 Bedroom <u>14 - 2 Bedroom</u> 16 total units	\$415 max \$430 max 30% of income	1 vacancy	General Occupancy	Waubay Housing is a Rural Development general occupancy project that includes 16 units in two four-plexes and one eight-plex. The four-plexes were constructed in the early 1970s and the eight-plex was constructed in 1982. Tenants pay 30% of income up to a maximum rent. Several tenants are paying the maximum rent. The manager reports one vacancy and the units are usually fully occupied. The high occupancy rate is partially due to the units lost due to flooding. The units have a high Native American population. The eight-plex is primarily occupied by seniors.

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 Waubay. 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 Waubay, subsidies or some other form of financial assistance will be needed from Waubay, regional housing agencies and the South Dakota Housing Development Authority.
- ▶ **Protect the City's existing housing stock** - The future of Waubay 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 fair 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 the Day County Housing Development, Grow South Dakota, Homes are Possible, Inc., the Sisseton Wahpeton Housing Authority, 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 Waubay have been formulated through the analysis of the information provided in the previous sections and include 10 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. Develop 16 to 20 affordable senior and general occupancy housing 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

Single Family Housing Development

5. Lot Availability and Development

Housing Rehabilitation

6. Promote rental housing rehabilitation
7. Promote owner-occupied housing rehabilitation efforts

Other Housing Issues

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

Rental Housing Development

Findings: The 2010 U.S. Census reported that there were 61 renter households in Waubay. Only one larger multifamily project, with 16 subsidized units, was identified in the community. The remaining rental units are assumed to exist in smaller rental structures, including single family homes.

Our projections indicate that Waubay is expected to decrease by two households from 2014 to 2019 and Day County is projected to decrease by 23 households.

1. **Develop 16 to 20 affordable senior and general occupancy rental units**

Findings: Waubay has a limited number of market rate units, all of which are in single family homes and duplexes. Waubay also has 16 subsidized units in two four-plexes and an eight-plex, in various locations in the City.

Over the past several years, Waubay has lost approximately 25 to 30 rental units due to a flood mitigation program. Sixteen of these units were tribal housing.

The manager of the 16 Rural Development subsidized units in Waubay reports that a portion of the existing units are not senior-friendly due to steps and no elevator. Therefore, there is pent-up demand for age-appropriate units without stairs. There is also pent-up demand for high quality rental units as there are no market rate multifamily options in Waubay.

Recommendation: Rental housing demand is based on household growth, pent-up demand and replacement of housing units that have been demolished or converted.

Based on this combination of demand generators, we believe that it is reasonable to plan for production of 16 to 20 affordable market rate rental units over the next five years.

Based on our research, there is a need for general occupancy rental units and senior units, thus, approximately 50% of the units should be general occupancy and 50% of the units should be senior units. Town home-style units or high quality apartment buildings are both options in addressing the need for market rate units. To be successful, the projects should have 'state of the art' amenities. It may be advantageous for new units to be constructed in smaller phases. This strategy allows the new units to be absorbed into the market.

There are two market rate rental segments in Waubay. One segment is seeking a high quality unit and can afford a higher rent. The second segment is lower income and seeking more modest rent. This segment may not qualify for subsidized rental units, but affordability is still an issue.

There is a need to construct both types of rental housing, thus, there is a relatively wide rent range in the following table reflecting the two segments. To construct affordable housing and charge affordable rents, land donations, financial assistance, tax increment financing and other resources may be needed.

The first option to developing rental housing would be to encourage private developers to construct rental housing. If private developers do not proceed, a public housing agency or economic development agency could potentially utilize essential function bonds or similar funding sources to construct workforce and high-quality new rental housing.

Recommended unit mix, sizes and rents for the Waubay Affordable Market Rate Housing Units:

<u>Unit Type</u>	<u>No. of Units</u>	<u>Size/Sq. Ft.</u>	<u>Rent</u>
One Bedroom	6-7	700 - 850	\$600 - \$675
Two Bedroom	7-9	900 - 1,000	\$675 - \$800
Three Bedroom	3-4	1,100 - 1,200	\$800 - \$900
Total	16-20		

Note: The recommended rents are gross rents including all utilities. The rents are quoted in 2014 dollars.

It would be advantageous to have the rents for some of the units at or below the fair market rents for the Housing Choice Voucher Program, thus, the units would be affordable for more households. Also, a set-aside of project-based Housing Choice Vouchers for these units should be pursued. The fair market rents currently are:

- ▶ 1 bedroom - \$473
- ▶ 2 bedroom - \$640
- ▶ 3 bedroom - \$943

Other sources of funding should also be pursued to further reduce the rents to make the units more affordable for the tenants.

2. Utilize vacant homes for rental housing

Findings: In addition to the new rental housing recommendation, we are recommending the utilization of vacant homes for rental housing as we believe there is demand for affordable rental housing. Waubay is located in close proximity to Webster and is within commuting distance of Aberdeen and Watertown. These cities have employment opportunities. According to the 2010 U.S. Census, there are vacant homes and seasonal homes in Waubay.

Recommendation: We recommend that Waubay coordinate with private property owners and regional housing agencies to acquire vacant and/or 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 Day County by the Aberdeen Housing Authority. The Aberdeen Housing Authority has the funding to issue approximately 375 vouchers.

Recommendation: The Aberdeen Housing Authority should work with Waubay to assure that Waubay 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 Waubay is estimated to be \$42,872 based on recent sales activity. The home values in Waubay provide an excellent market for first time buyers and households seeking moderately priced homes.

Our analysis of Day County demographic trends shows an increasing number of households in the traditionally strong home ownership age range between 55 and 74 years old. Households in these age ranges tend to be predominantly home owners, and form a market for higher priced and trade-up housing. The number of households in the younger age ranges of 20 to 34 also is expected to increase in Day County over the next five years. These households are often first-time home buyers. The other age ranges are projected to lose households or will remain relatively stable. Some households in these age ranges that 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 Waubay 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. Waubay 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: Waubay should work with area housing agencies, the South Dakota Housing Development Authority and local financial institutions to utilize all available home ownership assistance programs. Private and nonprofit agencies should be encouraged to provide home ownership opportunities.

Waubay should also work with housing agencies to assure that Waubay is receiving its share of resources that are available in Day 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, Grow South Dakota and HAPI, Inc., utilize several funding sources to provide home ownership programs in the Region.

Single Family Housing Development

Findings: Over the past 15 years, from 2000 to 2014, 47 single family housing units have been constructed in Waubay. This is an average of three to four new housing units annually. Many of these new homes are lake and recreational homes. Although a significant number of homes were constructed in Waubay over the past 15 years, the City has had a net loss of households due to the loss of more than 50 housing units due to flooding.

Growth is anticipated over the next five years among Day 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 Day County's number of households in the 20 to 34 age ranges to remain relatively stable 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.

It is our opinion that new housing construction will continue over the next five years. It is our projection that two to three homes may be constructed or moved into Waubay annually over the next five years from 2014 to 2019.

5. Lot Availability and Development

Findings: As part of this Study, we attempted to identify the inventory of available residential lots for single family housing construction in Waubay. Buildable lots are defined as having sewer and water available to the lots. Currently, there are several in fill lots throughout the community. The availability of these lots is not known. There are also a limited number of lake lots available.

Recommendation: Using our projections that two to three houses will be constructed or moved in annually over the next five years, there currently is not an adequate supply of lots in Waubay to meet projected demand.

We recommend the development of eight to 10 lots in Waubay. Currently, several sites are available including a parcel owned by Day County Housing Development and a parcel north of Highway 12.

For the lots to be successfully marketed, we recommend the following:

- ▶ Lots should be available for attached and detached housing
- ▶ Competitively priced lots
- ▶ Consider incentives to builders and home buyers
- ▶ Develop relationships with builders
- ▶ Allow for a range of house prices
- ▶ Develop a marketing strategy to market the lots
- ▶ If possible, select a site with adequate land for possible future development phases

Housing Rehabilitation

Findings: Waubay 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 Waubay 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.

6. Promote rental housing rehabilitation

Findings: Waubay has rental properties that need repair. 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: Waubay 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 USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank.

7. Promote owner-occupied housing rehabilitation efforts

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

Our 2014 housing condition survey of 161 Waubay homes in the City's two oldest neighborhoods found 38 homes that need minor repairs and 33 homes that need major repairs. Without rehabilitation assistance, there is the potential that the affordable housing stock will shrink in Waubay.

Recommendation: We recommend that Waubay and area housing agencies seek local, state and federal funds to assist in financing 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 Day 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 Waubay and Day County households to utilize these programs.

Other Housing Initiatives

8. Acquire and demolish dilapidated structures

Findings: Our housing condition survey identified that of the 161 homes in two Waubay neighborhoods, 25 homes are dilapidated and too deteriorated to rehabilitate. We also identified 33 homes as needing major repair and several of these homes may be too dilapidated to rehabilitate. To improve the quality of Waubay's housing stock and to maintain the appearance of the community, dilapidated structures should be demolished.

Recommendation: Waubay should continue to work with property owners to demolish severely dilapidated structures. Waubay 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 cities more authority to require property owners to demolish vacant, dilapidated homes.

9. Create a plan and a coordinated effort among housing agencies

Findings: Waubay will need staff resources in addition to existing Town personnel and volunteers to plan and implement many of the housing recommendations advanced in this Study. Waubay has access to Day County Housing Development, Grow South Dakota, Homes are Possible, Inc., the Sisseton Wahpeton Housing Authority, the USDA Rural Development Office and the South Dakota Housing Development Authority. These agencies all have experience with housing and community development programs.

Recommendation: Waubay has access to multiple agencies that can assist with addressing housing needs. It is our recommendation that Waubay work with the housing agencies to prioritize the recommendations of this Study. This could include the development of a plan in coordination with Day County Housing Development and the other Day County cities and towns to address 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 Waubay 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.

10. Promote Commercial Rehabilitation and Development

Findings: Waubay's commercial district is in fair condition, however, there are several vacant and substandard commercial buildings.

When households are selecting a town to purchase a home in, they often determine if the town'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 Waubay 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 Waubay.

Town of Butler

Introduction

Butler is a small town located in Day County approximately 16 miles from Webster, 47 miles from Aberdeen and 70 miles from Watertown.

Key Statistics: Butler	
<i>Demographic</i>	
Population:	15 people in 2014
Households:	8 households in 2014
Household Size:	1.75 persons per household in 2014
Population Trend:	Down 2 people from 2010
Household Trend:	Down 1 household from 2010
Household Projection:	A loss of 2 households between 2014 and 2019
<i>Income</i>	
Median Household Income:	\$41,250 in 2012
Median Family Income:	\$41,250 in 2012
<i>Housing</i>	
Home Ownership Rate:	100% home owners
Rental Rate:	0% renters
Median Home Value:	No recent sales
New Construction:	No houses from 2000 to 2014
<i>Housing Condition</i>	
Condition Rating:	Sound - 1 homes Minor Rehab - 1 homes Major Rehab - 3 homes Dilapidated - 9 homes

Findings on Growth Trends

Butler's population was 17 in 2010, which was no change in population from 2000. Butler's population also was 17 in 1990. Butler had nine households in 2010, which is a gain of three households from 2000. Butler had a loss of one household in the 1990s.

In the 1990s, Day County had a decrease of 711 people and 146 households. From 2000 to 2010, Day County had a loss of 557 people and 82 households.

Findings on Growth Projections

As part of this Study, we have utilized ESRI's population and household projections to the year 2019 for Butler and Day County. ESRI projects that Butler's population will decrease by 2 people, and by one household from 2014 to 2019. For all of Day County, ESRI expects a decrease of 105 people and a loss of 23 households.

Rental Housing Data

Census Bureau Rental Inventory

According to the 2010 U.S. Census, there were no occupied rental units and no unoccupied rental units in Butler.

At the time of the 2000 Census, Butler also had no rental units.

Rental Survey

As part of the research for this Study, Community Partners Research, Inc., attempted to contact owners or managers of the multifamily buildings with four or more units. There are no multi-family rental projects in Butler, thus, no survey was completed.

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 Butler. They are based on the following strategies.

- ▶ **Be realistic in expectations for housing development** - Residential growth has not occurred in the recent past and is not likely to occur in the near future.
- ▶ **Protect the Town's existing housing stock** - The condition of the existing housing stock is a major factor in determining the Town's long-term viability. Rehabilitation efforts are needed to preserve the housing stock.
- ▶ **Access all available resources for housing** - In addition to the local efforts, the Town has other resources to draw on including the Day County Housing Development, 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 Butler have been formulated through the analysis of the information provided in the previous sections and include six 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. No demand for new market rate or subsidized housing

Home Ownership

2. Utilize and promote all programs that assist with home ownership

Single Family Housing Development

3. Lot Availability

Housing Rehabilitation

4. Promote owner-occupied housing rehabilitation efforts
5. Utilize vacant homes for rental or owner occupied housing

Other Housing Issues

6. Acquire and demolish dilapidated structures

Rental Housing Development

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

Findings: There is no demand for rental housing from household growth and no pent-up demand, thus, we are not recommending new rental housing construction in Butler.

Also, Butler lacks amenities to attract rental households including employment, health care, retail and service opportunities.

Recommendation: We do not recommend the construction of market rate or subsidized rental housing in Butler.

Home Ownership

2. Utilize and promote all programs that assist with home ownership

Findings: 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. Butler 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: Butler should work with area housing agencies, the South Dakota Housing Development Authority and local financial institutions to utilize all available home ownership assistance programs. Private and nonprofit agencies should be encouraged to provide home ownership opportunities.

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

Single Family Housing Development

Findings: Over the past 15 years, from 2000 to 2014, no single family homes have been constructed in Butler.

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 lack of amenities, the projected loss of households, the current low property values and a history of no housing construction over the past 15 years. It is our projection that one home may be constructed or moved into Butler over the next five years from 2014 to 2019.

3. Lot Availability

Findings: As part of this Study, we attempted to identify the inventory of available residential lots for single family housing construction in Butler. There are no new lots in subdivisions in Butler, however, there are several in fill lots that may be available throughout the community.

Recommendation: We recommend that Butler 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 in Butler or moving a home into Butler, an inventory of lots will be available.

Housing Rehabilitation

Findings: It is our opinion that Butler 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.

4. Promote owner-occupied housing rehabilitation efforts

Findings: Our 2014 housing condition survey of 14 Butler homes found one home that needs minor repairs and three homes that need major repairs. Several of these homes are vacant.

Recommendation: We recommend that Butler and area housing agencies seek local, state and federal funds to assist in financing 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 Day 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 Butler and Day County households to utilize these programs.

5. Utilize vacant homes for renter or owner-occupancy housing

Findings: Butler has several vacant homes. Some of these homes could be rehabilitated for rental occupancy or home ownership.

Recommendation: We recommend that Butler coordinate with private property owners and regional housing agencies to acquire vacant and/or seasonal homes for rental or owner occupied housing. 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.

Other Housing Initiatives

6. Acquire and demolish dilapidated structures

Findings: Our housing condition survey identified that of the 14 homes in Butler, nine homes are dilapidated and too deteriorated to rehabilitate. We also identified three homes as needing major repair and these homes may be too dilapidated to rehabilitate. To improve the quality of Butler’s housing stock and to maintain the appearance of the community, dilapidated structures should be demolished.

Recommendation: Butler should continue to work with property owners to demolish severely dilapidated structures. Butler is enhanced when blighted and dilapidated structures are removed.

Town of Lily

Introduction

Lily is a small town located in Day County approximately 18 miles from Webster, 54 miles from Aberdeen and 41 miles from Watertown.

Key Statistics: Lily	
<i>Demographic</i>	
Population:	3 people in 2014
Households:	2 households in 2014
Household Size:	1.50 persons per household in 2014
Population Trend:	Down 1 person from 2010
Household Trend:	No change in households from 2010
Household Projection:	No change in households between 2014 and 2019
<i>Income</i>	
Median Household Income:	\$23,750 in 2012
Median Family Income:	\$33,125 in 2012
<i>Housing</i>	
Home Ownership Rate:	100% home owners
Rental Rate:	0% renters
Median Home Value:	\$16,500 based on recent sales
New Construction:	No houses from 2000 to 2014
<i>Housing Condition</i>	
Condition Rating:	Sound - 0 homes Minor Rehab - 2 homes Major Rehab - 5 homes Dilapidated - 7 homes

Findings on Growth Trends

Lily's population was four in 2010, which is a loss of 17 people from 2000. Lily had a loss of five people during the 1990s. Lily had only two households in 2010, which is a loss of eight households from 2000. Lily had a loss of three households in the 1990s.

In the 1990s, Day County had a decrease of 711 people and 146 households. From 2000 to 2010, Day County had a loss of 557 people and 82 households.

Findings on Growth Projections

As part of this Study, we have utilized ESRI's population and household projections to the year 2019 for Lily and Day County. ESRI projects that Lily's population will decrease by 1 person, but will maintain a stable number of households from 2014 to 2019. For all of Day County, ESRI expects a decrease of 105 people and a loss of 23 households.

Rental Housing Data

Census Bureau Rental Inventory

According to the 2010 U.S. Census, there were no occupied rental units and no unoccupied rental units in Lily.

At the time of the 2000 Census, Lily also had no occupied rental units, and no vacant rental units.

Rental Survey

As part of the research for this Study, Community Partners Research, Inc., attempted to contact owners or managers of the multifamily buildings with four or more units. There are no multi-family projects in Lily, thus, no survey was completed.

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 Lily. They are based on the following strategies.

- ▶ **Be realistic in expectations for housing development** - Residential growth has not occurred in the recent past and is not likely to occur in the near future.
- ▶ **Protect the Town's existing housing stock** - The condition of the existing housing stock is a major factor in determining the Town's long-term viability. Rehabilitation efforts are needed to preserve the housing stock.
- ▶ **Access all available resources for housing** - In addition to the local efforts, the Town has other resources to draw on including the Day County Housing Development, 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 Lily have been formulated through the analysis of the information provided in the previous sections and include six 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. No demand for new market rate or subsidized housing

Home Ownership

2. Utilize and promote all programs that assist with home ownership

Single Family Housing Development

3. Lot Availability

Housing Rehabilitation

4. Promote owner-occupied housing rehabilitation efforts
5. Utilize vacant homes for rental or owner occupied housing

Other Housing Issues

6. Acquire and demolish dilapidated structures

Rental Housing Development

1. No demand for new market rate or subsidized rental housing

Findings: There is no demand for rental housing from household growth and no pent-up demand, thus, we are not recommending new rental housing construction in Lily.

Also, Lily lacks amenities to attract rental households including employment, health care, and retail and service opportunities.

Recommendation: We do not recommend the construction of market rate or subsidized rental housing.

Home Ownership

2. Utilize and promote all programs that assist with home ownership

Findings: 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. Lily 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: Lily should work with area housing agencies, the South Dakota Housing Development Authority and local financial institutions to utilize all available home ownership assistance programs. Private and nonprofit agencies should be encouraged to provide home ownership opportunities.

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

Single Family Housing Development

Findings: Over the past 15 years, from 2000 to 2014, no single family homes have been constructed in Lily.

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 lack of amenities, the current low property values and a history of no housing construction over the past 15 years.

It is possible, however, that a few households may construct a modest home or move a house or mobile home into Lily over the next five years.

3. Lot Availability

Findings: As part of this Study, we attempted to identify the inventory of available residential lots for single family housing construction in Lily. There are no new lots in subdivisions in Lily, however, there are several in fill lots that may be available throughout the community.

Recommendation: We recommend that Lily 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 in Lily or moving a home into Lily, an inventory of lots will be available.

Housing Rehabilitation

Findings: It is our opinion that Lily 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.

4. Promote owner-occupied housing rehabilitation efforts

Findings: Our 2014 housing condition survey of 14 Lily homes found two homes that need minor repairs and five homes that need major repairs. Most of these homes are vacant.

Recommendation: We recommend that Lily and area housing agencies seek local, state and federal funds to assist in financing housing rehabilitation. USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank, are all potential funding sources. It may be possible for a household to purchase a vacant home and utilize rehabilitation funds to make repairs.

Currently, Grow South Dakota and Homes are Possible, Inc., are implementing owner-occupied housing rehabilitation programs in Day 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 Lily and Day County households to utilize these programs.

5. Utilize vacant homes for rental/owner occupied housing

Findings: Lily has several vacant homes in the community. Some of these homes could be rehabilitated for rental occupancy or home ownership.

Recommendation: We recommend that Lily coordinate with private property owners and regional housing agencies to acquire vacant and/or seasonal homes for rental/owner occupied housing. 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.

Other Housing Initiatives

6. Acquire and demolish dilapidated structures

Findings: Our housing condition survey identified that of the 14 homes in Lily, seven homes are dilapidated and too deteriorated to rehabilitate. We also identified five homes as needing major repair and several of these homes may be too dilapidated to rehabilitate. To improve the quality of Lily's housing stock and to maintain the appearance of the community, dilapidated structures should be demolished.

Recommendation: Lily should continue to work with property owners to demolish severely dilapidated structures. Lily is enhanced when blighted and dilapidated structures are removed.

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

Aberdeen Housing Authority

310 Roosevelt Street
Aberdeen, SD 57401
(605)226-2321