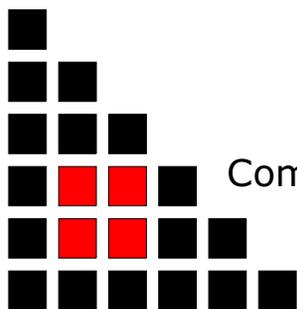


# Milbank HOUSING STUDY

May 2015

An analysis of the overall housing needs  
of the City of Milbank



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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 Milbank and Grant 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 the Grant County Development Corporation to conduct a study of the housing needs and conditions in the City of Milbank.

### **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 December 2014 to April 2015. Data sources included:

- U.S. Census Bureau
- American Community Survey
- ESRI, a private data company
- Records and data from the City
- Records and data maintained by Grant County
- South Dakota State Data Center
- Interviews with City 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 City of Milbank and Grant County, including the 2010 U.S. Census. 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 available.

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. The following tables incorporate the 2010 Census data, when available, or the American Community Survey data.

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

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

## Population Data and Trends

<b>Table 1 Population Trends - 1980 to 2014</b>						
	1990 Census	2000 Census	% Change 1990-2000	2010 Census	% Change 2000-2010	2014 ESRI Estimates
Milbank	3,879	3,640	-6.2%	3,353	-7.9%	3,362
Grant Co.	8,372	7,847	-6.3%	7,356	-6.3%	7,359

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

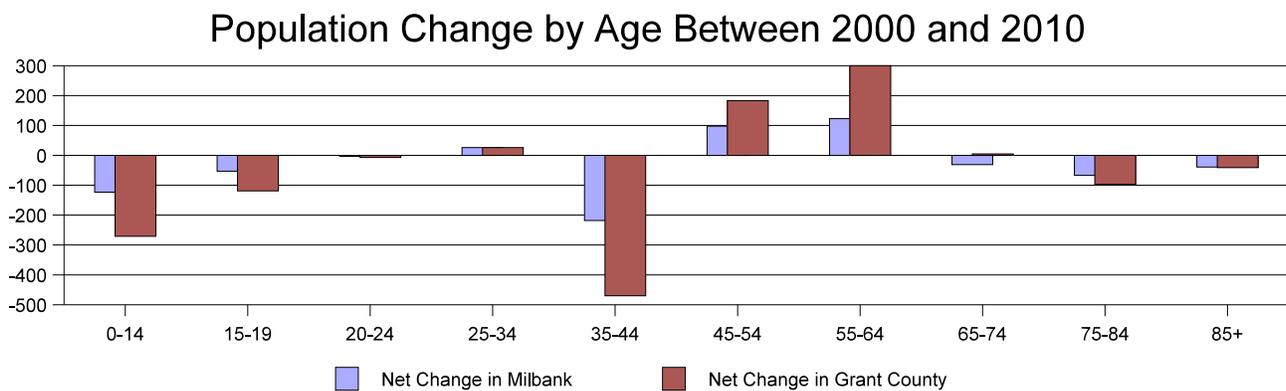
- ▶ According to the 2010 U.S. Census, Milbank’s population was 3,353 people in 2010. When compared to the 2000 Census, the City had a population loss of 287 people from 2000 to 2010. The 287-person loss from 2000 was a population decrease of 7.9%.
- ▶ Grant County’s population was 7,356 in 2010. This was a decrease of 491 people from 2000, for a population loss of 6.3%.
- ▶ Milbank and Grant County also experienced population losses in the 1990s. Milbank’s population decreased by 239 people and Grant County’s population decreased by 525 people from 1990 to 2000.
- ▶ ESRI, a private data reporting service, has released 2014 population estimates. The estimate for the City of Milbank is 3,362, an increase of nine people from 2010 to 2014. ESRI’s 2014 estimate for Grant County is 7,359, a gain of three people since 2010.
- ▶ The Census Bureau has also released population estimates. The most recent estimate for Milbank is effective July 1, 2013, and shows the City’s population at 3,313, a loss of 40 people from 2010 to 2013. The 2013 estimate for Grant County is 7,281 and shows the County down 75 people from the 2010 Census.
- ▶ Milbank’s population is primarily White and non-Hispanic/Latino. At the time of the 2010 Census, approximately 96.4% of the City’s residents were White, 0.2% were Black or African American, 0.4% were American Indian and 0.3% were Asian. Additionally, 1.8% of the population identified themselves as some other race and 0.9% of the population identified themselves as two or more races. Approximately 3.2% of the City’s population was identified as Hispanic/Latino.

## Population by Age Trends: 2000 to 2010

The release of demographic information from the 2010 Census allows for some analysis of the changing age patterns for Milbank and Grant 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	Milbank			Grant County		
	2000	2010	Change	2000	2010	Change
0-14	712	589	-123	1,635	1,364	-271
15-19	268	215	-53	617	498	-119
20-24	148	145	-3	286	279	-7
25-34	333	359	26	731	757	26
35-44	524	306	-218	1,236	766	-470
45-54	454	552	98	1,096	1,279	183
55-64	317	440	123	750	1,050	300
65-74	347	316	-31	667	672	5
75-84	347	280	-67	569	472	-97
85+	190	151	-39	260	219	-41
Total	3,640	3,353	-287	7,847	7,356	-491

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 Milbank and Grant County. Between 2000 and 2010, Milbank had a gain of 221 people and Grant County had a gain of 483 people in the age ranges between 45 and 64 years old. In 2010, nearly all of the baby boomers were within these age ranges.

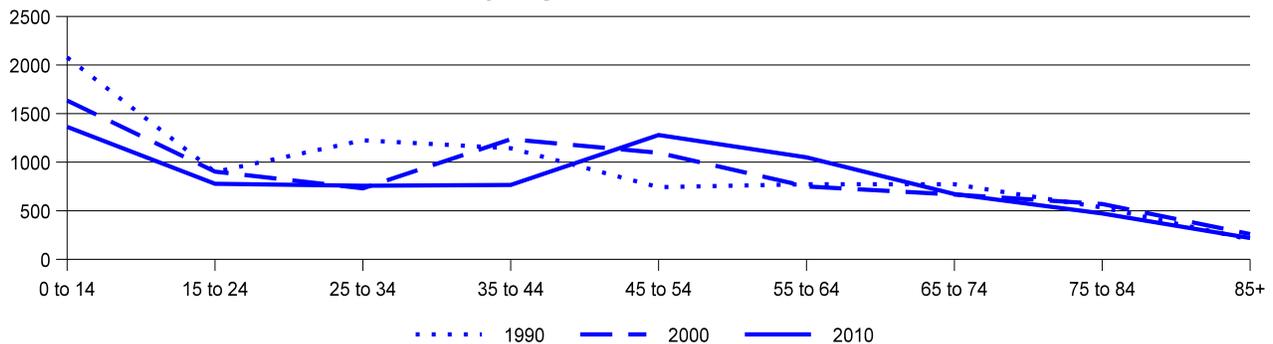
Grant County also had growth in the 25 to 34 age range, which had a gain of 26 people and a slight gain of five people in the 65 to 74 age range. Grant County had a loss of 397 people in the 0 to 24 age ranges, a loss of 470 people in the 35 to 44 age range and a loss of 138 people in the 75 and over age range.

In addition to the gains in the 45 to 64 age ranges, Milbank had a gain of 26 people in the 25 to 34 age range.

Milbank experienced a population loss of 179 people in the 0 to 24 age ranges, a loss of 218 people in the 35 to 44 age range and a loss of 137 people in the 65 and older age ranges.

The aging trends present in Grant County can be traced back over the previous decades to see the movement of the baby boom generation.

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



## Population Projections

The following table presents population projections using two different sources. The South Dakota State Data Center has issued Grant 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.

<b>Table 3 Population Projections Through 2019/2020</b>				
	2010 US Census	2014 ESRI Estimate	2019 ESRI Estimate	2020 Projection State Data Center
Milbank	3,353	3,362	3,357	N/A
Grant County	7,356	7,359	7,344	6,962

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

- ▶ ESRI’s growth projections show a population loss of five people in Milbank from 2014 to 2019.
- ▶ ESRI’s population projection for Grant County forecasts a loss of 15 people from 2014 to 2019.
- ▶ The State Data Center projects that Grant County’s population will be 6,962 in 2020. When compared to the County’s population in 2010, this projection assumes a reduction of 394 people during the current decade.
- ▶ ESRI also projects a countywide loss of residents from 2010 to 2019. However, ESRI’s projection of 7,344 people in Grant County in 2019 is well above the State Data Center’s projection for 2020.

## Household Data and Trends

<b>Table 4 Household Trends - 1980 to 2014</b>						
	1990 Households	2000 Households	% Change 1990-2000	2010 Households	% Change 2000-2010	2014 ESRI Estimate
Milbank	1,557	1,533	-1.5%	1,508	-1.6%	1,532
Grant Co.	3,154	3,116	-1.2%	3,089	-0.9%	3,130

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

- ▶ According to the 2010 U.S. Census, Milbank and Grant County had a loss of households from 2000 to 2010. Milbank had 1,508 households in 2010, a decrease of 25 households from 2000, for a household loss of 1.6%.
- ▶ Grant County had 3,089 households in 2010. This was a decrease of 27 households, or a household loss of 0.9%.
- ▶ Milbank had a loss of 24 households and Grant County had a loss of 38 households during the 1990s.
- ▶ ESRI estimates that Milbank has gained 24 households and Grant County has gained 41 households from 2010 to 2014.

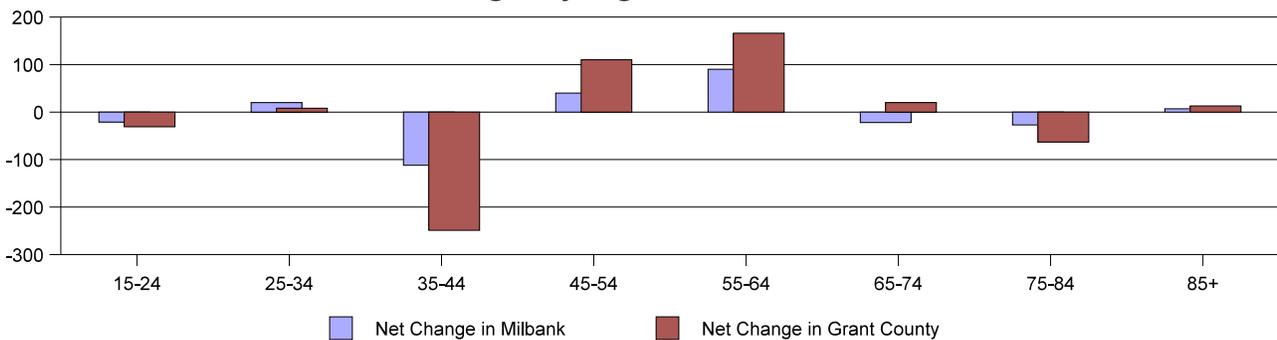
## Household by Age Trends: 2000 to 2010

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

Table 5 Households by Age - 2000 to 2010						
Age	Milbank			Grant County		
	2000	2010	Change	2000	2010	Change
15-24	84	63	-21	127	96	-31
25-34	180	200	20	364	372	8
35-44	284	172	-112	658	409	-249
45-54	270	310	40	602	712	110
55-64	178	268	90	431	597	166
65-74	227	205	-22	409	429	20
75-84	224	197	-27	390	327	-63
85+	86	93	7	135	148	13
Total	1,533	1,508	-25	3,116	3,089	-27

Source: U.S. Census

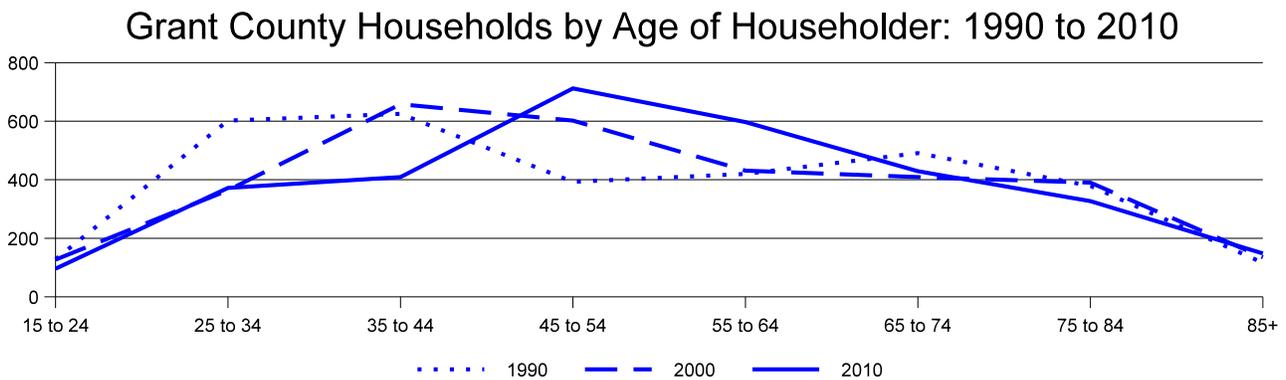
### Household Change by Age Between 2000 and 2010



Milbank added 130 households in the 45 to 64 year old age ranges, 20 households in the 25 to 34 age range and seven households in the age 85 and older age range.

Milbank had a decrease of 21 households in the 15 to 24 age range, a loss of 112 households in the 35 to 44 age range and a loss of 49 households in the 65 to 84 age ranges.

Grant County experienced a gain of 296 households in the 45 to 74 age ranges, a slight gain of eight households in the 25 to 34 age range and a gain of 13 households in the 85 and older age range. Grant County had a loss of 31 households in the 15 to 24 age range, a decrease of 249 households in the 35 to 44 age range and a decrease of 63 households in the 75 to 84 age range.



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

## Average Household Size

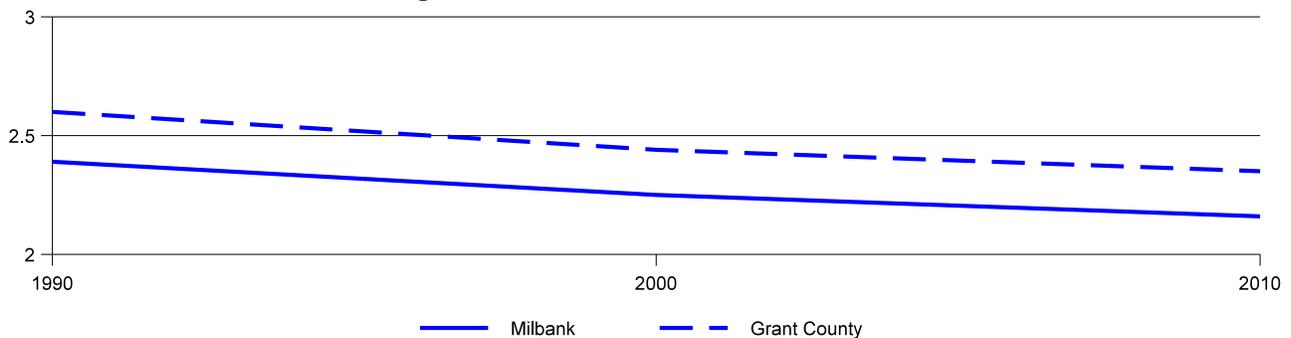
The following table provides decennial Census information on average household size. The 2014 estimates from ESRI are also provided.

<b>Table 6 Average Number of Persons Per Household: 1990 to 2014</b>				
	1990 Census	2000 Census	2010 Census	2014 Estimate
Milbank	2.39	2.25	2.16	2.15
Grant County	2.60	2.44	2.35	2.32
South Dakota	2.59	2.50	2.42	N/A

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

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.

Average Household Size: 1990 to 2010



The average household size in Milbank and Grant County has decreased over the past two decades, from 1990 and 2010. In Milbank, the average household size decreased from 2.39 persons per household in 1990 to 2.16 in 2010. Grant County’s average household size decreased from 2.60 in 1990 to 2.35 in 2010. In 2010, Milbank and Grant County’s average household size was smaller than the Statewide average.

ESRI estimates that Milbank and Grant County’s average household size has continued to decrease from 2010 to 2014.

## Household Projections

The following table presents ESRI’s 2014 household estimates and 2019 household projections for Milbank and Grant County.

<b>Table 7 Household Projections Through 2019</b>			
	2010 Census	2014 Estimate ESRI	2019 Projection ESRI
Milbank	1,508	1,532	1,539
Grant County	3,089	3,130	3,140

Source: U.S. Census; ESRI

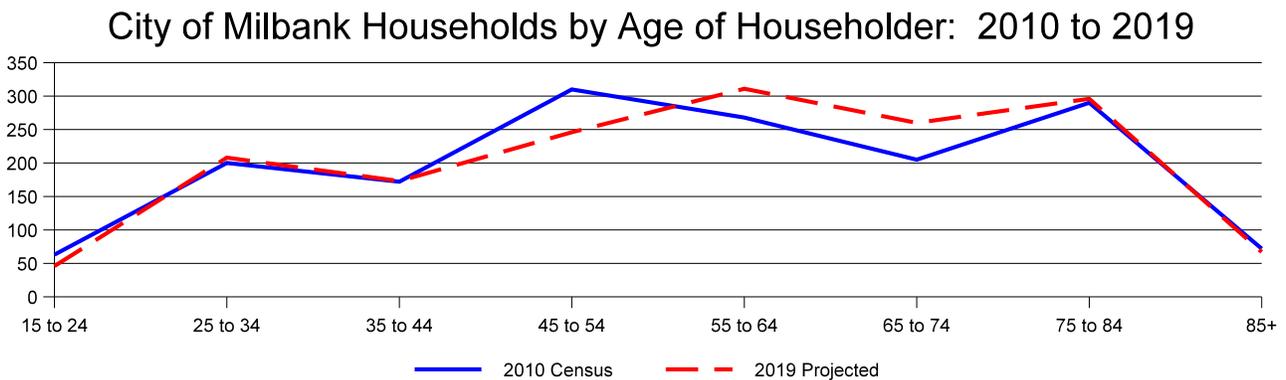
- ▶ The growth projections calculated by ESRI expect household growth in Milbank and Grant County from 2010 to 2019.
- ▶ ESRI estimates that Milbank has added 24 households from 2010 to 2014 and projects that the City will add seven more households from 2014 to 2019.
- ▶ ESRI’s 2014 estimate for Grant County is 3,130 households, an increase of 41 households from 2010. ESRI projects that Grant County will add an additional 10 households from 2014 to 2019.

## Milbank Household by Age Projections: 2010 to 2019

ESRI has released population by age projections to the year 2019. The following table presents ESRI’s 2019 by age projections for Milbank, and the household changes from 2010 to 2019.

<b>Table 8 Milbank Projected Households by Age - 2010 to 2019</b>			
Age Range	2010 Census	ESRI	
		2019 Projection	Change from 2010
15-24	63	46	-17
25-34	200	208	8
35-44	172	173	1
45-54	310	246	-64
55-64	268	311	43
65-74	205	260	55
75+	290	296	6
<b>Total</b>	<b>1,508</b>	<b>1,540</b>	<b>32</b>

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 City’s growth in households in the age ranges between 55 and 74 years old. These projections expect an increase of 98 households in Milbank from 2010 to 2019 in the 20-year age group between 55 and 74 years old.

Slight growth of nine households is also expected in the 25 to 44 age ranges. Milbank is also expected to add six households in the 75 and older age range.

ESRI’s projections expect a loss of 17 households in the 15 to 24 age range and a loss of 64 households in the 45 to 54 age range.

## Households by Type

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 Milbank.

<b>Table 9 Milbank Household Composition - 2000 to 2010</b>			
	2000 Census	2010 Census	Change
Family Households			
Married Couple with own children	360	250	-110
Single Parent with own children	109	121	12
Married Couple without own children	445	468	23
Family Householder without spouse	50	59	9
<b>Total Families</b>	<b>964</b>	<b>898</b>	<b>-66</b>
Non-Family Households			
Single Person	536	553	17
Two or more persons	33	57	24
<b>Total Non-Families</b>	<b>569</b>	<b>610</b>	<b>41</b>

Source: U.S. Census

Between 2000 and 2010, Milbank experienced an overall net decrease of 66 “family” households. There was a decrease of 110 married couple families with children. The City had an increase of 12 single parent families with children, a gain of 23 married couples without children and an increase of nine family householder without spouse households.

The City of Milbank had a gain of 41 “non-family” households. There was an increase of 17 one-person households and an increase of 24 households that had unrelated individuals living together.

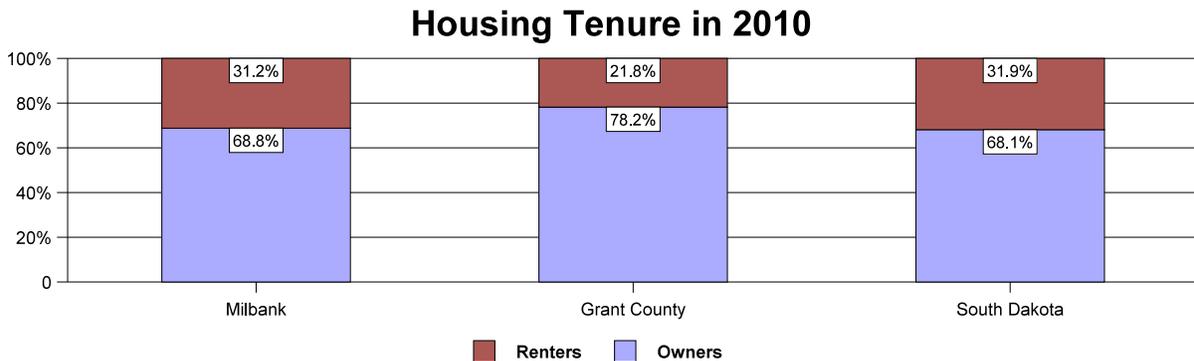
## Housing Tenure

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

<b>Table 10 Household Tenure - 2010</b>				
	Number of Owners	Percent of all Households	Number of Renters	Percent of all Households
Milbank	1,038	68.8%	470	31.2%
Grant County	2,415	78.2%	674	21.8%
State	-	68.1%	-	31.9%

Source: U.S. Census

According to the 2010 Census, the ownership tenure rate in Milbank was 68.8% and Grant County’s ownership rate was 78.2%. Milbank’s rental tenure rate of 31.2% was slightly below the Statewide rate of 31.9% renter households.



<b>Table 11 Households by Housing Tenure - 2000 to 2010</b>						
Tenure	Milbank			Grant County		
	2000	2010	Change	2000	2010	Change
Owners	1,069/69.7%	1,038/68.8%	-31	2,418/77.6%	2,415/78.2%	-3
Renters	464/30.3%	470/31.2%	6	698/22.4%	674/21.8%	-24
Total	1,533/100%	1,508/100%	-25	3,116/100%	3,089/100%	-27

Source: U.S. Census

The City of Milbank’s ownership tenure rate decreased from 69.7% to 68.8% from 2000 to 2010. For Grant County, the ownership tenure rate increased from 77.6% in 2000 to 78.2% in 2010.

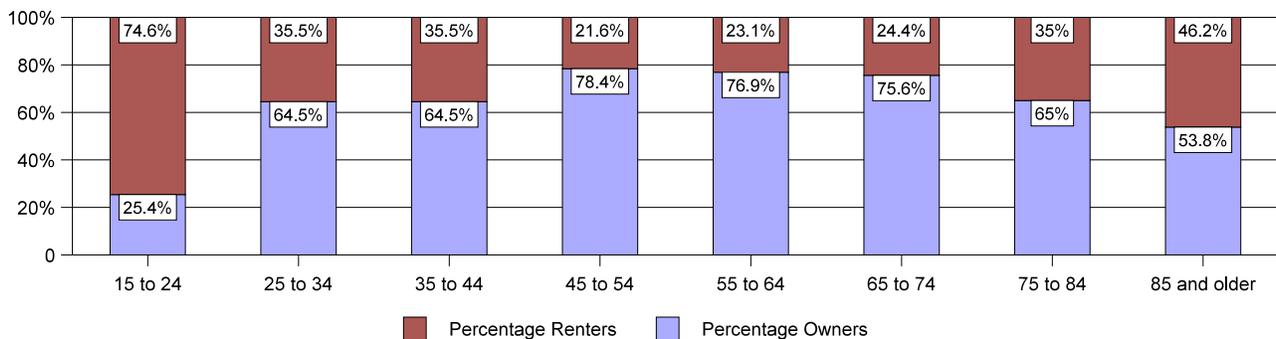
## Tenure by Age of Householder

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

Table 12 Milbank Tenure by Age of Householder - 2010				
Age	Owners		Renters	
	Number	Percent within age	Number	Percent within age
15-24	16	25.4%	47	74.6%
25-34	129	64.5%	71	35.5%
35-44	111	64.5%	61	35.5%
45-54	243	78.4%	67	21.6%
55-64	206	76.9%	62	23.1%
65-74	155	75.6%	50	24.4%
75-84	128	65.0%	69	35.0%
85+	50	53.8%	43	46.2%
Total	1,038	68.8%	470	31.2%

Source: U.S. Census

City of Milbank 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 greater 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 46% of households age 85 and older were renters. Home ownership rates for each of the 10-year age cohorts between 25 and 84 years old were above 64%.

## 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 trends for housing unit needs. The following table provides information for Milbank.

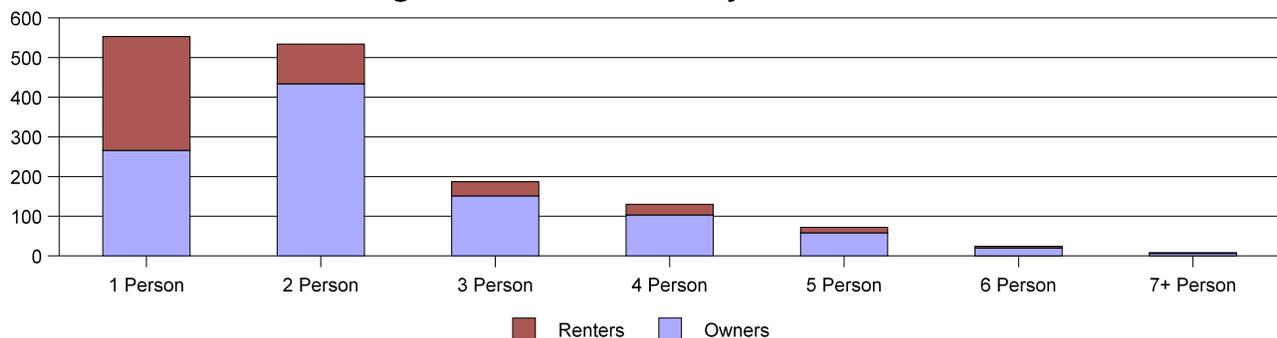
Table 13 Milbank Tenure by Household Size - 2000 to 2010						
Household Size	Owners			Renters		
	2000	2010	Change	2000	2010	Change
1-Person	242	266	24	294	287	-7
2-Person	413	434	21	91	100	9
3-Person	158	151	-7	53	36	-17
4-Person	158	103	-55	17	27	10
5-Person	73	58	-15	6	14	8
6-Person	21	20	-1	3	4	1
7-Persons+	4	6	2	0	2	2
Total	1,069	1,038	-31	464	470	6

Source: U.S. Census

From 2000 to 2010, there was a decrease in the number of owner households and a slight increase of renter households in Milbank. There was an increase of 45 owner households with one or two household members. There was a net decrease of 76 households with three to seven household members.

There was a net loss of 15 households with one to three household members. There was a gain of 21 households with four to seven people. Approximately 82% of the renter households in Milbank were one or two person households in 2010.

Milbank Housing Tenure Patterns by Household Size in 2010



## 2013 Income Data

The 2010 Census did not collect information on household income. However, estimates are available at the city and county level through the 2013 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.

<b>Table 14 Median Household Income - 2000 to 2013</b>			
	2000 Median	2013 Median	% Change
Milbank	\$28,194	\$39,554	40.3%
Grant County	\$33,088	\$48,896	47.8%
South Dakota	\$35,271	\$49,495	40.3%

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

<b>Table 15 Median Family Income - 2000 to 2013</b>			
	2000 Median	2013 Median	% Change
Milbank	\$40,117	\$52,622	31.2%
Grant County	\$40,407	\$57,699	42.8%
South Dakota	\$43,237	\$63,195	46.2%

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

Information contained in the 2013 American Community Survey shows that the median household and family incomes have increased substantially from 2000 to 2013 in Milbank and Grant County. However, Milbank and Grant County's median family and household incomes remain below statewide medians.

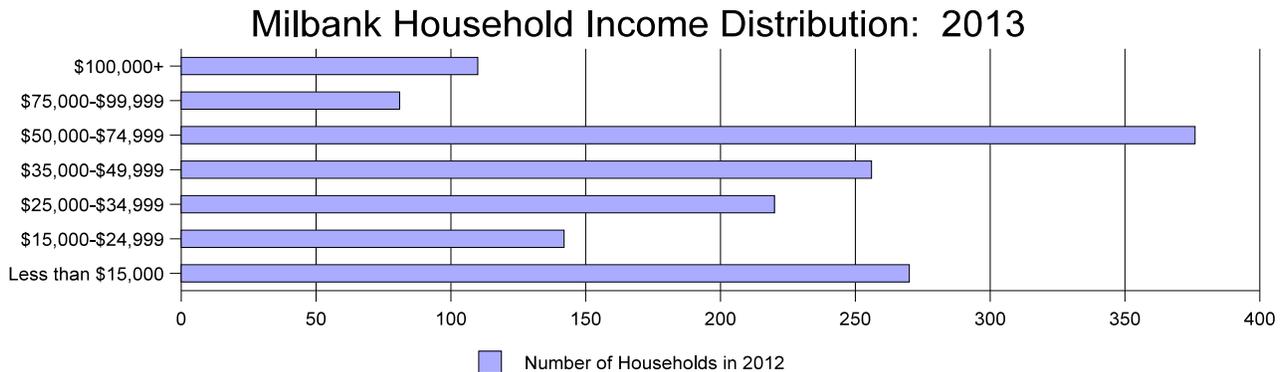
Generally, family household incomes tend to be much higher than the overall household median, as families have at least two household members, and potentially more income-earners. Using the commonly accepted standard that up to 30% of gross income can be applied to housing expenses without experiencing a cost burden, a median income household in Milbank could afford approximately \$990 per month and a median income family household could afford \$1,315 per month for ownership or rental housing in 2013.

## Milbank Household Income Distribution

The 2013 American Community Survey household income estimates for Milbank can be compared to the same distribution information from 2000 to examine changes that have occurred over the past decade.

<b>Table 16 Milbank Household Income Distribution - 2000 to 2013</b>			
Household Income	Number of Households 2000	Number of Households in 2013	Change 2000 to 2013
\$0 - \$14,999	378/24.6%	270/18.5%	-108
\$15,000 - \$24,999	300/19.6%	142/9.8%	-158
\$25,000 - \$34,999	202/13.2%	220/15.1%	18
\$35,000 - \$49,999	288/18.8%	256/17.6%	-32
\$50,000 - \$74,999	180/11.7%	376/25.8%	196
\$75,000 - \$99,999	112/7.3%	81/5.6%	-31
\$100,000+	74/4.8%	110/7.6%	36
<b>Total</b>	<b>1,534/100%</b>	<b>1,455/100%</b>	<b>-79</b>

Source: 2000 Census; 2013 ACS



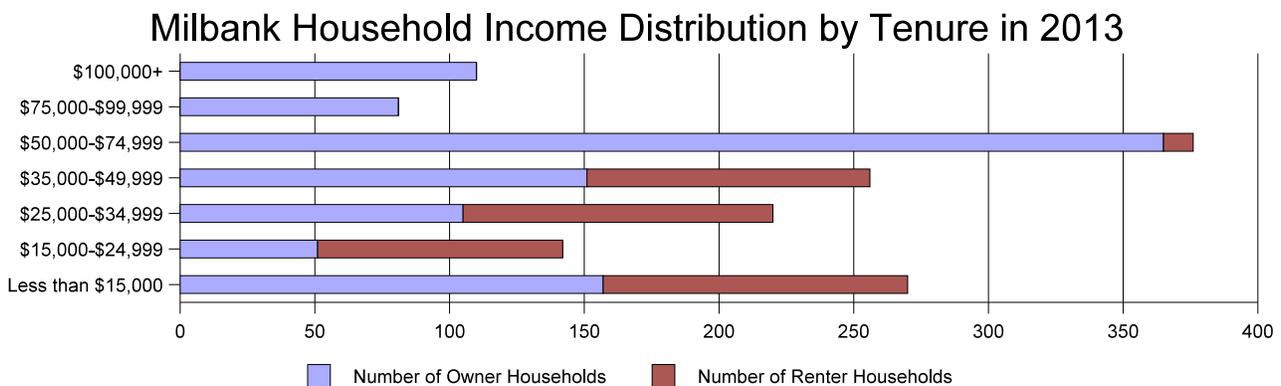
According to income estimates contained in the 2013 American Community Survey, household incomes have improved in Milbank in the highest income ranges. When compared to the 2000 Census (1999 income), there was a net increase of 201 households with an income of \$50,000 or more. Conversely, there was a net decrease of 280 households with annual incomes less than \$50,000. Although there was a decrease in the number of households in the lower income ranges, there were still 412 Milbank households with an annual income below \$25,000 in 2013, which represented 28.3% of all households.

## Milbank Income Distribution by Housing Tenure

The 2013 American Community Survey provides income data by owner and renter status. The following table examines income distribution in Milbank. The American Community Survey is an estimate, based on limited sampling data, and there are some minor differences when compared to the 2010 Census. The American Community Survey reported income information on 1,455 households and the U.S. 2010 Census reported that there were 1,508 households in Milbank.

<b>Table 17 Milbank Household Income Distribution by Tenure - 2013</b>			
Household Income	Number of Owner Households	Number of Renter Households	Total Households
\$0 - \$14,999	157/58.1%	113/41.9%	270
\$15,000 - \$24,999	51/35.9%	91/64.1%	142
\$25,000 - \$34,999	105/47.7%	115/52.3%	220
\$35,000 - \$49,999	151/59.0%	105/41.0%	256
\$50,000 - \$74,999	365/97.1%	11/2.9%	376
\$75,000 - \$99,999	81/100%	0/0%	81
\$100,000+	110/100%	0/0%	110
<b>Total</b>	<b>1,020</b>	<b>435</b>	<b>1,455</b>

Source: 2013 American Community Survey



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

In 2013, approximately 73% of all renter households in Milbank 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 \$26,217 in 2013. At 30% of income, a renter at the median level could afford approximately \$655 per month or less for housing costs.

Most owner households had a higher income level than rental households. Approximately 55% of all owner households had an annual income of \$50,000 or more. The estimated median household income for owners in 2013 was approximately \$53,151. At 30% of income, an owner at the median income level could afford approximately \$1,329 per month for housing costs.

## 2013 Estimated Income and Housing Costs - Renters

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

<b>Table 18 Gross Rent as a Percentage of Household Income - 2013</b>			
Percent of Income for Housing	Households Age 64 and Younger	Households Age 65 and Older	Total
Less than 20%	81/25.5%	32/27.4%	113/26.0%
20% to 29.9%	91/28.6%	61/52.1%	152/34.9%
30% to 34.9%	26/8.2%	0/0%	26/6.0%
35% or more	52/16.3%	14/12.0%	66/15.2%
Not Computed	68/21.4%	10/8.5%	78/17.9%
Total	318/100%	117/100%	435/100%

Source: 2013 American Community Survey

According to the American Community Survey, approximately 21% of all renters in the City 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 Milbank 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 13% of all households with a rental cost burden. Households in the age ranges between 15 and 64 years old represented approximately 87% of all households with a rental cost burden.

## 2013 Estimated Income and Housing Costs - Owners

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

<b>Table 19 Ownership Costs as a Percentage of Income - Milbank</b>		
Percentage of Household Income for Housing Costs	Number of Owner Households 2013	Percent of All Owner Households 2013
0% to 19.9%	612	60.0%
20% to 29.9%	181	17.8%
30% to 34.9%	87	8.5%
35% or more	140	13.7%
Not Computed	0	0%
Total	1,020	100%

Source: 2013 ACS

Most owner-occupants in Milbank, which would include households with and without a mortgage, reported paying less than 30% of their income for housing. However, approximately 22% of all home owners reported that they paid more than 30% of their income for housing. A majority of these households were paying more than 35% of income for housing costs.

## Occupancy Status of Housing Units - 2010

<b>Table 20 Occupancy Status of Housing Units - 2010</b>						
	Occupied Units		Vacant Units			
	Owner	Renter	For Rent	For Sale	Seasonal Use	Other Vacant
Milbank	1,038	470	97	33	7	38
Grant Co.	2,415	674	135	57	68	177

Source: U.S. Census

- ▶ In 2010, according to the U.S. Census, there were 68 seasonal housing units in Grant County including seven units in Milbank.
- ▶ In addition to the seasonal units in 2010, there were 369 vacant housing units in Grant County, including 168 units in Milbank.

## Existing Home Sales

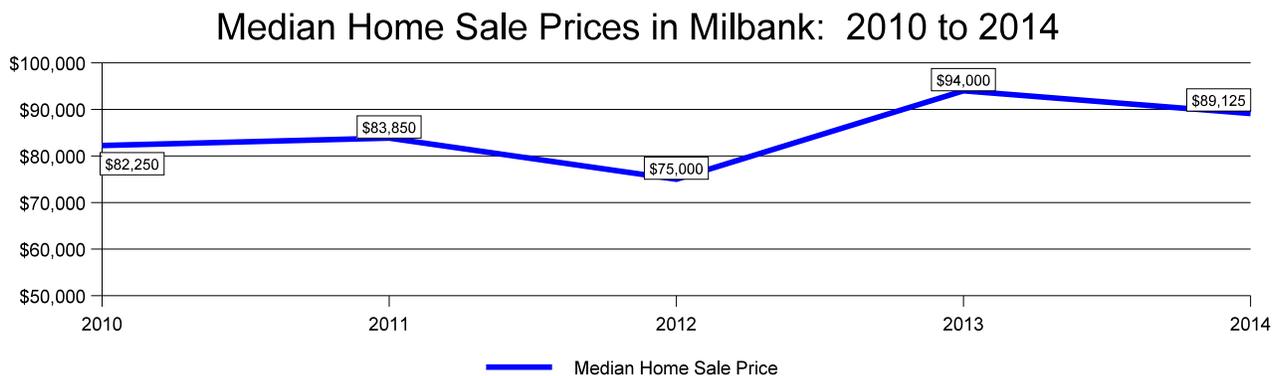
This section examines houses that have been sold in Milbank from January 1, 2010, to December 31, 2014. It is important to note that the number of houses each year is limited and may not be an accurate indicator of overall home values in the City. However, this sample does provide some insight into those 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.

Table 21 Median Value of Recent Sales - 2010 to 2014		
	Number of Good Sales	Median Sale Price
2014	62	\$89,125
2013	63	\$94,000
2012	51	\$75,000
2011	42	\$83,850
2010	40	\$82,250

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

- From 2010 to 2014, there were 258 residential sales of single family houses in Milbank that were considered to be "good market value" transactions. 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. Only the "good market value" transactions have been reviewed for this study.



- ▶ The median sales price for the 62 residential sales in Milbank in 2014 was \$89,125. The highest valued sale was for \$255,000 and the lowest valued sale was for \$15,000.
- ▶ The median sales price for the 63 residential sales in Milbank in 2013 was \$94,000. The highest valued sale was for \$246,800 and the lowest valued sale was for \$10,000.
- ▶ The median sales price for the 51 residential sales in Milbank in 2012 was \$75,000. The highest valued sale was for \$270,000 and the lowest valued sale was for \$16,000.
- ▶ The median sales price for the 42 residential sales in Milbank in 2011 was \$83,850. The highest valued sale was for \$249,000 and the lowest valued sale was for \$25,000.
- ▶ The median sales price for the 40 residential sales in Milbank in 2010 was \$82,250. The highest valued sale was for \$275,000 and the lowest valued sale was for \$6,000.

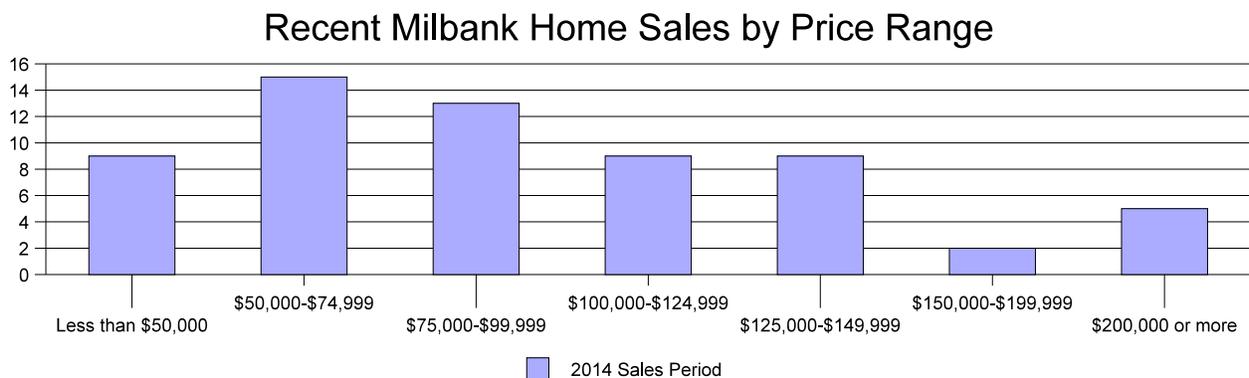
## Home Sales by Price Range

The following table looks at 62 single family houses that sold in 2014, using the information that was available from the County Equalization Office.

Table 22 Milbank Home Sales by Price Range in 2014		
Sale Price	Number of Sales	Percent of Sales
Less than \$49,999	9	14.5%
\$50,000 - \$74,999	15	24.2%
\$75,000 - \$99,999	13	21.0%
\$100,000 - \$124,999	9	14.5%
\$125,000 - \$149,999	9	14.5%
\$150,000 - \$199,999	2	3.2%
\$200,000 or more	5	8.1%
Total	62	100%

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

Recent home sales in Milbank have been widely distributed in different price ranges. In 2014, approximately 60% were priced below \$100,000. Approximately 32% of the existing homes were sold for between \$100,000 and \$200,000. Five (8.1%) of the homes sold for more than \$200,000.



## **Milbank Housing Condition**

Community Partners Research, Inc. representatives conducted a visual 'windshield' survey of 497 single family/duplex houses in four of Milbank's oldest neighborhoods.

The boundaries of the four neighborhoods are as follows:

- ▶ Neighborhood #1: North - North Dakota St.  
South - East & West Milbank Ave.  
East - Main St. & Diggs Ave.  
West - North Dakota St.
- ▶ Neighborhood #2: North - 4<sup>th</sup> Avenue  
South - West 8<sup>th</sup> Avenue  
East - East Dakota St.  
West - Madison St.
- ▶ Neighborhood #3: North - 4<sup>th</sup> Avenue  
South - East 7<sup>th</sup> Avenue  
East - South 4<sup>th</sup> St.  
West - South Dakota St.
- ▶ Neighborhood #4: North - Bell Avenue  
South - East 4<sup>th</sup> Avenue  
East - Middlebrooke St./Middlebrooke Apts.  
West - South 4<sup>th</sup> St.

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

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

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

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

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

<b>Table 23 Windshield Survey Condition Estimate - 2014</b>					
	Sound	Minor Repair	Major Repair	Dilapidated	Total
Neighborhood #1	29/32.6%	31/34.8%	23/25.8%	6/6.8%	89
Neighborhood #2	34/31.5%	42/38.9%	27/25.0%	5/4.6%	108
Neighborhood #3	60/45.5%	52/39.4%	19/14.4%	1/0.7%	132
Neighborhood #4	75/44.6%	52/31.0%	38/22.6%	3/1.8%	168
Total	198/39.9%	177/35.6%	107/21.5%	15/3.0%	497

Source: Community Partners Research, Inc.

- ▶ Approximately 36% of the houses in four of the City's oldest neighborhoods need minor repair and 22% need major repair. Approximately 40% are sound, with no required improvements. Fifteen houses are dilapidated and possibly beyond repair.

## Milbank Mobile Home Housing Condition

Community Partners Research, Inc. representatives conducted a visual 'windshield' survey of 38 mobile homes located in four of Milbank's oldest neighborhoods and in the Riggin's Mobile Home Court.

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 demolition and clearance.

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 are economically 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.

<b>Table 24 Windshield Survey Condition Estimate - 2014</b>					
	Sound	Minor Repair	Major Repair	Dilapidated	Total
Mobile homes	9/23.6%	11/29.0%	11/29.0%	7/18.4%	38

Source: Community Partners Research, Inc.

- ▶ The mobile homes in Milbank are in fair condition. Approximately 29% of the mobile homes need minor repair and 29% need major repair. Approximately 24% are sound, with no required improvements.
- ▶ Seven mobile homes were dilapidated and possibly beyond repair.

## Milbank Building Permit Trends

Milbank has experienced some new housing construction activity in recent years. The following table identifies the units that have been constructed from 2000 to 2014.

<b>Table 25 Milbank Housing Unit Construction Activity: 2000 to 2014</b>			
Year	Single Family	Two or More Units	Total Units Constructed
2014	0	0	0
2013	2	0	2
2012	2	0	2
2011	5	0	5
2010	2	0	2
2009	1	0	1
2008	2	0	2
2007	7	0	7
2006	5	0	5
2005	7	0	7
2004	8	0	8
2003	6	2	8
2002	7	2	9
2001	4	0	4
2000	7	0	7
<b>TOTAL</b>	<b>65</b>	<b>4</b>	<b>69</b>

Source: City of Milbank; Community Partners Research, Inc.

Over the past 15 years from 2000 to 2014, 69 new housing units have been constructed in Milbank, based on building permit issuance and U.S. Census information. Sixty-five of these units are single family homes and four units are in two duplexes.

From 2000 to 2007, the City averaged six to seven new housing units per year. The City has averaged two new units per year from 2008 to 2014.

## **Rental Housing Data**

### **Census Bureau Rental Inventory**

According to the 2010 U.S. Census, there were 470 occupied rental units and 98 unoccupied rental units in Milbank, for a total estimated rental inventory of 568 units. The City's rental tenure rate in 2010 was 31.2%, slightly below the Statewide rental rate of 31.9%.

At the time of the 2000 Census, Milbank had 464 occupied rental units, and 102 vacant rental units, for a total estimated rental inventory of 566 units. The rental tenure rate in 2000 was 30.3%.

Based on a Census comparison, the City had a gain of six renter-occupancy households, and an increase of two rental units from 2000 to 2010.

### **Rental Housing Survey**

As part of this housing study, a telephone survey was conducted of multifamily projects in Milbank. We also surveyed the two Rural Development subsidized projects in Big Stone City. Emphasis was placed on contacting properties that have eight or more units. For the purposes of planning additional projects in the future, multifamily properties represent the best comparison of market potential. However, we also obtained some information on some small rental projects, single family homes and rental mobile homes.

Information was tallied separately for different types of rental housing, including market rate units, subsidized housing and senior housing with services. We also obtained information on skilled nursing beds in nursing homes.

There were 406 housing units of all types that were contacted in the survey. In addition to the 406 rental units, the nursing homes, which have 118 beds, were surveyed.

The units that were successfully contacted include:

- ▶ 206 market rate units
- ▶ 140 federally subsidized units
- ▶ 60 senior with services units/beds
- ▶ 118 beds in the nursing home

The findings of the survey are provided below.

## **Market Rate Summary**

Information was obtained on 206 market rate rental units, including units in 18 multifamily projects, one duplex, two single family homes and 14 mobile homes.

### **Unit Mix**

We obtained the bedroom mix on the 206 market rate units. The bedroom mix of the units is:

- ▶ efficiency - 2 (1.0%)
- ▶ one-bedroom - 81 (39.3%)
- ▶ two-bedroom - 110 (53.4%)
- ▶ three-bedroom - 11 (5.3%)
- ▶ four-bedroom - 2 (1.0%)

### **Occupancy / Vacancy**

At the time of the survey, there were no vacancies in the 206 market rate units that were surveyed, which is a vacancy rate of 0%. All of the rental managers and property owners reported very high occupancy rates and a high demand for market rate rental units. Several market rate projects have waiting lists. Also, many of the managers and owners reported that some of their units are occupied by power plant construction workers. Some of the managers and owners expressed concern about vacancies when the power plant project is completed.

### **Rental Rates**

Rental units may include the primary utility payments within the contract rent, or the tenant may be required to pay some utilities separately, in addition to the contract rent.

In the following summary, Community Partners Research, Inc., has attempted to estimate the gross rents being charged, inclusive of an estimate for tenant-paid utilities.

The lowest and highest gross rents have been identified, as reported in the telephone survey. It should be noted that the survey included only two efficiency and two four-bedroom units.

<u>Unit Type</u>	<u>Lowest/Highest Gross Rents</u>
Efficiency	\$300
One-bedroom	\$325-\$625
Two-bedroom	\$520-\$750
Three-bedroom	\$600-\$650
Four-bedroom	\$800

## **Tax Credit Summary**

There are no tax credit units in Milbank.

## **Subsidized Summary**

The research completed for this Study identified seven subsidized projects providing rental opportunities for lower income households. Two of these projects are in Big Stone City. These projects have a combined 140 units. Two projects with a total 54 units are senior/disabled rental housing, and five projects with 86 units are general occupancy projects.

The seven subsidized rental projects in Milbank and Big Stone City include:

- ▶ **Pheasant Valley Courtyard (senior/disabled)** - Pheasant Valley Courtyard is a 30-unit HUD Section 8 senior/disabled project. The project was constructed in 1980 and substantially renovated in 2012. All of the units have one bedroom.
- ▶ **Pheasant Valley Courtyard (family)** - Pheasant Valley Courtyard is a 30-unit HUD Section 8 general occupancy project. There are 22 two-bedroom and eight three-bedroom units. The project was constructed in 1980 and substantially renovated in 2012.
- ▶ **Friendship Village** - Friendship Village is a 24-unit Rural Development senior/disabled project. All of the units have one bedroom.
- ▶ **Middlebrook Apartments** - Middlebrook Apartments is a HUD Section 8 general occupancy project with 24 units. All of the apartments have one bedroom.

- ▶ **Milbank Apartments** - Milbank Apartments is a 16-unit Rural Development general occupancy project. There are two one-bedroom and 14 two-bedroom units. The project was constructed in 1975. The project has a waiver which allows non-low income tenants to rent a unit and pay market rent.
- ▶ **Applecrest Apartments** - Applecrest Apartments is an eight-unit general occupancy Rural Development project located in Big Stone City. There are one one-bedroom unit and seven two-bedroom units. The project has a waiver to allow non-low income tenants to rent a unit and pay market rent.
- ▶ **Big Stone Apartments** - Big Stone Apartments is an eight-unit general occupancy Rural Development project located in Big Stone City, with one one-bedroom and seven two-bedroom units. The project has a waiver to allow non-low income tenants to rent a unit and pay market rent.

The City's subsidized units have access to project-based rent assistance. These units can charge rent based on 30% of the tenant's household income up to a maximum rent.

### **Unit Mix**

The bedroom mix breakdown for the 140 subsidized housing units in Milbank and Big Stone City is as follows:

- ▶ 82 one-bedroom (58.6%)
- ▶ 50 two-bedroom (35.7%)
- ▶ 8 three-bedroom (5.7%)

### **Occupancy / Vacancy**

No vacancies were identified in any of the subsidized projects. Several projects have had vacancies in the past, but are currently fully occupied. Some projects have waivers, which allow non-low income tenants to rent a unit. Several managers expressed concern about vacancy rates when the power plant construction project is completed and the construction workers leave Milbank.

## **Subsidized Housing Gains/Losses**

Federal subsidy sources for low income rental housing have been very limited for the past few decades. Many subsidized projects in South Dakota were constructed in the 1960s, 1970s and 1980s. Some of these older projects have completed their compliance requirements and have the opportunity to leave their subsidy program and convert to conventional rental housing.

In Milbank, we are aware of one project, Eastwood Apartments, with 12 units, that converted from subsidized to market rate. Therefore, the City of Milbank's subsidized inventory has decreased by 12 units due to the conversion. However, it appears that this conversion took place many years ago.

## **Senior Housing with Services**

### **Unit Inventory**

Milbank has five senior with services projects which include:

- ▶ **Golden Living Center** - The Golden Living Center includes 61 skilled nursing beds and one assisted living bed. Eighteen of the skilled nursing home beds are for residents with dementia. The facility also has an additional 19 beds that are not being utilized at this time.
- ▶ **Park Place** - Park Place is a 36-unit assisted living facility. Park Place provides the full array of assisted living services, including meals, medication distribution, laundry, housekeeping, bathing, etc. The facility is secured and does have residents in the early stages of dementia.
- ▶ **St. William's Care Center** - St. William's Care Center has 57 skilled nursing beds and three assisted living beds. The facility had additional assisted living beds, but that section of the facility has closed.
- ▶ **Snell's Adult Care** - Snell's Adult Care is an 11-bed Residential Living Center. Residential Living Centers are intended to provide a somewhat lower level of services than Assisted Living Centers. Snell's Adult Care provides meals, laundry service, housekeeping, etc.
- ▶ **Rita's Come Care** - Rita's Home Care is a nine-bed Residential Living Center. Services provided by the facility include meals, laundry, transportation, bathing assistance, recreational activities, etc.

### **Occupancy / Vacancy**

At the time of the survey, Park Place had one vacant unit and Snell's Adult Care and Rita's Home Care each had two vacant beds.

The Golden Living Center reported that there are typically a few vacancies and St. William's Care Center reported one vacancy. Also, Golden Living Center has 19 beds that have been set aside and aren't being utilized.

**Table 26 Milbank Multifamily Rental Housing Inventory**

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
<b>Market Rate</b>					
Centennial Apartments	<u>4 - 2 bedroom</u> 4 total units	\$750	No vacancies	General occupancy	Centennial Apartments is a market rate general occupancy four-plex. All of the units have two bedrooms. Rent is \$750 and includes all utilities and a garage. The owner reports no vacancies.
Chalet Apartments	<u>1 - 1 bedroom</u> <u>11 - 2 bedroom</u> 12 total units	\$475 \$625	No vacancies	General occupancy	Chalet Apartments is a market rate general occupancy 12-plex constructed in 1978. The 12-plex includes one one-bedroom and 11 two-bedroom units. Rent is \$475 for a one-bedroom unit and \$625 for a two-bedroom unit. Tenants also pay heat and electricity. Manager reports no vacancies and a long waiting list.
Eastwood Apartments	<u>5 - 1 bedroom</u> <u>7 - 2 bedroom</u> 12 total units	\$450 \$550	No vacancies	General occupancy	Eastwood Apartments is a market rate general occupancy 12-unit project. Eastwood Apartments was a subsidized Rural Development project, but converted to market rate several years ago. The 12-plex has five one-bedroom units and seven two-bedroom units. Rent is \$450 for a one-bedroom unit and \$550 for a two-bedroom unit. Tenants pay utilities. The owner reports no vacancies and a waiting list.
Eastman Apartments	<u>8 - 2 bedroom</u> 32 total units	\$450-\$525	No vacancies	General occupancy	Eastman Apartments is a market rate general occupancy eight-plex. All eight units have two bedrooms. Rents range from \$450 to \$525. Tenants also pay heat and electricity. Owner reports no vacancies.
Golden Key Apartments	<u>7 - 1 bedroom</u> <u>5 - 2 bedroom</u> 12 total	\$375 \$525	No vacancies	General occupancy	Golden Key Apartments is a market rate general occupancy 12-plex. The 12-plex was constructed in the late 1960s. There are seven one-bedroom and five two-bedroom units. Rents range from \$375 to \$525. Tenants also pay electricity. The owner reports no vacancies.

**Table 26 Milbank Multifamily Rental Housing Inventory**

Name	Number of Units / Bedroom Mix	Rent	Vacancy / Wait List	Tenant Mix	Comments
<b>Market Rate</b>					
Highlander Apartments	7 - 1 bedroom 5 - 2 bedroom 12 total units	\$425 \$625	No vacancies	General occupancy	Highlander Apartments is a market rate general occupancy project constructed in 1978. The 12-plex includes seven one-bedroom and five two-bedroom units. Rent is \$425 for a one-bedroom unit and \$625 for a two-bedroom unit. Tenants also pay heat and electricity. Manager reports no vacancies and a waiting list.
Highview Apartments	2 - 1 bedroom 6 - 2 bedroom 8 total units	\$450 \$550	No vacancies	General occupancy	Highview Apartments is a market rate general occupancy project that includes two four-plexes. There are two one-bedroom and six two-bedroom units. Rent is \$450 for the one-bedroom units and \$550 for the two-bedroom units. Tenants also pay utilities. The owner reports no vacancies and a waiting list.
KOS 4-plex	4 - 2 bedroom 4 total units	\$650	No vacancies	General occupancy	The KOS four-plex is a market rate general occupancy project. The rent is \$650. The rent includes a garage. Tenants also pay heat and electricity. Each unit has a washer and dryer. Tenants are primarily seniors. The manager reports no vacancies and very little turnover.
Main View Apartments	10 - 1 bedroom 10 total units	\$325-\$400	No vacancies	General occupancy	Main View Apartments is a market rate general occupancy 10-unit building. All of the units have one bedroom. Rents range from \$325 to \$400 and include all utilities. The manager reports no vacancies.
Middlebrook Apartments Market Rate	22 - 1 bedroom 9 - 2 bedroom 31 total units	\$410 \$520	No vacancies	General occupancy	Middlebrook Apartments is a general occupancy market rate project with 22 one-bedroom units and nine two-bedroom units. Rent is \$410 for a one-bedroom unit and \$520 for a two-bedroom unit. Rent includes all utilities. The two-bedroom units are large as they are two one-bedroom units that been converted to a two-bedroom unit. The manager reports no vacancies.

**Table 26 Milbank Multifamily Rental Housing Inventory**

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
<b>Market Rate</b>					
Morningside Apartments	<u>4 - 2 bedroom</u> 4 total units	\$525	No vacancies	General occupancy	Morningside Apartments is a market rate general occupancy four-plex. The four-plex was constructed in 1978. All four units have two bedrooms. Rent is \$525. Tenants also pay electricity, Heat, water and sewer is included in the rent. The owner reports no vacancies and he has several long-term renters.
Ol' Mill Apartments	8 - 1 bedroom 2 - 2 bedroom <u>1 - 3 bedroom</u> 11 total units	\$475 \$550 \$600	No vacancies	General occupancy	Ol' Mill Apartments is an 11-unit market rate general occupancy project constructed in the late 1970s. Rents include utilities and are \$574 for a one-bedroom unit, \$550 for a two-bedroom unit and \$600 for the one-bedroom unit. The owner reports no vacancies and he receives calls daily from people seeking rental housing.
Old Landmark Apartments	<u>11 - 1 bedroom</u> 11 total units	\$475/1 person \$455/2 people	No vacancies	General occupancy	Old Landmark Apartments is an 11-unit market rate general occupancy project constructed in the late 1970s. All of the units are one bedroom. Rent is \$475 for one person and \$550 for two people. The owner reports no vacancies and he receives calls daily from people seeking rental housing.
Old Town Apartments	1 - 1 bedroom <u>11 - 2 bedroom</u> 12 total units	\$425 \$550	No vacancies	General occupancy	Old Town Apartments is a market rate general occupancy 12-plex with one one-bedroom unit and 11 two-bedroom units. The 12-plex was constructed in the late 1970s. Rents range from \$425 to \$550. Tenants also pay electricity. The owner reports no vacancies.
Park Manor	<u>4 - 2 bedroom</u> 4 total units	\$640-\$650	No vacancies	General occupancy	Park Manor is a market rate general occupancy four-plex constructed in the late 1970s. The units are 1,200 square feet and are all two bedroom. Rent is \$640 to \$650. Tenants pay electricity. The owner reports no vacancies.

**Table 26 Milbank Multifamily Rental Housing Inventory**

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
<b>Market Rate</b>					
Riggin's Mobile Home Court	14 - 2 & 3 bedroom <u>mobile homes</u> 14 total units	\$450 to \$500	No vacancies	General occupancy	Riggin's Mobile Home Court is located just outside the city limits, and has 14 mobile homes that are rented. The mobile homes are two and three bedroom. Rents range from \$450 to \$500. The rent includes pad rental, water, sewer and garbage. Currently, there are no vacancies.
R & R Rentals-Tri-plex	2 - 1 bedroom <u>1 - 2 bedroom</u> 3 total units	\$350-400 \$500	No vacancies	General occupancy	The tri-plex includes one two-bedroom and two one-bedroom units. Rent is \$350 and \$400 for the one-bedroom units and \$500 for the two-bedroom unit. Tenants also pay electricity. The owner reports no vacancies.
R & R Rentals-Duplex	<u>2 - 1 bedroom</u> 2 total units	\$400	No vacancies	General occupancy	The duplex includes two one-bedroom units. Rent is \$400 plus heat and electricity. The owner reports no vacancies.
R & R Rentals-Single family	<u>2 - 4 bedroom</u> 2 total units	\$675	No vacancies	General Occupancy	The two single family homes both have four bedrooms. The rent is \$675 plus heat and electricity. Both houses are occupied.
S & W Apartments	2 - efficiency 2 - 1 bedroom <u>8 - 2 bedroom</u> 12 total units	Range of \$200 to \$650	No vacancies	General occupancy	S & W Apartments is a market rate general occupancy 12-unit project. There are two efficiency, two one-bedroom and eight two-bedroom units. The 12-plex is approximately 40 years old. Rents range from \$200 to \$650. Tenants also pay heat and electricity. The owner reports no vacancies.
Terrace Gardens	1 - 1 bedroom <u>17 - 2 bedroom</u> 18 total units	\$475 \$625	No vacancies	General occupancy	Terrace Gardens is an 18-unit market rate general occupancy project. The 18 units include one one-bedroom and 17 two-bedroom units. Rent includes utilities and is \$475 for the one-bedroom unit and \$625 for a two-bedroom unit. Two tenants receive a Voucher through the Housing Voucher Program. The owner reports no vacancies.

**Table 26 Milbank Multifamily Rental Housing Inventory**

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
<b>Subsidized</b>					
Friendship Village	<u>24 - 1 bedroom</u> 24 total units	\$620 max. 30% of income	No vacancies	Seniors/ disabled occupancy	Friendship Village is a 24-unit senior/disabled Rural Development project. All 24 units have one bedroom. Tenants pay 30% of income up to a maximum rent of \$620. Manager reports no vacancies for the past several months, although, there have been vacancies prior to the past several months.
Middlebrook Apartments- Section 8	<u>24 - 1 bedroom</u> 24 total units	\$613 max. 30% of income	No vacancies	General occupancy	Middlebrook Apartments is a HUD Section 8 General Occupancy project. Middlebrook Apartments has 24 one-bedroom units. Tenants pay 30% of their gross income for rent. All utilities are included. The manager reports no vacancies and a very high occupancy rate.
Milbank Apartments	<u>2 - 1 bedroom</u> <u>14 - 2 bedroom</u> 16 total units	\$493 max. \$513 max. 30% of income	No vacancies	General occupancy	Milbank Apartments is a Rural Development family project constructed in 1975. The project has two one-bedroom and 14 two-bedroom units. The project has rent assistance for 13 of the 14 units, which allows the tenants to pay 30% of income for rent up to the market rent. The project has a waiver, which allows non-low income tenants to rent a unit and pay market rent. Owner reports no vacancies, but there typically is an average of one vacancy.
Pheasant Valley Courtyard Senior/ Disabled	<u>30 - 1 bedroom</u> 30 total units	\$657 max. 30% of income	No vacancies	Senior/ disabled occupancy	Pheasant Valley Courtyard is a 30-unit HUD Section 8 senior/disabled project. All of the units are one bedroom. The project was constructed in 1980 and substantially renovated in 2012. Tenants pay 30% of income up to a maximum rent of \$657. Rent includes utilities. The owner reports no vacancies.
Pheasant Valley Courtyard Family Units	<u>22 - 2 bedroom</u> <u>8 - 3 bedroom</u> 30 total units	N/A \$869 max. 30% of income	No vacancies	General occupancy	Pheasant Valley Courtyard is a 30-unit HUD Section 8 family project. The project has 22 two-bedroom and eight three-bedroom units. Tenants pay 30% of income up to a maximum rent. The project was constructed in 1980 and substantially renovated in 2012. The owner reports no vacancies.

**Table 26 Milbank Multifamily Rental Housing Inventory**

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
<b>Subsidized</b>					
Applecrest Apartments Big Stone City	1 - 1 bedroom <u>7 - 2 bedroom</u> 8 total units	30% of income	No vacancies	General occupancy	Applecrest Apartments is a Rural Development subsidized general occupancy project located in Big Stone City. The project is an eight-plex with one one-bedroom and seven two-bedroom units. The project has a waiver which allows non-low income tenants to live in the project. Several power plant construction workers live in the project. Currently, there are no vacancies, but manager expects vacancies when the power plant workers leave.
Big Stone Apartments Big Stone City	1 - 1 bedroom <u>7 - 2 bedroom</u> 8 total units	30% of income	No vacancies	General occupancy	Big Stone Apartments is a Rural Development subsidized general occupancy project located in Big Stone City. The project is an eight-plex with one one-bedroom and seven two-bedroom units. The project has a waiver which allows non-low income tenants to live in the project.

**Table 26 Milbank Multifamily Rental Housing Inventory**

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
<b>Senior with Services</b>					
Golden Living Center	61- Skilled Nursing <u>1- Assisted Living</u> 62 total units	Based on level of services	Varies - some vacancies	Skilled nursing home	Golden Living Center currently has 61 licensed skilled nursing beds and one licensed assisted bed. Eighteen of the skilled nursing beds are for residents with dementia. The facility also has an additional 19 beds that are not being utilized at this time. The Director of Nursing reports that the number of vacant beds varies. Currently, not all of the dementia beds are occupied. Approximately one third of the facilities' residents are under the age of 65.
Park Place	36 units	One established fee for rent and services	Currently 1 vacancy	Assisted Living Center	Park Place is a 36-unit assisted living facility. Park Place provides the full array of assisted living services including meals, med distribution, laundry, housekeeping, bathing, etc. The facility is an alarmed facility and does have residents in the early stages of dementia. At the time of the survey, there was one vacant unit.
St. Williams Care Center	57- Skilled Nursing <u>3- Assisted Living</u> 60 total units	Based on level of services	1 vacancy	Skilled nursing home	St. Williams Care Center has 57 skilled nursing beds and three assisted living beds. There was one vacant bed at the time of the survey. The facility has some residents with dementia. The facility had additional assisted living beds, but they have closed that section of the facility.
Snell's Adult Care	11 residential <u>living beds</u> 11 total units	Based on single or double occupancy and level of services	2 vacant beds	Residential Living Center	Snell's Adult Care is licensed as a Residential Living Center. Residential Living Centers provide a lower level of services than Assisted Living Centers. Snell's Adult Care does provide meals, laundry, housekeeping, etc. There is no nurse on staff. Currently, there are two vacant beds.
Rita's Home Care	<u>9 beds</u> 9 total units	\$1,600 per month	2 vacant beds	Residential Living Center	Rita's Home Care is a Residential Care Center. The facility has nine beds. Services include meals, laundry, bathing assistance, transportation, assistance with meds, recreational activities, etc. The facility was fully occupied for 2.5 years, but currently there are two vacancies.

Source: Community Partners Research, Inc.

## **Employment and Local Economic Trends**

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.

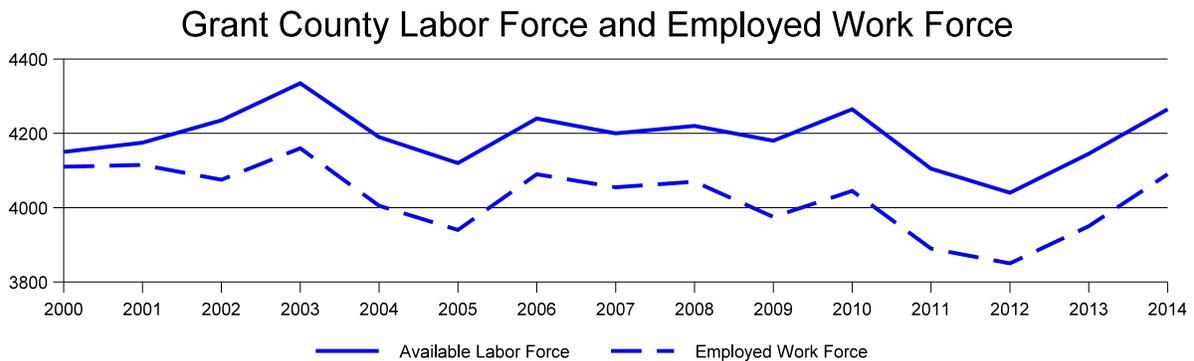
Employment opportunities may be provided by a broad range of private and public business sectors. Jobs may be available in manufacturing, commercial services, agriculture, public administration, and other industries. The type of employment, wage level, and working conditions will each influence the kind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

## Labor Force and Unemployment

Employment information is available at the County level. This table presents information based on place of residence, not by the location of employment.

<b>Table 27 Grant County Average Annual Labor Force: 2000 to 2014</b>						
Year	Labor Force	Employed	Unemployed	Unemployment Rate - County	Unemployment Rate - SD	Unemployment Rate - US
2000	4,150	4,110	140	3.3%	2.7%	4.0%
2001	4,175	4,115	160	3.8%	3.1%	4.7%
2002	4,235	4,075	160	3.7%	3.3%	5.8%
2003	4,335	4,160	175	4.1%	3.5%	6.0%
2004	4,190	4,005	185	4.4%	3.7%	5.6%
2005	4,120	3,940	180	4.3%	3.7%	5.1%
2006	4,240	4,090	150	3.5%	3.1%	4.6%
2007	4,200	4,055	145	3.4%	2.9%	4.6%
2008	4,220	4,070	150	3.6%	3.0%	5.8%
2009	4,180	3,975	205	5.0%	5.2%	9.3%
2010	4,265	4,045	220	5.2%	5.1%	9.6%
2011	4,105	3,890	215	5.2%	4.7%	8.9%
2012	4,040	3,850	190	4.7%	4.2%	8.1%
2013	4,145	3,950	195	4.7%	3.8%	7.4%
2014	4,265	4,090	175	4.1%	3.6%	6.2%

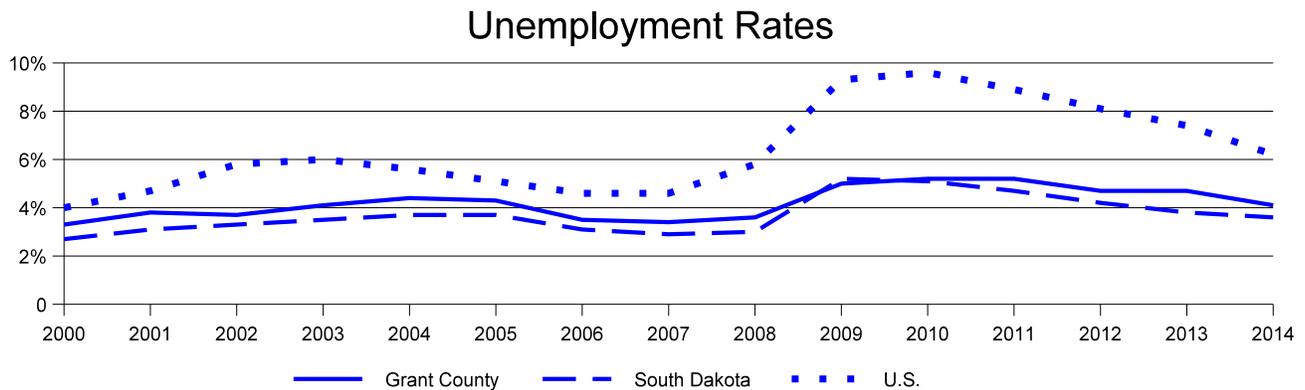
Source: South Dakota Department of Labor



There has been a repeating pattern of upward and downward changes in the County's labor statistics from year to year, dating back to the year 2000. However, the long-term trend shows a minor increase in the available resident labor force. From 2000 to 2014, the size of the resident labor force increased by 115 people, or 2.8%. Despite some growth in the available labor force, the employed work force has decreased by 20 people, or -0.5% during this same time period.

Although the long-term patterns show very little change in the County's labor statistics, the more recent patterns have been more positive, with growth in the labor force and work force from 2012 to 2014.

Throughout the entire time period reviewed, the unemployment rate in Grant County has stayed below the national rate. However, with the exception of 2009, the County's unemployment rate has remained above the Statewide rate for the past 15 years.



## 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 Grant County.

<b>Table 28 Grant County Average Annual Wages by Industry Detail: 2013</b>		
Industry	2013 Employment	2011 Average Annual Wage
Total All Industry	3,793	\$35,790
Natural Resources, Mining	197	\$36,962
Construction	291	\$49,703
Manufacturing	621	\$46,431
Trade, Transportation, Utilities	1,079	\$38,159
Information	64	\$17,989
Financial Activities	184	\$50,048
Professional and Business Services	207	\$32,114
Education and Health Services	381	\$30,247
Leisure and Hospitality	314	\$9,778
Other Services	77	\$24,676
Government	378	\$27,769

Source: South Dakota Department of Labor

The average annual wage for all industry in 2013 was \$35,790. The highest paying wage sector was Financial Activities, with an annual wage above \$50,000.

The lowest paying wage sector was Leisure and Hospitality, with an average annual wage below \$10,000.

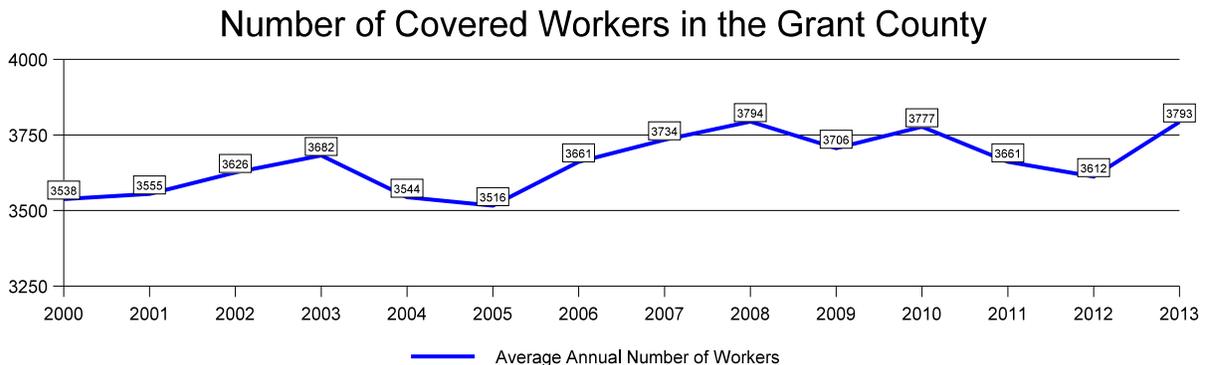
The largest single industry sector for total employment was Trade, Transportation and Utilities, with nearly 1,080 workers in 2013.

## 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 the County back to the year 2000.

<b>Table 29 Grant County Average Annual Employment</b>			
Year	Total Covered Employment	Year	Total Covered Employment
2000	3,538	2007	3,734
2001	3,555	2008	3,794
2002	3,626	2009	3,706
2003	3,682	2010	3,777
2004	3,544	2011	3,661
2005	3,516	2012	3,612
2006	3,661	2013	3,793

Source: QCEW - SD Department of Labor



When viewed over a longer-term there has been upward movement in the number of covered employees working in Grant County. If 2013 is compared to the year 2000, there has been an increase of 255 workers covered by unemployment insurance, or an increase of 7.2%. However, growth has not been steady, with decreases experienced after 2003, 2008 and 2010. The most recent information does show that the job reductions after 2010 were recovered by 2013, the last full year of data, and the 2013 level was nearly identical to the peak number of covered workers which was reached in 2008.

## Regional Unemployment and Wage Rates

The Milbank area 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 Grant County, information has also been collected for the larger region, including the State’s larger cities.

Unemployment numbers for the listed cities are at the city level for 2014, while annual wage information is for the entire county in 2013 (the last full year of available data).

<b>Table 30 Regional and State Unemployment Data - 2013/2014</b>			
Area	Average Number of Unemployed - 2014	Unemployment Rate - 2014	2013 Average Annual Wage all Industry County Wage
Grant County	175	4.1%	\$35,790
Aberdeen	490	3.1%	\$36,673
Brookings	435	3.2%	\$37,526
Huron	240	3.3%	\$34,306
Pierre	235	2.8%	\$37,901
Watertown	450	3.5%	\$34,854
Sioux Falls	3,035	3.3%	\$41,627
South Dakota	-	3.6%	\$37,226
North Dakota	-	2.7%	\$47,788
Minnesota	-	4.3%	\$50,076

Source: Various sources including State Departments of Labor

For calendar year 2014, the national unemployment rate was at 6.2%. All of the regional entities reviewed, including Grant County, had an unemployment rate that was well below the national average. However, Grant County, with an unemployment rate of 4.1%, was the highest of the jurisdictions examined, with the exception of the State of Minnesota.

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 Grant County in 2013 was below the South Dakota statewide average by approximately \$1,400 annually. It was relatively comparable to some of the counties with large cities, including Huron, Aberdeen and Watertown.

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 approximately \$12,000 or more higher than the average wage in Grant County.

## Commuting Patterns of Area Workers

Some information is available on area workers that commute for employment. The best information is from the 2013 American Community Survey, and has been examined for the City of Milbank. The first table examines Milbank residents that traveled to work and excludes people that work at home.

<b>Table 31 Commuting Times for Milbank Residents - 2013</b>		
Travel Time	Number	Percent
Less than 10 minutes	921	59.0%
10 to 19 minutes	441	28.2%
20 to 29 minutes	92	5.9%
30 minutes +	108	6.9%
Total	1,562	100%

Source: 2013 American Community Survey

The large majority of Milbank residents were commuting less than 20 minutes to work in 2013. Overall, more than 87% of residents commuted 19 minutes or less to work. Fewer than 7% of the City’s residents were commuting 30 minutes or more for employment.

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

<b>Table 32 Commuting Times for Milbank-based Employees - 2013</b>		
Travel Time	Number	Percent
Less than 10 minutes	1,109	47.6%
10 to 19 minutes	726	31.1%
20 to 29 minutes	303	13.0%
30 minutes +	193	8.3%
Total	2,331	100%

Source: 2013 American Community Survey

For people that worked in Milbank, more than 52% traveled 10 minutes or more, and presumably lived outside the city limits. However, most workers lived within the immediate vicinity, with only 8.3% of all employees traveling 30 minutes or more to Milbank.

## **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 Milbank, there were 2,596 people that were employed within the City in 2011. Only one-third of these City-based employees also lived in Milbank. The remaining 66.7% of employees lived outside the City and commuted in for their job.

On the Map can also be used to track worker outflow patterns from the City. Overall, there were 1,583 Milbank residents that were employed. Most of these City residents also worked inside the community, but 45.4% traveled to other locations.

## **Findings on Growth Trends**

Milbank's population decreased by 6.2% from 1990 to 2000. The population decreased from 3,879 in 1990 to 3,640 in 2000. From 2000 to 2010, Milbank continued to lose population and had a loss of 287 people, which was a population decrease of 7.9%.

Grant County's population decreased from 8,372 in 1990 to 7,847 in 2000, which was a decrease of 6.3%. The population continued to decrease in the 2000s from 7,847 in 2000 to 7,356 in 2010, which was a loss of 6.3%.

Household levels in Milbank and Grant County also decreased from 1990 to 2010. Milbank experienced a loss of 24 households from 1990 to 2000 and a loss of 25 households from 2000 to 2010. Grant County had a decrease of 38 households from 1990 to 2000 and a loss of 27 households from 2000 to 2010.

Although Milbank and Grant County had population and household losses from 1990 to 2010, ESRI estimates that Milbank and Grant County gained population and households from 2010 to 2014. ESRI estimates that Milbank gained nine people and 25 households and Grant County gained three people and 41 households from 2010 to 2014.

## **Findings on Projected Growth**

This Study has utilized ESRI's projections for Milbank and Grant County. Although ESRI showed population growth in Milbank over the past four years, ESRI projects that Milbank's population will decrease slightly by five people from 2014 and 2019. However, ESRI's household projections expect a gain of seven households in Milbank from 2014 to 2019.

Grant County is expected to lose approximately 15 people from 2014 to 2019. However, Grant County's household projections expect a gain of 10 households from 2014 to 2019.

## **Summary of Milbank’s Growth Projections by Age Group**

The Demographic section of this Study presented Milbank projection information on anticipated changes by age group from 2010 to 2019. This information can be informative in determining the housing that may be needed due to age patterns of the City’s population.

Consistent with the age distribution data presented earlier, the movement of the “baby boom” generation through the aging cycle should generate much of the City’s growth in households in the age ranges between 55 and 74 years old. ESRI’s age projections expect the City to add approximately 98 households in the 55 to 74 age ranges from 2010 to 2019.

The ESRI age-based projections also expect an increase of nine households in the 25 to 44 age ranges and a gain of six households in the 75 and older age ranges.

Milbank is projected to lose 17 households in the 15 to 24 age range, and 64 households in the 45 to 54 and older age range.

<u>Age Range</u>	<u>Projected Change in Households 2010 to 2019</u>
15 to 24	-17
25 to 34	8
35 to 44	1
45 to 54	-64
55 to 64	43
65 to 74	55
75 and older	6
Total	32

## **Findings on Unit Demand by Type of Housing**

Based on the household by age projections presented earlier, the changing age composition of Milbank's population through the projection period will have an impact on demand for housing.

***Age 24 and Younger*** - The projections used for this Study expect a loss of 17 households in the 15 to 24 age range through the year 2019. Past tenure patterns indicate that approximately 75% of these households in Milbank will rent their housing. A decrease in the number of households in this age range should mean that rental demand from younger households will decrease during the projection period.

***25 to 34 Years Old*** - The projections show a gain of eight households in this age range by 2019. Within this age range households often move from rental to ownership housing. The ownership rate among these households in Milbank was approximately 65% in 2010. A household increase of eight households within this age range indicates demand for both first-time home buyer and rental opportunities from this age range will increase slightly during the projection period.

***35 to 44 Years Old*** - The projections for this 10-year age cohort expect a gain of one household between 2010 and 2019 in Milbank. In the past, this age group has had a home ownership rate in Milbank of approximately 65%. Households within this range often represent both first-time buyers and households looking to trade-up, selling their starter home for a more expensive house.

***45 to 54 Years Old*** - By 2019, this age cohort will represent the front-end of the "baby bust" generation that followed behind the baby boomers. This age group represents a much smaller segment of the population than the baby boom age group. For Milbank, the projections show a loss of 64 households in this range. This age group historically has had a high rate of home ownership, approximately 78% in Milbank in 2010, and will often look for trade-up housing opportunities. A significant loss in the number of households in this age group, indicates that the demand for trade-up housing will decrease during the projection period.

***55 to 64 Years Old*** - This age range is part of the baby boom generation. The projections show an increase of 43 households in this 10-year age range by the year 2019 in the City. This age range has traditionally a high rate of home ownership in Milbank, at approximately 77% in 2010. Age-appropriate housing,

such as town house or twin home units, is often well suited to the life-cycle preferences of this age group, as no maintenance/low maintenance housing has become a popular option for empty-nesters.

***65 to 74 Years Old*** - A strong gain of 55 households is expected by the year 2019 in the 65 to 74 age range. While this group will begin moving to life-cycle housing options as they age, the younger seniors are still predominantly home owners. At the time of the 2010 Census, approximately 76% of the households in this age range owned their housing in Milbank. Once again, preferences for age-appropriate units would increase from household growth within this age cohort.

***75 Years and Older*** - There is a projected loss of six households in Milbank in this age range between 2010 and 2019. In the past, households within this 10-year age range have had a relatively low rate of home ownership in Milbank. An expansion of housing options for seniors, including high quality rental housing, should appeal to this age group. In most cases, income levels for senior households have been improving, as people have done better retirement planning. As a result, households in this age range may have fewer cost limitations for housing choices than previous generations of seniors.

These demographic trends will be incorporated into the recommendations that follow later in this section.

## **Findings on Housing Unit Demand and Tenure**

Calculations for total future housing need are generally based on three demand generators; household growth, replacement of lost housing units, and pent-up or existing demand for units from households that already exist but are not being served.

***Demand from Growth*** - The household projections used for this Study expect Milbank to gain seven households and Grant County to gain 10 households from 2014 to 2019. Household growth in Milbank and Grant County will yield some demand for new housing production in Milbank.

***Replacement of Lost Owner-Occupancy Units*** - It is difficult to quantify the number of units that are lost from the housing stock on an annual basis. Unit losses may be caused by demolition activity, losses to fire or natural disasters, and to causes such as deterioration or obsolescence. In Milbank, some dilapidated housing has been demolished, and more units will be removed in the future. As a result, we have included an allowance for unit replacement in the recommendations that follow.

***Replacement of Lost Renter-Occupancy Units*** - It is also difficult to accurately quantify the number of units that are lost from the rental housing stock on an annual basis, however, we are projecting that rental units will be removed from the rental inventory over the next several years. As a result, we have included a minor allowance for unit replacement in the recommendations that follow.

***Pent-Up Demand*** - The third primary demand-generator for new housing is caused by unmet need among existing households, or pent-up demand. Household growth and shifting age patterns have created demand for certain types of age-appropriate housing in Milbank. We have included our estimates of pent-up demand into the specific recommendations that follow later in this section.

## **Strengths for Housing Development**

The following strengths for the City of Milbank were identified through statistical data, local interviews, research and on-site review of the local housing stock.

- ▶ **Milbank serves as a small regional center** - Milbank provides employment opportunities, retail/service options, health and professional services, governmental services and recreational facilities for a small geographical area that surrounds the City.
- ▶ **Affordable priced housing stock** - The City of Milbank has a stock of affordable, existing houses. Our analysis shows that the City's median home value based on recent sales is approximately \$89,125. This existing stock, when available for sale, provides an affordable option for home ownership.
- ▶ **Adequate land for development** - Milbank has adequate land available for both residential and commercial/industrial development. However, some of this land needs to be serviced with infrastructure improvements and/or annexed into the City limits.
- ▶ **Educational system** - Milbank has an excellent public K-12 school system.
- ▶ **Health facilities** - Milbank has excellent health facilities including a hospital, medical clinic and senior with services facilities.
- ▶ **Infrastructure** - Milbank's water and sewer infrastructure can accommodate future expansion.
- ▶ **Commercial development** - Milbank's commercial district is adequate to meet most daily needs.
- ▶ **The Grant County Development Corporation** - The Grant County Development Corporation is active in promoting economic and industrial development and job creation.
- ▶ **Employers** - Milbank has several large employers that provide job opportunities for local residents.

- ▶ **Commuters** - More than 1,700 employees are commuting into Milbank daily for work. These commuters are a potential market for future housing construction.
- ▶ **Desirable location of seniors and retirees** - Milbank is an attractive community for seniors as a retirement location. As the providers for the area's health, retail and government services, the City has amenities that are attractive for seniors as they age.
- ▶ **Recreational and tourism opportunities** - Milbank is in an area that provides excellent fishing, hunting and other recreational and tourism opportunities.
- ▶ **Milbank Housing Authority** - The Milbank Housing Authority administers the Housing Voucher program in the City of Milbank and in Grant County.

## **Barriers or Limitations to Housing Activities**

Our research also identified the following barriers or limitations that hinder or prevent certain housing activities in Milbank.

- ▶ **Age and condition of the housing stock** - While the existing stock is affordable, some of the housing is in need of improvements to meet expectations of potential buyers.
- ▶ **Low rent structure** - The area's rent structure is relatively low, which makes it difficult to construct new rental housing.
- ▶ **Value gap deters new owner-occupied construction** - Based on market values from recent residential sales, we estimate that the median priced home in Milbank is valued at approximately \$89,125. This is below the comparable cost for new housing construction, which will generally be above \$175,000 for a stick built home with commonly expected amenities. This creates a value gap between new construction and existing homes. This can be a disincentive for any type of speculative building and can also deter customized construction, unless the owner is willing to accept a potential loss on their investment.
- ▶ **Distance from a larger regional center** - Some households need or desire to be close to a larger regional center, which offers additional health services, retail/commercial opportunities, recreational and cultural options, etc. The nearest large regional center to Milbank is Watertown, which is 45 miles from Milbank.
- ▶ **Lower paying jobs** - Although Milbank has job opportunities, some jobs are at the lower end of the pay scale and employees with these jobs have limited housing choices.
- ▶ **Population and household growth** - Historical data indicates that the City is not expected to add a significant number of households over the next several years.
- ▶ **Commercial/retail option** - Milbank has a limited number of commercial and retail opportunities compared to larger regional centers.

## **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 Milbank. 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 area's potential for growth.
- ▶ **Proactive community involvement** - New home and apartment construction will more likely occur in Milbank if there is proactive support from the City, local and regional housing and economic development agencies and the South Dakota Housing Development Authority.
- ▶ **Protect the existing housing stock** - The future of Milbank will be heavily dependent on the City's appeal as a residential location. The condition of the existing housing stock is a major factor in determining the City's long-term viability. The existing housing stock is in good condition and is a major asset, however, rehabilitation efforts are needed to preserve the housing stock.
- ▶ **Protect the existing assets and resources** - Milbank has many assets including a K-12 school, large employers, a Downtown Commercial District, health facilities, recreational opportunities, etc. These are strong assets that make Milbank a desirable community to live in, and are key components to the City's long-term success and viability. These assets must be protected and improved.
- ▶ **Develop a realistic action plan with goals and time lines** - In the past the City has been involved in housing issues. 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 USDA Rural Development, the South Dakota Housing Development Authority, Inter-Lakes Community Action Partnership, Grow South Dakota and Homes Are Possible, Inc. These resources should continue to be accessed as needed to assist with housing activities.

## **Summary of Findings/Recommendations**

The findings/recommendations for the City of Milbank have been formulated through the analysis of the information provided in the previous sections and include 22 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 44 to 48 general occupancy market rate rental units
2. Promote the development/conversion of eight to 10 affordable market rate rental housing units
3. Promote the development of 10 to 12 general occupancy subsidized rental housing units
4. Senior with services recommendations
5. Develop a downtown mixed-use commercial/housing project
6. Continue to utilize the Housing Choice Voucher Program

### **Home Ownership**

7. Continue to utilize and promote all programs that assist with home ownership
8. Develop a purchase/rehabilitation program

**Single Family Housing Development**

9. Lot availability and development
10. Strategies to encourage residential lot sales and new home construction in Milbank
11. Coordinate with economic development agencies, housing agencies and nonprofit groups to construct affordable housing
12. Promote twin home/town home development

**Housing Rehabilitation**

13. Promote rental housing rehabilitation
14. Promote owner-occupied housing rehabilitation efforts
15. Develop a neighborhood revitalization program
16. Develop a rental inspection and registration program

**Other Housing Initiatives**

17. Continue to acquire and demolish dilapidated structures
18. Create a plan and a coordinated effort among housing agencies
19. Encourage employer involvement in housing
20. Promote commercial rehabilitation and development
21. Develop home ownership and new construction marketing programs
22. Competition with other jurisdictions

# **Milbank - Rental Housing Development**

## **Rental Housing Development**

**Overview:** In recent decades it has been difficult to produce new rental housing units that are viewed as “affordable” when compared to existing rental housing. A number of factors, including federal tax policy, state property tax rates, high construction costs and a low rent structure, have all contributed to the difficulty in developing rental housing in most South Dakota communities.

From 2000 to 2014, we are not aware of any rental units that were constructed in Milbank. However, some single family homes were converted from owner-occupied to rental use between 2000 and 2014.

Demand for new rental housing is typically generated from three factors:

- ▶ Growth from new households
- ▶ Replacement of lost units
- ▶ Pent-up demand from existing households

Our household projections for Milbank expect limited household growth over the next five years. From 2014 to 2019, it is projected that there will be a gain of seven households, which is a one to two-household increase annually in Milbank. It is projected that approximately 50% of these households will be rental households, thus, there will be a demand of approximately three to four additional rental units due to household growth over the next five years.

Demand created by replacement of lost units is more difficult to determine, but the best available evidence suggests that the City will lose as many as four to five units per year. As a result, approximately 20 to 25 additional units will be needed over the next five years to replace lost units. In some cases, this unit replacement will be necessary as existing units are removed from the inventory through demolition or conversion. In other cases, this replacement is appropriate due to the deteriorating condition of older, substandard rental housing that should be removed from the occupied stock. Rental units will also be lost due to rental units converting to owner-occupancy.

Pent-up demand also exists. As part of this study, a rental survey was conducted. The survey found a 0% vacancy rate in general occupancy market rate units, a 0% vacancy rate in subsidized units, and a relatively high occupancy rate in senior with services units, although some vacancies did exist in this specialized housing segment.

We identified pent-up demand for high quality market rate rental units, subsidized rental units and senior independent living and memory care units.

In addition to these three demand factors, there has been temporary rental housing demand from power plant construction workers. Most of the rental housing projects that were surveyed had some units occupied with construction workers. However, the power plant construction project is nearing completion, possibly by the end of 2015, although a specific date could not be obtained.

These three demand generators, after factoring current occupancy rates, show a need for 76 to 85 rental units over the next five years, which is 15 to 17 units annually. Based on the factors stated above, we recommend the development of the following new rental units over the next five years from 2015 to 2020.

▶ General Occupancy Market Rate	44-48 units
▶ Affordable/Conversions	8-10 units
▶ Subsidized	10-12 units
▶ Senior Independent/Light Services	<u>14-17 units</u>
Total	76-85 units

It is important to recognize that this is the potential demand within all of the various market segments, including some need for unit replacement. If this level of unit production is achieved, the total household growth within the community would exceed the expected growth projection presented earlier in this Study. The analysts recognize that production of all of these units may not actually occur at the recommended level.

### **1. Develop 44 to 48 general occupancy market rate rental units**

**Findings:** Approximately 69% of the rental housing in the City of Milbank can be classified as general occupancy market rate housing. These units are free of any specific occupancy restrictions such as financial status, age, or student enrollment. Market rate housing does not have any form of rent controls, other than those imposed by the competitive marketplace.

Of the 206 market rate rental units we surveyed, we found no vacancies, which is a 0% vacancy rate. The owners and managers of rental properties reported very high occupancy rates and strong demand for rental housing. Also, several market rate projects had waiting lists.

There is a wide variation in rental rates in the market rate segment in the City of Milbank. The existing rent range including utilities is \$300 for an efficiency unit, \$625 for a one-bedroom unit, \$520 to \$750 for a two-bedroom unit and \$600 to \$650 for a three-bedroom unit.

From 2000 to 2014, no market rate rental units were constructed in Milbank. However, some single family homes have converted from owner-occupied to rental units partially due to the downturn in the economy.

**Recommendation:** As stated earlier in this section, 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 between 44 to 48 market rate rental units over the next five years.

Based on our research, there is a lack of three-bedroom rental units, thus, some of the new units constructed over the next five years should be three-bedroom units.

Town home style units or high quality apartment buildings are both options in addressing the need for market rate units. The projects, to be successful, should have 'state of the art' amenities. It would be advantageous for new units to be constructed in smaller project phases. This strategy allows the new units to be absorbed into the market.

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

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

The first option to developing market rate housing would be to encourage private developers to undertake the construction of market rate rental housing. During the interview process, several rental property owners expressed interest in constructing rental housing in Milbank if it was economically feasible. Some of these rental property owners have land available for additional rental units.

Valley Queen is planning to construct 35 rental units in two 10-unit apartment buildings and three five-unit town home buildings. The 35 units will include 31 two-bedroom and four three-bedroom units. Rents will be in the \$900 to \$1,200 range plus utilities. The units will have garages and storage.

If private developers do not proceed, the Milbank Housing Authority or the Grant County Development Corporation could potentially utilize essential function bonds, or similar funding sources, to construct market rate units.

Also, the Milbank Housing Authority or the Grant County Development Corporation could partner with private developers to construct additional units. Additionally, the City could assist with land donations, tax increment financing, tax abatement, reduced water and sewer hookup fees, etc. It may also be possible to utilize Housing Choice Vouchers if some of the new units meet income requirements and the rents are at or below the Rent Payment Standards. The Rent Payment Standards are \$704 for a two-bedroom and \$975 for a three-bedroom unit.

**Recommended unit mix, sizes and rents for the Milbank Market Rate Housing Units:**

<u>Unit Type</u>	<u>No. of Units</u>	<u>Size/Sq. Ft.</u>	<u>Rent</u>
One Bedroom	8-9	750 - 850	\$625 - \$775
Two Bedroom	26-28	900 - 1,200	\$675 - \$1,100
Three Bedroom	<u>10-11</u>	1,100 - 1,350	\$825 - \$1,300
Total	44-48		

**Note:** The recommended rents are gross rents including all utilities. The rents are quoted in 2015 dollars.

**2. Promote the development/conversion of eight to 10 affordable market rate rental housing units**

**Findings:** The previous recommendation addressed the market potential to develop high quality rental units in Milbank. Unfortunately, these units would tend to be beyond the financial capability of many area renters. A majority of Milbank’s renter households have an annual income below \$25,000. These households would need a rental unit at \$625 per month or less.

There is evidence that Milbank has lost rental housing over the years due to redevelopment or due to deterioration and demolition. Part of the need for additional rental units in Milbank is to provide for unit replacement. Unfortunately, most of the lost units are probably very affordable, and new construction will not replace these units in a similar price range.

There are still some programs for affordable housing creation for moderate income renters. The federal low income housing tax credit program is one available resource. However, competition for tax credits is very difficult, and few awards are made to small cities for small rental projects.

**Recommendation:** We encourage the City of Milbank to promote the development/conversion of more affordable rental units. A goal of eight to 10 units over the next five years would help to replace affordable housing that has been lost.

It would be difficult to create units through new construction. Instead, it may be more practical to work on building renovation or conversion projects that can create housing. This opportunity may arise in downtown buildings, or through the purchase and rehabilitation of existing single family homes. Several single family homes have been rehabilitated for rental housing by local individuals.

The estimated prevailing rent range for older rental units in Milbank is typically between \$300 and \$600 per month. Creating some additional units with contract rents below \$625 per month would help to expand the choices available to a majority of the City's renter households.

It is probable that the proposed rent structure for some units could only be obtained with financial commitments from other sources such as tax increment financing or property tax deferral from the City and other financial resources from funding agencies such as the State Housing Development Authority.

### **3. Promote the development of 10 to 12 general occupancy subsidized rental housing units**

**Findings:** The term subsidized rental housing, as used in this Study, refers to rental units that have been constructed to serve low and moderate income people. In nearly all cases, subsidized housing has utilized federal resources that provide a "deep subsidy", allowing very low income people access to housing at an affordable price.

The research completed for this Study found seven subsidized projects in Grant County, which have a combined 140 units. Two projects with 54 units are senior/disabled rental housing and seven projects with 86 units are general occupancy. There are 128 subsidized units with the City of Milbank and they represent approximately 22% of all rental options in the City Milbank. This is a relatively average percentage of subsidized rental housing compared to other similar sized cities.

A summary of the seven subsidized projects is as follows:

- ▶ **Pheasant Valley Courtyard (senior/disabled)** - Pheasant Valley Courtyard is a 30-unit HUD Section 8 senior/disabled project. The project was constructed in 1980 and substantially renovated in 2012. All of the units are one bedroom.
- ▶ **Pheasant Valley Courtyard (family)** - Pheasant Valley Courtyard is a 30-unit HUD Section 8 general occupancy project. There are 22 two-bedroom and eight three-bedroom units. The project was constructed in 1980 and substantially renovated in 2012.
- ▶ **Friendship Village** - Friendship Village is a 24-unit Rural Development senior/disabled project. All of the units are one bedroom.
- ▶ **Middlebrook Apartments** - Middlebrook Apartments is a HUD Section 8 general occupancy project with 24 units. All of the apartments have one bedroom.
- ▶ **Milbank Apartments** - Milbank Apartments is a 16-unit Rural Development general occupancy project. There are two one-bedroom and 14 two-bedroom units. The project was constructed in 1975. The project has a waiver which allows non-low income tenants to rent a unit and pay market rent.
- ▶ **Applecrest Apartments** - Applecrest Apartments is an eight-unit general occupancy Rural Development project located in Big Stone City. There are one one-bedroom unit and seven two-bedroom units. The project has a waiver to allow non-low income tenants to rent a unit and pay market rent.
- ▶ **Big Stone Apartments** - Big Stone Apartments is an eight-unit general occupancy Rural Development project located in Big Stone City with one one-bedroom and seven two-bedroom units. The project has a waiver to allow non-low income tenants to rent a unit and pay market rent.

No vacancies were reported in any of the subsidized projects. However, some managers reported that they have had vacancies in the past, but are currently fully occupied. Some projects have waivers, which allow non-low income households to rent a unit.

Of the 140 subsidized units in Milbank, 82 are one-bedroom, 50 units have two bedrooms and eight units have three bedrooms.

Several managers expressed concern that they may have vacancies when the power plant project is completed.

There are additional “deep subsidy” resources available to Milbank residents through the tenant-based Housing Choice Voucher Program. The Vouchers allow tenants to pay 30% of income for housing in suitable private-market rental units. The Voucher Program for Milbank is administered by the Milbank Housing Authority. Approximately 51 Milbank households were using a Voucher in December 2014, and another 15 households had a Voucher, but could not find a rental unit.

The 2013 American Community survey estimated that approximately 21% of all renter households in the City of Milbank 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. Most of the households with a severe rent burden had low annual incomes, and would be under the income limits for subsidized housing.

Eastwood Apartments with 12 units was a Rural Development subsidized project, but converted to market rate many years ago, thus, the subsidized housing inventory in the City was reduced.

**Recommendation:** Based on the cost burden data contained in the American Community Survey, the age of the subsidized rental housing in Milbank, and the 0% vacancy rate in Milbank, we would recommend that the City look to expand the supply of deep subsidy rental housing for lower income renters. Over the next five years, we would recommend that the City attempt to construct 10 to 12 units that achieve a rent level that would be affordable to very low income households earning less than \$20,000 per year.

This recommendation represents a modest goal, since substantially more low income households exist in the City with a cost burden. However, over the past few decades, very few federal subsidy sources have been available for the construction of “deep subsidy” rental housing. The actual number of units that can be developed will be dependent upon access to financial resources. Also, some subsidized units will become available when the power plant project is completed.

In the opinion of the analysts, the highest priority would be to create general occupancy two and three-bedroom units for families and younger households.

Continued promotion of Housing Choice Vouchers is also appropriate. Although Vouchers are tenant-based, and may not remain in the City if the tenant moves, the Voucher can eliminate a severe rent burden by allowing the household to apply only 30% of income for gross rent.

#### **4. Senior housing with services recommendations**

**Findings:** Senior housing with services defines a wide range of housing types. Skilled nursing homes, assisted living and memory care housing are generally the most service-intensive units. High-service housing provides 24-hour staffing and a high level of assistance with daily living needs of residents.

Lower-service housing, sometimes referred to as congregate senior housing, generally offers the availability of a daily meal, and services such as weekly light housekeeping. Grant County has five specialized projects that provide housing with supportive services for an elderly population. These senior with services projects include:

- ▶ **Golden Living Center** - The Golden Living Center includes 61 skilled nursing beds and one assisted living bed. Eighteen of the skilled nursing home beds are for residents with dementia. The facility also has an additional 19 beds that are not being utilized at this time.
- ▶ **Park Place** - Park Place is a 36-unit assisted living facility. Park Place provides the full array of assisted living services, including meals, medication distribution, laundry, housekeeping, bathing, etc. The facility is secure and does have residents in the early stages of dementia.
- ▶ **St. William's Care Center** - St. William's Care Center has 57 skilled nursing beds and three assisted living beds. The facility had additional assisted living beds, but that section of the facility has closed.
- ▶ **Snell's Adult Care** - Snell's Adult Care is an 11-bed Residential Living Center. Residential Living Centers are intended to provide a somewhat lower level of services than Assisted Living Centers. Snell's Adult Care provides meals, laundry service, housekeeping, etc.
- ▶ **Rita's Come Care** - Rita's Home Care is a nine-bed Residential Living Center. Services provided by the facility include meals, laundry, transportation, bathing assistance, recreational activities, etc.

To determine future senior with services housing demand in Milbank, we determined that Milbank's market for senior with services housing includes all of Grant County.

**Recommendation:** In 2010, Grant County had 667 people between the age of 65 and 74 and 691 people over the age of 75. The growth projections show some continued growth in the County's senior population from 2015 to 2020.

- ▶ ***Skilled Nursing Home*** - The research for this Study points to a decreasing reliance on nursing homes as a long-term residency option for older senior citizens. Over time, the nursing homes have tended to use more beds for rehab/recovery stays, or other specialized uses. There has also been a long-standing State moratorium that limits expansion in most cases. No recommendations are offered for this type of specialized housing. Grant County has two well-established providers that serve this segment of the market.
- ▶ ***Memory Care Housing*** - There are 18 designated memory care beds in the Golden Living Center. At the time of the survey, there were several vacant beds. Also, although St. Williams Care Center does not have designated memory care beds, some of their residents have dementia. It is our opinion that the number of memory care beds should be sufficient based on the number of older seniors in the County. Also, if additional demand for memory care beds is identified, the Golden Living Center has beds set aside that aren't being utilized and could be used for residents with dementia. We recommend that the need for memory care beds continue to be monitored.
- ▶ ***Assisted Living*** - Park Place is an assisted living facility with 36 units. The Golden Living Center has one assisted living bed and St. Williams Care Center has three assisted living beds. Additionally, Rita's Home Care with nine beds and Snell's Adult Care with 11 beds, are licensed as Residential Care Centers that provide less services than assisted living facilities. However, these facilities do provide a relatively high level of services. Currently, there are four vacant beds in the facilities. It is our opinion that based on Grant County's older population, the existing number of assisted living beds in the five facilities is adequate to address current demand. However, we recommend that the need for assisted living beds should continue to be monitored.
- ▶ ***Independent/Light Service Housing*** - Currently, we are not aware of any independent/light service projects in Grant County. If a 2% to 2.5% capture rate could be achieved among older senior households,

approximately 14 to 17 units of market rate independent lighter services housing could be supported in Grant County. More units could be justified if a higher capture rate is achieved within the primary target market. Therefore, we recommend the development of a 14 to 17-unit independent/light services senior project in Milbank. The project would provide a light level of services such as weekly housekeeping and a noon meal.

We view Milbank as the best possible location for specialized senior housing in Grant County. It is likely that more units could be successfully constructed in Milbank than we have recommended, however, this would probably reduce occupancy rates in existing projects. It is also possible that a developer will determine that Milbank can serve an even larger market area, creating potentially greater demand for units.

The purpose of this recommendation is to provide general guidance to potential developers. A developer or existing senior with services facility planning a specific project should have a project-specific study conducted.

## **5. Develop a Downtown Mixed-Use Commercial/Housing Project**

**Findings:** A new mixed-use rental housing/commercial project would be an asset to Downtown Milbank. Currently, there are several mixed-use buildings downtown.

New mixed use projects have been developed in several cities comparable to the size of Milbank. Some of these projects were developed because of market demand, while others were developed to enhance the downtown, to introduce a new product to the market or to serve as a catalyst for downtown redevelopment.

**Recommendation:** We recommend the development of a mixed-use building in the downtown Milbank area. There are several potential sites in the downtown area for a mixed-use project.

We recommend commercial space on the first floor and six to 10 rental units on the second floor. Prior to construction, a portion of the commercial space should be leased to an anchor tenant who would complement existing downtown businesses and attract people to downtown.

The six to 10 rental units should be primarily market rate units, but could be mixed income with some moderate income units. The units should be primarily one-bedroom and two-bedroom units. Please note that these units are not in addition to the units recommended in the first and second recommendations of this section. If a mixed use building was constructed, the number of units recommended previously should be reduced.

Ideally, a private developer would construct and own the building. The City may have a role in the project by providing tax increment financing, tax abatement, or other local funds and land at a reduced price.

## **6. Continue to 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 Grant County by the Milbank Housing Authority. The Milbank Housing Authority has the ability to issue approximately 66 Vouchers in Grant County. At the time of the research for this Study, 51 of the Vouchers were being utilized by Milbank and Grant County households, and an additional 15 households had been awarded a Voucher but cannot find a rental unit.

**Recommendation:** The Milbank Housing Authority, should continue to work with Milbank rental property owners to assure that renter households are aware of the Housing Choice Voucher Program and have to the opportunity to apply for a Voucher.

# **Milbank - Home Ownership**

## **Home Ownership**

**Findings:** Expanding home ownership opportunities is one of the primary goals for most cities. High rates of home ownership promote stable communities and strengthen the local tax base. The median owner-occupied home value in Milbank is estimated to be approximately \$89,125 based on sales activity from 2014. The home values in Milbank provide a good opportunity for first time buyers and households seeking moderately priced homes.

Our analysis of Milbank demographic trends projects a substantial increase in the number of households in the traditionally strong home ownership age ranges between 55 and 74 years old. The 20 to 44 age ranges will also have an increase in households over the next five years. Some of these households are first-time home buyers. Some households in these age ranges as well as other 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:

### **7. Continue to utilize and promote all programs that assist with home ownership**

**Findings:** We believe that affordable home ownership is one of the issues facing Milbank 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. The City of Milbank 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:** Milbank should continue to work with area housing agencies, the South Dakota Housing Development Authority, USDA Rural Development and local financial institutions to utilize all available home ownership assistance programs. Private and nonprofit agencies should also be encouraged to provide home ownership opportunities.

The City of Milbank and the Milbank Housing Authority should also work with housing agencies to assure that Milbank residents are receiving their share of resources that are available in the region.

Funding sources for home ownership programs may include USDA 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.

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

**Findings:** Milbank has a stock of older, lower valued homes, many of which need repairs. Our analysis of recent sales activity indicates that approximately 50% of the homes in Milbank are valued less than \$89,125. As some lower valued homes come up for sale, they may not be attractive options for potential home buyers because of the amount of repair work that is required.

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

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

**Recommendation:** We recommend that Milbank work with a housing agency to develop and implement a purchase/rehab program. Attitudinal surveys that we have conducted in other cities have found that purchase/rehabilitation programs are appealing to people who are currently renting their housing. In some similar sized communities, a large majority of survey respondents who

were renters indicated an interest in buying a home in need of repair if rehabilitation assistance was available.

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

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

Also, based on our interviews, private individuals are purchasing homes in Milbank, rehabbing the homes and selling the homes. There may be an opportunity for local housing agencies to financially assist the private sector with purchasing, rehabilitating and selling homes. This may increase the inventory of substandard homes that economically can be rehabilitated and sold.

# **Milbank - Single Family Housing Development**

## **Single Family Housing Development**

**Findings:** Based on City and Census Bureau reports, Milbank has experienced some single family housing development from 2000 to 2014. Over the past 15 years, approximately 69 single family owner-occupied units have been constructed in Milbank. This is an average of approximately three to four owner-occupied units constructed annually in Milbank.

From 2000 to 2007, six to seven new owner-occupied housing units were constructed annually. New housing construction slowed from 2008 to 2014, largely due to the recession. An average of only two homes have been constructed annually over this period.

It is our opinion that if the City, housing agencies, economic development agencies, builders and developers are proactive, six to nine homes can be constructed or moved into Milbank annually from 2015 to 2020.

The breakdown of our projection of six to nine new owner-occupied housing units annually over the next five years is as follows:

▶ Higher and Median priced homes	2-3
▶ Affordable Homes	2-3
▶ Twin homes/Town homes	<u>2-3</u>
Total	6-9

### **9. 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 the City of Milbank. Currently, there are approximately 10 lots available in the City of Milbank. Lot prices range from \$18,000 to \$30,000.

There are also miscellaneous infill lots scattered around the city that we did not attempt to count. We do not know the availability of some of these infill lots. Also, additional dilapidated houses will be acquired and demolished over the next five years. Some of the cleared lots may be sites for new construction.

**Recommendation:** We use a standard that a 2 ½ year supply of lots should be available in the marketplace based on annual lot usage. With projections that six to nine new owner-occupied housing units will be constructed per year, the City should have approximately 15 to 23 residential lots available to meet the expected demand. Part of this demand would be for attached unit construction.

With approximately 10 available lots, plus any infill lots, the City currently does not have an adequate number of lots. Also, the availability of lots for new homes in a variety of price ranges is limited in Milbank.

Therefore, it is our recommendation that an additional 12 to 16 lots be developed in the City of Milbank within the next three years. The lots should include the following:

- ▶ Adequate land should be available, if possible, to allow for lot development in phases, based on demand.
- ▶ The lots must be as aesthetically acceptable as possible and include high quality amenities.
- ▶ The subdivision(s) should have covenants that assure high quality development. However, the covenants should not be so restrictive that they eliminate the target market's ability to construct a home.
- ▶ The subdivision(s) should accommodate a variety of home designs and home prices.
- ▶ Major employers should be involved in promoting and publicizing the subdivision.
- ▶ To be successful, the homes must be available to households with as wide an income range as possible.
- ▶ Successful subdivisions will need the cooperation of area housing agencies, financial institutions, funding agencies, employers, the Grant County Development Corporation and the City of Milbank. Financial assistance such as tax increment financing may be necessary to make the development of lots feasible.
- ▶ The project should expand the market by providing an attractive, affordable product.
- ▶ Some lots should be available for twin home/town home development.

## **10. Strategies to encourage residential lot sales and new home construction in Milbank**

**Findings:** New home construction has been limited over the past seven years with an average of only two homes constructed annually. Also, no twin homes or town homes have been constructed in Milbank for many years.

**Recommendation:** We recommend that the City of Milbank, employers, the Grant County Development Corporation, the Milbank Housing Authority, area housing agencies, builders and developers coordinate efforts to promote lot sales and housing development in Milbank.

Our recommendations to promote lot sales and housing development include:

- ▶ ***Continue competitive pricing*** - The current lot prices in Milbank are competitive. To encourage new home construction, lots must remain competitively priced.
- ▶ ***Plan for long-term absorption*** - The research completed for this Study expects limited annual absorption of lots in Milbank. We are projecting the construction of six to nine new units per year. It is therefore necessary to view the development of lots as a long-term plan.
- ▶ ***Generate initial activity*** - To stimulate new construction, proactive efforts, such as the sale of some lots at discounted prices, reduction of hookup and permit fees or other incentives should be provided if the buyer agrees to build a home of a certain quality and style within one year. This will help create some momentum for more houses to be built.
- ▶ ***Consider developing an exclusive builder(s) relationship*** - A block of lots could be sold to a builder or builders. Momentum can be created when a builder has access to several lots. This allows for marketing opportunities and efficiencies in the home building process. The subdivision owners, however, should assure that the builder is obligated to constructing a minimum number of homes per year. Builders are more willing to enter a market when the lots are attractive and very affordable. A block of lots available to an exclusive builder or developer should be explored, even if significant price concessions are required.
- ▶ ***User-Friendly*** - The lot purchase and homebuilding process must be 'user-friendly.' This includes the construction of spec homes, and builders that are readily available to build custom homes.

- ▶ ***Spec home development*** - Although spec home construction is a risk, there are also financial risks associated with holding unsold lots. Also, spec houses could potentially attract a buyer that is not interested in going through the home building process, but instead wants a turnkey unit. A spec home can also serve as a model, allowing potential home buyers to examine specific floor plans and features in the home before committing to buy. In an attempt to spur spec home construction, some communities have formed partnerships with private home builders to share the financial risks. For example, some developers have been willing to defer the payment for the lot until the spec home is sold. Another builder incentive is to waive any water/sewer hookup fees and building permit fees until the home is sold. A more aggressive approach is to become directly involved in helping cover the payments on a home builder's construction loan, if the house does not sell within a reasonable period of time. A community risk pool would need to be established for this type of activity. These types of approaches would somewhat reduce the builder's risk, by lowering the upfront development costs.

A builder in Milbank is planning to construct two spec homes. Another builder has expressed interest in building spec homes if he can obtain construction financing at a rate that makes spec home construction feasible.

- ▶ ***Range of house prices*** - Lots should be available to as wide a range of home sizes and prices as possible, without compromising the subdivision(s). This broadens the lot buyer market.
- ▶ ***Incentives*** - Many cities throughout South Dakota are offering incentives to construct homes including reduced lot prices, reduced water and sewer hookup fees, tax abatement, cash incentives, etc. Incentives should be considered to promote new home construction.
- ▶ ***Lot availability for twin home/town home development*** - It is our opinion that there will be a demand for twin homes/town homes over the next five years. Lots should be available for twin home/town home lot development.
- ▶ ***Marketing*** - The City of Milbank, the Grant County Development Corporation, the Milbank Housing Authority, the Milbank Chamber of Commerce, employers, builders and developers should create a comprehensive marketing strategy to sell the available lots. In addition to marketing the lots, the City of Milbank and its amenities should be promoted.

## **11. Coordinate with economic development agencies, housing agencies and nonprofit groups to construct affordable housing**

**Findings:** There are several housing agencies and nonprofit groups that have the capacity to construct new housing in Milbank, including Grow South Dakota and HAPI, Inc.

**Recommendation:** We encourage the City of Milbank to actively work with economic development and housing agencies, nonprofit groups and the private sector to develop affordable housing.

As the housing economy continues to improve and home values increase, new affordable home construction production in Milbank will continue to be more feasible.

Also, in the past, Governor's homes have been moved into Milbank. These represent an affordable housing option that should be encouraged and supported.

## **12. Promote twin home/town home development**

**Findings:** Attached housing provides desirable alternatives for empty nesters and seniors to move out of their single family homes, thus, making homes available for families. It is important for the community to offer a range of life-cycle housing options.

In many cities the size of Milbank, approximately 20% to 25% of the new ownership housing constructed are twin homes/town homes. In Milbank, since 2000, only four new housing units have been twin homes/town homes.

In 2010, Milbank had 473 households and Grant County had 1,026 households in the 55 to 74 age ranges. These age ranges are expected to have an increase of 98 households in Milbank and 225 households in Grant County from 2010 to 2019. Household growth among empty-nester and senior households should result in increased demand for attached single family units. It is likely that demand for attached housing units will also be dependent on the product's ability to gain additional market acceptance among the households in the prime target market, and among other households.

**Recommendation:** It is our projection that approximately two to three new owner-occupied twin homes or town homes could be constructed in Milbank annually over the next five years for a total of 10 to 15 units. Our projection is based on the availability of an ideal locations for twin home/town home development as well as high quality design and workmanship.

We recommend that for twin home/town home development to be successful, the following should be considered:

- ▶ Senior friendly home designs
- ▶ Maintenance, lawn care, snow removal, etc. all covered by an Association
- ▶ Cluster development of homes, which provides security
- ▶ Homes at a price that is acceptable to the market

Milbank's role could include assuring that adequate land continues to be available for development and that zoning allows for attached housing construction.

A corporation has been developed in Arlington, MN, that includes local contractors, the local bank, the local lumberyard and local investors to construct twin homes. They have been very successful.

It may be advantageous to meet with a group of empty nesters and seniors who are interested in purchasing a twin home to solicit their ideas.

# **Milbank - Housing Rehabilitation**

## **Housing Rehabilitation**

**Findings:** Milbank 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. Investment in housing rehabilitation activities will be critical to offering affordable housing opportunities.

It is our opinion that Milbank and area housing agencies will need to make housing rehabilitation a priority in the future. New housing construction that has occurred is often in a price range that is beyond the affordability level for many Milbank households. 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.

### **13. Promote rental housing rehabilitation**

**Findings:** Based on the U.S. Census data, the City of Milbank had approximately 568 rental units in 2010. These rental buildings are in multi-family projects, small rental buildings, duplexes, single family homes and mixed-use buildings. Most of these rental structures could benefit from rehabilitation as most of these rental structures are more than 30 years old and some rental units are in poor condition.

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:** The City of Milbank 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, Grow South Dakota, Inter-Lakes Community Action

Partnership, the South Dakota Housing Development Authority and the Federal Home Loan Bank.

Some communities have also established rental housing inspection and registration programs that require periodic inspections to assure that housing meets applicable codes and standards.

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

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

Our housing condition survey of 497 homes in four of Milbank's older neighborhoods found 177 homes that need minor repairs and 107 homes that need major repairs. Without rehabilitation assistance, the affordable housing stock will shrink in Milbank.

**Recommendation:** We recommend that the City of Milbank and the Milbank Housing Authority seek local, state and federal funds to assist in financing housing rehabilitation. USDA Rural Development, the South Dakota Housing Development Authority, the Federal Home Loan Bank, Grow South Dakota and Inter-Lakes Community Action Partnership are potential funding sources.

Grow South Dakota and Inter-Lakes Community Action Partnership currently have several housing programs to assist households with the rehabilitation of their homes including the Self Help Rehabilitation Program and programs utilizing Home and CHIP funds. Also, Grow South Dakota provides Weatherization funds for Milbank and Grant County.

Some programs offer households that meet program requirements, 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 Milbank households to utilize these housing rehabilitation programs.

## **15. Develop a Neighborhood Revitalization Program**

**Findings:** The City of Milbank has several neighborhoods that are on the bubble. These neighborhoods have a significant number of homes that need rehabilitation or should be demolished. These neighborhoods also have a significant number of low/moderate income households. The neighborhoods could deteriorate or could be revitalized to continue to be strong vital neighborhoods.

**Recommendation:** Over the years, there has been housing and neighborhood revitalization projects in the neighborhoods including housing rehabilitation, the demolition of dilapidated housing, the development of new housing and public facility improvements. We recommend that the City of Milbank, area housing agencies, and the private housing sector continue these efforts and select a neighborhood and develop and implement a Neighborhood Revitalization Program. Potentially, the neighborhood could be a consolidation of the four neighborhoods that were surveyed.

Redevelopment strategies and opportunities should be identified including:

- ▶ A plan for each parcel in the neighborhood
- ▶ Owner-occupied rehabilitation
- ▶ Rental Rehabilitation
- ▶ Demolition of dilapidated structures
- ▶ Infill new construction including single family homes and attached housing
- ▶ Land pooling for larger town home and attached housing projects
- ▶ Purchase/Rehabilitation Programs that rehabilitate homes and provide home ownership for low/moderate income households
- ▶ Public projects (streets, utilities, parks, etc.)
- ▶ Consider rezoning, variances and/or replatting to make areas and parcels more desirable for redevelopment
- ▶ Programs that encourage energy conservation
- ▶ Other projects identified through the planning process

The Neighborhood Revitalization Plan should include time lines, responsible City Department or Housing Agency, funding sources, etc. The Program should be evaluated on an ongoing basis as opportunities and potential projects may change priorities. As a neighborhood is revitalized, a new neighborhood can be selected for revitalization.

It must be noted that neighborhood revitalization can result in the loss of affordable housing. Redevelopment projects, infill construction and other affordable housing projects in the community should assure that there are overall net gains in the affordable housing stock.

## **16. Develop a Rental Inspection and Registration Program**

**Findings:** A Rental Inspection and Registration Program can be a valuable tool in improving the quality of the City's rental housing. It is estimated that there are approximately 568 rental units in the City of Milbank, most of which are more than 30 years old. There are also a significant number of single family homes that have converted from owner-occupied to rentals. Neighborhood deterioration, lower property values and unsafe rental units are often prevented when a Rental Housing Inspection and Registration program is successfully implemented. Also, our housing condition survey identified substandard rental units.

The need for an ongoing Rental Inspection and Registration Program includes the following:

### **Health and Safety**

- There is a need to provide tenants with safe, sanitary, and standard living conditions and to eliminate life threatening hazards.

### **Age of Housing Stock**

- Much of the existing rental housing stock in Milbank is more than 30 years old.
- Older housing needs continued rehabilitation and maintenance.
- Older housing often has difficulty complying with current codes.

### **Conversions**

- Some of the rental buildings were originally constructed for other uses, including single family homes converted into multiple units, or commercial buildings converted to residential use. In conversion, owners often do the work themselves and have inadequate or faulty mechanical, electrical, plumbing, and heating systems. Also, constructing an apartment in the basement often results in a lack of natural lighting, ventilation and proper access and egress.

### **Trends of Conversions**

- Many of Milbank's buyers want more amenities and conveniences, and less maintenance, thus, they are less likely to purchase older homes. Also, there was an increase in foreclosures during the recession. These issues result in the continuation of converting old homes to rental units and magnify the problem.

**Maintenance Efforts**

- ▶ A large number of landlords are providing standard housing and reinvesting in their rental properties. However, some landlords do not maintain their buildings. Ongoing maintenance is necessary for older housing as buildings with continued deferred maintenance become unsafe and substandard.

**High Number of Landlords**

- ▶ Milbank has a significant number of rental property owners. Many of these landlords do an excellent job; however, some absentee landlords do not reinvest in their properties, and create a need for the program.

**Neighborhood Stabilization**

- ▶ Rental units need to be maintained to keep the integrity of the neighborhood and stabilize property values. Deferred maintenance, parked junk cars, trash and debris all have a negative impact on residential neighborhoods.

**Zoning and Codes**

- ▶ Illegal apartments such as inappropriately constructed basement apartments may be unsafe and a violation of zoning regulations.

**Coordination**

- ▶ A Rental Inspection and Registration Program provides a record of rental units and owners.
- ▶ The program provides a better opportunity for coordination of city programs and codes.

**Recommendation:** We recommend the development and implementation of the Rental Inspection and Registration Program to assure that all rental units in Milbank comply with housing laws and codes. The Program assures that Milbank rental units are safe and sanitary, thus, removing blighted and unsafe conditions.

# **Milbank - Other Housing Initiatives**

## **Other Housing Initiatives**

### **17. Continue to acquire and demolish dilapidated structures**

**Findings:** Our housing condition survey identified 15 single family houses in four of the City's oldest neighborhoods that are dilapidated and too deteriorated to rehabilitate. We also identified 107 single family houses in Milbank as needing major repair and some of these homes may be too dilapidated to rehabilitate. To improve the quality of the housing stock and to maintain the appearance of the City, dilapidated structures should be demolished.

**Recommendation:** We recommend that Milbank work with property owners on an ongoing basis to demolish dilapidated homes. The appearance of the City 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.

Also, we recommend that the City maintain a lot inventory of structures that may be candidates for future acquisition and demolition. Additionally, an inventory of in-fill lots for future development should continue to be maintained.

### **18. Create a plan and a coordinated effort among housing agencies**

**Findings:** Milbank will continue to need staff resources in addition to existing City, Grant County Development Corporation and Milbank Housing Authority staff to plan and implement many of the housing recommendations advanced in this Study. The City of Milbank has access to Grow South Dakota, HAPI, Inc., the South Dakota Housing Development Authority and USDA Rural Development. These agencies all have experience with housing and community development programs.

**Recommendation:** Milbank has access to multiple agencies that can assist with addressing housing needs. It is our recommendation that the City prioritize the recommendations of this Study and develop a plan to address the identified housing needs. The Plan should include strategies, time lines and the responsibilities of each agency. It will be important that a coordinated approach be used to prioritize and assign responsibility for housing programs.

It will also be important for the City of Milbank to continue to look for opportunities to work cooperatively with other area cities to address housing issues. With the number of small cities in the region, and limited staff capacity at both the city 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.

## **19. Encourage employer involvement in housing**

**Findings:** The connection between economic development and housing availability has become an increasingly important issue as low area unemployment rates dictate the need to attract new workers into the community. Housing for new employees is a concern for employers, thus, it may be advantageous for employers to become involved in housing.

The South Dakota Housing Development Authority has developed an employer participation program, known as the Employer Mortgage Assistance Program (EMAP). There are a number of participating employers around the State. This program can assist employees of participating companies with home ownership assistance.

Valley Queen has purchased 10 homes for employee housing. Also, Valley Queen is planning to construct 35 rental units in Milbank.

**Recommendation:** We recommend an ongoing effort to continue to involve employers as partners in addressing Milbank's housing needs. Several funding sources have finance programs that include employers. Additionally, the funding agencies often view funding applications favorably that include employers in the problem solving process.

Employer involvement can include direct assistance to their employees such as a grant, loan, forgivable loan, deferred loan, down payment assistance, loan guarantee, etc. In many cases, employers do not wish to provide assistance to specific employees, but are willing to contribute to an overall city project such as an affordable lot subdivision or a rental project, such as the proposed Valley Queen rental project.

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

**Findings:** The City of Milbank's commercial district is in good condition, and several commercial buildings have been renovated, however, there are several substandard and vacant commercial buildings in Milbank.

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

**Recommendation:** We recommend that the City of Milbank and the Grant County Development Corporation continue to work with commercial property and business owners to rehabilitate their buildings. Also, new businesses should continue to be encouraged to locate in Milbank.

The City of Milbank and the Grant County Development Corporation should continue to seek funding to assist property owners with rehabilitating their commercial buildings. A goal of two commercial rehab projects annually in Milbank would be a realistic goal.

## **21. Develop home ownership and new construction marketing programs**

**Findings:** With the downturn in the housing economy, the competition among cities for households looking to buy or build a home has been greater than in the past. Also, some cities have an excess inventory of residential lots, homes for sale, vacant homes and homes in foreclosure. Additionally, households are evaluating the appropriate timing to buy or build a home.

As the economy continues to improve, cities that invest in marketing have an advantage. Opportunities to buy or construct a home are sometimes limited because of the lack of information and awareness of financing and incentive programs, homes and lots on the market, local builders, etc. This is especially evident for new households moving into the area. The home buying/home building process can be very intimidating for first-time buyers and builders. It is important for the home buying or home building process to be user-friendly.

**Recommendation:** The City of Milbank, the Grant County Development Corporation and the Milbank Chamber of Commerce have been active in promoting and marketing housing in Milbank. We recommend the continuation or consideration of the following:

- ▶ Determine the City's strengths and competitive advantages and heavily promote them
- ▶ Continue to create marketing materials that can be distributed regionally (including internet, TV, radio, etc.)
- ▶ Work closely with employers (Milbank and the entire region) to provide employees with housing opportunities in Milbank
- ▶ Work with housing agencies to provide down payment assistance, low interest loans, home owner education and home owner counseling programs
- ▶ Consider an annual Housing Fair that provides information on lots, builders, finance programs, etc. Developers, builders, lenders, realtors, public agencies and local businesses could participate
- ▶ Work with builders and developers to make the construction of new homes or rental units a very user friendly process
- ▶ Continue to develop new home construction and home purchase incentive programs.

## **22. Competition with Other Jurisdictions**

**Findings:** During the interview process, several individuals expressed concern regarding the City of Milbank's ability to compete for new development in the region.

**Recommendation:** The City of Milbank can enhance its position as a viable location for new households. We recommend the following:

- ▶ Review the City's policies to assure that the City's process for working with developers and builders is user-friendly, fair and receptive.
- ▶ Continue to work on the creation of jobs and the development of retail, service and recreational opportunities that make the City a "full service" community
- ▶ Continue to provide attractive lots at an affordable price for a variety of home sizes, styles and price ranges
- ▶ Provide financing mechanisms for households to build new homes, purchase existing homes and to rehabilitate older homes
- ▶ Preserve the quality of existing neighborhoods through the rehabilitation of substandard housing and the demolition of dilapidated structures that are beyond repair

- ▶ Develop new housing choices that serve life-cycle housing needs, such as new rental housing, twin homes, senior housing, etc.
- ▶ Publicize and market Milbank throughout the region and among the employers and employees in Milbank and the region
- ▶ Develop a coordinated housing plan with area housing agencies

## **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

### **Inter-Lakes Community Action Partnership**

111 North Van Eps  
PO Box 268  
Madison, SD 57042  
(605) 256-6518

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

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

### **USDA Rural Development**

810 10<sup>th</sup> Ave. SE  
Watertown, SD 57201  
(605) 886-8202