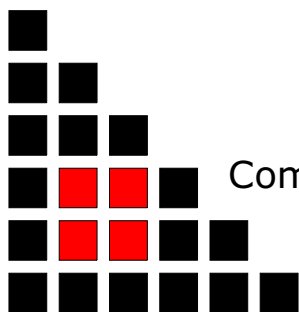


City of Whitewood HOUSING STUDY

November 2020

An analysis of the overall housing needs
of the City of Whitewood, SD



Community Partners Research, Inc.
Faribault, MN

List of Sections

	<u>Page</u>
Introduction	2
Demographic and Projection Data	4
Existing Housing Data	25
Rental Housing Inventory	32
Employment and Local Economic Trends Analysis	37
Findings and Recommendations	43
Summary of Findings/Recommendations	52
Rental Housing Development Recommendations	54
Home Ownership Recommendations	65
New Housing Construction Recommendations	69
Housing Rehabilitation Recommendations	79
Other Housing Initiatives	83
Agencies and Resources	90

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 Whitewood and Lawrence 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., has been hired by the Whitewood Economic Development Organization (WeDo) to complete a Comprehensive Housing Study for making informed housing decisions that will benefit the community.

Goals

The multiple goals of the study include:

- ▶ Provide current demographic data
- ▶ 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 June to August 2020. Data sources included:

- U.S. Census Bureau
- American Community Survey
- Applied Geographical Solutions, Inc., a private data reporting service
- Esri, Inc., a private data reporting service
- Records and data from the City of Whitewood
- Records and data maintained by Lawrence 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 and mobile home condition survey

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.

This study was prepared by:

**Community Partners Research, Inc.
Faribault, MN
(507) 838-5992
cpartners@charter.net**

Section Table of Contents

	<u>Page</u>
Demographic Data Overview	5
Population Data and Trends	6
Population by Age Trends: 2010 to 2019	8
Population Projections	10
Household Data and Trends	11
Household by Age Trends: 2010 to 2019	12
Average Household Size	14
Household Projections	15
Household Projections by Age	16
Households by Type	18
Housing Tenure	19
2018 Income Data	20
Income Distribution by Tenure	21
2018 Estimated Income and Housing Costs - Renters	22
2018 Estimated Income and Housing Costs - Owners	24

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 Whitewood and Lawrence County. A primary data source is the U.S. Census Bureau, through the decennial census, the annual American Community Survey, and the annual population estimates program.

To supplement the decennial Census, the Census Bureau has created the American Community Survey, an annual sampling of households. This 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. Some of the following tables incorporate the 2018 American Community Survey data, when viewed as reliable.

In addition to the detailed tables in the American Community Survey, the Census Bureau also issues a separate population estimate for cities, towns and counties. However, this is limited to total population, with no additional demographic details. These population estimates are for 2019.

The Governor's Office of Economic Development provides demographic profile information for cities, towns and counties supplied by Applied Geographic Solutions (AGS), a private company. Prior to using AGS, the State had used a similar provider, Esri, Inc., for demographic data. The analysts have examined both of these sources in some of the tables that follow for current-year (2019) estimates and future projections.

In addition to providing demographic information for Whitewood, comparative information has often been provided for all of Lawrence County.

Population Data and Trends

Table 1 Population Trends - 1990 to 2019						
	1990 Census	2000 Census	% Change 1990-2000	2010 Census	% Change 2000-2010	2019 AGS Estimate
Whitewood	891	844	-5.3%	927	9.8%	946
Lawrence Co.	20,655	21,802	5.6%	24,097	10.5%	25,615

Source: U.S. Census; AGS

- ▶ There are three available population estimates for Whitewood in 2019. All of these show recent growth in the number of people living in the City.
- ▶ Applied Geographic Solutions (AGS), a private reporting service, showed the City with 946 residents in 2019, an increase of 19 people, or 2.0% from the 2010 Census.
- ▶ The Census Bureau’s population estimates program showed 979 people living in Whitewood on July 1, 2019, up by 33 people from 2010 to 2019.
- ▶ The highest estimate for 2019 is from Esri, which showed 1,056 people living in the City. When compared to the 2010 Census, this source showed the City adding 129 people over the decade.
- ▶ Although there is some difference between the estimates, all three sources show population growth over the past decade. However, both AGS and the Census Bureau showed more limited population change. If accurate, this pattern shows somewhat slower growth than in the prior decade, as the City added 83 permanent residents from 2000 to 2010. If Esri is correct, population growth has accelerated. The release of the 2020 Census data next year will accurately define the City’s population level.
- ▶ The estimating sources also show ongoing population growth for all of Lawrence County. AGS placed the County’s population at 25,615 people in 2019, up by more than 1,500 residents from the 2010 Census.
- ▶ The Census Bureau estimated that Lawrence County had 25,844 people in 2019, up by nearly 1,750 people from the 2010 Census.

- ▶ Both of these estimates show continued strong population growth for the County, which dates back to at least 1990. However, much of the countywide growth would be attributed to the City of Spearfish.

Population Characteristics

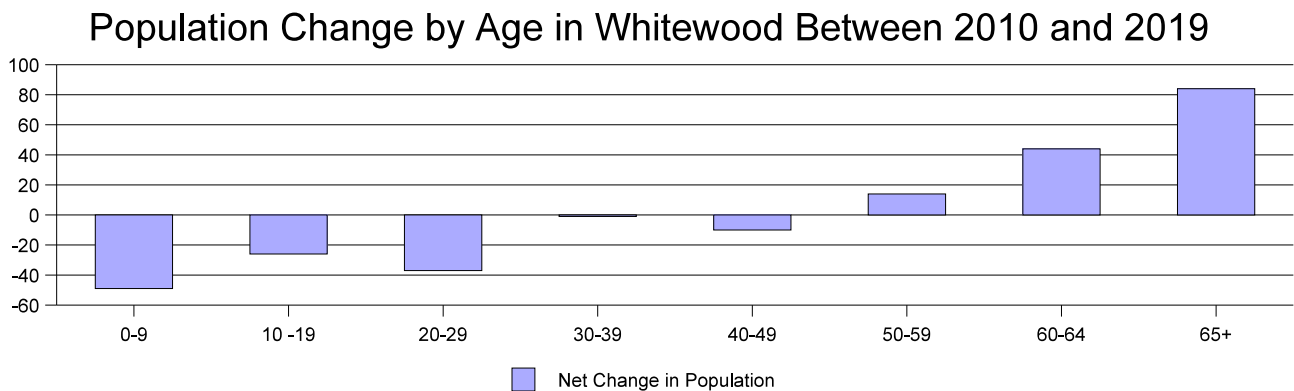
- ▶ At the time of the 2010 Census there were 15 residents in Whitewood that were living in group quarters housing. These residents were in undefined noninstitutional forms of housing, such as group homes.
- ▶ Whitewood's population is primarily White and non-Hispanic/Latino. According to the 2019 estimates from Applied Geographic Solutions, nearly 94% of residents were White for race. Fewer than 3% of the City's residents were Hispanic/Latino. As a result, no additional demographic details are provided by race or ethnic background.

Population by Age Trends: 2010 to 2019

The 2019 population estimate from Applied Geographic Solutions included information on the age distribution of residents. This information can be compared to the age patterns present at the time of the 2010 Census.

Table 2 Population by Age - 2010 to 2019			
Age	Whitewood		
	2010	2019	Change
0-9	139	90	-49
10-19	128	102	-26
20-29	103	66	-37
30-39	109	108	-1
40-49	117	107	-10
50-59	141	155	14
60-64	59	103	44
65+	131	215	84
Total	927	946	19

Source: U.S. Census; AGS

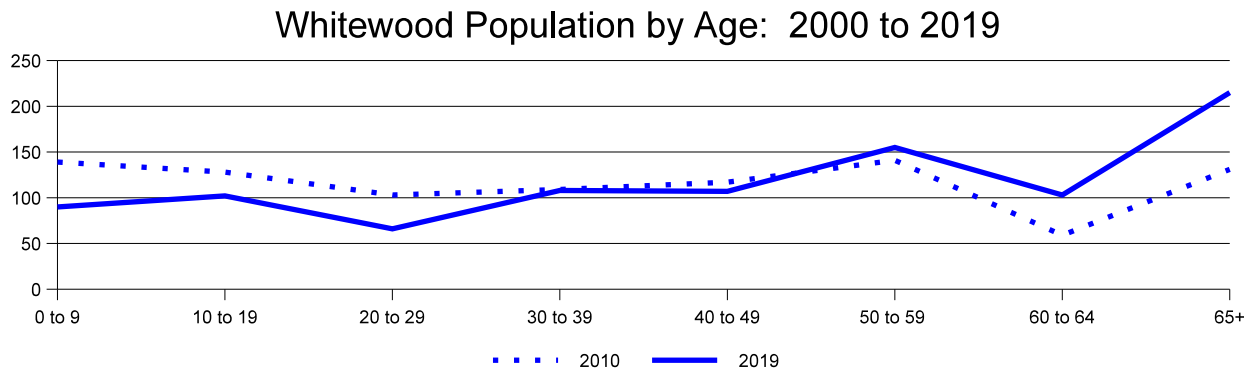


The age-based population estimates from Applied Geographic Solutions show a significant change in the age distribution patterns for the City over the past decade. If accurate, there has been a significant decrease in the number of younger residents in the community, but an even larger increase among older adults, especially senior citizens age 65 and older.

It is important to note making estimates in a small community can be difficult, and a relatively large margin of error could apply. The 2020 Census count, which will be released in 2021 will establish a new demographic benchmark for cities and towns.

As estimated by AGS, Whitewood had a decrease of 75 residents age 19 and younger. In the younger adult age ranges, between 20 and 49 years old, there was a decrease of 48 residents.

However, the estimates then show that all of the age ranges 50 and older increased in size. According to AGS, the City added 84 people age 65 and older, along with 58 people in the combined ranges from 50 to 64 years old.



Population Projections

The following table presents population projections to the year 2024. The projections for Whitewood exist from both Applied Geographic Solutions and Esri. The projection for Lawrence County is from Applied Geographic Solutions and also spans the five-year period from 2019 to 2024.

Table 3 Population Projections Through 2024						
	Applied Geographic Solutions			Esri		
	2019 Estimate	2024 Projection	Change 2019-2024	2019 Estimate	2024 Projection	Change 2019-2024
Whitewood	946	997	51	1,056	1,128	72
Lawrence Co.	25,615	26,898	1,283	-	-	-

Source: Applied Geographic Solutions; Esri

- ▶ AGS is projecting population growth for Whitewood over the next five years. This source shows the City adding 51 people between 2019 and 2024, or approximately 10 people in an average year.
- ▶ Esri is expecting even faster population growth, with the City adding 72 people over the 5-year period. This would be an average of approximately 14 people per year.
- ▶ The primary reason that Esri is showing greater numeric population growth is their belief that there are more people in the City’s average household. This has impacted both the estimated population level in 2019, and the projection for 2024.
- ▶ AGS is also showing continued strong population growth for all of Lawrence County, with an expected increase of 1,283 people from 2019 through 2024. On an average basis, this would be approximately 257 people per year. Once again, if achieved this rate of growth would be significantly greater than in the past, as the most optimistic recent estimated showed the County averaging fewer than 200 people per year between 2010 and 2019.
- ▶ Although population projections can be useful, this Study has placed greater emphasis on household projections which are provided later.

Household Data and Trends

Table 4 Household Trends - 1990 to 2019						
	1990 Census	2000 Census	% Change 1990-2000	2010 Census	% Change 2000-2010	2019 AGS Estimate
Whitewood	315	330	4.8%	374	13.3%	431
Lawrence Co.	7,926	8,881	12.0%	10,536	18.6%	12,130

Source: U.S. Census; AGS

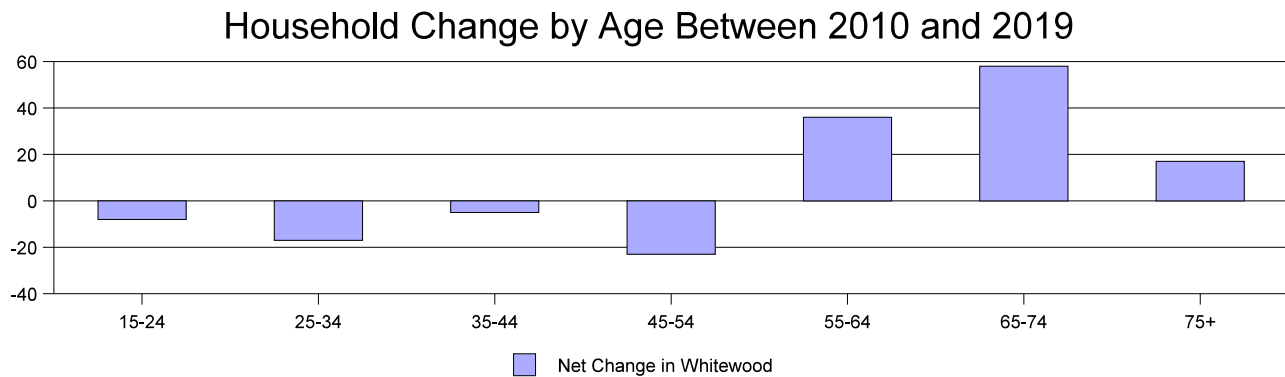
- ▶ The AGS estimate for Whitewood in 2019 was 431 households, up by 57 households when compared to the 2010 Census. When viewed as an average, the City added approximately six households per year between 2010 and 2019.
- ▶ Esri has a nearly identical estimate, with 432 households in 2019. Although Esri had a higher population estimate for Whitewood, their household estimate is very similar to AGS. Esri does believe that the City has more people per household, which results in the higher population estimate.
- ▶ A pattern of adding households has been sustained in Whitewood in recent decades. In the 1990s the City added 15 households, followed by a gain of 44 households between 2000 and 2010.
- ▶ AGS estimates that Lawrence County had 12,130 households in 2019, a gain of nearly 1,600 households from 2010 to 2019, or an average increase of approximately 177 households per year.
- ▶ In the 1990s, average annual growth Countywide was more than 95 households per year. This annual average then increased, as the County added nearly 166 households per year between 2000 and 2010.

Household by Age Trends: 2010 to 2019

The demographic data profile that is available from AGS does not provide information on households by age. The following table compares households by age from the 2010 Census and 2019 estimates from Esri. This information is for the City of Whitewood.

Table 5 Whitewood Households by Age - 2010 to 2019			
Age	2010	2019	Change
15-24	14	6	-8
25-34	53	36	-17
35-44	56	51	-5
45-54	86	63	-23
55-64	75	111	36
65-74	50	108	58
75+	40	57	17
Total	374	432	58

Source: U.S. Census; Esri

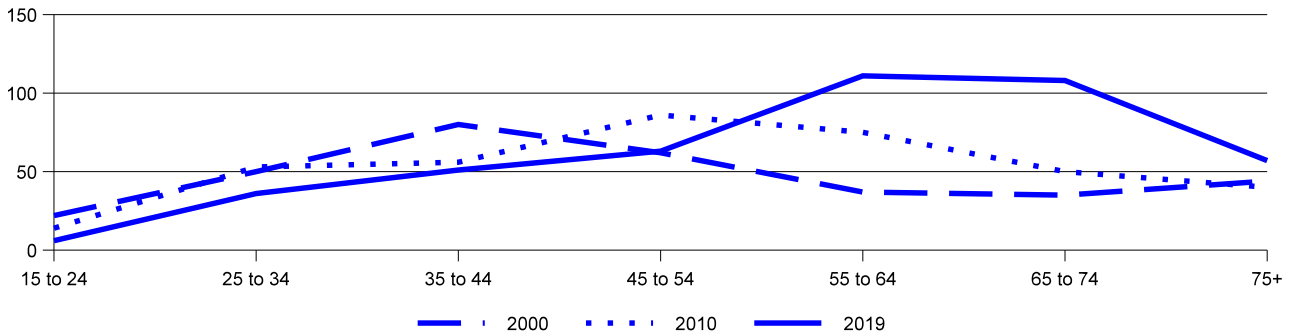


The age-based household estimates provided by Esri show that all of the growth from 2010 through 2019 in Whitewood was due to an increasing number of households in the age ranges 55 years old and older. This would largely reflect the movement of the large “baby boom” generation.

According to Esri, there has been a decrease in the number of households in all of the defined age ranges below 55 years old.

It is possible to track the age progression patterns of households in Whitewood back to the year 2000 to view the changes over time, including the advancing “wave” created by the advancement of the baby boom generation. One noticeable trend is the growing number of households between 55 and 74 years old, indicating that these senior and near-senior age groups have increasingly been moving into the community.

Whitewood Households by Age of Householder: 2000 to 2019



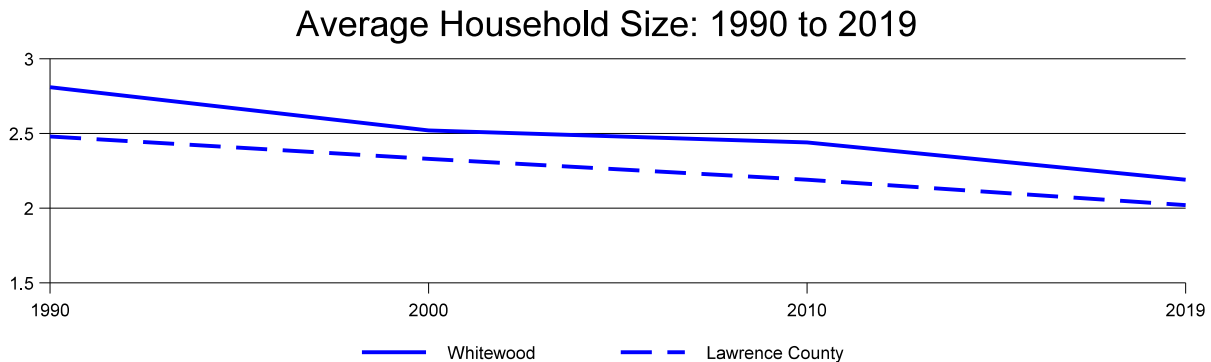
Average Household Size

The following table provides decennial Census information on average household size, along with the 2019 estimate from AGS.

Table 6 Average Number of Persons Per Household: 1990 to 2019				
	1990 Census	2000 Census	2010 Census	2019 AGS
Whitewood	2.81	2.52	2.44	2.19
Lawrence Co.	2.48	2.33	2.19	2.02

Source: U.S. Census; AGS

In most jurisdictions there has been a steady decrease in average household size over the past several decades. This has often 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. This pattern of smaller households has been evident in both Whitewood and Lawrence County.



The average household size in Whitewood has steadily decreased from 1990 through 2019. The AGS estimate of 2.19 persons per household in 2019 is down significantly from 2.44 persons in 2010, and reflects the earlier AGS estimates of fewer children and young adults in the community.

An alternate 2019 estimate exists from Esri, which showed 2.43 persons per household in Whitewood, nearly unchanged from the 2010 Census. This larger estimated household size is the reason that Esri believes that the City has a larger population level than other estimating sources.

AGS has also tracked a decrease in the average household size in all of Lawrence County from 2010 to 2019. Their estimate of only 2.02 persons per household in 2019 is down significantly from the average size of 2.19 persons as recorded in the 2010 Census.

Household Projections

Household projections for the five-year time period spanning the years 2019 through 2024 are available from AGS for Whitewood and Lawrence County. City projections have also been obtained from Esri. Household growth directly impacts the demand for housing.

Table 7 Household Projections Through 2024						
	AGS			Esri		
	2019 Estimate	2024 Projection	Change	2019 Estimate	2024 Projection	Change
Whitewood	431	459	28	432	465	33
Lawrence Co.	12,130	12,907	777	-	-	-

Source: AGS, Esri

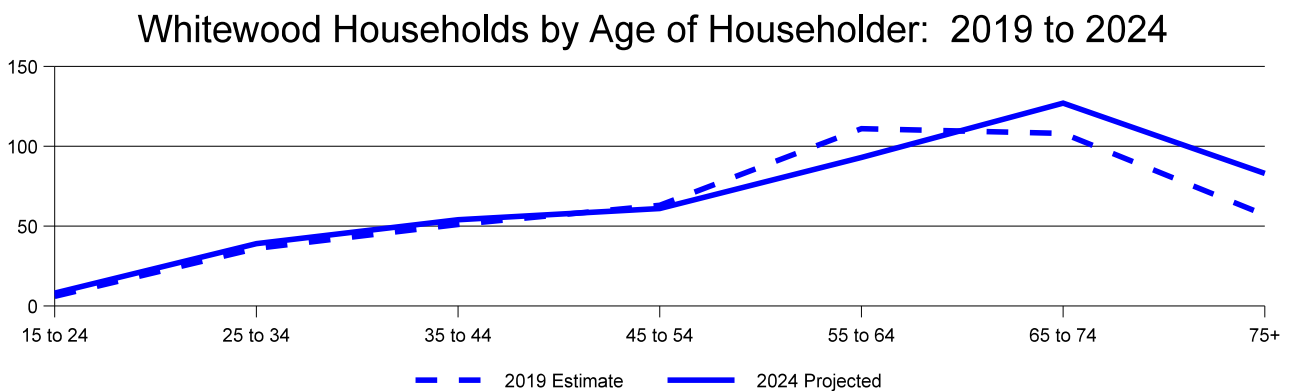
- ▶ AGS is projecting that Whitewood will add 28 households from 2019 to 2024, or an average of five to six households per year over the 5-year period.
- ▶ Esri has a similar projection, showing the City adding 33 households by 2024, or approximately six to seven households in an average year.
- ▶ Annual growth at this level for Whitewood would be very similar to the recent past, as both AGS and Esri believe that the City had an average increase of approximately six households per year between 2010 and 2019.
- ▶ The AGS projection for Lawrence County expects the addition of 777 households, or approximately 155 households per year over the 5-year time period. This expected pace of future growth is slower than in the recent past, as AGS believes that the County averaged growth of approximately 177 households per year from 2010 through 2019.

Household by Age Projections: 2019 to 2024

In addition to overall household forecasts, Esri has also generated age-based projections for households to the year 2024. These projections can be compared to the data contained in the 2019 Esri estimate to examine the change projected over the next five years. Age-based household forecasts are provided for Whitewood. Age-based household forecasts are not available from Applied Geographic Solutions.

Table 8 Projected Households by Age - 2019 to 2024			
Age Range	2019	2024	Change
15-24	6	8	2
25-34	36	39	3
35-44	51	54	3
45-54	63	61	-2
55-64	111	93	-18
65-74	108	127	19
75+	57	83	26
Total	432	465	33

Source: Esri



Esri projects an overall gain of 33 households in Whitewood from 2019 to 2024. Although some of the younger ranges may increase slightly in size, most of this growth is expected within the age ranges 65 and older.

Consistent with the age distribution patterns presented earlier, the movement of the “baby boom” generation through the aging cycle will continue to be evident. Overall, an increase of 45 households is being projected in the age ranges 65 and older.

The Esri projections expect a small increase in the younger adult ranges age 44 and younger, but overall a net decrease of 12 households is projected if the age groups 64 and younger are combined.

Households by Type

The American Community Survey contains estimates on household composition. Since these are based on sampling, there is a margin of error that applies, but this information does allow for some comparison of changes that may have occurred since the 2010 Census was completed. The following table looks at household information for the City of Whitewood.

Table 9 Whitewood Household Composition - 2010 to 2018			
	2010 Census	2018 ACS	Change
Family Households			
Married Couple with own children	76	89	13
Single Parent with own children	35	21	-14
Married Couple without own children	99	122	23
Family Householder without spouse	22	14	-8
Total Families	232	246	14
Non-Family Households			
Single Person	115	129	14
Two or more persons	27	47	20
Total Non-Families	142	176	34

Source: U.S. Census; American Community Survey

Based on the 2018 estimates contained in the American Community Survey, the City of Whitewood has had a large increase of “nonfamily” households in recent years. This has included unrelated individuals that live together, and some increase in the number of people living alone.

Overall, the City also had some increase in family households due to married couples, both with and without children. A minor decrease occurred in single parent families and from other types of single householder families.

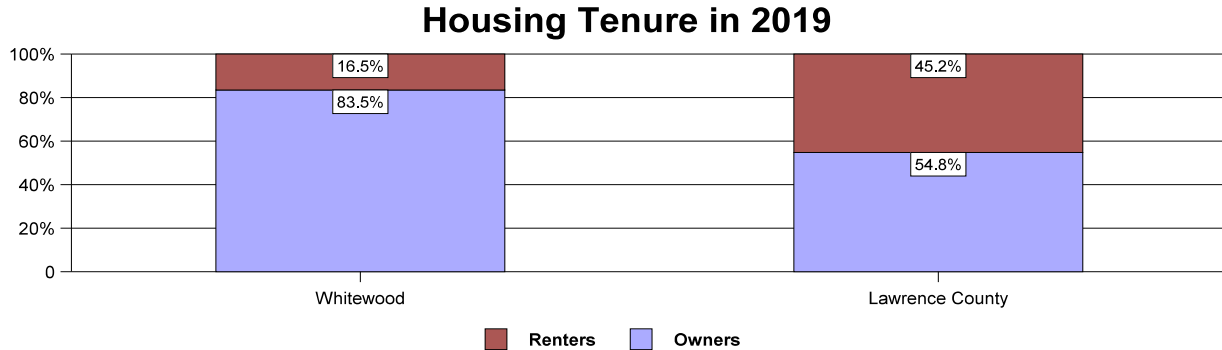
Housing Tenure

The 2019 estimates from Applied Geographic Solutions contain housing tenure information for the City and County.

Table 10 Household Tenure - 2019				
	Number of Owners	Percent of all Households	Number of Renters	Percent of all Households
Whitewood	360	83.5%	71	16.5%
Lawrence County	3,059	54.8%	2,527	45.2%

Source: AGS

According to AGS, Whitewood had a high rate of home ownership, at 83.5% in 2019. For comparison, the ownership rate at the time of the 2010 Census was 69.5%. If Applied Geographic Solutions is accurate in their 2019 estimate, Whitewood has seen a number of housing units shift from rental use to owner-occupancy over the past decade.



The AGS 2019 estimate for Lawrence County shows an above-average rate of rental tenure, with 45.2% of all households living in rental housing. This has increased significantly from the rental rate of 35.7% that was recorded by the 2010 Census.

Although significant changes in tenure patterns may have occurred in both Whitewood and Lawrence County after 2010, it appears that Applied Geographic Solutions may have overestimated these changes. When the 2020 Census count is released in the next year, it will re-benchmark this information.

2018 Income Data

The American Community Survey provides income estimates for cities and counties. The following table provides 2018 American Community survey data for Whitewood, Lawrence County and the State of South Dakota for comparison.

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

Table 11 Median Household Income - 2010 to 2018			
	2010 Median	2018 Median	% Change
Median Household Income			
Whitewood	\$34,087	\$58,929	72.9%
Lawrence County	\$42,356	\$52,245	23.3%
South Dakota	\$46,369	\$56,499	21.8%
Median Family Income			
Whitewood	\$39,712	\$75,909	91.1%
Lawrence County	\$60,209	\$72,118	19.8%
South Dakota	\$58,958	\$72,706	23.3%

Source: American Community Survey

Information contained in the 2018 American Community Survey shows that the median household and family incomes increased substantially in Whitewood from 2010 to 2018. It is important to note that estimates for a small community can have a margin of error, based on the limited sampling that is completed. However, it is probable that the City has seen a continued improvement in income levels over the decade.

In 2018, the median household and median family income levels for Whitewood were above the comparable medians for both Lawrence County and the State of South Dakota.

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 Whitewood could afford approximately \$1,473 per month and a median income family household could afford \$1,900 for ownership or rental housing in 2018.

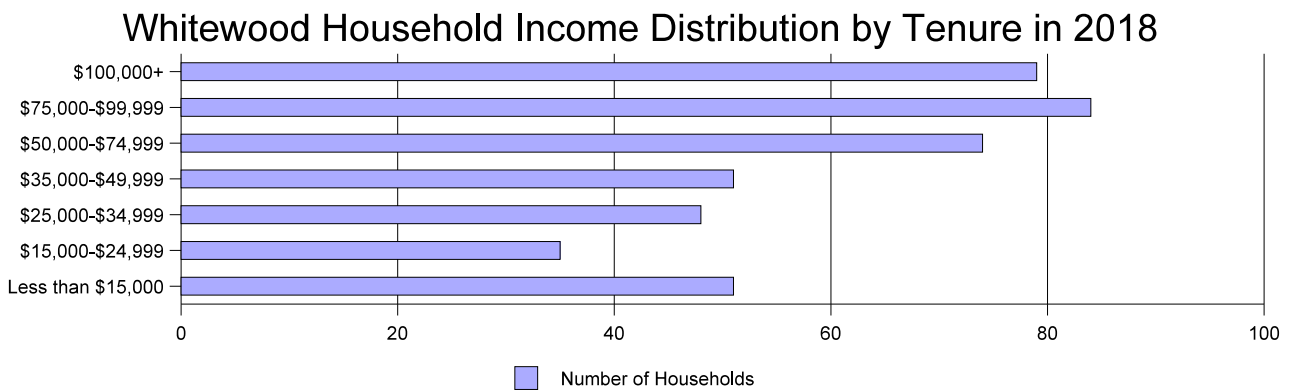
Whitewood Income Distribution

The 2018 American Community Survey provides income data within specific income ranges. Based on other data, it appears that the American Community Survey has over estimated the total number of households in the City, but the percentage distribution is assumed to be accurate.

Table 12 Whitewood Household Income Distribution - 2018		
Household Income	Number of Households	Percent of Households
\$0 - \$14,999	51	12.1%
\$15,000 - \$24,999	35	8.3%
\$25,000 - \$34,999	48	11.4%
\$35,000 - \$49,999	51	12.1%
\$50,000 - \$74,999	74	17.5%
\$75,000 - \$99,999	84	19.9%
\$100,000+	79	18.7%
Total	422	100%

Source: American Community Survey

As indicated by the median income estimates provided previously, Whitewood has a majority of households with an annual income above \$50,000. Overall, more than 56% of all households were within these lower to moderate income ranges.



Approximately 20% of all households in the City had an annual income below \$25,000 in 2018, and nearly 39% had an annual income of \$75,000 or more.

2018 Estimated Income and Housing Costs - Renters

The American Community Survey collected information on housing costs. The following table provides data on the number of renter households that are paying different percentages of their gross income for housing in Whitewood. The American Community Survey appears to have over estimated the number of renter households in Whitewood, when compared to other estimating sources, but the percentage for housing costs are viewed as the best available data on this topic.

Table 13 Gross Rent as a Percentage of Household Income - 2018		
Percent of Income for Housing	Number of Households	Percent
Less than 20%	26	26.5%
20% to 29.9%	20	20.4%
30% to 34.9%	15	15.3%
35% or more	20	20.4%
Not Computed	17	17.3%
Total	98	100%

Source: American Community Survey

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”.

According to the American Community Survey, a majority of renter households could find an affordable housing option in Whitewood. Excluding households where no calculation could be made, nearly 57% of renters were applying less than 30% of income to housing costs in 2018.

There were 35 renter households that were spending 30% or more of their income for housing. Most of these households were in the severe rent burden category, with 35% or more of their income needed for housing each month.

The relatively low rate of rental housing cost burden in Whitewood was directly linked to above-average renter household income levels. In 2018, the estimated median income for all renter households in Whitewood was \$37,083, which was higher than most comparably-sized communities in South Dakota.

2018 Estimated Income and Housing Costs - Owners

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

Table 14 Ownership Costs as a Percentage of Income - Whitewood		
Percentage of Income for Housing	Number of Households	Percent
0% to 19.9%	196	60.5%
20% to 29.9%	74	22.8%
30% or more	54	16.7%
Not Computed	0	0%
Total	324	100%

Source: American Community Survey

A very large majority of owner-occupants in Whitewood, which would include households with and without a mortgage, reported paying less than 30% of their income for housing. Mortgage lending practices generally attempt to keep monthly payments below this level of household income. Fewer than 17% of all home owners reported that they paid more than 30% of their income for housing.

Ownership cost burden often tends to be lower due to higher income levels for most home owners. In 2018, the estimated median income for owner-occupants in Whitewood was \$70,000.

Building Permit Trends

Whitewood has experienced some new housing construction activity in recent years. The following table identifies the units that have been constructed from 2010 to 2019.

Table 15 Whitewood Housing Unit Construction Activity: 2010 to 2019			
Year	Single Family	Two or More Units	Total Units Constructed
2019	7	0	7
2018	8	0	8
2017	8	0	8
2016	5	2	7
2015	4	0	4
2014	2	0	2
2013	2	0	2
2012	2	0	2
2011	2	0	2
2010	3	0	3
TOTAL	43	2	45

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

Over the past 10 years, 45 new housing units were constructed in Whitewood, based on available building permit annual reports, primarily from the Census Bureau. Nearly 66% of this production occurred in the past four years, as the City has been averaging seven or eight housing starts per year since 2017.

The annual reports through 2019 did not show multifamily structures, other than a twin home that was permitted in 2016 but not completed until 2020.

Existing Home Sales

This section examines houses that have been sold in Whitewood from 2015 through 2019. It is important to note that the number of houses that sell each year can vary 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.

The information was obtained from the South Dakota Department of Revenue website, based on sales reports submitted by the Lawrence County Equalization Office. The Equalization Office collects and utilizes information from residential sales for its annual sales ratio study. The County compares the actual sale price to the estimated taxable value for each property. As a result, the County information for sales primarily reflects existing homes that have an established tax value. New construction sales activity would generally not be recorded in the data that was used for this analysis, unless the house had been constructed some time ago and did have an established tax value from the prior year.

The County also sorts the residential sales into different groupings, rejecting certain sales. The primary reason that sales are rejected is because the house was not actively listed for sale in the open market.

The County's sale year differs slightly from a calendar year, and begins on November 1st and extends to October 31st. No information is yet available for the 2020 sales year.

Table 16 Median Value of Recent Residential Sales - 2015 to 2019				
Year	Number of Sales	Median Sale Price	Highest Sale	Lowest Sale
2019	19	\$184,900	\$260,000	\$27,000
2018	13	\$157,000	\$225,000	\$55,000
2017	8	\$152,810*	\$225,900	\$115,000
2016	19	\$150,000	\$229,000	\$44,000
2015	21	\$145,000	\$226,000	\$13,500

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

* Median calculated from two nearest sales

With the limited number of sales within any 12-month time period, the median price may not be an accurate reflection of overall home values. However, between 2015 and 2018, the City's median price showed a moderate year-to-year increase, from \$145,000 to \$157,000.

The median then increased significantly in 2019, to \$184,900, based on 19 open market sales.

Although the City's median annual sales prices are relatively high, there have been few higher-priced sales. Over the 5-year time period reviewed, only one sale was recorded for more than \$250,000.

Few lower-valued sales have also been recorded. From 2015 through 2019, only five houses have been sold for less than \$50,000.

An alternate estimate of home values exists in the American Community Survey. In 2018, the estimated median value for all owner-occupied housing in Whitewood was \$111,400. This estimate was well below the median sales prices achieved over the past five years.

Whitewood Housing Condition

Community Partners Research, Inc. representatives conducted a visual 'windshield' survey of 123 single family/duplex houses in two defined older neighborhoods. The boundaries of these neighborhoods are as follows:

- ▶ Neighborhood #1: North - Meade St.
South - City limits
East - Laurel St.
West - Arthur St.

- ▶ Neighborhood #2: North - Highway 90
South - Meade St.
East - Laurel St.
West - City limits

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

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

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

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

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

Table 17 Windshield Survey Condition Estimate - 2020

	Sound	Minor Repair	Major Repair	Dilapidated	Total
Neighborhood #1	26 / 34.7%	31 / 41.3%	17 / 22.7%	1 / 1.3%	75
Neighborhood #2	12 / 25.0%	19 / 39.6%	12 / 25.0%	5 / 10.4%	48
Total	38 / 30.9%	50 / 40.6%	29 / 23.6%	6 / 4.9%	123

Source: Community Partners Research, Inc.

- ▶ While most of the houses in these two older neighborhoods were rated as Sound or Minor Repair, there were some houses in the lowest condition categories. In the combined neighborhoods, nearly 72% of all houses were rated in the two highest condition categories.
- ▶ In Neighborhood #1 there were 17 houses rated in the Major Repair category, and one house that was viewed as Dilapidated, and probably beyond repair.
- ▶ In Neighborhood #2 there were 12 houses rated in the Major Repair category, and five houses that were viewed as Dilapidated, and probably beyond repair.

Whitewood Mobile Home Housing Condition

Community Partners Research, Inc. representatives also conducted a visual 'windshield' survey of 105 mobile homes located in three parks.

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 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 sellable 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.

Table 18 Mobile Home Condition Estimate - 2020					
	Sound	Minor Repair	Major Repair	Dilapidated	Total
Park #1 (south end)	4 / 57.1%	1 / 14.3%	1 / 14.3%	1 / 14.3%	7
Park #2 (Sherman St East)	15 / 46.9%	12 / 15.6%	5 / 15.6%	0 / 0%	32
Park #3 (Sherman St West)	5 / 7.6%	21 / 31.8%	22 / 33.3%	18 / 27.3%	66
Total	24 / 22.9%	34 / 32.4%	28 / 26.6%	19 / 18.1%	105

Source: Community Partners Research, Inc.

- ▶ The mobile homes in Whitewood are in fair condition. While nearly 23% were rated as Sound, most of the units in the City need some repairs.
- ▶ Citywide, more than 32% of the mobile homes were rated in the Minor Repair category and nearly 27% were rated as needing Major Repair. In total, there were 19 mobile homes rated as Dilapidated.
- ▶ Most of the mobile homes rated in the lowest condition categories are in Park #3 on Sherman Street West. This is the largest park in the City and contains 22 units needing major repair, and 18 units that may be beyond repair.
- ▶ The other two parks are smaller, and most of the mobile homes were rated in one of the two highest condition categories.

Rental Housing Data

Rental Inventory

According to the Applied Geographic Solutions data, there were 74 occupied rental units in Whitewood in 2020. The City's rental tenure rate in 2020 was 16.6%, significantly below the Statewide rental rate of more than 30%.

Rental Housing Survey

As part of this housing study, a telephone survey was conducted of multifamily projects in Whitewood. Emphasis was placed on contacting properties that have six or more units. For the purposes of planning additional projects in the future, multifamily properties represent the best comparison of market potential.

Information was tallied separately for different types of rental housing, including market rate, subsidized rental housing and senior with services housing.

There were 28 rental housing units contacted in the survey. A senior assisted living facility with nine beds was also surveyed.

The units that were successfully contacted include:

- ▶ 12 market rate units
- ▶ 16 federally subsidized units
- ▶ 9 assisted living beds

The findings of the survey are provided below.

Market Rate Summary

Information was obtained on 12 market rate rental units in two rental projects, Stolen Kiss Apartments and Williams Rentals.

Occupancy / Vacancy

At the time of the survey, there was one vacancy in the 12 market rate units that were surveyed. Stolen Kiss Apartments was fully occupied and Williams Rentals had one vacancy.

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.

Stolen Kiss Apartments has all two-bedroom units and the rent is \$990. The tenants also pay water, sewer and electricity. The Williams Rentals units range from \$575 for a one-bedroom unit to \$800 for a three-bedroom unit. Tenants also pay electricity.

Tax Credit Summary

There are no tax credit rental projects in Whitewood.

Subsidized Summary

There are two USDA Rural Development general occupancy federally subsidized projects in Whitewood, Bauer-Geiger Apartments and Chiang Apartments. Both projects have eight two-bedroom units.

Rental Rates

Tenants in Bauer Geiger and Chiang Apartments pay rent based on 30% of their household income. The projects have a market rent and tenants do not pay more than the market rent.

Occupancy / Vacancy

There were no vacant units identified in the 12 subsidized units in the two projects at the time of the survey. The manager reported ongoing low vacancy rates.

Subsidized Housing Gains/Losses

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

In Whitewood, to date, there have been no federally subsidized projects that have converted to market rate housing.

Senior Housing with Services

There is one senior housing with services project in Whitewood, Castle Retirement Home. Castle Retirement Home is an assisted living facility with nine beds. The residents are primarily men. At the time of the survey, there were no vacant beds.

Table 19 Whitewood Multifamily Rental Housing Inventory					
Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Stolen Kiss Apartments	<u>6 - 2 bedroom</u> 6 total units	\$990	No vacancies	General occupancy	Stolen Kiss Apartments include six market rate general occupancy two-bedroom loft apartments in a downtown historic building and that was constructed in 1905. The building was renovated in 2013. The apartments have off-street parking, washers, and dryers in each unit and other amenities. The rent is \$990. Tenants also pay water, sewer and electricity. At the time of the survey, there were no vacancies. The manager reported that the units are usually fully occupied.
Williams Rentals 'Old Lane Hotel' Meade St.	1 bedroom 2 bedroom <u>3 bedroom</u> 6 total units	\$575 to \$800	1 vacancy	General occupancy	Williams Rentals includes six market rate general occupancy units in a downtown building. The units are one to three-bedrooms in size. The rents range from \$575 to \$800. Tenants also pay electricity. The manager reported one vacancy at the time of the survey.

Table 19 Whitewood Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized					
Bauer Geiger Apartments	<u>8 - 2 bedroom</u> 8 total units	\$639 max. 30% of income	No vacancies	General occupancy	Bauer-Geiger Apartments is a USDA Rural Development general occupancy eight-unit project. All of the units have two bedrooms. Tenants must be below income limits. Tenants pay 30% of their income up to the maximum rent of \$639. The project gives preference to households with two or more people, however, single-person households can rent a unit if a unit is available and there are no applicant households with two or more people. At the time of the survey, there were no vacancies.
Chiang Apartments	<u>8 - 2 bedroom</u> 8 total units	\$667 max. 30% of income	No vacancies	General occupancy	Chiang Apartments is a USDA Rural Development general occupancy eight-unit project. All of the units have two bedrooms. Tenants must be below income limits. Tenants pay 30% of their income up to the maximum rent of \$667. The project gives preference to households with two or more people, however, single-person households can rent a unit if a unit is available and there are no applicant households with two or more people. At the time of the survey, there were no vacancies.
Senior with Services					
Castle Retirement Home	<u>9 beds</u> 9 total beds	Based on level of services	No vacancies	Assisted Living Center	Castle Retirement Home is licensed as a 9-bed Assisted Living Center. The residents are generally men. The facility provides the fully array of assisted living services including meals, laundry, housekeeping, etc. At the time of the survey, there were no vacant beds.

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

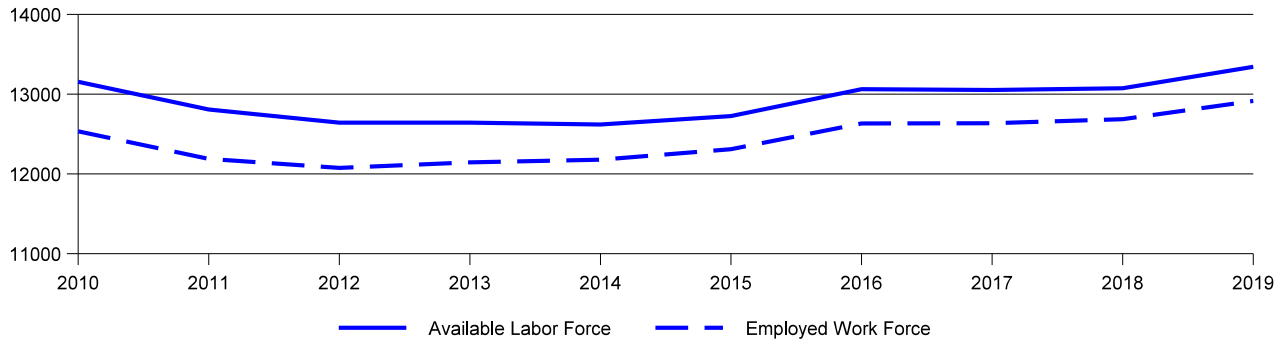
Employment information is available at the County level. This table presents information based on place of residence, not by the location of employment.

Table 20 Lawrence County Average Annual Labor Force: 2010 to 2019						
Year	Labor Force	Employed	Unemployed	Unemployment Rate - County	Unemployment Rate - SD	Unemployment Rate - US
2010	13,155	12,534	621	4.7%	5.0%	9.6%
2011	12,807	12,188	619	4.8%	4.7%	8.9%
2012	12,643	12,075	568	4.5%	4.3%	8.1%
2013	12,643	12,144	499	3.9%	3.8%	7.4%
2014	12,619	12,178	441	3.5%	3.4%	6.2%
2015	12,725	12,309	416	3.3%	3.1%	5.3%
2016	13,062	12,632	430	3.3%	3.0%	4.9%
2017	13,052	12,636	416	3.2%	3.2%	4.4%
2018	13,074	12,686	388	3.0%	3.1%	3.9%
2019	13,343	12,915	428	3.2%	3.0%	3.7%

Source: South Dakota Department of Labor

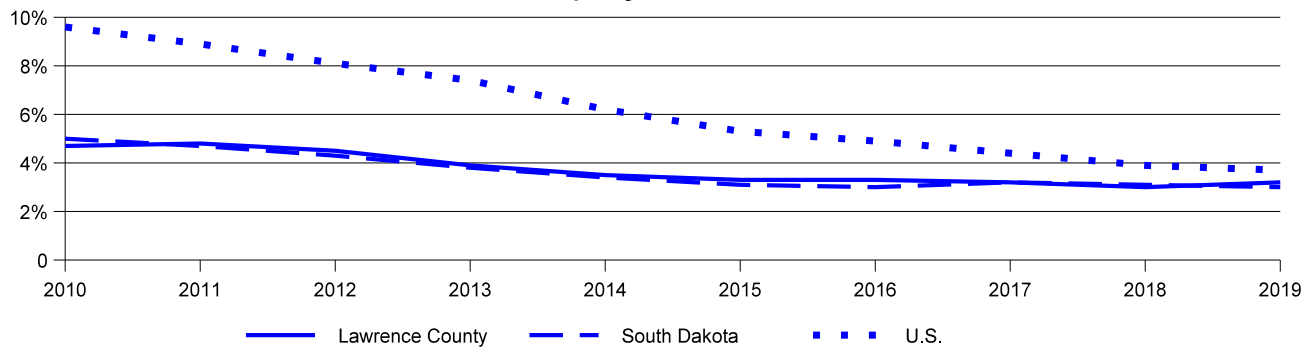
The labor force statistics for Lawrence County show some long-term growth in the size of the County’s available resident labor force. However, from 2010 through 2014 the County’s labor force was generally decreasing in size, before reversing that pattern in 2015.

Lawrence County Labor Force and Employed Work Force



When viewed over a longer term, from 2010 to 2019, the labor force increased in size by 188 people, or 1.4%. The employed work force followed a somewhat similar pattern. If 2019 is compared to 2010, the County added 381 employed residents, for an increase of 3%.

Unemployment Rates



Throughout the entire time period reviewed, the unemployment rate in Lawrence County has stayed well below the national rate. The County's unemployment rate has remained generally similar to the Statewide since 2010.

Average Annual Wages

The following table shows the annual employment and average weekly wage in 2018, the last full year of data. It is important to note that the employment sectors covered by unemployment insurance do not represent all jobs in Lawrence County.

Table 21 Lawrence County Average Employment and Wage: 2018		
Industry	Employment	Average Weekly Wage
Total All Industry	11,714	\$702

Source: South Dakota Department of Labor

The average weekly wage for all industry in 2018 was \$702. At full-time employment, this would equate to an annual wage of \$36,504.

Annual Covered Employment

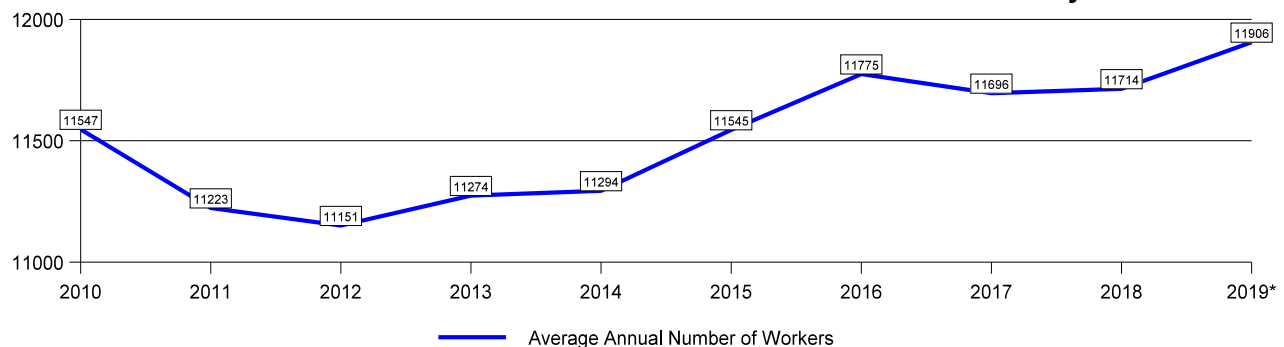
Using the Quarterly Census of Employment and Wages (QCEW) it is possible to examine longer-term patterns in the local employment level. The following table displays the total number of workers reported in the County from 2010.

Table 22 Lawrence County Average Annual Employment			
Year	Total Covered Employment	Year	Total Covered Employment
2010	11,547	2015	11,545
2011	11,223	2016	11,775
2012	11,151	2017	11,696
2013	11,274	2018	11,714
2014	11,294	2019*	11,906

Source: QCEW - SD Department of Labor
 * 2019 is through September

When viewed over a longer-term there has been some growth in the number of covered employees working in Lawrence County. If 2018 (the last full year of data) is compared to the year 2010, there was an increase of 167 workers covered by unemployment insurance, or an increase of 1.4%. Partial-year information for 2019 indicates some further growth from 2018.

Number of Covered Workers in the Lawrence County



Commuting Patterns of Area Workers

Information is available on area workers that commute for employment. The best information is from the American Community Survey, and has been examined for the City of Whitewood in 2018. The table examines City residents that traveled to work and excludes people that work at home.

Table 23 Commuting Times for Whitewood Residents - 2018		
Travel Time	Number	Percent
Less than 10 minutes	74	14.2%
10 to 19 minutes	175	33.5%
20 to 29 minutes	148	28.4%
30 minutes +	125	23.9%
Total	522	100%

Source: American Community Survey

The large majority of Whitewood's residents were traveling more than 10 minutes to work in 2018, and were presumably employed outside the City limits. Overall, nearly 86% had a drive time of 10 minutes or more, with more than 52% of City residents were traveling 20 minutes or more.

The American Community Survey also identifies travel time by location of employment. However, no information was available for Whitewood-based jobs in 2018.

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 2016 and provides a further breakdown of worker movement.

According to the report for Whitewood, there were approximately 130 people that were employed within the City in 2016 and driving into the community. Among the primary jurisdictions supplying workers to the city-based jobs were Spearfish, North Lawrence UT, Lead, Sturgis and Belle Fourche.

On the Map can also be used to track worker outflow patterns of City residents. Overall, approximately 390 Whitewood residents worked outside the community according to this source. Among the primary identified destinations of outbound commuters were Deadwood, Spearfish, Rapid City and Sturgis, with nearly 69% of residents commuting to one of these communities.

Findings on Growth Trends

As part of this Study, Community Partners Research, Inc., has examined growth patterns for the City of Whitewood and Lawrence County over the past few decades. These historic growth trends have then been used as a basis for projecting future demographic changes in the area.

Whitewood's population decreased by 5.3% from 1990 to 2000. The population decreased from 891 people in 1990 to 844 people in 2000. From 2000 to 2010, Whitewood's population increased by 83 people, which was a population gain of 9.8%.

Lawrence County's population increased from 20,655 in 1990 to 21,802 in 2000, which was an increase of 5.6%. The population increased in the 2000s from 21,802 in 2000 to 24,097 in 2010, which was a population gain of 10.5%.

Household levels in Whitewood and Lawrence County increased from 1990 to 2010. Whitewood experienced a gain of 15 households from 1990 to 2000 and a gain of 44 households from 2000 to 2010. Lawrence County had an increase of 955 households from 1990 to 2000 and a gain of 1,655 households from 2000 to 2010.

Esri, AGS and the U.S. Census have all released Whitewood population estimates for 2019. From 2010 to 2019, Esri estimates that Whitewood gained 129 people, AGS estimates a gain of 19 people and the U.S. Census estimates an increase of 33 people. AGS estimates that Lawrence County added 1,500 people from 2010 to 2019 and the U.S. Census estimates an increase of 1,750 people.

AGS estimates that from 2010 to 2019, Whitewood gained 57 households and Esri estimates a gain of 58 households. AGS estimates that Lawrence County added 1,600 households from 2010 to 2019.

Findings on Projected Growth

This Study has utilized AGS and Esri projections for Whitewood. AGS projects that Whitewood's population will increase by 51 people and 28 households from 2019 to 2024. Esri's household projections expect a gain of 72 people and 33 households from 2019 to 2024.

AGS forecasts that Lawrence County will add 1,283 people and 777 households from 2019 to 2024.

Summary of Whitewood’s Household Growth Projections by Age Group

The Demographic section of this Study presented Esri’s Whitewood projection information on anticipated changes by age group from 2019 to 2024. 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 most of the City’s household growth will be in the 65 and older age ranges. Age projections expect the City to add approximately 45 households in the 65 and older age ranges from 2019 to 2024.

The Esri age-based projections also expect an increase of eight households in the 44 and younger age ranges.

Whitewood is projected to lose 20 households in the 45 to 64 age ranges.

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

<u>Age Range</u>	<u>Projected Change in Households 2019 to 2024</u>
15 to 24	+2
25 to 34	+3
35 to 44	+3
45 to 54	-2
55 to 64	-18
65 to 74	+19
75 and older	+26
Total	<u>33</u>

Findings on Unit Demand by Type of Housing

Based on the household by age projections presented earlier, the changing age composition of Whitewood'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 gain of two households in the 15 to 24 age range from 2019 to 2024. Typically, most households in this age range will rent their housing. A slight increase in the number of households in this age range should mean that rental demand from younger households will remain relatively stable during the projection period.

25 to 34 Years Old - The projections show a gain of three households in this age range by 2024. Within this age range households often move from rental to ownership housing. A gain of three households within this age range indicates demand for both first-time home buyer and rental opportunities from this age range will remain stable during the projection period.

35 to 44 Years Old - The projections for this 10-year age cohort expect a gain of three households between 2019 and 2024 in Whitewood. Households within this range often represent both first-time buyers and households looking for trade-up housing, selling their starter home for a more expensive house.

45 to 54 Years Old - This age group represents a much smaller segment of the population than the baby boom age group. For Whitewood, the projections show a loss of two households in this age range. This age group often looks for trade-up housing opportunities. A minimal loss in the number of households in this age group indicates that the demand for trade-up housing from this age range will remain relatively stable during the projection period.

55 to 64 Years Old - The projections show a decrease of 18 households in this 10-year age range by the year 2024 in the City. This age range has traditionally had a high rate of home ownership. 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 significant gain of 19 households is expected by the year 2024 in the 65 to 74 age range in Whitewood. While this group will begin moving to life-cycle housing options as they age, the younger seniors are still predominantly home owners. Once again, preferences for age-appropriate units would increase from household growth within this age cohort.

75 Years and Older - There is a projected gain of 26 households in Whitewood in this age range between 2019 and 2024. An expansion of housing options for seniors, including high quality rental housing, and senior housing with services 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 Whitewood to gain between 28 and 33 households from 2019 to 2024. During this same time, Lawrence County is projected to gain 777 households. Therefore, there will be demand for new housing production in Whitewood based on household growth.

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 Whitewood, dilapidated housing units have 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. Population growth and shifting age patterns have created demand for certain types of housing in Whitewood. 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 Whitewood were identified through statistical data, local interviews, research and onsite review of the local housing stock.

- ▶ **Whitewood serves the surrounding area** - Whitewood provides employment opportunities, retail/service options, professional services, governmental services and recreational facilities for a small geographical area that surrounds the City.
- ▶ **Infrastructure** - Whitewood's water and sewer infrastructure can accommodate future expansion. However, ongoing infrastructure improvements are needed.
- ▶ **Commercial development** - Whitewood's commercial district is adequate to meet most daily needs.
- ▶ **Employers** - Whitewood has employers that provide job opportunities for local residents.
- ▶ **Commuters** - Approximately 130 employees are commuting into Whitewood daily for work. These commuters are a potential market for future housing construction.
- ▶ **Whitewood Economic Development Corporation (WeDo)** - WeDo has been active in economic, community and housing development.
- ▶ **Butte-Meade-Lawrence County Housing and Redevelopment Commission (HRC)** - The HRC provides housing choice vouchers for Whitewood and Lawrence County households.
- ▶ **Small town atmosphere** - Whitewood has the real and perceived amenities of a small town. Small town living is attractive for some households.
- ▶ **New rental housing** - The development of new rental housing has been limited over the past 20 years, therefore, there is pent-up demand.

- ▶ **Builders and developers** - Whitewood has housing builders and developers that are willing to invest in new housing construction.
- ▶ **Population and household growth** - Whitewood and Lawrence County are projected to add people and households over the next five years.
- ▶ **Proximity to other cities** - Whitewood is located near several cities that provide additional employment opportunities, retail/services options, educational opportunities, health care facilities and recreational opportunities. These cities include Rapid City (37 miles), Sturgis (9 miles), Spearfish (11 miles), Belle Fourche (20 miles), Deadwood (15 miles) and Lead (18 miles).
- ▶ **Black Hills Recreational Area** - Whitewood is in the Black Hills, a nationally known recreational and tourism area. Mount Rushmore, Crazy Horse Monument, Wind Cave, Custer State Park and other tourist attractions are all in close proximity to Whitewood.
- ▶ **Median Home Values** - The median value of existing houses in Whitewood, based on recent sales activity, is approximately \$184,900. This high value for existing homes can help to encourage new single family construction.
- ▶ **Rapid City Metropolitan Statistical Area (MSA)** - The Rapid City MSA is experiencing population growth and significant housing construction. Whitewood is adjacent to the Rapid City MSA.
- ▶ **Western Dakota Technical College** - The Western Dakota Technical College is developing a satellite facility in Whitewood.
- ▶ **Tech Business Park** - WeDo is developing a 37-acre Tech Business Park in Whitewood for high-tech industries and businesses.
- ▶ **Available lots** - Lots are available in Twin Parks Subdivision and land is available for future development.

Barriers or Limitations to Housing Activities

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

- ▶ **Age and condition of some of the housing stock** - Whitewood has some homes that require minor or major improvements, or are potentially dilapidated and beyond repair. However, a high percentage of the City's older homes are in good or excellent condition.
- ▶ **Lower paying jobs** - Although Whitewood has employment opportunities, some jobs are at the lower end of the pay scale and employees with these jobs have limited housing choices.
- ▶ **Competition from rural building sites** - Households often seek available building sites in rural areas surrounding Whitewood and in Lawrence County. These building sites compete with available residential lots within the City of Whitewood.
- ▶ **Proximity to other cities** - Although it is a strength to be close to several cities that provide jobs, services, etc., it is also a barrier as Whitewood must compete with these cities, which offer employment, attractive residential opportunities and other amenities and services.
- ▶ **Public education** - Whitewood does not have a K-12 public school.
- ▶ **Medical facilities** - Whitewood does not have a medical clinic or hospital, although there are medical facilities in Spearfish and Sturgis.

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 Whitewood. 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 Whitewood if there is proactive support from the City of Whitewood, WeDo, local and regional housing agencies, and the South Dakota Housing Development Authority.
- ▶ **Protect the existing housing stock** - The future of Whitewood 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 a major asset, however, rehabilitation efforts are needed to continue to preserve the housing stock.
- ▶ **Protect the existing assets and resources** - Whitewood has several assets including a commercial district, recreational and tourism opportunities, a high-valued housing stock, historic buildings, etc. These are strong assets that make Whitewood 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 and WeDo have been involved in housing issues. The City and WeDo should prioritize its housing issues and establish goals and time lines to achieve success in addressing its housing needs.
- ▶ **Access all available resources for housing** - In addition to the local efforts, the City has other resources to draw on including the Lawrence County Housing and Redevelopment Commission, USDA Rural Development, the South Dakota Housing Development Authority, the Western South Dakota Community Action Agency, the Black Hills Council of Governments, NeighborWorks Dakota Home Resources, Dakota Resources, and Grow South Dakota. These resources should be accessed as needed to assist with housing activities.

Summary of Findings/Recommendations

The findings/recommendations for the City of Whitewood have been formulated through the analysis of the information provided in the previous sections and include 24 recommendations. The findings/recommendations have been developed in the following five categories:

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

The findings/recommendations for each category are as follows:

Rental Housing Development

1. Develop 24 to 26 general occupancy market rate rental units
2. Develop 10 to 12 senior independent/light services market rate units
3. Develop 8 to 10 subsidized or moderate rent/income restricted rental housing units
4. Preserve the existing supply of subsidized housing
5. Consider the development of six to eight additional senior housing with services units/beds
6. Promote the conversion/renovation of existing buildings to create four to six affordable market rate rental housing units
7. Develop a downtown mixed-use commercial/housing project
8. Continue to utilize the Housing Choice Voucher Program

Home Ownership

9. Utilize and promote all programs that assist with home ownership
10. Consider the development and implementation of a Purchase/Rehabilitation Program

Single Family Housing Development

11. Lot availability
12. Develop 16 to 20 additional residential lots
13. Strategies to encourage residential lot sales and new home construction in Whitewood
14. Strategies to develop new affordable homes
15. Promote twin home/town home development
16. Coordinate with agencies/nonprofits that develop affordable housing

Housing Rehabilitation/Neighborhood Revitalization

17. Promote rental housing rehabilitation
18. Promote owner-occupied housing rehabilitation programs
19. Acquire and demolish dilapidated structures

Other Housing Initiatives

20. Encourage employer involvement in housing
21. Develop mobile/manufactured home programs
22. Create a plan and a coordinated effort among housing agencies
23. Strategies for downtown redevelopment
24. Develop home ownership and new construction marketing programs and strategies

Whitewood - 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.

In Whitewood, from 2000 to 2020, six units, Stolen Kiss Apartments, were constructed in an existing downtown building. Also, a number of single family homes have been converted from owner-occupied to rental use during that time period.

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

AGS and Esri project that Whitewood will gain 28 to 33 households and AGS projects that Lawrence County will gain 777 households from 2019 to 2024. It is estimated that approximately 50% of the new Whitewood households will be rental households, thus, there will be a demand for approximately 14 to 17 additional rental units due to household growth over the next five years. Also, if new rental options are constructed in Whitewood over the next five years, there will be a projected demand for an additional 10 households based on projected Lawrence County growth. Therefore, there will be a demand for approximately 24 to 27 new rental units in Whitewood over the next five years due to household growth.

Demand created by replacement of lost units is more difficult to determine, but the best available evidence suggests that Whitewood will lose as many as two to three rental units annually, which is 10 to 15 total rental units over the next five years. As a result, approximately 10 to 15 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. Based on the high occupancy rates in existing rental housing, and a limited supply of some types of rental housing, we have identified pent-up demand for market rate, market rate senior, moderate rent/income restricted, and senior with services rental units.

In addition to the three factors, the City of Whitewood has several developments that are in the planning phase, which will have an impact on rental housing in Whitewood. These developments include a Western Dakota Technical College satellite facility and a Tech Business Park.

These demand generators show a need for 52 to 62 rental units/beds over the next five years. Based on the factors stated above, we recommend the development of the following new rental units over the next five years from 2020 to 2025.

▶ General Occupancy Market Rate	24-26 units
▶ Senior Independent/Light Services	10-12 units
▶ Subsidized/Moderate Rent	8-10 units
▶ Conversions	4-6 units
▶ Senior with Services (assisted living, memory care)	6-8 units/beds
Total	52-62 units/beds

1. Develop 24 to 26 general occupancy market rate rental units

Findings: Approximately 83% of the rental housing units in Whitewood 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.

We are aware of only six market rate rental units that have been created in Whitewood from 2000 to 2020. Also, there are only two market rate projects in Whitewood. These projects are in mixed-use buildings. Both projects have six units. The other market rate rental options in Whitewood are primarily in single family houses or mobile homes.

In the market rate rental units we surveyed, only one vacant unit was reported at the time of the survey. The owners of rental properties reported high occupancy rates and strong demand for rental housing.

There is a variation in rental rates in the market rate projects in Whitewood. The rents for the two-bedroom units in Stolen Kiss Apartments are \$990, plus water, sewer and electricity. The rents in Williams Rentals range from \$575 for a one-bedroom unit to \$800 for a three-bedroom unit plus electricity.

Recommendation: As stated earlier in this section, rental 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 the production of 24 to 26 market rate rental units over the next five years, from 2020 to 2025.

Based on our research, there is a need for all unit sizes, thus, the new units constructed over the next five years should include efficiency, one, two and 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. WeDo is in the preliminary planning phase of converting a motel into a 16-unit market rate rental project. This project is included in this recommendation. A later recommendation discusses conversions, however, it is anticipated that the motel conversion will be high quality with 'State of the Art' amenities. Therefore, we have included the project in the new construction recommendation.

There are two market rate rental segments in Whitewood. One segment is seeking a high quality unit and can afford a higher rent. The second segment is seeking work force housing at 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 for developing market rate housing would be to encourage private developers to undertake the construction of market rate rental housing.

If the private sector does not develop additional market rate housing, another option would be for WeDo or a regional housing agency to utilize funds from South Dakota State agencies, local funds, or similar funding sources, to construct market rate units. As stated previously, WeDo is planning a motel conversion project which would provide 16 additional market rate rental units.

Also, WeDo or a regional housing agency could partner with private developers to construct additional units. The City and/or County could assist with land donations, tax increment financing, tax abatement, reduced water and sewer hookup fees, etc.

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

<u>Unit Type</u>	<u>No. of Units</u>	<u>Size/Sq. Ft.</u>	<u>Rent</u>
Efficiency/Studio	2	450 - 500	\$650 - \$750
One Bedroom	12	600 - 800	\$800 - \$950
Two Bedroom	8-10	850 - 1,000	\$900 - \$1,250
Three Bedroom	<u>2</u>	1,100 - 1,200	\$1,000 - \$1,400
Total	24-26		

Note: The recommended rents are gross rents including all utilities. The rents are quoted in 2020 dollars. It is assumed that rents will increase later in the five-year projection period. Also, the unit sizes and rents are intended to be a guide and could change based on a number of factors.

It would be advantageous to have rents for some of the units at or less than the fair market rents for the Housing Choice Voucher Program, thus, the units would be affordable for more households. The current Payment Standards are:

- ▶ Efficiency/studio - \$572
- ▶ 1 bedroom - \$648
- ▶ 2 bedroom - \$857
- ▶ 3 bedroom - \$1,236

2. Develop 10 to 12 senior independent/light services market rate units

Findings: There are no senior independent market rate rental projects in Whitewood. To determine the need for senior independent market rate units in Whitewood, we have analyzed data for the City of Whitewood.

In 2019, there were approximately 165 households age 65 or older in the City of Whitewood. It is projected that there will be 45 additional households age 65 and older in Whitewood by 2024.

We are estimating that 4.0% to 5.0% of senior households age 65 and older in Whitewood would move into a senior independent/light services rental project, which is eight to 10 households.

There is also a large population of senior households in the area surrounding Whitewood. Also, seniors are moving to the Whitewood Area from locations outside of the Black Hills region. Therefore, we are recommending the development of 10 to 12 senior independent/light services units. It is projected that the high number of senior households in the Whitewood area will help the proposed project operate at a high occupancy rate.

Recommendation: We are recommending a 10 to 12-unit independent/light services market rate senior project in Whitewood. The project should be designed to allow seniors to live in a unit independently. The senior project could be a one level apartment building or townhome style.

The project's amenities and features should include:

- ▶ A small community room
- ▶ 24-hour call system
- ▶ A limited access security system
- ▶ Smoke alarms
- ▶ Enclosed parking
- ▶ Spacious corridor with a theme such as a street scape design (apartment option)

Apartment features should include:

- ▶ 10 to 12 units
 - ▶ 2 to 3 one-bedroom
 - ▶ 8 to 9 two-bedroom
- ▶ Floor plans that promote accessibility
- ▶ Fully equipped kitchen
- ▶ Large storage area
- ▶ Ample closet space
- ▶ Laundry hookups
- ▶ Open floor plan
- ▶ Private patio
- ▶ Individually controlled heat and AC
- ▶ Raised outlets, lever door handles, lowered kitchen cabinets
- ▶ Expansive windows

Optional services that could be provided by community organizations or agencies could include:

- ▶ Noon meal
- ▶ Weekly housekeeping
- ▶ Home healthcare
- ▶ Social activities

Tax increment financing, tax abatement and other subsidies and/or incentives could be utilized to make the project financially feasible.

It is estimated that 50% of the units will be occupied when the project opens and two to three additional units will be rented each following month for an absorption period of three to four months.

The location of the project should be close to services as the project will be occupied by seniors. A high amenity location would be ideal for a senior project. If possible, the project should have land available for future project phases.

3. Develop eight to 10 subsidized or moderate rent/income restricted general occupancy rental housing units

Findings: There are two federally subsidized rental projects in Whitewood, Bauer-Geiger Apartments and Chiang Apartments. Both are 6-unit USDA Rural Development general occupancy projects. The 12 units are all two-bedroom. At the time of the survey, there were no vacancies in either project. Tenants pay 30% of their income for rent, up to a maximum rent.

Based on the 2018 American Community Survey data, approximately 35 renter households reported that 30% or more of their income was required to pay housing costs. This represented approximately 38% of all renters that were surveyed. At that time, most of these households had annual incomes of less than \$25,000, and needed a very affordable unit to avoid a housing cost burden.

Recommendation: We recommend that the City of Whitewood and area housing agencies look for opportunities to expand the supply of affordable rental housing. Although the need is greater, a realistic goal would be the construction of eight to 10 general occupancy subsidized or moderate rent/affordable units over the next five years.

The large subsidized housing production programs of the past are no longer available, and it remains very difficult to produce new units for very low income renters. The best available options are to layer various subsidies together in an attempt to produce some very affordable units.

The Butte-Meade-Lawrence County Housing and Redevelopment Commission (HRC) or NeighborWorks Dakota Home Resources may be resources for the development of future affordable rental housing. The City of Whitewood could assist with land donations, reduced water and sewer hookup fees, etc. Also, the South Dakota Housing Development Authority may have resources to assist with financing affordable rental housing.

4. Preserve the existing supply of subsidized housing

Findings: Whitewood has two “deep subsidy” rental housing projects, Bauer-Geiger Apartments and Chiang Apartments, that allows tenants to pay rent based on 30% of income. The projects were constructed when the federal government was actively involved in producing low income housing.

Subsidized housing represents the most affordable option available to lower income households. Since most of these units charge rent based on income, even extremely low income households can afford deep subsidy housing.

In some communities, privately owned subsidized housing has been lost as owners have the ability to opt-out of subsidy contracts after their original obligations have been met. Subsidized housing that is lost cannot be cost-effectively replaced with the low income housing production resources that are available today.

Recommendation: The South Dakota Housing Development Authority (SDHDA) tracks subsidized housing in South Dakota that is at risk of being lost. USDA Rural Development would also know of any projects leaving their subsidy program.

Local and regional housing agencies should check with SDHDA and USDA Rural Development and/or subsidized project owners on an ongoing basis to determine if subsidized housing projects are considering the option of opting out of their subsidy contract. In some communities, public or nonprofit agencies have been able to purchase projects that are at risk of being lost, to preserve their affordable housing resources.

5. Consider the development of additional senior housing with services units/beds

Findings: There is one senior with services housing facility in Whitewood, Castle Retirement Home. The Castle Retirement Home has nine assisted living beds. The facility has primarily male residents. There were no vacancies at the time of the survey.

Also, the neighboring cities of Spearfish and Sturgis have senior with services facilities. Spearfish has eight and Sturgis has six senior with services facilities.

AGS estimates that in 2019, there were approximately 75 people in Whitewood, over the age of 75. The age-based forecasts show an increase of approximately 33 older senior citizens, age 75 and older, from 2019 to 2024.

Older seniors tend to represent the primary target market for specialized senior housing. There is also growth expected within the younger senior ranges, age 65 to 74. It is projected that from 2019 to 2024, the number of people in the 65 to 74 age range will increase from approximately 183 people to 216 people.

Recommendation: Based on the research completed for this Study, we would recommend the development of an additional six to eight assisted living beds to address projected demand over the next five years.

Also, in a previous recommendation, we have recommended the construction of 10 to 12 senior independent/light services units.

6. Promote the renovation/conversion of existing buildings to create four to six affordable market rate rental housing units

Findings: The market rate rental housing recommendation addressed the market potential to develop high quality rental units in Whitewood. Unfortunately, these units would tend to be beyond the financial capability of many area renters. Many of Whitewood's renter households have an annual income below \$25,000.

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

Recommendation: We encourage the City of Whitewood to promote the conversion of buildings to affordable rental units. A goal of four to six units over the next five years would help to replace affordable housing that has been lost.

It would be difficult to create affordable 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 commercial buildings, or through the purchase and rehabilitation of existing single family homes.

Creating some additional units with affordable rents would help to expand the choices available to a majority of Whitewood’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, property tax deferral, historic preservation funds and other financial resources from funding agencies such as the South Dakota Housing Development Authority.

7. Develop a Downtown Mixed-Use Commercial/Housing Project

Findings: A new mixed-use rental housing/commercial project would be an asset to Downtown Whitewood.

New mixed-use projects have been developed in several smaller cities. 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.

Over the past several years, some tenants have expressed a renewed interest in living downtown. Currently, Whitewood has two downtown mixed-use buildings.

Recommendation: We recommend the development of a mixed-use building in the downtown Whitewood area. There are several potential sites in the downtown area for a mixed-use project. The site could be a vacant parcel, or potentially a dilapidated structure or structures could be demolished to provide a site.

We recommend commercial space on the first floor and 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 continue to attract people to downtown.

The units should be primarily one and two-bedrooms. Please note that the new downtown units are included in the recommended unit totals in the first three 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, land at a reduced price or other local funds.

8. 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 Whitewood and Lawrence County by the Butte-Meade-Lawrence County Housing and Redevelopment Commission. Currently there are 207 households in Lawrence County that are utilizing the Housing Choice Voucher Program. There is a waiting list to obtain a Voucher.

Recommendation: Whitewood should work with the Butte-Meade-Lawrence County Housing and Redevelopment Commission to assure that renter households in Whitewood are aware of the Housing Choice Voucher Program and have an opportunity to apply for a voucher.

Whitewood - 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 Whitewood is estimated to be approximately \$184,900 based on 2019 sales activity. The home values in Whitewood provide some opportunity for first time buyers and households seeking moderately priced homes. However, Whitewood’s existing homes are valued higher than most cities in South Dakota, which limits the number of options for first-time home buyers.

Our analysis of Whitewood demographic trends shows some limited increase in the number of households in the traditionally strong home ownership age ranges between 25 and 44 years old, from 2019 to 2024. Households in these age ranges are typically 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. Home ownership programs may increase the number of households in Whitewood that can purchase a home.

To assist in promoting the goal of home ownership, the following activities are recommended:

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

Findings: We believe that affordable home ownership is one of the issues facing Whitewood 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. Whitewood has a supply of houses that are price-eligible for these assistance programs. The home value estimates used in this study indicate that some of the existing stock in Whitewood 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: Whitewood should continue to work with area housing agencies, such as NeighborWorks Dakota Home Resources, the South Dakota Housing Development Authority, USDA Rural Development and area financial institutions to utilize all available home ownership assistance programs. Private and nonprofit agencies should also be encouraged to provide home ownership opportunities in Whitewood.

Whitewood and WeDo could also work with housing agencies to assure that they 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, NeighborWorks Dakota Home Resources and Grow South Dakota utilize several funding sources to provide home ownership programs. Additionally, the Federal Home Loan Bank typically has funds available for down payment/closing cost assistance.

10. Consider the development and implementation of a Purchase/Rehabilitation Program

Findings: Whitewood has a limited stock of older, lower valued homes, some of which need repairs. Our analysis of recent sales activity indicates that there are homes in Whitewood that are valued at less than \$100,000. As some lower valued homes come up for sale, they may not be attractive options for potential home buyers because of the amount of repair work that is required.

Some communities with a stock of older homes that need rehabilitation have developed a purchase/rehabilitation program. Under a purchase/rehabilitation program, the 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 some 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 the City of Whitewood work with the South Dakota Housing Development Authority and area housing agencies to consider the development and implementation of a Purchase/Rehabilitation 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 also available.

Because a purchase/rehabilitation program can be expensive and its cost effectiveness in some cases may be marginal, in some cases it may be advantageous to directly assist low and moderate income households with purchasing and rehabilitating homes. Local 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. USDA Rural Development also provides purchase/rehabilitation loans for low and moderate income buyers.

Additionally, there may be an opportunity for local/regional housing agencies to financially assist the private sector with purchasing, rehabilitating and reselling homes.

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.

Whitewood - Single Family Housing Development

New Housing Construction

Findings: Whitewood has experienced significant single family owner-occupancy housing construction over the past 10 years. It is estimated that from 2010 to 2019, approximately 45 single family owner-occupancy housing units were constructed in Whitewood, which is an average of four to five new units annually. However, over the past four years, from 2016 to 2019, there has been an average of seven or eight new owner-occupancy units constructed annually.

The Whitewood area has many desirable features and qualities, including the attractiveness of the area, its appeal as a retirement location, projected future commercial and business development, WeDo and City efforts, available lots, land for future development, projected household growth, and a recent history of housing development. The efforts of local stakeholders, including developers and builders, should result in the construction of owner-occupied single family housing units over the five-year projection period from 2020 to 2024. However, attractive residential lot options must be available for all home designs and prices.

The growth potential for the City of Whitewood will also be directly impacted by its location near the Rapid City Metropolitan Statistical Area (MSA). As defined by the Office of Management and Budget, the MSA only includes Meade and Pennington Counties. However, Lawrence County is immediately contiguous to the MSA, and housing construction data for all three counties can be aggregated to examine the regional growth potential.

Over the five-year period from 2015 through 2019, the number of housing units constructed in the Three-County Area can be taken from Census Bureau building permit reports. To examine the housing that is oriented to owner-occupancy, only the single family unit totals have been used.

Three-County Single Family Housing Construction					
Year	MSA Total	Lawrence Co. Total	Three-County Total	Whitewood Total	% of Total Captured in Whitewood
2019	469	173	642	7	1.1%
2018	532	159	691	8	1.2%
2017	560	191	751	8	1.1%
2016	540	160	700	5	0.7%
2015	572	184	756	4	0.5%
Total	2,673	867	3,540	32	0.9%

From 2015 to 2019, there has been an average of 708 owner-occupied units constructed annually in the three-county area, which includes Meade, Pennington and Lawrence Counties.

The average percentage of these owner-occupied units constructed in Whitewood annually over the past five years is 0.9%. However, over the three-year period from 2017 to 2019, the average has been 1.1%. It is estimated that approximately 700 owner-occupied units will be constructed annually in the three counties over the next five years. If attractive residential lots are available in Whitewood for a range of home types and price ranges, and the City’s commercial and business development proceeds as planned, it is projected that 1.5% to 2.0% of the new units could be constructed in Whitewood, which is 10 to 14 units annually.

This projection is based on the ongoing availability of lots for single family homes and twin homes/town homes at all price ranges.

It is our opinion that if the City of Whitewood, WeDo, developers and builders continue to be proactive, an average of 10 to 14 single family owner-occupancy housing units could be constructed in Whitewood annually from 2020 to 2024 to address demand. This is a total of 50 to 70 housing units over the five-year period.

Our projection for new owner-occupied single family housing units includes homes built in new subdivisions and on infill lots, and includes single family attached housing units, such as twin homes, town houses and condominiums. The breakdown of our projection of 10 to 14 new units annually is as follows:

▶ Higher & moderate price homes	3-4 homes
▶ Affordable homes	5-6 homes
▶ Twin homes/town homes	<u>2-4 units</u>
Total	10-14 homes/ units

11. Lot availability

Findings: As part of this Study, we attempted to identify the inventory of residential lots available for single family housing construction in the City of Whitewood. Currently, there are approximately 20 vacant residential lots in the Twin Parks Subdivision. 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, there are a few dilapidated homes in the City. If these homes are demolished, some of the cleared lots may be sites for new construction.

There are also subdivisions and building sites, in close proximity to Whitewood, in rural Lawrence County, including the Forest Acres Subdivision.

Recommendation: We use a standard that a three-year supply of lots should be available in the marketplace based on annual lot usage. With projections that 10 to 14 new single family housing units could be constructed per year, the City should have approximately 30 to 42 residential lots available to meet the expected demand. Part of this demand would be for attached unit construction.

With approximately 20 lots available, plus infill lots, the City does not have an adequate supply of lots for the next three years. It is our opinion that there is a need for additional lots that will accommodate higher-priced homes, affordable homes and twin homes/townhomes.

In the following recommendation, we recommend the development of an additional subdivision.

12. Develop a 16 to 20-lot additional residential lots

Findings: A 3-year supply of lots should be available on an ongoing basis to address the projected demand for new housing construction. At the time of this study, approximately 20 lots plus infill lots are available. If expected demand comes to fruition, an additional 16 to 20 lots will be needed over the next three years.

Recommendation: To achieve the level of new home construction potential that has been identified, we recommend the development of a 16 to 20-lot subdivision for home construction, based on the following:

- ▶ The site or sites for lot development should have land available, for future lot development phases.
- ▶ To keep development costs as low as possible, sites with easy access to existing infrastructure should be considered.
- ▶ The lots must be as aesthetically acceptable as possible.
- ▶ The lots should have covenants that assure quality development. However, the covenants should not be so restrictive that they eliminate the target market's ability to construct a home.
- ▶ The lots should accommodate a variety of home designs and prices.
- ▶ All stakeholders should be involved in promoting and publicizing the lots.
- ▶ The development process should be as user-friendly and streamlined as possible.
- ▶ Some lots should be available for twin home/ town home development.
- ▶ Successful lot development will need the cooperation of financial institutions, employers, home builders, developers, WeDo and the City of Whitewood. Financial assistance such as tax increment financing, tax abatement and land donations or write-downs, may be necessary to make the development of lots feasible.

We also recommend that the City and WeDo research all of the vacant lots and parcels in the City to determine their availability and viability for new construction. A lot inventory, based on the research, should be maintained and available for future buyers.

The existing vacant lot inventory in Whitewood, along with the development of 16 to 20 new lots, should address lot demand for the next several years. However, planning for future lot development should continue on an ongoing basis.

13. Strategies to encourage continued residential lot sales and new home construction in Whitewood

Findings: Over the past 10 years, from 2010 to 2019, an average of approximately four to five owner-occupied single family units have been constructed in Whitewood annually.

Recommendation: We recommend that the City of Whitewood, WeDo, developers, builders, realtors and other housing stakeholders coordinate efforts to promote lot development, lot sales and housing development.

Our recommendations to continue to promote lots sales and housing development include:

- ▶ **Competitive pricing** - There are lots available in communities throughout the region. To attract new home construction in Whitewood, lots should be competitively priced with other options in the area.
- ▶ **User-Friendly/develop momentum** - The lot purchase and home building process must be 'user friendly.' This includes an inventory of available lots, the construction of spec homes, builders that are readily available to build custom homes and city regulations that are fair and reasonable. The entire process must be as 'user friendly' as possible to encourage home construction. This will create ongoing momentum for new housing construction.
- ▶ **Long-term planning** - The City of Whitewood and Whitewood developers should continue long-term development planning to assure lots are available to meet demand for all types of new housing.
- ▶ **Promote spec home construction** - Spec houses 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.

- ▶ ***Incentives*** - Some cities and counties throughout South Dakota are offering incentives to construct new homes, including reduced lot prices, reduced water and sewer hookup fees, tax abatements, cash incentives, etc. If needed, 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 a twin home/town home development.
- ▶ ***Range of house prices*** - Lots should be available to as wide a range of home sizes and prices as possible, without compromising the subdivisions. This broadens the lot buyer market. Also, smaller infill lots with fewer amenities could be marketed for affordable homes.
- ▶ ***Marketing*** - The City of Whitewood, WeDo and all housing stakeholders will need to develop a comprehensive marketing strategy to sell available lots. In addition to marketing the lots, the City of Whitewood and its many amenities should continue to be marketed.

14. Strategies to develop new affordable homes

Findings: It is difficult to develop homes that are considered affordable (less than \$225,000). Land and development costs, materials and labor, new building requirements, etc. are all factors which make most new homes out of reach for many households.

Often, developers and builders have little incentive to address the affordable home market, as they are busy addressing the higher priced home market which generates higher profits.

Recommendation: We have recommended the construction of five to six affordable homes in Whitewood annually from 2020 to 2025. To accomplish this, the City of Whitewood may have to take an active role in developing new affordable housing including tax increment financing, tax abatement, land donations, etc.

Successful affordable home development strategies include:

- ▶ **WeDo** - WeDo has recently developed three single family affordable homes in Whitewood, and based on the demand for these homes, it may be feasible for WeDo to construct additional affordable homes.
- ▶ **Available lots** - Lots should be available for affordable homes including Governors Homes, manufactured homes and modular homes.
- ▶ **Governors Homes** - Governors Homes are an affordable option and SDHDA has initiated a program that enables developers to participate in the 'Governor's Home Program.'
- ▶ **Manufactured/modular homes** - Manufactured and modular homes can provide affordable housing opportunities for moderate income households.
- ▶ **In-fill lot Home Development** - Infill lots in existing neighborhoods are often affordable and have existing City services. Some housing agencies and nonprofits develop affordable homes on infill lots.
- ▶ **Dakota Land Trust** - The Dakota Land Trust provides an affordable permanent new home option by taking the cost of the land out of the purchase price of the home. The land is placed in the stewardship of Dakota Land Trust and the homeowner leases the land from the Land Trust through a 99-year renewable lease.
- ▶ **South Dakota Housing Development Authority Programs (SDHDA)** - SDHDA has housing programs available to assist developers, builders and home buyers.
- ▶ **Publicly owned subdivision** - Private developers often have little incentive to develop lower-priced lots and houses. A possible approach is to develop a publicly-owned subdivision, which could offer lower-priced lots for affordable homes.

Some successful strategies to develop affordable homes in other cities include:

In Brookings, tax increment financing and other resources were used to assist more affordable subdivisions for lower priced houses. Lower cost houses constructed in Brookings have used smaller lots, more narrow streets, and in some cases, houses were built without basements.

In Fort Pierre, the Broken Timbers subdivision was publicly developed and offered affordable lots. This subdivision attracted a mix of houses, including a number of Governors Houses. Some of the lots were developed by Habitat for Humanity.

Aberdeen has historically been one of the most successful communities in the State of South Dakota in promoting and encouraging affordable home ownership. The Homes Are Possible, Inc. organization, better known as HAPI, has been a model that has been replicated in other communities. In addition to affordable subdivision development and home construction, HAPI has been active in offering assistance programs to potential buyers. HAPI offers home ownership training and closing cost assistance. HAPI can also direct home buyers to other financial resources, such as Rural Development mortgage programs.

15. Promote town house, twin home and condominium development

Findings: We are aware of only two twin home/town house units that have been constructed from 2010 to 2020. Many communities over the past two decades have seen attached housing take an increasingly large share of new construction for owner-occupants. In cities the size of Whitewood, 20% to 25% of the housing starts are typically twin homes/town houses.

Attached housing provides desirable alternatives for empty nesters and seniors to move out of their single family homes, thus, making traditional single family homes available for families. Attached housing may also be an affordable option for younger households. In 2019, based on Esri estimates, there were approximately 276 households in Whitewood with a head of household age 55 and older, and it is estimated that the 55 and older age ranges will increase by approximately 27 households from 2019 to 2024.

It is important for the City to offer a range of life-cycle housing options as many of these households will be seeking to downsize into low maintenance housing options.

Recommendation: It is our projection that two to four new owner-occupancy single family units per year should be twin homes, town houses or condominiums over the next five years, which is a total of 10 to 20 units during the five-year period.

We recommend continued twin home/town home construction, and 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 a significant number of homes which provides security
- ▶ Homes at a price that is acceptable to the market

The public sector's role in any owner-occupancy attached housing development may be limited, as the private sector can often meet this housing need if a demand exists. The City's role should include assuring that adequate land is available for development and that zoning allows for attached housing development.

16. Coordinate with agencies/nonprofits that develop affordable housing

Findings: With the difficulty of producing new housing units that are affordable moderate income households, it is important to take advantage of opportunities presented by housing agencies and nonprofit groups such as WeDo, Habitat for Humanity and NeighborWorks Dakota Home Resources. These sources can help generate new homes for moderate income families in Whitewood. WeDo has recently constructed three affordable single family homes in Whitewood.

Recommendation: We recommend that the City coordinate with housing agencies, nonprofit groups and private sector builders to produce housing units for moderate income ownership. The City and WeDo may be able to contribute to the project through land donations, TIF, tax abatement, or project coordination activities.

If dilapidated homes are demolished, some of the cleared lots may be suitable for redevelopment and these in-fill lots may be good sites for this type of new construction activity.

Whitewood Housing Rehabilitation and Neighborhood Revitalization

Housing Rehabilitation and Neighborhood Revitalization

Findings: Whitewood has an asset in their 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 Whitewood 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 most Whitewood 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, affordable stock could shrink, creating an even more difficult affordability situation.

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

17. Promote rental housing rehabilitation

Findings: The American Community Survey contains estimates on the age of housing. Based on this source, nearly 74% of the rental units in Whitewood are more than 40 years old. These rental buildings are in multifamily projects, small rental buildings, single family homes, mobile homes and mixed-use buildings. Many of these rental structures could benefit from rehabilitation.

It is difficult for rental property owners to rehabilitate and maintain their rental properties while keeping the rents affordable for the tenants. However, 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 Whitewood should work with housing agencies to seek funds that allow for program design flexibility that make a rental rehabilitation program workable. Potential funding sources may include USDA Rural Development, the Butte-Meade-Lawrence County HRC, NeighborWorks Dakota Home Resources, the Western South Dakota Community Action Agency, the South Dakota Housing Development Authority, the Federal Home Loan Bank and local funds.

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

18. Promote owner-occupied housing rehabilitation programs

Findings: The quality of the existing housing stock in Whitewood will continue to be an attraction for families that are seeking housing in Whitewood. Investment in owner-occupied housing rehabilitation activities will be critical to offering high quality housing opportunities. Approximately 48% of the owner-occupied units in Whitewood are more than 40 years old. Some of these units need rehabilitation.

The housing condition survey of 123 homes in Whitewood's oldest neighborhoods found 50 homes that need minor repairs and 29 homes that need major repairs. Without rehabilitation assistance, the affordable housing stock will shrink in Whitewood.

Recommendation: We recommend that the City of Whitewood seek local, state and federal funds to assist in financing housing rehabilitation. USDA Rural Development, the Butte-Meade-Lawrence County HRC, the South Dakota Housing Development Authority, the Federal Home Loan Bank, NeighborWorks Dakota Home Resources and the Western South Dakota Community Action Agency are potential funding sources. NeighborWorks Dakota Home Resources has several housing programs to assist households with the rehabilitation of their homes. 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 Whitewood households to utilize these housing rehabilitation programs. Also, the Western South Dakota Community Action Agency provides Weatherization funds for Whitewood and Lawrence County.

19. Acquire and demolish dilapidated structures

Findings: The housing condition survey of the City's oldest neighborhood identified six houses that were dilapidated and viewed as too deteriorated to rehabilitate. We also identified 29 homes as needing major repair and several of these homes may be too dilapidated to rehabilitate. It is probable that some additional deteriorated houses exist in other neighborhoods that were not surveyed. The City of Whitewood has worked with property owners in the past to demolish dilapidated structures.

Recommendation: We recommend that the City of Whitewood continue to work with property owners to demolish and clear severely dilapidated structures. The City is enhanced when blighted and dilapidated structures are removed. It is possible that some of the cleared lots could be utilized for the construction of new affordable housing units.

The City could develop partnerships with the private sector and housing agencies to construct new housing on cleared parcels. Tax increment financing, tax abatement, SDHDA, NeighborWorks Dakota Home Resources and Federal Home Loan Bank funds are potential funding sources for this initiative.

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

Whitewood - Other Housing Initiatives

Other Housing Initiatives

20. Encourage employer involvement in housing programs

Findings: Whitewood has a significant number of employers. Also, WeDo and the community are working to expand the City's economic base by attracting new businesses to the City. The connection between economic development and housing availability has become an increasingly important issue as local employers have the need to attract new workers into the community.

Although the jobs being created may have good wages for the area, many jobs do not pay wages sufficient for workers to buy or improve their housing. Housing for new employees is a concern for employers. It may be advantageous for employers to become involved in housing.

Recommendation: We recommend an ongoing effort to involve employers as partners in addressing Whitewood's housing needs. Several funding sources have finance programs that include employers. The funding agencies often view 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 work force oriented rental housing or an affordable residential subdivision.

21. Develop mobile/manufactured home park improvement programs

Findings: Community Partners Research, Inc., conducted a housing condition survey of the 105 mobile/manufactured homes in Whitewood's three mobile/manufactured home parks. The mobile/manufactured housing stock in Whitewood is generally in fair condition. Of the 105 mobile/manufactured homes surveyed in Whitewood, 34 (32.4%) needed minor rehabilitation, 28 (26.6%) needed major rehabilitation and 19 (18.1%) were dilapidated and possibly beyond repair. Twenty-four (22.9%) homes were in sound condition.

Recommendation: Addressing the issues created by substandard mobile homes is not easily solved. Some communities have rehabilitated older units, but this is difficult to accomplish because of the type of construction of mobile homes, and it is rarely cost effective.

Some communities have established programs that provide for the purchase and removal of substandard mobile home units, provided a newer unit is purchased to replace the acquired dwelling. While this approach can work well in upgrading the stock, it can be expensive, especially if there are a large number of homes in poor condition.

With a significant number of Whitewood's mobile/manufactured home inventory needing rehabilitation, it may be appropriate for the community to initiate programs to repair mobile/manufactured homes, even if these programs can only address a few units per year.

Some of the innovative programs that have been used in other communities to address mobile/manufactured home conditions and mobile home park issues include:

- ▶ ***Operation Safe Mobile Home Park*** - Owners of substandard mobile/manufactured homes are given the option of voluntarily selling their substandard mobile/manufactured home to the City or an area housing agency for a fixed minimum price. The homes are then removed and demolished/salvaged. The owner can then use the funds from the sale to help purchase a new home. Mobile home dealerships have sometimes participated by buying the salvaged homes.
- ▶ ***Time of Sale/Rent Inspection Program*** - This inspection program is designed to provide safe living conditions through the identification and elimination of basic life/safety hazards in older mobile/manufactured homes. Mobile/manufactured homes are subject to inspection prior to their sale/rent. All identified safety hazards must be corrected before the unit is sold, rented or occupied.
- ▶ ***Regulation on the age of mobile/manufactured homes*** - Some cities have adopted regulations that mobile/manufactured homes older than a designated age cannot be moved into the City and mobile/manufactured homes that are not new must be inspected prior to being moved into the City.

- ▶ **Acquisition of the mobile home park** - In some mobile home parks, a number of mobile homes may be substandard, dilapidated or vacant, and the park may be on land that has a better use. In these situations, it may be advantageous to purchase the park and relocate the remaining tenants.

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

Findings: Whitewood will continue to need staff resources in addition to existing City and WeDo staff to plan and implement many of the housing recommendations advanced in this Study.

Whitewood has access to Dakota Resources, the Butte-Meade-Lawrence County HRC, NeighborWorks Dakota Home Resources, the Western South Dakota Community Action Agency, the South Dakota Housing Development Authority, USDA Rural Development and the Black Hills Council of Local Governments. These agencies all have experience with housing and community development programs.

Dakota Resources is working with several South Dakota cities to develop a plan to address the City's housing needs.

Recommendation: Whitewood has access to multiple agencies that can assist with addressing housing needs. It is our recommendation that the City continue to work with these agencies to 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 Whitewood 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.

23. Strategies for Commercial District Redevelopment/Development

Findings: Whitewood has a commercial district that addresses most of the retail/commercial daily needs of its residents. Whitewood has buildings that have been renovated and have high quality commercial and/or housing space. The City's downtown also has historic buildings. However, there are also buildings that have not been maintained and are substandard.

This recommendation provides an outline of actions that could be taken to continue downtown redevelopment, to maximize the usage of downtown buildings, to promote new commercial businesses and to implement building rehabilitation and renovations. The purpose of this recommendation is to continue to build on the City's successes.

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 are recommending the following actions for downtown Whitewood's commercial district:

- ▶ Interview commercial district property owners to develop a database and to determine their future plans (expanding, selling, renovations, etc.)
- ▶ Develop an overall plan for the commercial district (potential new businesses, address parking needs, continue to develop an overall theme, art and cultural opportunities, etc.)
- ▶ Develop a mini-plan for each commercial district property and each commercial district block. This may include:
 - ▶ Retention of existing businesses
 - ▶ Commercial building rehab and renovations
 - ▶ Facade work
 - ▶ Building demolition
 - ▶ New construction
 - ▶ Recruiting new businesses

- ▶ Identify funding sources
 - ▶ Property owner funds
 - ▶ City funds
 - ▶ WeDo funds
 - ▶ Federal Home Loan Bank
 - ▶ Historic tax credits
 - ▶ Special tax districts
 - ▶ Tax increment financing
 - ▶ Tax abatement
 - ▶ Funds from South Dakota State Agencies

- ▶ Work with stakeholders to identify roles, to secure funding, to develop and implement programs and projects
 - ▶ Property owners
 - ▶ City of Whitewood
 - ▶ WeDo

24. Develop home ownership and new construction marketing programs and strategies

Findings: Cities that invest in marketing have a competitive 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 intimidating for first-time buyers and builders. It is important for the home buying or home building process to be user-friendly.

The City of Whitewood, WeDo, the Chamber of Commerce, private builders and developers have been active in promoting the City, including housing opportunities.

Recommendation: We recommend that the stakeholders continue to promote and market housing in Whitewood as follows:

- ▶ Determine the City's strengths and competitive advantages and continue to heavily promote them
- ▶ Continue to create marketing materials that can be distributed regionally (including internet, TV, radio, etc.)
- ▶ Work closely with employers (Whitewood and the entire Black Hills region) to provide employees (especially new employees) with housing opportunities in Whitewood
- ▶ Work with housing agencies to provide down payment assistance, low interest loans, home owner education and home owner counseling and other housing programs
- ▶ Work with builders and developers to make sure the construction of a new home is a very user friendly process
- ▶ 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
- ▶ Preserve the quality of existing neighborhoods through the rehabilitation of substandard housing and the demolition of dilapidated structures that are beyond repair
- ▶ Continue to develop new housing choices that serve life-cycle housing needs, such as new rental housing, twin homes, senior with services, etc.
- ▶ Review the City's policies and fees to assure that they are user-friendly, fair and receptive for developers, builders and households.
- ▶ Develop a coordinated housing plan with the private sector and area housing agencies.

Agencies and Resources

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

Whitewood Economic Development Corporation (WeDo)

915 Maple St.
Whitewood, SD 57793
(605) 490-8933

Butte-Meade-Lawrence County Housing and Redevelopment Commission

1220 Cedar St. Suite 113
Sturgis, SD 57785
(605) 347-3384

NeighborWorks Dakota Home Resources (Main Office)

795 Main St.
Spearfish, SD 57732
(605) 578-1405

* NeighborWorks also has offices in Box Elder and Wall.

South Dakota Housing Development Authority

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

USDA Rural Development

414 East Stumer Road, Suite 200
Rapid City, SD 57701
(605) 342-0301

Western South Dakota Community Action Agency

1844 Lombardy Drive
Rapid City, SD 57703
(605) 348-1460

Black Hills Council of Local Governments

730 East Spearfish Street
Suite 102
Rapid City, SD 57701
(605) 394-2681

Dakota Resources

25795 475th Ave.
Suite #1
Renner, SD 57055
(605) 978-2804