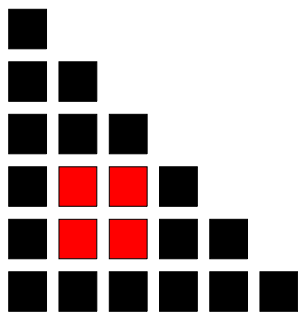


Rolla HOUSING STUDY

Executive Summary

December 2013

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



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Introduction

Overview

Community Partners Research, Inc., was hired by the Rolla Job Development Authority to conduct a study of the housing needs and conditions in the City of Rolla.

The Housing Study is a 85-page document that includes the following sections:

- < Introduction
- < Demographic and Projection Data
- < Existing Housing Data
- < Rental Housing Inventory
- < Employment and Local Economic Trends Analysis
- < Findings and Recommendations
- < Agencies and Resources

Goals

The multiple goals of the study include:

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

Methodology

A variety of resources were utilized to obtain information for the Housing Study. Community Partners Research, Inc., collected and analyzed data from August, 2013, through November, 2013. Data sources included:

- U.S. Census Bureau and the American Community Survey
- Records and data from the City of Rolla and Rolette County
- South Dakota State Data Center
- Interviews with City officials, community leaders, housing stakeholders, etc.
- Area housing agencies
- State and Federal housing agencies
- Rental property owner surveys
- Housing condition survey

Demographic Highlights

Population Trends

- < Rolla's population was 1,280 in 2010. This was a 137-person decrease since 2000, which is a population loss of 9.7%.
- < Rolette County's population was 13,937 in 2010. This is a 263-person increase since 2000, which is a population gain of 1.9%.
- < The Turtle Mountain Reservation's population was 8,655 in 2010. This is a 350-person increase since 2000, which is a population gain of 4.2%.
- < Rolla and Rolette County experienced population increases in the 1990s. Rolla's population increased by 131 people and Rolette County's population increased by 902 people.

Population Projections

- < The U.S. Census Bureau's population estimate for Rolla in 2012 was 1,321, a 41-person increase from 2010. The Census Bureau's 2012 population estimate for Rolette County was 14,382, a 445-person increase from 2010.
- < From 2012 to 2020, we are projecting that Rolla will add up to 13 people and Rolette County will add up to 659 people. From 2010 to 2020, we are projecting that the Turtle Mountain Reservation will add up to 1,105 people.

Household Trends

- < Rolla had 563 households in 2010. This was a decrease of 36 households since 2000, which is a household loss of 6.0%.
- < Rolette County had 4,783 households in 2010. This was a gain of 227 households, which is a household increase of 5.0%.
- < The Turtle Mountain Reservation had 2,693 households in 2010. This is a gain of 201 households since 2000, which is a household increase of 8.1%.

- < Rolla and Rolette County experienced household gains during the 1990s. Rolla gained 44 households from 1990 to 2000. Rolette County experienced a gain of 406 households from 1990 to 2000.

Households by Age Trends

- < From 2000 to 2010, Rolla gained 26 households in the 15 to 34 age range and 19 households in the 45 to 64 age ranges.
- < From 2000 to 2010, Rolla lost 41 households in the 35 to 44 age range, and 40 households in the 65 and older age ranges.
- < From 2000 to 2010, Rolette County gained 465 households in the 45 and 64 age ranges, and gained 95 households in the 65 to 84 age ranges. Rolette County lost 95 households in the 25 to 44 age ranges and had a loss of 20 households in the 85 and older age range.

Average Household Size

- < Rolla's average household size has decreased from 2.59 persons in 1980 to 2.24 persons per household in 2010.
- < Rolette County's average household size has decreased from 3.44 to 2.89 persons per household from 2000 to 2010.
- < The Turtle Mountain Reservation's average household size in 2010 was 3.20.

Household Projections

- < From 2010 to 2020, we are projecting that Rolla will add up to 32 households, Rolette County will add up to 489 households and the Turtle Mountain Reservation will add up to 437 households.

Households by Type

- < From 2000 to 2010, Rolla added 19 single parent families with children and 13 family households without spouses, but the number of married couples with children decreased by 47 households and the number of married couples without children decreased by 21 households.

- < In 2010, 13.1% of Rolla's households were mother, father and children, 22.2% was married couples without children and 40.3% were single person households.

Housing Tenure

- < The percentage of renter households in each jurisdiction is:
 - " Rolla 39.8%
 - " Rolette County 31.7% "
 - " South Dakota 34.6%

2011 Income Data

The median household and family incomes for 2000 and 2011 and the percent change for the jurisdictions are on the following charts. Household income represents all independent households, including people living alone and unrelated individuals living together in a housing unit. Families are two or more related individuals living in a household.

Table 15 Median Household Income - 2000 to 2011			
	2000 Median	2011 Median	% Change
Rolla	\$32,222	\$28,262	-12.3%
Rolette County	\$26,232	\$27,662	5.5%
North Dakota	\$34,604	\$49,415	42.8%

Source: U.S. Census; 2011 ACS 5-year survey

Table 16 Median Family Income - 2000 to 2011			
	2000 Median	2011 Median	% Change
Rolla	\$41,550	\$40,729	-2.0%
Rolette County	\$29,744	\$33,882	13.9%
North Dakota	\$43,654	\$65,871	50.9%

Source: U.S. Census; 2011 ACS 5-year survey

Rolla Household Income Distribution

- < In 2011, there were 88 households in Rolla with annual incomes of 75,000 or more. This is a net increase of 30 households from 2000.
- < In 2011, there were 210 households in Rolla with annual incomes under \$25,000. This is a decrease of 48 households from 2000. However, 41.7% of Rolla's households still have an annual income under \$25,000.

Percentage of income paid on housing

- < Approximately 53% of Rolla renters are paying more than 30% of their income on rent, and most (50.7%) are paying over 35% of their income for rent.
- < Approximately 17% of Rolla homeowners are paying more than 30% of their income on housing costs.

Rolla Minority Households by Race/Ethnicity

- < The number of White households in Rolla decreased by 95 people from 2000 to 2010, which is a loss of 21.3%. The number of Native American households increased by 59 households, which is a gain of 44%.

Existing Housing Data Highlights

Vacant Housing Units

- < According to the 2010 U.S. Census, there were 52 vacant housing units and four seasonal housing units in Rolla.

Existing Home Sales

- < Over the past four years, the number of existing homes sales and the median sales price in Rolla is:

<u>Year</u>	<u>Number of Sales</u>	<u>Median Sales Price</u>	<u>Average Sales Price</u>
2013	15	\$68,500	\$70,493
2012	15	\$70,000	\$64,593
2011	14	\$77,000	\$83,579
2010	13	\$62,000	\$68,462

Rolla Housing and Mobile Home Condition

- < A housing condition survey of 168 single family/duplex houses was conducted in two Rolla neighborhoods. The results are as follows:

"	Sound	- 57/33.9%
"	Minor Repair	- 55/32.7%
"	Major Repair	- 40/23.8%
"	<u>Dilapidated</u>	- 16/9.6%
"	Total	- 168/100%

- < A condition survey of the 56 mobile homes in Rolla was also conducted. The results are as follows:

"	Sound	- 13/23.2%
"	Minor Repair	- 10/17.9%
"	Major Repair	- 18/32.1%
"	Dilapidated	- 15/26.8%
"	Total	- 56/100%

Housing Construction Activity

< Over the 14-year period from 2000 to 2013, there were 16 housing units constructed or moved into Rolla. These units include:

- " 10 single family homes
- " one duplex
- " one four-plex

The duplex and four-plex are rental properties.

Rental Housing Inventory Highlights

Overview

- < According to the U.S. Census, there were 256 rental units in the City of Rolla in 2010. This is an increase of nine rental units from 2000.
- < Community Partners Research, Inc., conducted a rental survey and surveyed 172 rental units including market rate, subsidized and senior with services units.

Market Rate Summary

- < 50 market rate rental units were contacted
 - " 50 rental units surveyed are in 14 projects
 - " The 14 projects include an eight-plex, five-plex, three four-plexes and eight duplexes. Nine single family homes were also surveyed.
- < Approximately 82% of the market rate units surveyed are one and twobedroom units.
- < There was only one vacant unit for a vacancy rate of 2%.
 - " Rental property owners reported very high occupancy rates.

Subsidized Rental Housing Summary

- < Rolla has six subsidized projects with a total of 93 units. Five projects are general occupancy and one project is a senior/disabled project.
- < Tenants pay 30% of their income for rent.
- < Approximately 80% of the units have one or two bedrooms.
- < There were two vacancies, which is a 2.2% vacancy rate.

Senior Housing With Services

- < Rolla has one senior with services project.

- " Park View Assisted Living has 29 licensed assisted living beds. Currently, there are no vacancies and a waiting list.
- " Tenants can choose to purchase one of four different levels of assisted living services based on level of need. Services can include housekeeping, meals, laundry, medication assistance, etc. Therefore, residents who do not need more intensive assisted living services can live in the facility at a lower cost.

Employment and Local Economic Trends Analysis Highlights

- < Rolette County's employed labor force decreased by 844 people or 21.4% from 2000 to 2013. In 2013, there were 3,938 employed people in the County.
- < In August, 2013, Rolette County's unemployment rate was 15.1%.
- < Approximately 91% of Rolla's residents commute less than 20 minutes to work and 1.2% commute more than 30 minutes to work.

Findings and Recommendations Highlights

The Study includes 20 recommendations in five categories:

- " Rental Housing Development
- " Home Ownership
- " Single Family New Construction
- " Housing Rehabilitation
- " Other Housing Initiatives

Rental Housing Development recommendations include:

1. *Develop 18 to 22 general occupancy market rate rental units*

Units should include one, two, three and four-bedroom units. Units should be constructed for both the workforce and luxury markets.

2. *Develop 10 to 12 subsidized rental units*

Although the City has a good supply of subsidized rental units, many renter households in Rolla have a housing cost burden. This is a modest goal, however, funding for subsidized housing is very limited.

3. *Develop five to six affordable rental units through rehabilitation/conversions*

These units will be primarily the renovation or conversion of existing buildings. Rents should be \$625 or less.

4. *Support the development of 10 to 13 additional senior with services units*

With the senior population in Rolette County and with Park View's high occupancy rate and waiting list, there is a need for additional senior with services units.

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

Project

We are recommending the development of a building in the Downtown area that has commercial space on the first floor and six to eight units on the second floor.

6. *Continue to utilize the Housing Choice Voucher Program*

Currently, the Rolette County Housing Authority has authorization to issue approximately 64 vouchers to households to assist with their rent payment. Currently, approximately 54 vouchers have been issued, thus, 10 vouchers are currently available.

Home Ownership recommendations include:

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

First-time home buyer assistance, down payment assistance, low interest loans and home ownership counseling and training programs can assist households with purchasing a home. **8.**

Develop a Purchase/Rehabilitation Program

A Purchase/Rehabilitation Program includes the purchase of a substantial home, rehabilitation of the home and the sale of the home to a low/moderate household. With the number of low valued homes in Rolla that need rehabilitation, and the goal of providing affordable housing, we are recommending the implementation of a Purchase/Rehabilitation Program.

New Construction recommendations include:

9. *Support the development of 10 to 12 lots*

It is our opinion that eight to 12 housing units can be constructed in Rolla over the next five years. Currently, there is a shortage of buildable lots in Rolla. Therefore, we are recommending the development of 10 to 12 lots in Rolla.

10. *Develop a City of Rolla Housing Incentive Program*

We recommend that the City of Rolla develop an Incentive Program to promote new single family housing development. Incentives could include reduced lot prices, tax abatement, reduced water and sewer hook up fees, a cash payment, etc.

11. *Coordinate with agencies/nonprofit groups that develop affordable housing*

There are several housing agencies and nonprofit groups that have the capacity to construct affordable homes in Rolla. We recommend that the City work with these agencies to produce housing units for lower income households.

12. *Promote townhouse and twin home development*

We are projecting the need for four to six owner-occupied single family units in twin homes or town homes over the next five years.

Housing Rehabilitation recommendations include:

13. *Promote rental housing rehabilitation programs*

Rolla has 256 rental units. Many rental structures are more than 30 years old and some units are in poor condition. We recommend the development of ongoing rental rehabilitation programs.

14. *Promote owner-occupied housing rehabilitation programs*

We conducted a housing condition survey of 168 single family homes in two neighborhoods. Our survey found 55 homes that need minor repair and 40 homes that need major repairs. We recommend that the City of Rolla access housing rehabilitation programs to assist households with rehabilitation their homes.

Other Housing Initiatives recommendations include:

15. *Encourage employer involvement in housing programs*

We recommend an ongoing effort to involve employers in housing either through direct assistance to employees or assistance to an overall city project such as a rental project or the development of an affordable subdivision.

16. *Acquire and demolish dilapidated structures*

Our housing condition survey identified 16 homes in two neighborhoods that are dilapidated and beyond repair. We recommend that the City continue to demolish dilapidated structures.

17. *Create a plan and continue coordination among housing agencies*

Rolla has access to several housing agencies. These agencies should assist the City with developing and implementing a housing plan.

18. *Consider a Mobile Home Park Time of Sale Program*

The City of Rolla has approximately 56 mobile homes. We have recommended the development of a 'Time of Sale' Program. A 'Time of Sale' Program requires the inspection of a mobile home prior to sale. All identified safety hazards must be connected prior to the sale.

19. *Continue to promote commercial rehabilitation and development*

We recommend that the City of Rolla, the Rolla Job Authority and the Rolla Development Corporation continue to implement programs that assist commercial property owners with renovating their buildings.

20. *Competition with other jurisdictions*

We have made several recommendations that can enhance Rolla's position as a viable location for new households. These recommendations include marketing the community, developing

housing options, creating jobs, developing a housing plan, preserving the existing housing stock, etc.