

# **CITY COMMISSION MEETING WORK SESSION**

City Hall Commission Chambers

Monday, April 16 2018

6:30 p.m.

## **ROLL CALL**

## **CALL TO ORDER**

1. Dodge City & Ford County Development Corporation – Presentation of the Chat Report

## **ADJOURNMENT**



# Dodge City & Ford County CHAT Report

**Community Housing Assessment Team**

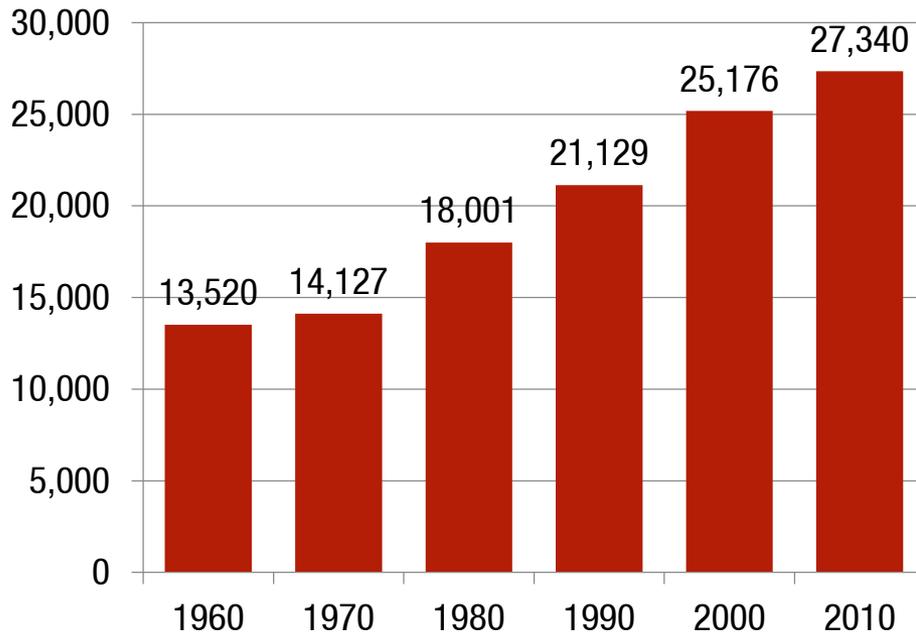
Amy Haase, AICP

March, 2018

# Dodge City



# Population Change in Dodge City 1960–2015



Over the past 50 years, Dodge City has grown steadily, though slightly slower than predicted in the last two CHATs. The 2015 Census estimated population of 28,045 suggests continued growth. This supports the demand employers are indicating that they have for new employees.

2015 ACS Population: 28,045  
 2012 CHAT Estimate: 28,509  
 2008 CHAT Estimate: 31,104

	1960	1970	1980	1990	2000	2010	2015	Change
<b>Dodge City, Kansas</b>	13,520	14,127	18,001	21,129	25,176	27,340	28,045	14,525
<b>Ford County</b>	20,938	22,587	24,315	27,463	32,458	33,848	34,714	13,776
<b>Dodge City as a % of Ford County</b>	64.6%	62.5%	74.0%	76.9%	77.6%	80.8%	80.8%	

# Population Change by Age Cohort

## Dodge City: 2000–2015

Age Group	2000		2015		2000–2015 Difference
	Number	Percent	Number	Percent	
<b>0–15</b>	6,714	26.7%	7,564	27.0%	850
<b>15–19</b>	2,047	8.1%	2,194	7.8%	147
<b>20–24</b>	2,197	8.7%	2,353	8.4%	156
<b>25–34</b>	4,112	16.3%	4,438	15.8%	326
<b>35–44</b>	3,442	13.7%	3,415	12.2%	–27
<b>45–54</b>	2,592	10.3%	3,369	12.0%	777
<b>55–64</b>	1,557	6.2%	2,231	8.0%	674
<b>65–74</b>	1,170	4.6%	1,363	4.9%	193
<b>75–84</b>	949	3.8%	655	2.3%	–294
<b>85+</b>	396	1.6%	463	1.7%	67
<b>Total</b>	25,176	100.0%	28,045	100.0%	2,869

Source: U.S. Census

 Increase  
 Decline

Increases and decreases naturally occur as different generations move through the cohorts. Some generations, like the Baby Boomers and Millennials, are just larger than the ones before and after them.

# Predicted Population Change by Age Cohort

## Dodge City: 2000–2010

Age Group	Predicted 2010	Actual 2010	Difference	% Variance
<b>0–15</b>	5,705	7,378	1,673	29.3%
<b>15–19</b>	2,225	2,317	92	4.1%
<b>20–24</b>	1,977	2,207	230	11.6%
<b>25–34</b>	4,205	4,229	24	0.6%
<b>35–44</b>	4,065	3,413	–652	–16.0%
<b>45–54</b>	3,362	3,140	–222	–6.6%
<b>55–64</b>	2,432	2,227	–205	–8.4%
<b>65–74</b>	1,324	1,182	–142	–10.8%
<b>75–84</b>	800	814	14	1.7%
<b>85+</b>	514	433	–81	–15.8%
<b>Total</b>	26,611	27,340	729	2.7%

Source: U.S. Census; RDG Planning & Design

-  In-migration/  
High birthrate
-  Out-migration/  
Low birthrate

Predicted vs. Actual is the difference between what would have been predicted to happen to the population based on standard birth and death rates versus what the population made up actually was in 2010.

# Predicted Pop. Change by Age Cohort

## Dodge City: 2010–2015

Age Group	2015 Predicted	2015 Actual	Difference	% Variance
<b>0–15</b>	6,882	7,564	682	9.9%
<b>15–19</b>	2,184	2,194	10	0.5%
<b>20–24</b>	2,307	2,353	46	2.0%
<b>25–34</b>	4,440	4,438	–2	0.0%
<b>35–44</b>	3,709	3,415	–294	–7.9%
<b>45–54</b>	3,231	3,369	138	4.3%
<b>55–64</b>	2,658	2,231	–427	–16.0%
<b>65–74</b>	1,475	1,363	–112	–7.6%
<b>75–84</b>	738	655	–83	–11.2%
<b>85+</b>	469	463	–6	–1.2%
<b>Total</b>	<b>28,091</b>	<b>28,045</b>	<b>–46</b>	<b>–0.2%</b>

 In-migration/  
High birthrate

 Out-migration/  
Low birthrate

Predicted vs. Actual is the difference between what would have been predicted to happen to the population based on standard birth and death rates versus the 2015 estimated population.

*Source: U.S. Census; RDG Planning & Design*

# Housing Occupancy Change

## Dodge City: 2000–2015

	2000		2015		Change 2000–2015
	Number	% of Occupied Units	Number	% of Occupied Units	
<b>Owner–Occupied</b>	5,097	60.7%	5,043	57.4%	–54
<b>Renter–Occupied</b>	3,298	39.3%	3,748	42.6%	450
<b>Total Vacant</b>	581		602		21
<b>Vacancy Rate</b>	6.5%		6.4%		
<b>Total Units</b>	8,976		9,393		417

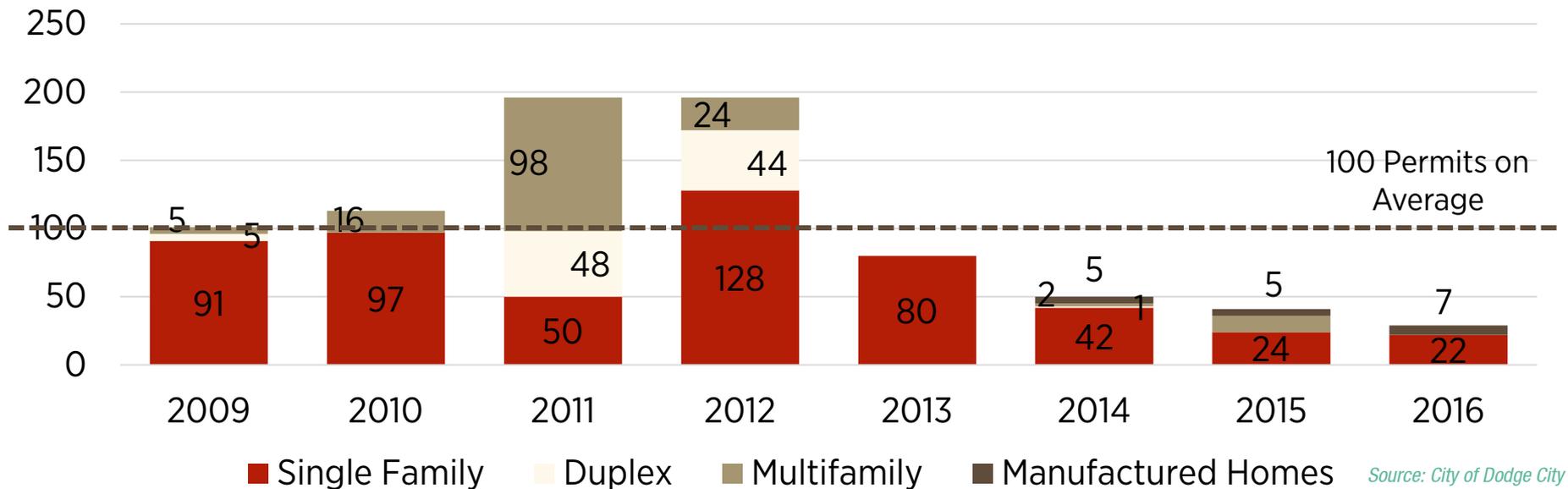
Source: U.S. Census

The Census estimates that Dodge City has a relatively stable number of vacant units. However, over a third of vacant units are categorized as “other vacant,” and are not available and unlikely to come on the market soon if ever. These units will likely need to be replaced in the city’s overall housing stock.

# Building Permits

## Dodge City: 2009–2015

### Construction Activity



Since 2009, 90% homes were built using incentives including RHID and NRP. Dodge City experienced steady new construction through 2013. At that time, construction slowed to less than half the pace as before. Most new units are single family, though some duplexes and multifamily have been constructed. Overall, the number of owner-occupied units decreased, while renter-occupied units increased, suggesting some new rentals units are being generated through the conversion of single family-owner-occupied homes to rentals.

# Building Permits Dodge City: Since 2012

**Construction 2009-2016: 100 units  
annually**

**Production Demand since 2008: 160-190  
annually**

Based on the 2008 and 2012 Housing Study, production has fallen short of actual demand by approximately 60-90 units annually. As a result many are not moving to higher quality and higher value homes or forming their own households. It has also limited the city's overall growth.

# Comparative Income, Value, and Rent

## Dodge City: 2015 Estimates

	Median Household Income	Median House Value	Value/Income Ratio	Median Contract Rent
<b>Dodge City</b>	<b>\$47,461</b>	<b>\$97,600</b>	<b>2.06</b>	<b>\$510</b>
<b>Emporia</b>	\$36,228	\$88,700	2.45	\$461
<b>Garden City</b>	\$47,279	\$116,400	2.46	\$534
<b>Hays</b>	\$42,976	\$157,900	3.67	\$515
<b>Hutchinson</b>	\$42,350	\$91,500	2.16	\$480
<b>Junction City</b>	\$44,203	\$133,100	3.01	\$760
<b>Liberal</b>	\$46,516	\$87,400	1.88	\$495
<b>Pittsburg</b>	\$32,374	\$87,100	2.69	\$509

Source: U.S. Census

- An affordable, self-sustaining housing market with adequate value or revenues to support market rate new construction typically has a V/I value between 2.5 and 3.0
- Ratios below 2.0 are significantly undervalued relative to income
- Ratios above 3.0 exhibit significant affordability issues

# Housing Affordability Ranges

## Dodge City: 2015

Income Range	# HHs in Each Range	Affordable Range for Owner Units	# of Owner Units	Affordable Range for Renter Units	# of Renter Units	Total Affordable Units	Balance
<b>\$0–24,999</b>	2,042	<b>\$0–50,000</b>	898	<b>\$0–399</b>	891	1,789	–253
<b>\$25–49,999</b>	2,501	<b>\$50–99,999</b>	1,671	<b>\$400–799</b>	2,572	4,243	+1,742
<b>\$50–74,999</b>	1,943	<b>\$100–149,999</b>	1,368	<b>\$800–1,249</b>	284	1,652	–291
<b>\$75–99,999</b>	1,211	<b>\$150–199,999</b>	779	<b>\$1,250–1,499</b>	0	779	–432
<b>\$100–149,999</b>	749	<b>\$200–\$299,999</b>	230	<b>\$1,500–1,999</b>	0	230	–519
<b>\$150,000+</b>	345	<b>\$300,000+</b>	97	<b>\$2,000+</b>	0	97	–248

*This table should be read left to right across rows*

*Source: U.S. Census*

- Dodge City has a surplus of housing for households making between \$25,000 and \$49,999
- Every other income group shows a deficit, including those above \$50,000 & below \$25,000
- As a result, many residents earning higher wages compete for more affordable units, limiting the number of available units for prospective new employees

# Comparative Population Models

## Dodge City

	2010	2015	2020	2025	2030
Natural Growth*	27,340	28,045	28,874	29,774	30,581
2010–2015 Growth Rate (0.51% Annual Growth)	27,340	28,045	28,768	29,510	30,271
1990–2015 Growth Rate (1.14% Annual Growth)	27,340	28,045	29,679	31,408	33,238
1990–2010 Growth Rate (1.3% Annual Growth)	27,340	28,045	29,911	31,902	34,025

\* Based on 2015 cohort survival and birth rates

Source: RDG Planning & Design

- Dodge City's young population is expected to have a robust natural growth with more birth than deaths, assuming no migration
- The growth rate of the past five years would actually lead to a lower population than the natural growth rate would suggest
- Dodge City should target the growth it experienced since 1990 to continue its steady pattern of growth

# Projecting Housing Needs

## Dodge City

- Use population scenarios, recent construction activity and assumptions about people per household to generate ten years of overall housing demand.
- Consider the distribution of household income in a community.
- Match income ranges with affordability price points, based on housing costs equal to 30% of adjusted gross income.
- Define price breakouts for new housing demand, based on the assumption that new construction should ideally be affordable to the existing household income distribution.
- Note: These estimates are not meant to indicate an exact demand for housing, but rather provide guidance as to what kinds of housing is needed to reach certain targets.



# Development Targets

## Dodge City: 2017–2030

	2018-2024	2025-2030	Total
<b>Population at End of Period</b>	31,063	33,238	
<b>HH Population at End of Period</b>	30,385	32,514	
<b>Average PPH</b>	3.1	3.1	
<b>HH Demand at End of Period</b>	9,737	10,419	
<b>Projected Vacancy Rate</b>	6.4%	6.4%	
<b>Unit Needs at End of Period</b>	10,404	11,132	
<b>Replacement Need</b>	81	60	141
<b>Cumulative Need During Period</b>	862	789	1,651
<b>Average Annual Need</b>	123	131	127

Source: RDG Planning & Design

Housing demand calculation is based on:

- No change in the number of people per household
- Average annual replacement of just over 10 units per year due to demolitions, etc.
- Steady vacancy rate

- Assuming Dodge City’s 25 year population trend holds, in addition to the assumptions listed above, there will be a demand for nearly 11,000 units by 2030, an increase of nearly 1,650 units
- This would require approximately 127 new units to be built per year, closer to the average annual rate of construction between 2009 and 2012 and much higher than the rate since 2013

# Development Targets

## Dodge City: 2017–2030

	2018–2024	2025–2030	Total
<b>Total Need</b>	862	789	1,651
<b>Total Owner Occupied</b>	431	473	904
Affordable Low: \$60–100,000	79	87	166
Affordable Moderate: \$100–130,000	80	88	169
Moderate Market: \$130–200,000	124	136	260
High Market: Over \$200,000	147	162	309
<b>Total Renter Occupied</b>	431	316	746
Low: Less than \$450	128	94	221
Affordable: \$450–700	140	103	243
Market: Over \$700	163	119	282

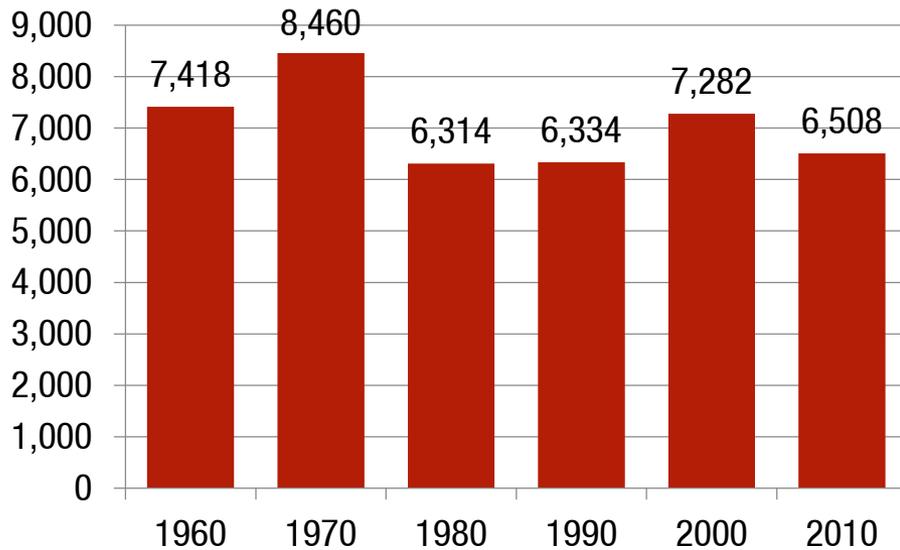
Source: RDG Planning & Design

- This analysis assumes a split of 50% owner–occupied and 50% rental units until 2024 and then switching to a 60%/40% split to address a lack of rental housing construction in certain price points.
- Most new construction will probably cost more than \$130,000, causing demand for lower–cost units to be met by existing housing.

# Ford County



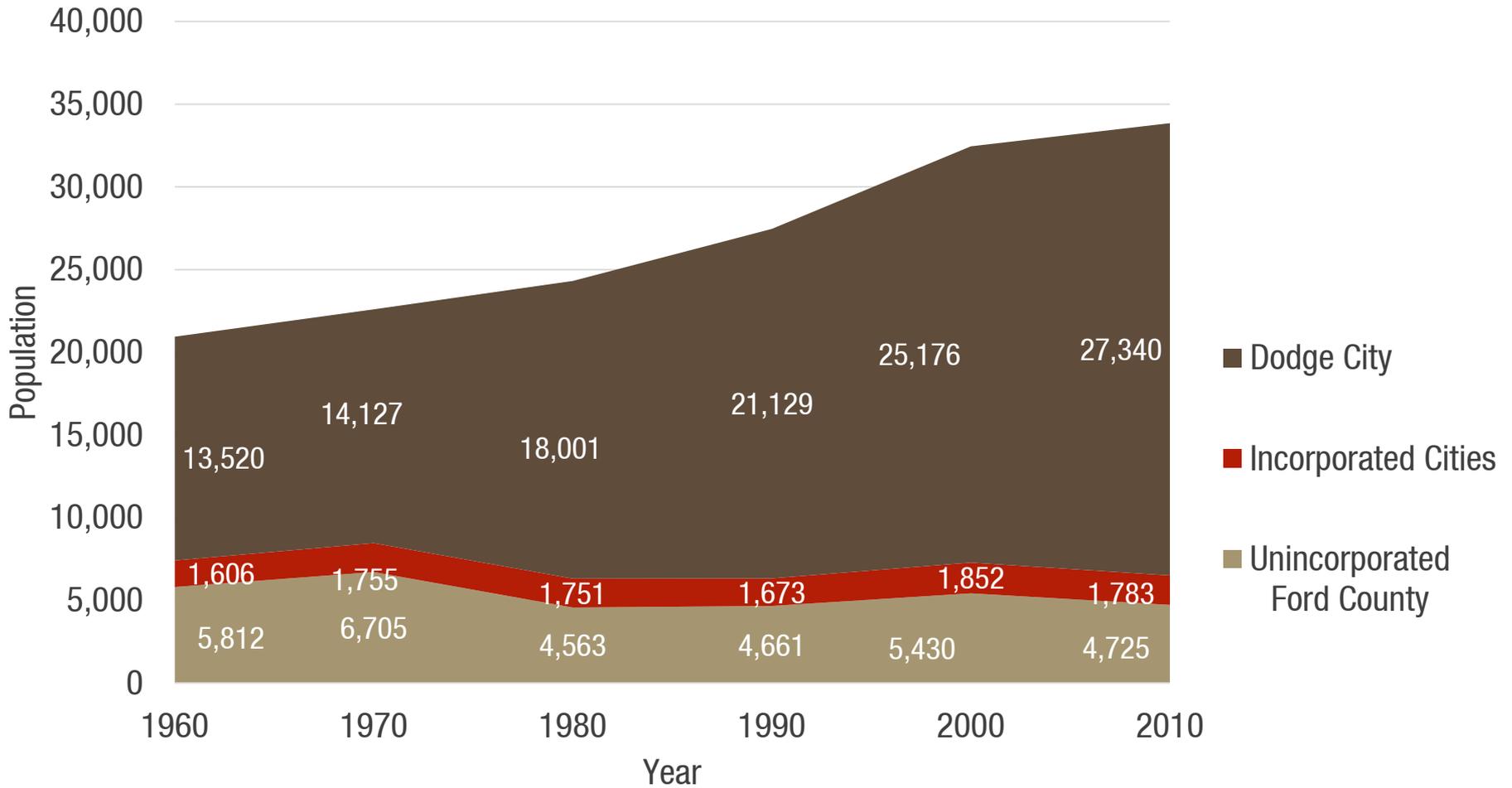
# Population Change in Ford County 1960–2015



Over the past 50 years, Ford County’s population, exclusive of Dodge City, has fluctuated. Incorporated communities seem to be maintaining or growing while rural areas continue to decline. It should be noted that census estimates in rural communities can have large margin of error but it is also likely that these communities have continued to grow as they help address county-wide housing needs.

	1960	1970	1980	1990	2000	2010	2015 Estimate	Change
<b>Bucklin</b>	752	771	786	710	725	794	894	142
<b>Ford</b>	252	246	272	247	314	216	281	29
<b>Spearville</b>	602	738	693	716	813	773	733	131
<b>Unincorporated Ford County</b>	5,812	6,705	4,563	4,661	5,430	4,725	4,761	-1,051
<b>Ford County Total</b>	7,418	8,460	6,314	6,334	7,282	6,508	6,669	-749

# Population Change in Ford County 1960–2010



Source: U.S. Census

# Population Change by Age Cohort

## Ford County: 2000–2010

Age Group	2000		2010		2000–2010 Difference
	Number	Percent	Number	Percent	
0–15	1,787	24.5%	1,474	22.6%	–313
15–19	636	8.7%	481	7.4%	270
20–24	355	4.9%	277	4.3%	10
25–34	895	12.3%	697	10.7%	117
35–44	1,095	15.0%	792	12.2%	–29
45–54	889	12.2%	1,035	15.9%	548
55–64	574	7.9%	804	12.4%	670
65–74	521	7.2%	458	7.0%	12
75–84	389	5.3%	340	5.2%	–135
85+	141	1.9%	150	2.3%	37
<b>Total</b>	<b>7,282</b>	<b>100.0%</b>	<b>6,508</b>	<b>100.0%</b>	<b>1,187</b>

Source: U.S. Census

 Increase  
 Decline

Increases and decreases naturally occur as different generations move through the cohorts. Some generations, like the Baby Boomers and Millennials, are just larger than the ones before and after them.

# Predicted Population Change by Age Cohort

## Ford County: 2000–2010

Age Group	Predicted 2010	Actual 2010	Difference	% Variance
<b>0–15</b>	1,278	1,474	196	13.3%
<b>15–19</b>	606	481	–125	–26.0%
<b>20–24</b>	632	277	–355	–128.1%
<b>25–34</b>	982	697	–285	–40.9%
<b>35–44</b>	885	792	–93	–11.7%
<b>45–54</b>	1,069	1,035	–34	–3.3%
<b>55–64</b>	833	804	–29	–3.7%
<b>65–74</b>	485	458	–27	–5.9%
<b>75–84</b>	352	340	–12	–3.6%
<b>85+</b>	195	150	–45	–29.7%
<b>Total</b>	<b>7,318</b>	<b>6,508</b>	<b>–810</b>	<b>–12.4%</b>

Source: U.S. Census; RDG Planning & Design

In-migration/  
High birthrate

Out-migration/  
Low birthrate

Predicted vs. Actual is the difference between what would have been predicted to happen to the population based on standard birth and death rates versus what the population made up actually was in 2010.

# Predicted Population Change by Age Cohort

## Ford County: 2010–2015

Age Group	2015 Predicted	2015 Actual	Difference	% Variance
<b>0–15</b>	1,235	1,576	420	36.3%
<b>15–19</b>	521	336	–205	–37.9%
<b>20–24</b>	479	305	–299	–49.5%
<b>25–34</b>	595	623	–634	–50.5%
<b>35–44</b>	749	794	38	5.1%
<b>45–54</b>	911	872	–122	–12.2%
<b>55–64</b>	908	1,109	137	14.1%
<b>65–74</b>	537	577	12	2.1%
<b>75–84</b>	327	296	–50	–14.5%
<b>85+</b>	174	181	–37	–16.8%
<b>Total</b>	<b>6,436</b>	<b>6,669</b>	<b>–739</b>	<b>–10.0%</b>

Source: U.S. Census; RDG Planning & Design

-  In-migration/  
High birthrate
-  Out-migration/  
Low birthrate

Predicted vs. Actual is the difference between what would have been predicted to happen to the population based on standard birth and death rates versus what the population make up is estimated to be in 2015.

# Housing Occupancy Change

## Ford County: 2000–2015

	2000		2015		Change 2000–2015
	Number	% of Occupied Units	Number	% of Occupied Units	
<b>Owner–Occupied</b>	1,937	64.8%	1,816	61.2%	–121
<b>Renter–Occupied</b>	520	35.2%	598	38.8%	78
<b>Total Vacant</b>	217		274		57
<b>Vacancy Rate</b>	8.1%		10.2%		
<b>Total Units</b>	2,674		2,688		14

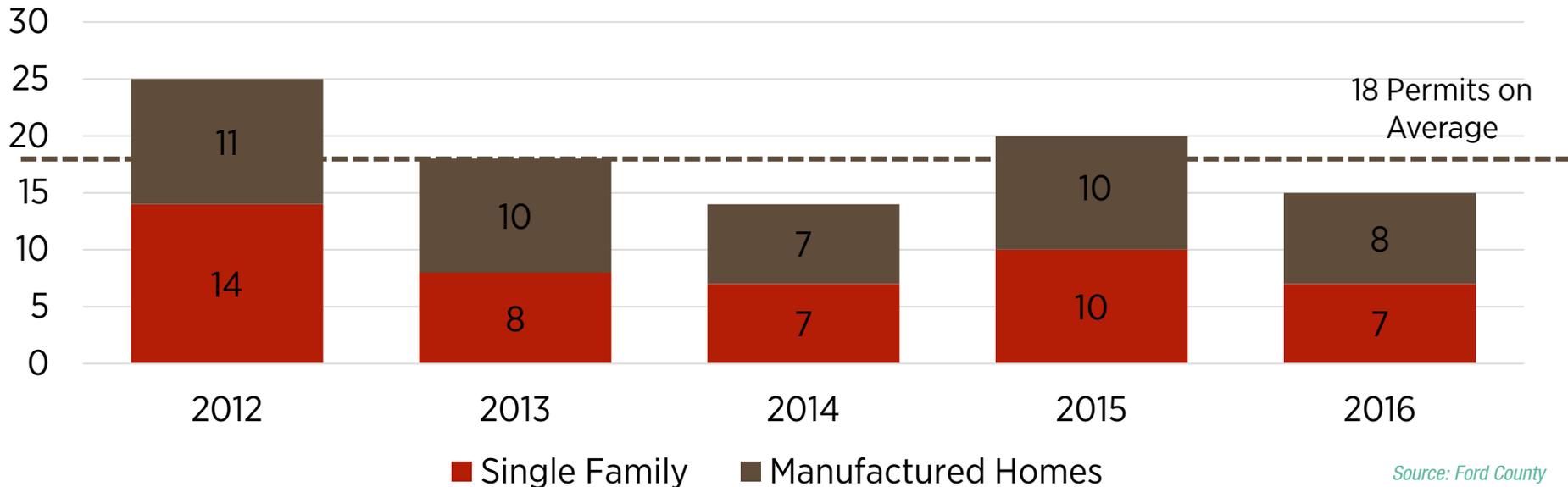
Source: U.S. Census

Vacancy rates for Ford County are significantly higher than in Dodge City. Some of this is a result of a smaller sample size but also a good percentage of units that are not available for rent. Like the city it has also seen an increase in the number of rental units, again likely a result of small, single–family homes being converted to renter occupancy.

# Building Permits

## Ford County (excluding Dodge City): 2012–2015

### Construction Activity



Ford County experienced an average of 18 permits annually from 2012 through 2016. Half of new units were single family, while the other half were mobile homes. No duplexes or multifamily were constructed. Overall, the number of owner-occupied units decreased, while renter-occupied units increased, suggesting some owner-occupied single family and mobile homes are being converted into rentals.

# Comparative Income, Value, and Rent

## Ford County: 2015 Estimates

	Median Household Income	Median House Value	Value/Income Ratio	Median Contract Rent
<b>Bucklin</b>	\$51,364	\$73,800	1.44	\$402
<b>Dodge City</b>	\$47,461	\$97,600	2.06	\$510
<b>Ford</b>	\$46,250	\$51,300	1.11	\$400
<b>Spearville</b>	\$60,833	\$100,700	1.66	\$485
<b>Ford County</b>	\$50,777	\$99,500	1.96	\$505

Source: U.S. Census

- An affordable, self-sustaining housing market with adequate value or revenues to support market rate new construction typically has a V/I value between 2.5 and 3.0
- Ratios below 2.0 are significantly undervalued relative to income
- Ratios above 3.0 exhibit significant affordability issues

# Housing Affordability Ranges

## Ford County: 2015

Income Range	# HHs in Each Range	Affordable Range for Owner Units	# of Owner Units	Affordable Range for Renter Units	# of Renter Units	Total Affordable Units	Balance
<b>\$0–24,999</b>	476	<b>\$0–50,000</b>	355	<b>\$0–399</b>	152	507	31
<b>\$25–49,999</b>	419	<b>\$50–99,999</b>	521	<b>\$400–799</b>	373	894	475
<b>\$50–74,999</b>	612	<b>\$100–149,999</b>	215	<b>\$800–1,249</b>	73	288	–324
<b>\$75–99,999</b>	345	<b>\$150–199,999</b>	323	<b>\$1,250–1,499</b>	0	323	–22
<b>\$100–149,999</b>	422	<b>\$200– \$299,999</b>	281	<b>\$1,500–1,999</b>	0	281	–141
<b>\$150,000+</b>	140	<b>\$300,000+</b>	121	<b>\$2,000+</b>	0	121	–19

*This table should be read left to right across rows*

*Source: U.S. Census; RDG Planning & Design*

- Ford County has a large supply of older housing, keeping values lower
- Higher income groups show a consistent deficit
- As a result, some residents seeking homes with a higher level of amenities may leave and those that remain compete for more affordable units, limiting the number of available units for prospective new employees

# Age of Housing Ford County

Year Built	Percentage
2014 or later	3%
2010 to 2013	3%
2000 to 2009	10%
1990 to 1999	13%
1980 to 1989	8%
1970 to 1979	14%
1960 to 1969	9%
1950 to 1959	8%
1940 to 1949	6%
1939 or earlier	25%

Source: U.S. Census

# Comparative Population Models

## Ford County

	2010	2015	2020	2025	2030
Natural Growth*	6,508	6,669	6,557	6,461	6,395
2010–2015 Growth Rate (0.5% Annual Growth)	6,508	6,669	6,834	7,003	7,176
1990–2015 Growth Rate (0.2% Annual Growth)	6,508	6,669	6,738	6,808	6,878

\* Based on 2015 cohort survival and birth rates

Source: RDG Planning & Design

- Ford County is expected to have natural decline with more deaths than births, assuming no migration
- The growth rate of the past five years would suggest a decent increase population in over time, though this runs contrary to longer trends in the county
- Ford County should target the growth it has experienced since 2010 to support the growth of its smaller communities

# Projecting Housing Needs

## Ford County

- Use population scenarios, recent construction activity and assumptions about people per household to generate ten years of overall housing demand.
- Consider the distribution of household income in a community.
- Match income ranges with affordability price points, based on housing costs equal to 30% of adjusted gross income.
- Define price breakouts for new housing demand, based on the assumption that new construction should ideally be affordable to the existing household income distribution.
- Note: These estimates are not meant to indicate an exact demand for housing, but rather provide guidance as to what kinds of housing is needed to reach certain targets.

# Development Targets

## Ford County: 2017–2030

	2018-2024	2025-2030	Total
<b>Population at End of Period</b>	6,969	7,176	
<b>HH Population at End of Period</b>	6,823	7,026	
<b>Average PPH</b>	2.70	2.70	
<b>HH Demand at End of Period</b>	2,523	2,598	
<b>Projected Vacancy Rate</b>	10.2%	10.2%	
<b>Unit Needs at End of Period</b>	2,809	2,892	
<b>Replacement Need</b>	35	30	65
<b>Cumulative Need During Period</b>	129	113	243
<b>Average Annual Need</b>	14	19	16

Source: RDG Planning & Design

Housing demand calculation is based on:

- No change in the number of people per household
- Average annual replacement of about 5 unit per year
- A steady vacancy; however, this may decline with a higher rate of lost units or units that are currently not occupied leaving the market.

- Ford County’s population growth is expected to occur primarily within Dodge City but the county’s smaller communities have potential to grow.
- Current projections suggest 243 new homes would be expected to be built through 2030, and most should occur within the communities where proper services can be provided.

# Development Targets

## Ford County: 2017–2030

	2017–2024	2025–2030	Total
<b>Total Need</b>	129	113	243
<b>Total Owner Occupied</b>	78	68	146
Affordable Low: \$60–100,000	7	7	14
Affordable Moderate: \$100–130,000	9	8	17
Moderate Market: \$130–200,000	25	21	46
High Market: Over \$200,000	36	32	68
<b>Total Renter Occupied</b>	52	45	97
Low: Less than \$450	20	18	38
Affordable: \$450–700	17	15	32
Market: Over \$700	15	13	27

Source: RDG Planning & Design

- This analysis assumes a split of 60% owner–occupied and 40% rental units, meeting the demand for quality rental units.
- Most new construction will probably cost more than \$130,000, causing demand for lower–cost units to be met by existing housing.

# Development in Bucklin, Ford, & Spearville 2017–2030

- All of the communities of Ford County can capture regional job growth if existing housing quality remains high and lots are available for new construction.
- On an annual basis Spearville should be striving to build about 1 unit a year or building attached homes that can allow older residents to downsize and remain in Spearville.
- Bucklin and Ford should be building about 3 to 4 units per year.
  - These units should include new opportunities for rentals and smaller/lower maintenance units that serve retirees and seniors.

# Overall Assessment



# Housing Resources

- Success since 2008
- Continued Employment Demand
- Sustained Housing Demand
- Strong Small Communities
- Organizational Resources



# Housing Resources

## Success Since 2008

The 2008 and 2012 reports focused on the need for additional housing and improved housing quality. Since then the city has become a state-wide model for implementing the Rural Housing Incentive District (RHID) and the Neighborhood Revitalization Program (NRP).

Additionally, the city has implement housing codes and worked toward improved housing conditions. These programs have been essential in bringing more housing to the market. Furthermore, the city has seen a large number of new income based rental housing.



- **Success since 2008**
- Continued Employment Demand
- Sustained Housing Demand
- Strong Small Communities
- Organizational Resources

# Housing Resources

## Continued Employment Demand

While the energy boom has likely leveled-off in the region the demand for employees remains high. The need to fill positions has resulted in even broader recruiting efforts and has only further diversified Dodge City's population. This has brought both new opportunities and challenges. Filling positions, especially in the skilled and professional ranks continues to be a challenge and meeting these individuals housing expectations will be important in recruitment.



- Success since 2008
- **Continued Employment Demand**
- Sustained Housing Demand
- Strong Small Communities
- Organizational Resources

# Housing Resources

## Sustained Housing Demand

Demand for both rental and owner-occupied housing remains strong. While growth has not been as great as was projected in 2008 and significant progress in housing development has been made, demand continues to exceed construction activity. The need for greater quality and variety in rental housing is a big part of this demand.



- Success since 2008
- Continued Employment Demand
- **Sustained Housing Demand**
- Strong Small Communities
- Organizational Resources

# Housing Resources

## Strong Smaller Communities

After no growth or slower growth during the 2000s, Ford County's smaller communities have experienced more growth and building activity in the last five years. Spearville and Bucklin have both made efforts to improve community quality and attract new residents.



- Success since 2008
- Continued Employment Demand
- Sustained Housing Demand
- **Strong Small Communities**
- Organizational Resources

# Housing Resources

## Organizational Resources

Over the past 10 years the city has only expanded and built on its organizational resources. The Development Corporation, School District, and Community College all provide important resources to the city. The efforts they have made in regards to housing, jobs, and skill development are essential to the county's continued growth. In the coming years, their leadership in expanding partnerships and bringing more stakeholders to the "housing" table will be important.



- Success since 2008
- Continued Employment Demand
- Sustained Housing Demand
- Strong Small Communities
- **Organizational Resources**

# Challenges



# Housing Issues & Challenges

- Shortage of “For Sale” Units
- Housing Quality
- Market Rate Rentals
- Rental Rate to Quality
- Demand for Scarce Price Point
- Downtown Demonstration Project



# Housing Issues & Challenges

## Shortage of “For Sale Units”

All communities are experiencing an inventory shortage. Available units are at an all time low and quality homes may only be on the market for a few days. An inventory shortage causes a stagnant housing market where households looking to move in the market are choosing to stay in their home for longer periods. Secondly, a shortage makes moving to Ford County difficult for new employees and families. There are many reasons for the stagnant market but one of the most important is a lack of variety. Existing owners are no longer looking to “move–up” but are often looking for products that better accommodate their current stage of life.



- **Shortage of “For Sale” Units**
- Housing Quality
- Market Rate Rentals
- Rental Rate to Quality
- Demand for Scarce Price Point
- Downtown Demonstration Project

# Housing Issues & Challenges

## Housing Quality

While strides have been made toward improving housing quality, the issues related to housing quality effect both the owner and rental market. Lower quality homes depress home values and make it more difficult to do infill development. A lack of new market rate rental housing leaves lower quality units on the market and price points that do not match the age or quality of the unit.



- Shortage of “For Sale” Units
- **Housing Quality**
- Market Rate Rentals
- Rental Rate to Quality
- Demand for Scarce Price Point
- Downtown Demonstration Project

# Housing Issues & Challenges

## Market Rate Rentals

Over the past ten years a number of new rentals have been constructed but most of those have been income based. The lack of new market rate construction means that the market for those making just over the income limits is very tight. At the same time new construction that can meet those price points is very challenging. The lack of new construction also means that some of the lowest quality housing units remain on the market at rates that do not reflect their quality. New construction will have to be at higher price points but should also free up lower price point units.



- Shortage of “For Sale” Units
- Housing Quality
- **Market Rate Rentals**
- Rental Rate to Quality
- Demand for Scarce Price Point
- Downtown Demonstration Project

# Housing Issues & Challenges

## Rental Rate to Quality

Before and during the energy boom rental housing was extremely tight and rates increased in reflection of this demand. Rates have not come back down, especially for some of the lowest quality units. The rental market does not appear to be as tight as it was in 2012 and 2008 with some landlords reporting vacancies and longer periods to fill units. However, it does not appear that this has yet to force lower quality units to adjust rental rates or to make improvements to reflect quality. Some of this may be due to the continued influx of new residents who have different housing expectations.



- Shortage of “For Sale” Units
- Housing Quality
- Market Rate Rentals
- **Rental Rate to Quality**
- Demand for Scarce Price Point
- Downtown Demonstration Project

# Housing Issues & Challenges

## Demand for Scarce Price Point

The greatest demand for housing in Dodge City appears to be homes priced below \$180,000. Homes at this price point are the most difficult to construct due to land values, construction costs, and smaller profit margins for the private sector. Addressing this issue will require the continued construction of higher value units that encourage “filtering” in the market, greater housing variety that provides lower maintenance options, housing rehab, and assistance in construction of housing priced below \$200,000.



- Shortage of “For Sale” Units
- Housing Quality
- Market Rate Rentals
- Rental Rate to Quality
- **Demand for Scarce Price Point**
- Downtown Demonstration Project

# Housing Issues & Challenges

## Downtown Demonstration Project

The previous housing studies identified the downtown as a great opportunity for the city and county. Housing is an important part of a districts revitalization but can often be the hardest component. The unfamiliarity of downtown housing development and the higher rental rates needed to support building rehabs can make the financing challenging and create uncertainty. This makes the development of the first project very important. This project needs to demonstrate the market for this type of housing unit. The units above the Pizza Hut may be the right scale to provide this type of demonstration.



- Shortage of “For Sale” Units
- Housing Quality
- Market Rate Rentals
- Rental Rate to Quality
- Demand for Scarce Price Point
- **Downtown Demonstration Project**

# Housing Strategy



# Strategic Objectives

Ford County and Dodge City's employment opportunities, proven record of housing production, and community investments position it for continued growth. The **County is both benefited by and challenged by the regions job availability.** Most of Kansas has a labor shortage and often employers are competing for the same workers.

However, Dodge City's efforts to add housing and amenities should make the city more competitive. A number of forces limit the region's ability to provide affordable housing for people who are logically attracted to the community. If we **can't provide available and affordable housing, we will be unable to attract the new residents** who want to live in and contribute to the region.

# Strategic Objectives

## **A housing program for Ford County and Dodge City should:**

- Continue the aggressive development programs and incentives that have supported new housing construction.
- Increase the number of market rate rental units that will free up housing for those making too much to qualify for income based housing.
- Open up the “for sale” market through greater housing variety that meets the needs of young workers and empty nesters.
- Use strategic rehabilitation and housing conservation to meet the need for housing priced below \$180,000 and strengthen home values in the city’s oldest neighborhoods and smaller communities.

# 1. Filling the Gap

The implementation of RHIDs and NRP have been essential to beginning to address the shortage of housing in the Dodge City market. But it hasn't been enough. There are still gaps in rental housing and not enough production to create movement in the market.

Many of the following strategies will require additional support beyond what has been used in the last 10 years. These may include:

- Lending Consortium
- Local Housing Trust Fund
- Employer Assisted Housing

# 1. Filling the Gap

The 2008 CHAT recommended a Lending Consortium, pooling resources to provide interim financing for important regional housing projects. A Housing Trust Fund can function in similar ways. Both provide greater flexibility due to use of local funds, and is a key advantage.

Employers can be a major partner in these types of efforts. The role of employers can vary from providing funding into the Lend Consortium/Housing Trust Fund to constructing housing for workers. Housing in the recruitment and retention of employees is a major issue for employers and their involvement is becoming necessary in many communities.

# 1. Filling the Gap

## Schuyler Workforce Rental Guarantees

In Schuyler, NE employers provided rent guarantees. The employers, including the School District and Cargill, have put no money into the projects but only the guarantee that if the units could not be rented they would cover the rents for up to 5 years. To date all units, renting at over \$1,000, have remained full and no employer has been called on their note.



## 2. Housing Diversity

### **Increasing Mobility through housing diversity.**

The low supply of “for sale” units is a significant challenge for new employees to the area and for current residents looking to move within the community. Low mobility rates among the existing households is the key issue for available units. Traditionally, as households earned more they would look to purchase larger homes. This trend is changing, with more homeowners staying in housing longer, as they are more interested in high quality and lower maintenance housing rather than more square footage. Instead they are looking for products that fit their lifestyles. For empty-nesters, this may be lower maintenance units that will allow them to easily transition into their retirement years. For young professionals it may be more about the neighborhood and atmosphere, being close to amenities like restaurants and entertainment.

## 2. Housing Diversity

Examples of Housing Diversity:

- **Townhomes and Duplexes**
- **Multi-family**
- **Empty-Nester oriented housing**
- **Downtown housing**
- **Small lot single-family**

Using RHID and NRP to provide sites will be one piece of the puzzle but additional assistance may be needed to provide gap financing.

## 3. Market Rate Rentals

Rental housing in Dodge City has several story lines.

- The rising cost of housing and the concern that many of the city's moderate income earners cannot afford rental housing.
- Little to no new rental housing has been constructed because of the perception that rental rates over \$800 a month, which would be necessary to support new construction cannot be supported.
- The perception that rental housing in rural or smaller markets should be less.
- A small number of rental units priced over \$800 leaving higher income earners competing with lower wage earners for the best quality units.

## 3. Market Rate Rentals

To overcome these story lines:

- A demonstration project will need to be completed that shows some higher rental rates can be supported
- Gap financing will need to be provided to support lower price point rental housing.

Gap financing for these types of market rate rentals will have to come from local support. This will include:

- RHID/NRP
- Lending Consortium/Local Housing Trust Fund
- Local employers

## 4. Housing Conservation

Dodge City has made strides on infill and housing rehabilitation but has found that it is difficult and nearly impossible for the private market to successfully rehab or do infill projects.

Lower home values in some of the most distressed neighborhoods discourage private market projects that may not even see a project appraise at cost.

A targeted approach should continue that identifies strategy areas that will elevate the overall values of a neighborhood or few blocks. Programs should include:

- Purchase–Rehab–Resale
- Lot Assembly
- Expanded demolition program
- Greater code enforcement

## 4. Housing Conservation

**Purchase–Rehab–Resale programs.** Program maintains the city’s existing housing stock while providing affordable owner–occupied housing. Usually done through a non–profit development corporation using HOME funds but the Lending Consortium or other sources may be used.

NeighborWorks Northeast Nebraska has completed over 140 homes for the city of Columbus, NE using this program.



## 4. Housing Conservation

- **Lot Assembly**
  - May need to occur with assistance from the city
- **Expanded demolition program**
  - Dedicated funding source should be identified by the city for the removal of three to five housing units annually
- **Greater code enforcement**
  - The city should consider implementation of a program that triggers a basic life safety inspection upon the change of utility billing

All of these initiatives should be targeted and aimed at increasing values necessary to support private market investment.

## 4. Housing Conservation

### **Mobile Home Buyout Program: Faribault, Minnesota:**

The Housing and Redevelopment Authority (HRA) in Faribault has used its Mobile Home Buyout Program to acquire and remove substandard housing from its existing mobile parks.

Through this voluntary program, owners of uninhabited, dilapidated or substandard mobile homes may apply to participate in the buyout program. If the unit is determined to be substandard, uninhabited, or dilapidated, the HRA will buy the mobile for a flat rate of \$2,000, not including property tax or lot rent. Upon acquisition, the home is then properly demolished, removed, and the lot repurposed.

<https://www.ci.faribault.mn.us/427/Mobile-Home-Buyout-Program>

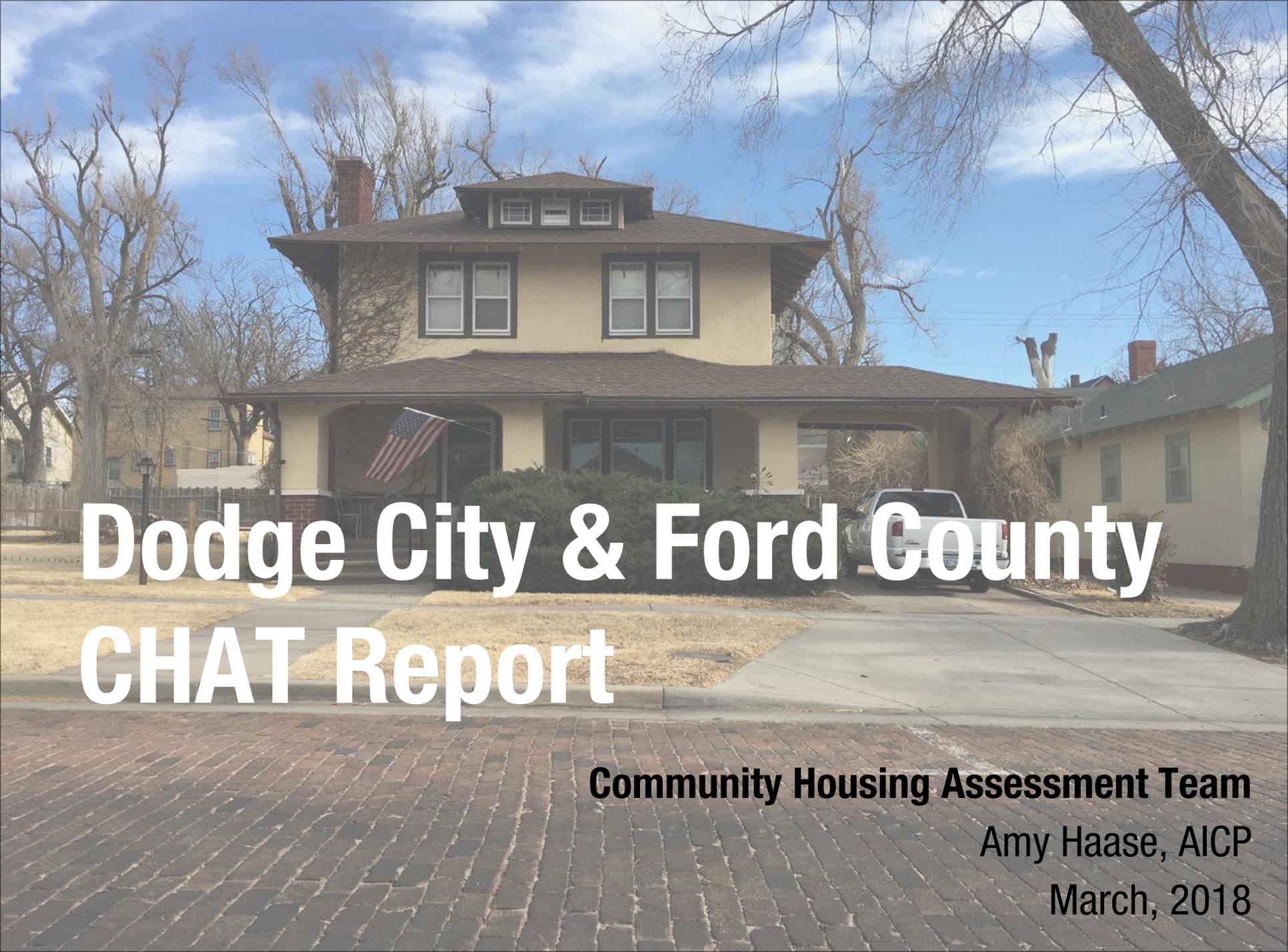
This program does not address the housing needs for those individuals currently living in substandard units but does offer a way to remove some of the manufactured homes in the worst condition.

## 4. Downtown

As noted in the 2012 Housing Study, Downtown has significant potential and resources to encourage downtown housing. Programs such as NRP and TIF are in place to support downtown housing.

However, a project has yet to be completed because of the complicated nature of these projects and the concern over higher rental rates. A demonstration project will need to be completed to show the market can be success. Gap financing may be necessary to support an initial project.





# Dodge City & Ford County CHAT Report

**Community Housing Assessment Team**

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March, 2018