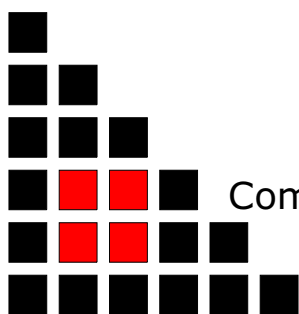


Beadle & Spink Enterprise Community, Inc. HOUSING STUDY UPDATE

January 2022

An updated analysis of the overall housing needs of the communities of Iroquois, Yale and Cavour in Beadle County



Community Partners Research, Inc.

Faribault, MN

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Introduction

Local elected and public officials are often held responsible for conditions and circumstances over which they have limited control. This is particularly true of housing. Most of the housing units in Iroquois, Yale, Cavour, and Beadle County are privately owned and were constructed with private funds. On an increasing scale, however, the public is demanding that public officials control what happens in this largely private housing market by eliminating blight, protecting individual investments, and generating new housing growth to meet economic development needs.

Community Partners Research, Inc., was originally hired in 2014 by the Beadle & Spink Enterprise Community, Inc. (BASEC) to conduct a study of the housing needs and conditions in the City of Iroquois and the Towns of Yale and Cavour. In 2021, BASEC initiated an Update to the 2014 Housing Study.

The Towns of Cavour and Yale are located in Beadle County. Iroquois is located on the border of Beadle and Kingsbury Counties, with portions of the City in both Counties.

Goals

The multiple goals of the study include:

- ▶ Provide updated 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 August to October, 2021. Data sources included:

- U.S. Census Bureau
- American Community Survey
- Applied Geographical Solutions, Inc., a data reporting service
- ESRI, a private data company
- Records and data from the communities

- Records and data maintained by Beadle County
- South Dakota State Data Center
- Interviews with city and town officials, community leaders, housing stakeholders, etc.
- Area housing agencies
- State and Federal housing agencies
- Rental property owner surveys
- Housing condition and mobile home surveys

Limitations

This Housing Study represents an analysis performed with the data available at the time of the Study. The findings and recommendations are based upon current solutions and the best available information on future trends and projections. Significant changes in the area's economy, employment growth, federal or State tax policy or other related factors could change the conclusions and recommendations contained in this Housing Study.

During the course of the research for this project, a global pandemic was still underway, which has had widespread impacts, including on economic, housing and educational conditions. The longer-term impacts of the pandemic cannot be predicted, and the analysts have proceeded with the best information available at the time of the research.

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Demographic Data Overview

Sources of Data

The following pages contain demographic data obtained from a variety of local, state and national sources for Iroquois, Yale, Cavour and Beadle County.

When the demographic research for this Update was underway, the Census Bureau began releasing data from the 2020 U.S. Census. However, only limited information was available, although this included totals for population, households and housing units. The available Census information has been incorporated into the analysis that follows, but for other demographic variables, including age distribution, sources other than the 2020 Census have been used.

In addition to the decennial Census, the Census Bureau has created the American Community Survey, an annual sampling of households. The American Community Survey provides detailed demographic characteristics. However, the American Community Survey is based on sampling data and there is a margin of error that exists for each estimate. The following tables incorporate the 2019 American Community Survey data, when viewed as reliable.

The frequency of American Community Survey estimates vary depending on the size of the jurisdiction. For most jurisdictions in South Dakota, the 2019 estimates were derived from sampling that was done over a five-year period, between 2015 and 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. The AGS estimates are for 2021, with projections to 2026 and have been used for this Update.

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 estimates and future projections. The Esri estimates are for 2021, with projections to 2026.

It is important to note that the release of 2020 Census tables has been delayed by the global pandemic. The AGS and Esri estimates used for this Update were generated without access to the new benchmark demographic data from the 2020 Census. As a result, the accuracy of estimates information will not be known until after the completion of this document.

Population Data and Trends

Table 1 Population Trends - 1990 to 2020						
	1990 Census	2000 Census	% Change 1990-2000	2010 Census	% Change 2000-2010	2020 Census
Iroquois	328	278	-15.2%	266	-4.3%	292
Yale	128	118	-7.8%	108	-8.5%	112
Cavour	166	141	-15.1%	114	-19.1%	128
Beadle Co.	18,253	17,023	-5.5%	17,398	2.2%	19,149
Beadle (-Huron)	5,805	5,130	-11.6%	4,806	-6.3%	4,886

Source: U.S. Census

- ▶ The 2020 Census population counts were released in August 2021, and are provided in the table above. In the text that follows, the 2020 Census information has been compared to non-Census estimates that have also been used for this document. Estimates from both Applied Geographic Solutions and Esri have an effective date for 2021, compared to the Census with an effective date of April 1, 2020.
- ▶ According to 2020 Census, **Iroquois** had 292 permanent residents in 2020. When compared to 2010, the City had added 26 people over the decade for population growth of 9.8%. This represented a change in the longer-term pattern for the City, as Iroquois had lost population in the 1990s and between 2000 and 2010.
- ▶ A 2021 population estimate obtained from Applied Geographic Solutions (AGS) for **Iroquois** showed 260 residents. Although a one-year time difference exists, it appears that AGS has underestimated the recent growth that has occurred in the City.
- ▶ According to 2020 Census, **Yale** had 112 permanent residents in 2020. When compared to 2010, the City had added four people over the decade for population growth of 3.7%. Although the Town’s numeric growth was small, this did represent a change in the longer-term pattern as Yale had lost population in the 1990s and between 2000 and 2010.
- ▶ The 2021 population estimate obtained from AGS for **Yale** showed 120 residents in 2021. While it is possible that some additional residents were

added between 2020 and 2021, it appears that the AGS estimate for Yale was slightly high for 2021.

- ▶ According to 2020 Census, **Cavour** had 128 permanent residents in 2020. When compared to 2010, the City had added 14 people over the decade for population growth of 12.3%. This represented a change in the longer-term pattern for the City, as Cavour had lost population in the 1990s and between 2000 and 2010.
- ▶ The 2021 population estimate obtained from AGS for **Cavour** showed 125 residents. With a one-year time difference that exists, it appears that AGS was relatively accurate in its estimate of the recent growth that has occurred in the Town.
- ▶ The 2020 Census reported a total population for **Beadle County** of 19,149 people. When compared to 2010, the County had added 1,751 permanent residents over the decade for population growth of 10.1%. This represented a strong decade of growth for the County, as a population loss had occurred in the 1990s, and the County's population increased by only 2.2% between 2000 and 2010.
- ▶ While the 2020 Census did show solid population growth for **Beadle County** over the previous decade, most of the gain was attributed to the **Huron**, as the City added 1,671 people from 2010 to 2020, or more than 95% of the net growth Countywide. In the remaining combined jurisdictions outside of Huron, only 80 people were added since 2010.
- ▶ Based on the 2020 Census count, the estimates available from sources such as AGS and Esri have not accurately reflected the population growth that has occurred in **Beadle County** in recent years. The AGS estimate for Beadle County showed 18,465 residents, or 684 people lower than the 2020 Census. Esri had a similar underestimate, with 18,330 people in 2021, or 819 people below the Census count.
- ▶ Although both AGS and Esri failed to recognize recent growth for **Beadle County**, this was primarily due to their underestimates for **Huron**. AGS appears to have underestimated Huron's population by 936 people, while Esri underestimated Huron's population by 982 people.
- ▶ There were no group quarter's residents living in Iroquois, Yale or Cavour at the time of the 2010 Census. Group quarters housing would include nursing homes and group homes.

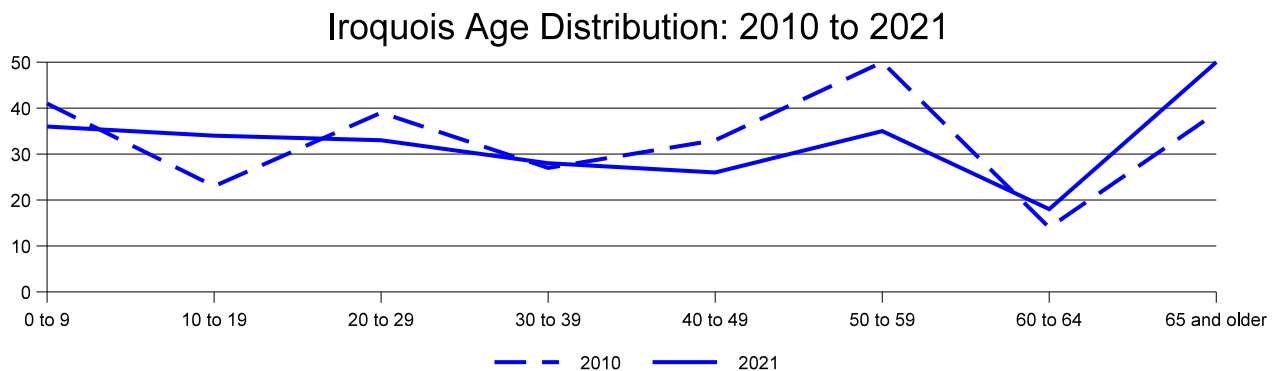
Population by Age Trends in Iroquois: 2010 to 2021

The 2020 Census has not yet released age data for population. The 2021 estimates for Iroquois from Applied Geographic Solutions have been used and compared to age distribution data from the 2010 Census. Readers should note that AGS appears to have underestimated the City’s 2021 population by 30 or more people.

Table 2 Population by Age in Iroquois - 2010 to 2021			
Age	2010	2021	Change
0-9	41	36	-5
10-19	23	34	11
20-29	39	33	-6
30-39	27	28	1
40-49	33	26	-7
50-59	50	35	-15
60-64	14	18	4
65+	39	50	11
Total	266	260	-6

Source: U.S. Census; AGS

There were limited numeric changes in most of the defined age groups in Iroquois between 2010 and 2021. Only three specific ranges experienced a change of 10 or more people. Most of the positive growth occurred among younger residents, age 10 to 19, and among seniors age 65 and older. Iroquois added 11 residents in each of these age ranges. The largest decrease occurred among adults age 50 to 59 years old, with an estimated decrease of 15 people.



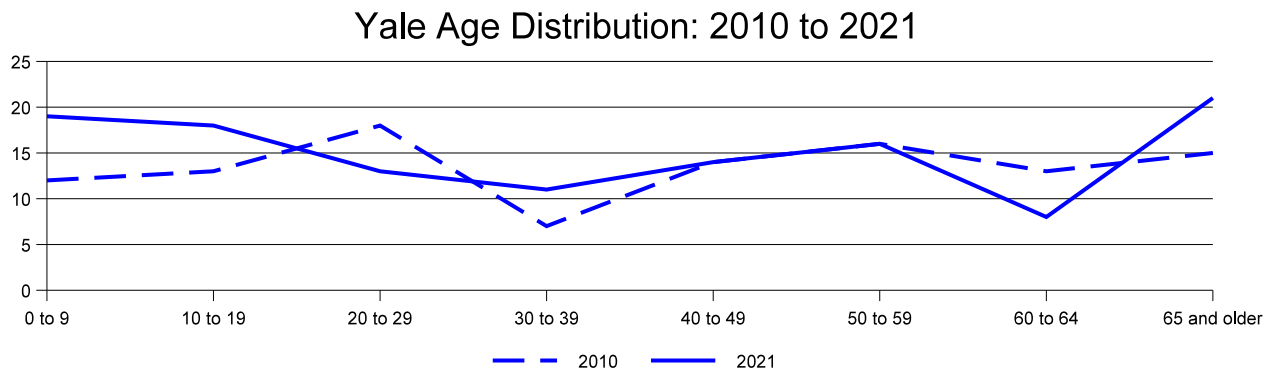
Population by Age Trends in Yale: 2010 to 2021

The 2020 Census has not yet released age data for population. The 2021 estimates for Yale from Applied Geographic Solutions have been used and compared to age distribution data from the 2010 Census. Readers should note that AGS appears to have slightly overestimated the Town’s 2021 population by approximately 8 people.

Table 3 Population by Age in Yale - 2010 to 2021			
Age	2010	2021	Change
0-9	12	19	7
10-19	13	18	5
20-29	18	13	-5
30-39	7	11	4
40-49	14	14	0
50-59	16	16	0
60-64	13	8	-5
65-74	15	21	6
Total	108	120	12

Source: U.S. Census; AGS

Within most of the defined age ranges there was a change of five or fewer people in Yale between 2010 and 2021. The Town did see an increase of seven children age nine and younger. Yale also added younger residents in the 10 to 19 year old age group, and overall added 12 people age 19 and younger. The Town also added six senior citizens, age 65 and older.



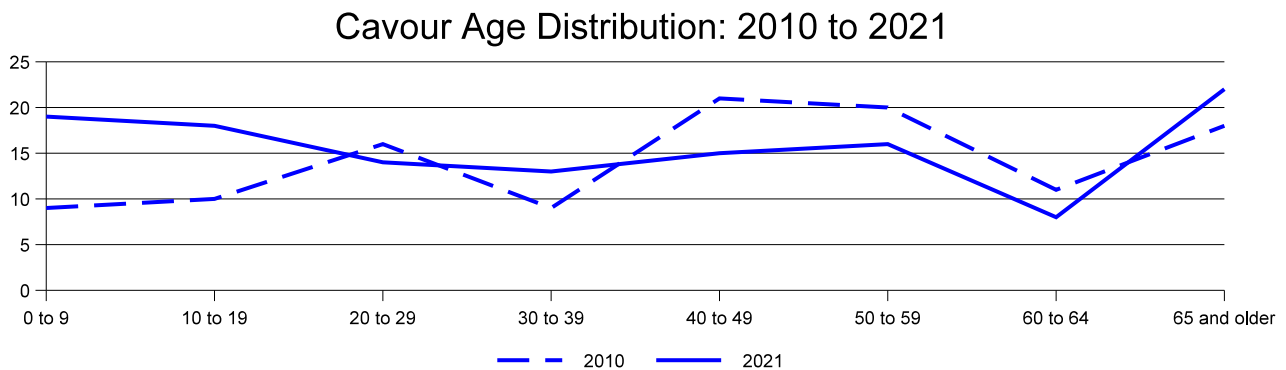
Population by Age Trends in Cavour: 2010 to 2021

The 2020 Census has not yet released age data for population. The 2021 estimates for Cavour from Applied Geographic Solutions have been used and compared to age distribution data from the 2010 Census.

Table 4 Population by Age in Cavour - 2010 to 2021			
Age	2010	2021	Change
0-9	9	19	10
10-19	10	18	8
20-29	16	14	-2
30-39	9	13	4
40-49	21	15	-6
50-59	20	16	-4
60-64	11	8	-3
65+	18	22	4
Total	114	125	11

Source: U.S. Census; AGS

Given the small size of Cavour, there were limited numeric changes in most of the defined age groups. Only three specific ranges experienced a change of five or more people. Most of the positive growth occurred among younger residents, as Cavour added 10 residents age nine and younger, and eight residents between the ages of 10 and 19 years old. The largest decrease occurred among adults age 40 to 49, with a decrease of six people between 2010 and 2021.



Household Data and Trends

At the time of the demographic research for this Update, the 2020 Census totals for households had just been released.

Table 5 Household Trends - 1990 to 2020						
	1990 Households	2000 Households	% Change 1990-2000	2010 Households	% Change 2000-2010	2020 Census
Iroquois	131	113	-13.7%	119	5.3%	124
Yale	49	47	-4.1%	50	6.4%	47
Cavour	65	60	-7.7%	56	-6.7%	45
Beadle Co.	7,341	7,210	-1.8%	7,276	0.9%	7,369
Beadle (-Huron)	2,083	1,967	-5.6%	1,858	-5.5%	1,845

Source: U.S. Census

- ▶ The 2020 Census recorded 124 permanent resident households living in ***Iroquois***, up by five households from the 2010 Census. After losing a significant number of households in the 1990s, Iroquois has slowly been adding back, with a gain of six households between 2000 and 2010, followed by the increase of five households in the 2010s.
- ▶ The 2020 Census count for ***Yale*** showed 47 households, down by three from the 2010 Census. Although the Town has experienced minor upward and downward changes in recent decades, the household count in 2020 was only two below the level recorded in the 1990 Census, as Yale has remained relatively stable over the past 30 years.
- ▶ The 2020 Census recorded 45 resident households in ***Cavour***, down by 11 households from 2010. Over the past three decades the Town has continued to see a reduction of occupied housing units. The pace of the household loss has increased, with a percentage decrease of nearly 20% over the last decade.
- ▶ For all of ***Beadle County***, the Census did show growth of 93 households between 2010 and 2020. However, this was primarily due to the growth within ***Huron***, as the largest city in the County added 106 households over the decade. The remainder of the County, excluding Huron, had a combined loss of 13 households during this same time.

- ▶ Although the numeric loss for the remainder of **Beadle County** was small between 2010 and 2020, it did continue a long-term pattern of fewer households in the townships and small communities, as the more rural portions of the County have been experiencing a loss of households over the past three decades.
- ▶ The analysts also reviewed household estimates for the year 2021 from AGS. These were issued prior to the release of 2020 Census data, and in some cases appear to be unreliable.
- ▶ For **Iroquois**, AGS showed a reduction of 15 households between 2010 and 2021, while the Census showed the City adding five households through 2020. Despite the one year time difference in the effective dates, the AGS household estimate for 2021 is not viewed as reliable.
- ▶ The AGS estimate for **Yale** showed a reduction of eight households between 2010 and 2021, while the Census showed the Town losing only three households.
- ▶ AGS estimated a reduction of 13 resident households in **Cavour** between 2010 and 2021, while the Census showed a reduction of 11 households through 2020. The AGS's population estimate for Cavour provided earlier was also relatively accurate when compared to the 2020 Census.
- ▶ AGS estimates that all of **Beadle County** had 7,224 households in 2021, down by 52 households from the 2010 Census. However, the 2020 Census reported 7,369 households Countywide, up by 93 households from 2010. Although AGS underestimated the County household total, the difference is less than 2%.
- ▶ A 2021 estimate for **Beadle County** was also obtained from Esri and shows 7,645 households, up by 369 households since 2010. Although there is a one year time difference, the Esri estimate was approximately 3.7% higher than the Census count.
- ▶ The numeric difference between the 2020 Census and the 2021 estimate from Esri are reduced if only the rural portions of the **Beadle County**, excluding **Huron**, are examined. The 2020 Census showed 1,845 households in the remainder of the County, while Esri showed 1,968 households.

Average Household Size

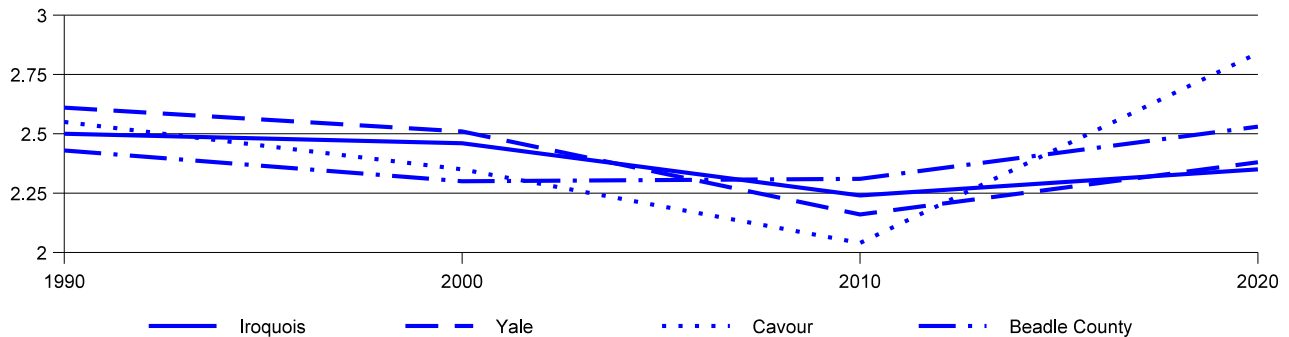
The following table provides decennial Census information on average household size, including the 2020 Census.

Table 6 Average Number of Persons Per Household: 1990 to 2020				
	1990 Census	2000 Census	2010 Census	2020 Census
Iroquois	2.50	2.46	2.24	2.35
Yale	2.61	2.51	2.16	2.38
Cavour	2.55	2.35	2.04	2.84
Beadle County	2.43	2.30	2.31	2.53

Source: U.S. Census

- ▶ Household formation has generally been occurring at a different rate than population change in recent decades due to a typical pattern of decrease in average household size. This has been caused by household composition changes, such as more single person and single parent families, fewer children per family, and more senior households due to longer life spans.
- ▶ However, according to the 2020 Census, this pattern of smaller households has not been present in recent years in Beadle County, as Iroquois, Yale and Cavour all saw their average household size increase between 2010 and 2020. This would typically imply an increase of families with children are now living in each community.

Average Household Size: 1990 to 2020



- ▶ After decreasing in the 1990s, and between 2000 and 2010, the average household size in ***Iroquois*** increased to 2.35 persons in 2020. Despite the recent increase, the City's average household size is still smaller than the Countywide average of 2.53 persons.
- ▶ The average household size in ***Yale*** has also increased over the past decade and was at 2.38 persons in 2020, up from 2.16 persons in 2010. Despite the recent increase, the City's average household size is still smaller than the Countywide average of 2.53 persons.
- ▶ The 2020 average household size in ***Cavour***, at 2.84 people, is large by comparative standards. At the time of the 2010 Census, the Town's average of 2.04 persons per household was small when compared to most communities, but by 2020 had increased to a larger average than Beadle County.
- ▶ The 2020 Census showed an average of 2.53 persons per household for all of ***Beadle County***, up from 2.31 persons in 2010. After decreasing steadily in the 1990s and between 2000 and 2010, the County's average household has grown larger in recent years.

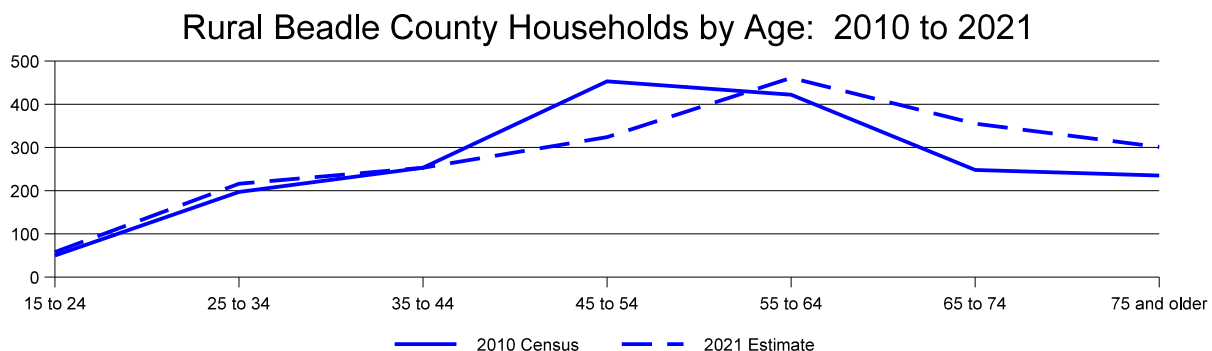
Household by Age Estimates for Rural Beadle County: 2010 to 2021

The 2020 Census has not yet released age details for households. Esri does provide age-based estimates for the year 2021. The distribution of households by age of householder is presented for 2010 and 2021, to track aging patterns in recent years. Esri appears to have overestimated the total number of households in Beadle County. When compared to the 2020 Census, Esri shows 123 more households in the rural portions of Beadle County, outside of Huron. Although a one year time difference exists, the Esri count is believed to be high by more than 100 households. Despite the over count, this represents the best current data on household aging patterns.

The following table has removed Huron and presents data for the remainder of Beadle County. The distribution of households by age of householder is presented for 2010 and 2021, to track aging patterns in recent years.

Table 7 Rural Beadle County Households by Age - 2010 to 2021			
	2010 Census	2021 Esri Estimate	Change from 2010
15-24	50	58	8
25-34	197	216	19
35-44	253	253	0
45-54	453	324	-129
55-64	422	461	39
65-74	248	355	107
75+	235	301	66
Total	1,858	1,968	110

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



Consistent with the age distribution data presented earlier, the rural jurisdictions in Beadle County continue to show the advancement of an aging population. Between 2010 and 2021, the combined jurisdictions outside of Huron had an increased number of households age 55 and older.

If aggregated into larger groupings, the estimates from Esri show the remainder of Beadle County adding 212 total households in the age groups 55 and older, while losing more than 100 households age 54 and younger. Much of this represented the movement of the “baby boom” generation through the aging cycle.

Household Projections

With the recent release of the 2020 Census, it is possible to generate trend-based projections for each jurisdiction based on the growth rate experienced since 2010. In the following table, trend-based projections to the year 2026 have been calculated by Community Partners Research, Inc.

The analysts have examined household projections for each of the communities that were generated by Applied Geographic Solutions. However, AGS has tended to underestimate the recent demographic patterns in each of the communities. As a result, their projections for the future are overly conservative.

Table 8 Household Projections Through 2026			
	2020 Census	2026 Projection	Change 2020 to 2026
Iroquois	124	127	3
Yale	47	45	-2
Cavour	45	40	-5
Beadle Co. (-Huron)	1,845	1,837	-8

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

- ▶ The growth projections generated from past trends expected only limited change in the number of resident households for each of the individual jurisdictions reviewed.
- ▶ The projection for ***Iroquois*** expects a probable gain of three households by the year 2026. While a greater level of growth is certainly possible, the City has been adding approximately one new household every two years over the past decade, and this modest level of growth is very achievable going forward.
- ▶ The trend-based projection for ***Yale*** anticipates the loss of two households by 2026. This would be consistent with the Town’s change since 2010, as the Census showed the community losing three households in the last decade.
- ▶ The projection for ***Cavour*** expects a loss of five households by 2026, continuing a long-term pattern of fewer households living in the community.

- ▶ The trend-based projection for rural ***Beadle County***, the aggregated jurisdictions outside of Huron, would expect minimal change in the number of resident households by 2026. The small communities and rural townships in the County have remained largely stable since 2010, and this would be expected over the near-future.
- ▶ Although not displayed in the table above, both AGS and Esri are projecting some minor level of household growth through the year 2026 in the ***Beadle County*** jurisdictions outside of Huron. AGS expects the remainder of Beadle County to add 78 households while Esri projects a net gain of 22 households between 2021 and 2026.

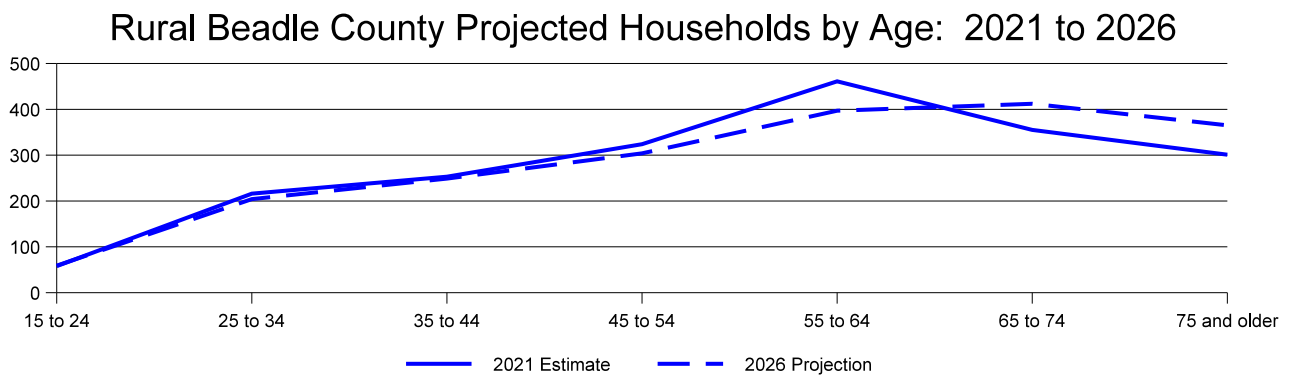
Household by Age Projections for Rural Beadle County: 2021 to 2026

As stated previously, Esri has probably overestimated the total number of households in rural Beadle County (excluding Huron) by 100 or more households in 2021. They also have projected a higher level of growth going forward to the year 2026. Although Esri’s estimate and projection may prove to be slightly high, this source represents the best available information on age-based household changes over the next few years.

In the following table, Esri’s projections to the year 2026 can be compared to their estimates for 2021 to examine expected changes for the rural portions of Beadle County, excluding Huron.

Table 9 Rural Beadle County Households by Age - 2021 to 2026			
	2021 Esri Estimate	2026 Esri Projection	Change
15-24	58	59	1
25-34	216	204	-12
35-44	253	249	-4
45-54	324	304	-20
55-64	461	397	-64
65-74	355	412	57
75+	301	365	64
Total	1,968	1,990	22

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



As projected by Esri, rural Beadle County will continue to see an older population progression over the next five years. The portions of the County outside of Huron are expected to see an increase of more than 120 households age 65 and older, but a decrease of nearly 100 households age 64 and younger between 2021 and 2026.

Housing Tenure

The 2020 information on housing occupancy specifics has not yet been released. As a result, the 2010 Census still provides the most reliable information on housing tenure patterns, especially in small communities.

Table 10 Household Tenure - 2010				
	Number of Owners	Percent of all Households	Number of Renters	Percent of all Households
Iroquois	97	81.5%	22	18.5%
Yale	43	86.0%	7	14.0%
Cavour	50	89.3%	6	10.7%
Beadle County	4,813	66.1%	2,463	33.9%
State	-	68.1%	-	31.9%

Source: U.S. Census

- ▶ At the time of the 2010 Census, the ownership tenure rate in ***Iroquois*** was 81.5%. The City primarily provides owner-occupancy housing options in single family homes. The City does have some rental housing in small apartment buildings.
- ▶ In 2010, ***Yale's*** home ownership rate was 86.0%. Only seven renter-occupancy households lived in the community.
- ▶ The home ownership tenure rate in ***Cavour*** was above 89% in 2010, with only six housing units occupied by renters.
- ▶ In 2010, nearly 34% of all households living in ***Beadle County*** rented their housing. This was largely due to the impact of ***Huron*** on Countywide totals.

2019 Median Income Data

Income estimates are available at the town, city and county level through the American Community Survey. In the following table, the estimated median income levels for 2019 have been compared to 2010 to analyze changes over time.

The number of households in Iroquois, Yale, and Cavour is very small and only a limited number of surveys are completed annually. This results in a large margin of error within the individual estimates which should be considered when analyzing the income data.

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

Table 11 Median Household Income - 2010 to 2019			
	2010 Median	2019 Median	% Change
Households			
Iroquois	\$43,864	\$54,896	25.2%
Yale	\$51,250	\$59,668	16.4%
Cavour	\$60,938	\$63,333	3.9%
Beadle County	\$40,716	\$52,313	28.5%
South Dakota	\$46,369	\$58,275	25.7%
Families			
Iroquois	\$46,000	\$61,250	33.2%
Yale	\$52,321	\$93,750	79.2%
Cavour	\$60,625	\$67,500	11.3%
Beadle County	\$56,288	\$65,513	16.4%
South Dakota	\$58,958	\$75,168	27.5%

Source: American Community Survey

- ▶ According to the American Community Survey, the estimated median household income in ***Iroquois*** was \$54,896, and the City’s median family income was \$61,250. Both medians had increased substantially since 2010. The median household income in Iroquois would yield \$1,372 per month for housing costs if a standard of 30% of income is applied.
- ▶ According to the American Community Survey, the estimated median household income in ***Yale*** was \$59,668, and the Town’s median family income was \$93,750. Both medians had increased substantially since 2010. If accurate, the median family income in Yale was well above the comparable medians for Beadle County of the State. The median household income in Yale would yield \$1,492 per month for housing costs if a standard of 30% of income is applied.
- ▶ According to the American Community Survey, the estimated median household income in ***Cavour*** was \$63,333, and the Town’s median family income was \$67,500. Although both of these medians had shown a limited increase since 2010, the medians for Cavour still remained above the comparable Countywide medians in 2019. The median household income in Cavour would yield \$1,583 per month for housing costs if a standard of 30% of income is applied.
- ▶ According to the American Community Survey, the estimated median household income in ***Beadle County*** was \$52,313, and the median family income was \$65,513. Both of the County’s medians were below the comparable Statewide medians. The median household income in Beadle County would yield \$1,308 per month for housing costs if a standard of 30% of income is applied.
- ▶ Although each of the jurisdictions had a median household income that would allow more than \$1,300 per month that could be available for housing expenses without a cost burden, there can be a significant difference in income levels for owner and renter households. For all of Beadle County, the estimated median income for home owners was \$62,758 in 2019, compared to a median of \$32,113 for renter households. A renter household at the median income level could only apply \$803 per month at 30% of income for housing costs.

Estimated Income and Housing Costs - Renters

The American Community Survey collected information on housing costs and income in 2019. However, the estimates for small communities can have a significant margin of error due to the limited sampling that is completed. Instead of providing the detailed tables for each of the communities, the following summary information is provided on housing cost burden.

The goal of most housing assistance programs is to keep housing costs at 30% or less of household income. When 30% or more of income is required, it is generally defined as a "housing cost burden". Households applying 35% or more of their income for housing may have a "severe housing cost burden".

- ▶ In ***Iroquois***, fewer than 5% of all renter households were applying 30% or more of their income to housing costs in 2019.
- ▶ In ***Yale***, no renter households were applying 30% or more of their income to housing costs in 2019.
- ▶ In ***Cavour***, approximately 14% of all renter households were applying 30% or more of their income to housing costs in 2019.
- ▶ In all of ***Beadle County***, nearly 27% of all renter households were applying 30% or more of their income to housing costs in 2019. However, approximately 89% of all renter households in the County were living in ***Huron***.

Estimated Income and Housing Costs - Owners

The American Community Survey also provides housing cost and income estimates for home owners. Once again, only limited summary information is provided due to the limited sampling that is done in small communities.

It is important to note that mortgage lending practices also tend to limit the amount of monthly income that can be used for mortgage repayment to less than 30%, however, some home owners do pay more than this amount for housing. The following information includes owner households both with and without a mortgage.

- ▶ In ***Iroquois***, approximately 15% of all owner households were applying 30% or more of their income to housing costs in 2019.
- ▶ In ***Yale***, fewer than 9% of owner households were applying 30% or more of their income to housing costs in 2019.
- ▶ In ***Cavour***, approximately 14% of all owner households were applying 30% or more of their income to housing costs in 2019.
- ▶ In all of ***Beadle County***, approximately 17% of all owner households were applying 30% or more of their income to housing costs in 2019. More than 64% of all home owners in the County were living in ***Huron***.

New Housing Construction

There is no information that indicates that any new housing units have been constructed in Yale or Cavour between 2010 and 2021.

The City of Iroquois does report annual building activity to the Census Bureau. A review of reports submitted between 2010 and 2020 identified six new houses permitted during this 11-year time period. There was one new house reported 2019, 2017, 2016 and 2010, and two new houses reported in 2012.

The unincorporated areas of Beadle County also reported to the Census Bureau. Between 2010 and 2020, there were permits issued for 94 new houses. There is no further geographic breakdown available on the locations of these homes.

2020 Census Housing Data

Only basic housing counts have been released from the 2020 Census, but this information can provide some insights into changes in the housing stock for each community. The following table compares information from 2010 and 2020 to track changes over the decade as reported by the Census.

Table 12 Housing Units, Occupancy and Vacancy - 2020									
	Total Housing Units			Occupied Units			Vacant Units		
	2010	2020	Change	2010	2020	Change	2010	2020	Change
Iroquois	135	129	-6	119	124	5	16	5	-11
Yale	56	56	0	50	47	-3	6	9	3
Cavour	61	58	-3	56	45	-11	5	13	8

Source: U.S. Census

- ▶ According to the Census, the City of **Iroquois** had a small reduction in the number of housing units between 2010 and 2020. In total, there were six fewer units in 2020. This decrease occurred despite some level of new home construction during the decade, as six new single family homes were permitted, based on available reports. Despite fewer housing units, the City added households, as some of the units that had been vacant in 2010 were occupied when the 2020 Census was conducted.
- ▶ As tracked by the Census, there was no change in the housing stock in **Yale** between 2010 and 2020. There is no evidence that any new housing was built during the decade, but apparently no older units were lost. The Town did see a reduction of three occupied housing units, and added three vacant units when the 2020 Census was conducted.
- ▶ According to the Census, **Cavour** had a reduction of three housing units between 2010 and 2020. There is no evidence that any new housing was built during the decade, but apparently three units were lost. The Town had a reduction of 11 occupied housing units but added eight vacant units when the 2020 Census was conducted for a net loss of three units.

American Community Survey Housing Data

The Census Bureau's American Community Survey includes information on various housing topics. As stated previously, the estimates for small communities are based on limited sampling, which results in a margin of error within the individual data being presented.

Median Year of Construction - Owner-occupancy Housing

An estimate is available for the median year of construction for owner-occupancy units in each jurisdiction:

- ▶ Iroquois - 1968
- ▶ Yale - 1945
- ▶ Cavour - 1980
- ▶ Beadle County - 1962

Median Year of Construction - Renter-occupancy Housing

An estimate is available for the median year of construction for occupied rental units in each jurisdiction:

- ▶ Iroquois - 1972
- ▶ Yale - N/A
- ▶ Cavour - 1983
- ▶ Beadle County - 1973

Existing Home Sales

Home sale information exists from the South Dakota Department of Revenue based on annual sales reports submitted from Beadle County. The County collects information from residential sales for their annual sales ratio study.

Each 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 attempts to sort the residential sales into different groupings, primarily based on whether or not the house was actively listed for sale in the open market. As a result, some sales are rejected because they were not viewed as open market transactions.

Sales are rejected if the price exceeds 150% of the taxable market value, even when these sales are open market transactions. However, when these sales are identified as open market transactions, Community Partners Research, Inc., would include these higher-ratio sales.

The County's time period for analyzing annual sales differs slightly from the calendar year. It begins on November 1st and ends on October 31st of each year. Information was analyzed beginning with year 2016 (starting November 1, 2015) and extending through October 31, 2020. No sales have yet been listed for the 2021 sales year.

It is important to note that the number of houses sold in any 12-month period can be limited and may not be an accurate indicator of overall home values in the community. With the small number of annual sales in each of these communities, the entire 5-year sales sample has been aggregated in the following table. By looking at a multi-year grouping of sales, it is possible to analyze more reliable data.

The City of Iroquois extends into both Beadle and Kingsbury Counties. The State sales report was obtained for both Counties for the analysis in Iroquois.

Table 13 Residential Sales Activity - 2016 through 2020			
Jurisdiction	Number of Sales	Median Sale Price	Highest Sale
Iroquois	22	\$86,450*	\$215,000
Yale	8	\$67,250*	\$138,900
Cavour	8	\$59,000*	\$155,000

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

* Median calculated from nearest sales

- ▶ Over the 5-year time period reviewed there were 22 good residential sales recorded in **Iroquois**. The calculated median price was \$86,450. The highest valued sale in the City was \$215,000, with that transaction recorded in 2019.
- ▶ There were only eight good sales recorded in **Yale** from 2016 to 2020. The calculated median price was \$67,250. The highest valued sale in the City was \$138,900, with that transaction recorded in 2019.
- ▶ There were only eight good sales recorded in **Cavour** from 2016 to 2020. The calculated median price was \$59,000. The highest valued sale in the City was \$155,000, with that transaction recorded in 2019.
- ▶ An alternate home value estimate exists in the American Community Survey, for owner-occupancy units. The most recent estimate is for 2019. The estimated median value in **Iroquois** was \$107,000 according to this source, well above the median of \$86,450 from recent sales.
- ▶ The American Community Survey estimated median value in **Yale** was \$63,800 according to this source, reasonably similar to the median of \$67,250 from recent sales.
- ▶ The American Community Survey estimated median value in **Cavour** was \$75,000 according to this source, well above the median of \$59,000 from recent sales.

Housing Condition

Community Partners Research, Inc. representatives conducted a visual 'windshield' survey of all 206 single family/duplex houses in the three cities and towns. The number of houses surveyed in each community was:

- ▶ Iroquois - 116
- ▶ Cavour - 38
- ▶ Yale - 52

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 14 Windshield Survey Housing Condition Estimate - 2021					
	Sound	Minor Repair	Major Repair	Dilapidated	Total
Iroquois	56 / 48.3%	33 / 28.4%	18 / 15.5%	9 / 7.8%	116
Cavour	13 / 34.2%	13 / 34.2%	6 / 15.8%	6 / 15.8%	38
Yale	21 / 40.4%	14 / 26.9%	11 / 21.2%	6 / 11.5%	52
Total	90 / 43.7%	60 / 29.1%	35 / 17.0%	21 / 10.2%	206

Source: Community Partners Research, Inc.

- ▶ Approximately 29% of the combined houses in Iroquois, Cavour and Yale need minor repair and 17% need major repair. Approximately 44% are sound, with no required improvements. Twenty-one houses are dilapidated and possibly beyond repair.
- ▶ In Iroquois, more than 23% of all rated houses were in one of the two lowest condition categories, including nine houses that received the lowest rating of dilapidated.
- ▶ In Cavour, approximately 32% of all rated houses were in one of the two lowest condition categories, including six houses that received the lowest rating of dilapidated.
- ▶ In Yale, approximately 33% of all rated houses were in one of the two lowest condition categories, including six houses that received the lowest rating of dilapidated.
- ▶ Although many of the houses in each community were in need of repair, approximately 44% or more of the housing stock in the three jurisdictions received a rating of sound, indicating no visible repairs.

Mobile Home Housing Condition

Community Partners Research, Inc. representatives conducted a visual 'windshield' survey of the 22 mobile homes located in Iroquois, Yale and Cavour.

Mobile homes were categorized in one of four levels of physical condition, Sound, Minor Repair, Major Repair, and Dilapidated as defined below. The visual survey analyzed only the physical condition of the visible exterior of each structure. Exterior condition is assumed to be a reasonable indicator of the structure's interior quality.

Dilapidated was the lowest rating used. Dilapidated mobile homes need major renovation to become decent, safe and sanitary housing. Some Dilapidated properties may be abandoned and may be candidates for removal. Major Rehabilitation is defined as a mobile home needing multiple major improvements such as roof, windows, sidings, structural/foundation, etc. Houses and mobile homes in this condition category may or may not be economically feasible to rehabilitate.

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

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

Table 15 Windshield Survey Mobile Home Condition Estimate - 2021					
	Sound	Minor Repair	Major Repair	Dilapidated	Total
Iroquois	1 / 25.0%	2 / 50.0%	1 / 25.0%	0 / 0%	4
Cavour	5 / 31.3%	6 / 37.5%	3 / 18.7%	2 / 12.5%	16
Yale	0 / 0%	1 / 50.0%	1 / 50.0%	0 / 0%	2
Total	6 / 27.3%	9 / 40.9%	5 / 22.7%	2 / 9.1%	22

Source: Community Partners Research, Inc.

- ▶ Nine of the mobile homes in the three jurisdictions need minor repair and five mobile homes need major repair. Six mobile homes are sound, with no required improvements. Two mobile homes were rated as dilapidated and possibly beyond repair.

Employment and Local Economic Trends Analysis

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

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

Work Force and Unemployment Rates

Employment information is available for Beadle County. Information has been reviewed back to the year 2010. Data in the tables that follow have been obtained from the South Dakota Department of Labor.

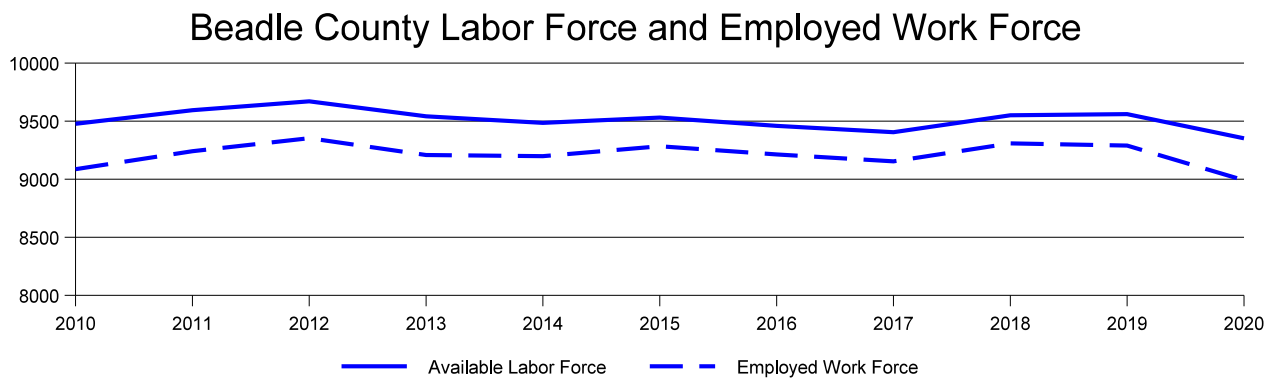
Table 16 Beadle County Annual Labor Statistics: 2010 to 2020						
Year	Labor Force	Employed	Unemployed	Unemployment Rate - MSA	Unemployment Rate - SD	Unemployment Rate - US
2010	9,477	9,086	391	4.1%	5.0%	9.6%
2011	9,594	9,241	353	3.7%	4.7%	8.9%
2012	9,671	9,353	318	3.3%	4.3%	8.1%
2013	9,542	9,208	334	3.5%	3.8%	7.4%
2014	9,485	9,198	287	3.0%	3.4%	6.2%
2015	9,531	9,284	247	2.6%	3.1%	5.3%
2016	9,459	9,213	246	2.6%	3.0%	4.9%
2017	9,405	9,154	251	2.7%	3.2%	4.4%
2018	9,551	9,309	242	2.5%	3.0%	3.9%
2019	9,561	9,290	271	2.8%	3.0%	3.7%
2020	9,352	8,991	361	3.9%	4.6%	8.1%

Source: South Dakota Department of Labor

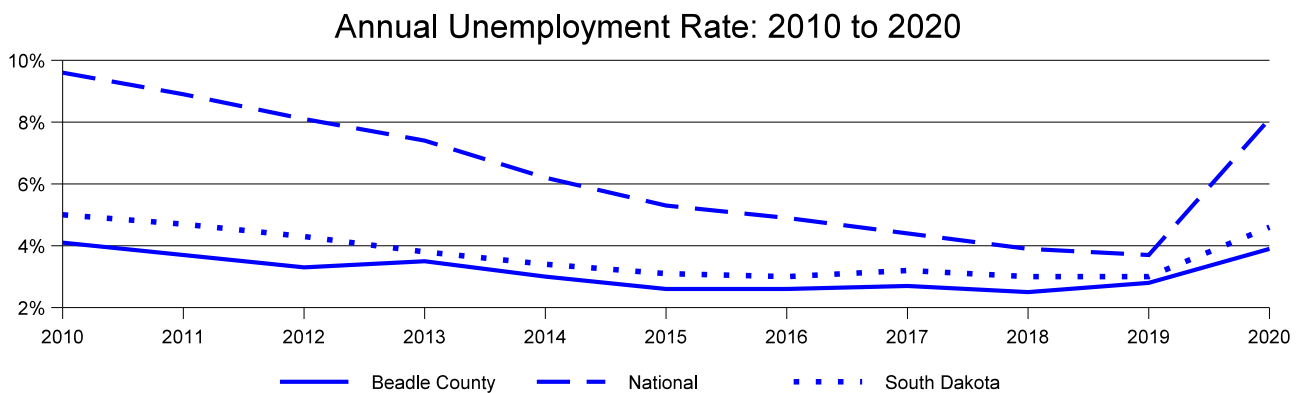
Labor force data, as tracked by the Local Area Unemployment Statistics (LAUS), are based on the place of residence, regardless where the person is employed.

Over time, the resident labor force in Beadle County has remained relatively stable, although the global pandemic in 2020 did have some recent impact. If 2019 is compared to 2010, the size of the County’s labor force increased by 84 people, or less than 1%.

The employed resident work force has shown somewhat similar patterns. If 2019 is compared to 2010, the number of employed County residents increased by 204 people, for growth of 2.2%. However, the number of employed County residents actually reached a recent peak in 2012, and was slightly smaller in 2019.



Despite some year to year fluctuations in the labor force and employed work force, the County has consistently maintained a low rate of unemployment. Since 2011 the County’s unemployment rate has remained below 4%. Even with the pandemic impact in 2020, the County’s annual unemployment rate was only 3.9%. Throughout the time period reviewed, the unemployment rate in Beadle County has remained below the rates for the State and Nation.



Employment and Wages by Industry

The following table shows the annual employment and average annual wages in 2020, last full year of data. This information is for all of Beadle County.

Table 17 Beadle County Average Annual Wages - 2020		
Industry	2020 Employment	Average Annual Wage
Total All Industry	8,231	\$43,992

Source: South Dakota Department of Labor

The Quarterly Census of Employment and Wages (QCEW) tracks workers that are covered by unemployment insurance. Reports are submitted based on the location of the job. There are some jobs that are not reported, including self-employed individuals.

In 2020, there were 8,231 covered workers reported in Beadle County. The average weekly wage for all employment was \$846. At full-time employment, this would yield an average annual wage of nearly \$44,000.

Commuting Patterns of County Residents

The American Community Survey collects information on workers that commute for employment. The most recent information is from 2019. Because of the small size of Iroquois, Yale and Cavour, no reliable data would exist, and the following tables look at Beadle County residents outside of the City of Huron. The first table excludes people that work at home.

Table 18 Commuting Times for Rural Beadle County Residents - 2019		
Travel Time	Number	Percent
Less than 10 minutes	485	20.0%
10 to 19 minutes	1,104	45.5%
20 to 29 minutes	540	22.2%
30 minutes +	300	12.4%
Total	2,429	100%

Source: American Community Survey

Most of the employed residents of rural Beadle County were commuting less than 20 minutes for their primary job in 2019. Nearly 66% had a drive time of 19 minutes or less, and only 12.4% were traveling 30 minutes or more.

Information also exists for people that were employed in rural Beadle County, including people that may have commuted in from surrounding counties.

Table 19 Commuting Times for Rural Beadle County Employees - 2019		
Travel Time	Number	Percent
Less than 10 minutes	600	35.6%
10 to 19 minutes	709	42.1%
20 to 29 minutes	133	7.9%
30 minutes +	242	14.4%
Total	1,684	100%

Source: American Community Survey

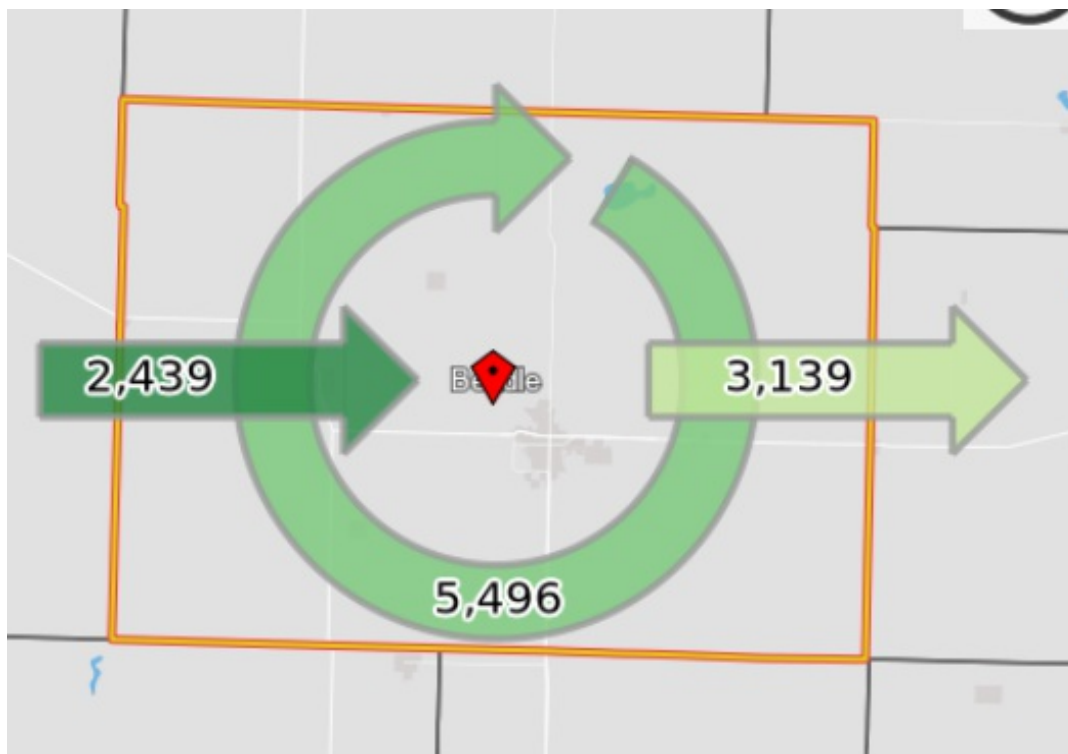
For people that worked in the Beadle County jurisdictions outside of Huron, nearly 78% traveled less than 20 minutes in 2019. Only 14.4% of employees had a drive time of 30 minutes or more to their primary job.

Census On the Map

The Census Bureau also produces commuter reports through its Center for Economic Studies division. This information is also based on reports for the year 2018, but provides a further breakdown of worker movement patterns. This information is for all of Beadle County, including Huron.

According to the report there were 7,935 people that were employed within the County borders in 2018. More than 69% of these jobs were filled by people that also lived in Beadle County. There were an estimated 2,439 employees that lived outside the County but commuted in for their primary job. For workers that did not also reside in the County, the primary identified home locations were Watertown, Aberdeen, Sioux Falls and Mitchell.

There were 8,635 Beadle County residents employed in 2018. Nearly 64% of these employed residents were also working in the County. However, 3,139 County residents had their primary job located outside of Beadle County. For outbound County residents, the primary destinations were Sioux Falls, Aberdeen, Watertown, Mitchell and Brookings.



City of Iroquois

Introduction

Iroquois is a small city located in Beadle and Kingsbury Counties approximately 18 miles from Huron, 56 miles from Brookings and 66 miles from Redfield.

Key Statistics: Iroquois	
<i>Demographic</i>	
Population:	292 people in 2020
Households:	124 households in 2020
Household Size:	2.35 persons per household in 2020
Population Trend:	Up 26 people from 2010 to 2020
Household Trend:	Up 5 households from 2010 to 2020
Household Projection:	A gain of 3 households between 2010 and 2020
<i>Income</i>	
Median Household Income:	\$54,896 in 2019
Median Family Income:	\$61,250 in 2019
<i>Housing</i>	
Home Ownership Rate:	81.5% home owners in 2010
Rental Rate:	18.5% renters in 2010
Median Home Value:	\$86,450 based on sales from 2016 through 2020 (22 sales)
New Construction:	Six houses from 2010 to 2020
<i>Housing Condition</i>	
Condition Rating:	Sound - 56 homes/48.3% Minor Rehab - 33 homes/28.4% Major Rehab - 18 homes/15.5% Dilapidated - 9 homes/7.8%

Findings on Growth Trends

Based on U.S. Census Data, Iroquois had 266 people in 2010 and 292 people in 2020, a gain of 26 people during the decade. From 2000 to 2010 Iroquois had a loss of 12 people. Iroquois had a loss of 50 people during the 1990s.

Iroquois had 119 households in 2010 and 124 households in 2020, an increase of five households. Iroquois had a gain of six households from 2000 to 2010 and a loss of 18 households in the 1990s.

From 2010 to 2020, Beadle County had an increase of 1,751 people and 93 households. From 2000 to 2010, Beadle County had a gain of 375 people and 66 households.

Findings on Growth Projections

As part of this Study, Community Partners Research, Inc., has provided household projections to the year 2026 for Iroquois and Beadle County not including Huron.

Community Partners Research, Inc., is projecting that Iroquois will gain three households from 2020 to 2026.

For all of Beadle County minus Huron, Community Partners Research, Inc., ESRI expects a loss of eight households from 2020 to 2026.

Rental Housing Data

Census Bureau Rental Inventory

According to the 2010 U.S. Census, there were 22 occupied rental units and three unoccupied rental units in Iroquois, for a total estimated rental inventory of 25 units. Iroquois's rental tenure rate was 18.5%, which was well below the Statewide rate in 2010 of 31.9%. At the time that this Housing Study was conducted, 2020 U.S. Census housing tenure data was not yet available.

At the time of the 2000 Census, Iroquois had 26 occupied rental units, and one vacant rental unit, for a total estimated rental inventory of 27 units. The rental tenure rate in 2000 was 23%.

Based on a Census comparison, Iroquois had a decrease of four renter-occupancy households, and a loss of two rental units from 2000 to 2010. No rental units were constructed from 2010 to 2020, however, some units may have changed tenure and converted from owner-occupancy to rental use or vice versa.

Rental Survey

As part of the research for this Study, Community Partners Research, Inc., attempted to contact owners or managers of multifamily buildings with four or more units. There are two multi-family projects in Iroquois.

Two four-plexes were constructed in the mid-1970s. The two four-plexes were previously a USDA Rural Development subsidized project, but converted to a market rate project. The eight units include two one-bedroom and six two-bedroom units. Rents are \$250 for a one-bedroom unit and \$275 for a two-bedroom unit. Tenants also pay electricity. The owner reports no vacancies. The rents have not changed since the 2014 Housing Study.

The Peskey Apartments include three rental units. The three rental units include one one-bedroom unit and two two-bedroom units. An additional unit has been occupied by the owner of the property. At the time of this Study, the Peskey Apartments were for sale. We were unable to obtain rental rate or occupancy information from this project.

Table 20 Iroquois Multifamily Rental Housing Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Two Four-plexes	2 - 1 bedroom <u>6 - 2 bedroom</u> 8 total units	\$250 \$275	No vacancies	General occupancy	Two 4-plexes constructed in the mid 1970s. The units include two one-bedroom and six two-bedroom units. The project was originally a Rural Development subsidized development, but converted to a market rate project. Rent is \$250 for a one-bedroom unit and \$275 for a two-bedroom unit. Tenants also pay electricity. The owner reports no vacancies.
Peskey Apartments	1 - 1 bedroom <u>2 - 2 bedroom</u> 3 total units	N/A	N/A	General occupancy	The Peskey Apartments include three units in a 4-plex. The fourth unit has been owner-occupied. The units include 1 one-bedroom and 2 two-bedroom. No information was obtained on rents and occupancy.

Source: Community Partners Research, Inc.

Recommendations, Strategies and Housing Market Opportunities

Based on the research contained in this Study, we believe that the following recommendations are realistic options for Iroquois. They are based on the following strategies.

- ▶ **Be realistic in expectations for housing development** - Large-scale residential growth has not occurred in the recent past and is not likely to occur in the near future. The scale of activities proposed for the future should be comparable with the City's potential for growth.
- ▶ **New housing development and housing rehabilitation generally will not occur without proactive community involvement** - To attract new home construction or housing rehabilitation in Iroquois, it is probable that financial and technical assistance will be needed from Iroquois Housing, Inc., BASEC, regional housing agencies and the South Dakota Housing Development Authority.
- ▶ **Protect the City's existing housing stock** - The future of Iroquois will be heavily dependent on the City's appeal as a residential location. The condition of the existing housing stock is a major factor in determining the City's long-term viability. The existing housing stock is in good condition and the City's major asset, however, rehabilitation efforts are needed to preserve the housing stock.
- ▶ **Develop a realistic action plan with goals and time lines** - The City should continue to 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 City of Iroquois and Iroquois Housing Inc.'s local efforts, the City has other resources to continue to draw on including BASEC, Grow South Dakota, Homes are Possible, Inc., USDA Rural Development and the South Dakota Housing Development Authority. These resources should be accessed as needed to assist with housing activities.

Summary of Findings/Recommendations

The findings/recommendations for Iroquois have been formulated through the analysis of the information provided in the previous sections and include 13 recommendations. The findings/recommendations have been developed in the following five categories:

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

The findings/recommendations for each category are as follows:

Rental Housing Development

1. Consider the development of four general occupancy market rate affordable rental units
2. Consider the development of four senior independent/light services units
3. Utilize single family homes or buildings for rental housing
4. Utilize the Housing Choice Voucher Program

Home Ownership

5. Utilize and promote all programs that assist with home ownership
6. Develop a purchase/rehabilitation program

Single Family Housing Development

7. Lot availability/Lot Development
8. Strategies to encourage continued residential lot sales and new home construction in Iroquois

Housing Rehabilitation

9. Promote rental housing rehabilitation
10. Promote owner-occupied housing rehabilitation

Other Housing Issues

11. Acquire and demolish dilapidated structures
12. Create a plan and a coordinated effort among housing agencies
13. Promote commercial rehabilitation and development

Rental Housing Development

Findings: The 2010 U.S. Census reports that there were 22 renter households in Iroquois. The renter households live in two rental projects and in single family homes that are used as rental housing.

Community Partners Research, Inc. projections indicate that Iroquois is expected to increase by three households from 2020 to 2026 and Beadle County (excluding Huron) is projected to lose eight households.

1. Consider the development of four general occupancy market rate affordable rental units

Findings: From 2021 to 2026, Iroquois is projected to gain three households. Iroquois lacks some of the amenities to attract a large number of rental households including employment, commercial, health care, retail and service opportunities.

However, two rental projects are located in Iroquois. The rental projects include:

One project includes two four-plexes constructed in the mid-1970s. These four-plexes were previously a USDA Rural Development subsidized project, but have been converted to a market rate project. The eight units include two one-bedroom and six two-bedroom units. Rents are \$250 for a one-bedroom unit and \$275 for a two-bedroom unit. Tenants also pay electricity. The owner reports no vacancies.

The Peskey Apartments include three rental units. The three rental units include one one-bedroom unit and two two-bedroom units. An additional unit has been occupied by the owner of the property. At the time of this Study, the Peskey Apartments were for sale. We were unable to obtain rental rate or occupancy information from this project.

Iroquois is located 18 miles from the Huron Area, which has employment opportunities, health care, retail/commercial opportunities, etc. Additionally, Iroquois has a K-12 public school which makes it a more desirable location than many small cities.

Recommendation: We recommend the construction of four affordable rental units over the next five years. We also recommended the construction of four units in the 2014 Housing Study.

Although Iroquois is not projected to add a significant number of households over the next five years and has limited amenities, Iroquois has two existing multifamily rental projects, a K-12 school, retail/commercial opportunities and 21 homes have been constructed in Iroquois since 2000.

We recommend that the four units are all two-bedroom and rent does not exceed \$800 to \$900 including utilities. To achieve this rent, assistance would be needed from the City of Iroquois, the South Dakota Housing Development Authority, Iroquois Housing, Inc., BASEC and regional housing agencies. Assistance could include land donations, tax increment financing, tax abatement, low interest loans, grants, etc.

2. Consider the development of four senior independent/light services units

Findings: The City of Iroquois has no senior with services rental housing units. Iroquois seniors currently have to relocate to a larger city such as Huron that has senior with services facilities.

Recommendation: In 2021, Iroquois has an estimated 68 people and 40 households over the age of 65. Rural Beadle County, excluding Huron, has an estimated 1,115 people and 656 households over the age of 65.

Therefore, we are recommending a four-unit senior independent/light services project in Iroquois. The project should be designed for flexibility to allow seniors to live in a unit independently, or to rent a unit and utilize a low level of senior services such as a noon meal and housekeeping from community and/or county providers.

The project's amenities and features should include:

- ▶ 24-hour call system
- ▶ A limited access security system
- ▶ Smoke alarms
- ▶ Enclosed parking

Apartment features should include:

- ▶ 4 units
 - ▶ 1 one-bedroom
 - ▶ 3 two-bedroom
- ▶ Fully equipped kitchen
- ▶ Large storage room
- ▶ 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 include:

- ▶ noon meal
- ▶ weekly housekeeping
- ▶ home health care
- ▶ social activities

Tax increment financing, tax abatement, land donations, low interest loans and/or other subsidies and 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 one to two additional units will be rented over the following three months.

3. Utilize single family homes or buildings for rental housing

Findings: In addition to the new rental housing recommendations, we recommend the utilization of vacant homes or buildings for rental housing. Iroquois is within commuting distance of several cities including Huron. These cities have employment opportunities and other amenities. Iroquois also has employment opportunities. According to the 2020 U.S. Census, and our housing condition survey, there are several vacant homes in Iroquois, although the current number of vacant homes in Iroquois is significantly less than the number of vacant homes that existed at the time of the 2014 Housing Study. Also, there are affordable single family homes that may be up for sale or become available due to foreclosure.

Recommendation: We recommend that the City of Iroquois coordinate with private rental property owners, BASEC and housing agencies to acquire vacant homes or buildings for rental housing. Private rental property owners could purchase the structures and utilize funding from housing agencies to rehabilitate the structures. Potential funding sources include USDA Rural Development, the South Dakota Housing Development Authority, BASEC and the Federal Home Loan Bank. Grow South Dakota and HAPI, Inc., are regional housing agencies that could potentially assist with this project.

Additionally, housing vouchers may be available to assist the eligible rental households with the rent.

4. 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 approximately 30% 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 Beadle County by the Huron Housing Authority. There is a waiting list for the Voucher program.

Recommendation: The Huron Housing Authority should work with the City of Iroquois and BASEC to assure that Iroquois receives its share of Housing Choice Vouchers and that tenants are aware of the program.

Also, Housing Choice Vouchers can expand the potential market for new rental housing units, as rent assistance makes the rent available to more households.

Home Ownership

Findings: Expanding home ownership opportunities is a primary goal for most cities and towns. High rates of home ownership promote stable communities and strengthen the local tax base. The estimated median owner-occupied home value in Iroquois based on the sale of existing homes from 2016 to 2020 is \$86,450. This is significantly higher than the Iroquois estimated median home value at the time of the 2014 Housing Study, which was \$33,750. The home values in Iroquois provide an excellent market for first time buyers and households seeking moderately priced homes.

Some Iroquois and Beadle County households have not been able to achieve the goal of home ownership may need the assistance of special programs to help them purchase their first home. To assist in promoting the goal of home ownership, the following activities are recommended:

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

Findings: We believe that affordable home ownership is one of the issues facing Iroquois 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. Iroquois has a supply of houses that are price-eligible for these assistance programs. The home value estimates used in this study indicate that a large majority of the existing stock currently is valued under the purchase price limits for the first-time home buyer assistance programs.

While these individual home ownership assistance programs may not generate a large volume of new ownership activity, the combination of below market mortgage money, home ownership training, credit counseling, and down payment assistance may be the mix of incentives that moves a potential home buyer into home ownership.

Recommendation: We recommend that the City of Iroquois, BASEC and Iroquois Housing, Inc., should continue to work with area housing agencies, the South Dakota Housing Development Authority and local financial institutions to utilize all available home ownership assistance programs. Currently, BASEC has a mortgage program available to Spink and Beadle County households.

Private and nonprofit agencies should also be encouraged to provide home ownership opportunities. Iroquois should also work with housing agencies to assure that residents are receiving its share of resources that are available in Beadle County and 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, BASEC, Grow South Dakota and HAPI, Inc., utilize several funding sources to provide home ownership programs in the region.

6. Develop a Purchase/Rehabilitation Program

Findings: Iroquois has a stock of older, lower valued homes, some of which need repairs. Our analysis of recent sales activity over the past five years indicates that approximately 50% of the homes in Iroquois are valued less than \$86,450. 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, a low interest rate and a monthly payment that is affordable for the family. Also, the homes could be rehabilitated and available for rental occupancy.

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

Recommendation: We continue to recommend that BASEC and BASEC cities and towns develop and implement a purchase/rehab program. The low values of existing homes in small Spink and Beadle County's cities and towns make a purchase/rehab program feasible. 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 majority of survey respondents who were renters indicated an interest in buying a home in need of repair if rehabilitation assistance was available.

A purchase/rehabilitation program achieves several goals. The program encourages home ownership, rehabilitates homes that are currently substandard and provides affordable home ownership and rental opportunities.

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

Also, there may be an opportunity for BASEC to financially assist the private sector with purchasing, rehabilitating and selling homes.

Single Family Housing Development

Findings: Twenty-one new homes have been constructed or moved into Iroquois since 2000. Eight of the 21 homes are Governors Homes. All of the Governors homes were brought into the City prior to the 2014 Housing Study.

Household projections for Iroquois expect a gain of three households over the next five years, thus, there is some limited demand for owner-occupied housing construction based on household growth. Household growth is anticipated over the next five years among Beadle County households in the 65 and older age ranges. Households in these age ranges tend to be predominantly home owners, and form a market for higher priced, trade-up housing and low maintenance housing such as twinhomes/townhomes.

Our projections also expect the number of households in the 35 to 44 age range to remain relatively stable over the next five years. Many households in this age range are first-time home buyers and may be in the market for new affordable homes or for trade-up housing.

It is our opinion that new housing construction will be limited over the next five years. This is due to multiple factors including the small size of the community, lower property values and limited projected household growth. However, based on past success with housing development, housing construction incentives and Iroquois Housing Inc., involvement, it is our projection that four to five homes could be constructed or moved into Iroquois over the next five years from 2021 to 2026. In the 2014 Housing Study, we projected the construction of three to four homes from 2015 to 2020. Three homes were constructed in Iroquois during that time period.

7. Lot Availability/Lot Development

Findings: As part of this Study, we attempted to identify the inventory of available residential lots for single family housing construction in Iroquois. Buildable lots are defined as having sewer and water available to the lots. There are no new lots or subdivisions in Iroquois and only a very limited number of in fill lots may possibly be available throughout the community.

Recommendation: We use a standard that a 2.5-year supply of lots should be available in the marketplace, based on annual lot usage. Using our projections that four to five houses will be constructed or moved into Iroquois over the next five years, there currently is not an adequate supply of lots in Iroquois to meet demand.

The City of Iroquois and Iroquois Housing, Inc., should plan for future subdivision and lot development. If new construction projections come to fruition, there will be a need for lots over the next five years. Therefore, we recommend the development of six to eight lots. New lot/subdivision development should include the following:

- ▶ If feasible, the lots should be developed in phases as demand dictates.
- ▶ A site(s) for lot development, if possible, should have current access to existing utilities.
- ▶ 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 home prices.
- ▶ All stakeholders should be involved in promoting and publicizing the lots.
- ▶ To be successful, the homes must be available to households with as wide an income range as possible.
- ▶ Successful lot development will need the cooperation of financial institutions, funding agencies, employers, the City of Iroquois and Iroquois Housing, Inc. Financial assistance such as tax increment financing, tax abatement, and assistance from area housing agencies and the South Dakota Housing Development Authority may be needed.
- ▶ The lots must be as aesthetically acceptable as possible and include high quality amenities.
- ▶ The City and Iroquois Housing, Inc., should plan on a long absorption time period to sell the lots.
- ▶ If the lots are sold at a reduced price, the lot buyer should be obligated to build a home on the lot within a specified time period.

We also recommend that Iroquois Housing, Inc., continue to acquire and demolish dilapidated structures to make the cleared lots available for housing development.

Additionally, we recommend that Iroquois Housing, Inc., inventory lots in the City to determine their availability, price, etc. Therefore, if there is a household that has an interest in building a home in Iroquois or moving a home into Iroquois, an inventory of lots will be available.

8. Strategies to encourage continued residential lot sales and new home construction in Iroquois

Findings: From 2000 to 2020, 21 owner-occupancy single family houses have been constructed in Iroquois. We are projecting that an additional four to five homes will be constructed over the next five years.

Recommendation: We recommend that the City of Iroquois, Iroquois Housing, Inc., 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 Iroquois, lots should be available and competitively-priced compared to other options in the region.
- ▶ **User-Friendly** - The lot purchase and home building process must continue to be 'user friendly.' This includes the availability of 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.
- ▶ **Long-term planning** - The City of Iroquois and Iroquois Housing, Inc., should conduct long-term development planning to assure lots are available on an ongoing basis to meet demand.
- ▶ **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, cash incentives, etc. Currently, Iroquois Housing, Inc., is providing \$4,000 to households that build or buy a new home in Iroquois.
- ▶ **Range of house prices** - Lots should be available to as wide a range of home sizes and prices as possible. This broadens the lot buyer market.
- ▶ **Marketing** - Stakeholders will need to market the sale of available lots and new home construction. Realtors, financial institutions, builders, employers and Iroquois Housing, Inc., should all be involved in developing marketing strategies.

- ▶ ***Governors Homes*** - Governors Homes are an affordable option and SDHDA has initiated a program that enables developers to participate in the 'Governors Home Program.'
- ▶ ***Manufactured/modular homes*** - Manufactured and modular homes can provide affordable housing opportunities for moderate income households.
- ▶ ***In-fill lot Home Development*** - In-fill lots are often affordable and have existing City services. In the past, Iroquois Housing, Inc., has developed affordable homes on in-fill lots.
- ▶ ***South Dakota Housing Development Authority (SDHDA)*** - SDHDA may have housing programs available to assist Iroquois Housing, Inc., developers, builders and home buyers.

Housing Rehabilitation

Findings: Iroquois has an asset in its existing housing stock. Existing units, both now and into the future, will represent the large majority of the affordable housing opportunities. Existing units generally sell at a discount to their replacement value. Units that are not maintained and improved may slip into disrepair and be lost from the housing stock. Efforts and investment in housing rehabilitation activities will be critical to offering affordable housing opportunities.

It is our opinion that the City of Iroquois, BASEC and area housing agencies will need to make housing rehabilitation a priority in the future. Housing options for households at or below the median income level will largely be met by the existing, more affordable housing stock. As this existing stock ages, more maintenance and repair will be required. Without rehabilitation assistance, there is a chance that this affordable stock could shrink, creating an even more difficult affordability situation.

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

9. Promote rental housing rehabilitation

Findings: It is estimated that in 2021 the City of Iroquois has approximately 25 rental units. Our condition analysis identified several substandard rental units. The rental units in need of repair are primarily single family homes. It is difficult for rental property owners to rehabilitate and maintain their rental properties while keeping the rents affordable for the tenants. The rehabilitation of older rental units can be one of the most effective ways to produce decent, safe and sanitary affordable housing.

Recommendation: The City of Iroquois and BASEC 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 BASEC, Grow South Dakota, HAPI, Inc., USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank.

10. Promote owner-occupied housing rehabilitation

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

Our 2021 housing condition survey of 116 Iroquois homes found 33 homes that need minor repairs and 18 homes that need major repairs. Without rehabilitation assistance, there is the potential that the affordable housing stock will shrink in Iroquois.

Recommendation: We recommend that Iroquois and area housing agencies continue to seek local, state and federal funds to assist in financing housing rehabilitation. BASEC has been active in obtaining funds for housing rehabilitation. USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank, are all potential funding sources.

Currently, BASEC, Grow South Dakota and Homes are Possible, Inc., are implementing owner-occupied housing rehabilitation programs in Beadle and Spink Counties. BASEC currently administers a housing rehabilitation program that provides funding for owner-occupancy rehab. Households that meet eligibility requirements are eligible for a low interest loan and a deferred forgivable loan to rehabilitate their homes. Deferred forgivable 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 Iroquois households to utilize these programs.

Other Housing Initiatives

11. Acquire and Demolish Dilapidated Structures

Findings: Our housing condition survey identified that of the 116 homes in Iroquois, nine homes are dilapidated and too deteriorated to rehabilitate. We also identified 18 homes as needing major repair and several of these homes may be too dilapidated to rehabilitate. To improve the quality of Iroquois' housing stock and to maintain the appearance of the community, dilapidated structures should be demolished when possible.

Recommendation: The City of Iroquois, Iroquois Housing, Inc., and BASEC should continue to work with property owners to demolish severely dilapidated structures. Iroquois is enhanced when blighted and dilapidated structures are removed. Also, some of the cleared lots can be utilized for the construction of new affordable housing units. Some cities are adopting ordinances that give cities and towns more authority to require property owners to demolish vacant, dilapidated homes.

Also, Iroquois Housing, Inc., and BASEC should maintain an inventory of dilapidated homes, which will enable the City to acquire dilapidated homes as opportunities come to fruition. Additionally, an inventory of vacant lots should be maintained for potential redevelopment.

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

Findings: In addition to local resources, Iroquois and Iroquois Housing, Inc., have access to BASEC, Grow Spink, Grow South Dakota, Homes are Possible, Inc., USDA Rural Development and the South Dakota Housing Development Authority. These agencies all have experience with housing and community development programs.

Recommendation: The City of Iroquois and Iroquois Housing, Inc., have access to multiple agencies that can assist with addressing housing needs. It is our recommendation that the City of Iroquois and Iroquois Housing, Inc., continue to work with the housing agencies to prioritize the recommendations of this Study and to develop a plan in coordination with BASEC to address Iroquois's housing needs. The Plan should include strategies, time lines and the responsibilities of each agency. While there has traditionally been a degree of staff interaction between these agencies, it will be important that a coordinated approach be used to prioritize and assign responsibility for housing programs.

It will also be important for Iroquois to look for opportunities to work cooperatively with other area towns and cities to address housing issues. With the number of small towns and cities in the Region, and limited staff capacity at the town and county levels, cooperative efforts may be the only way to accomplish certain projects. Cooperative efforts will not only make housing projects more practical, but they will often be more cost-effective and competitive.

13. Promote Commercial Rehabilitation and Development

Findings: Iroquois's commercial district is limited and in fair condition. There are several vacant and substandard commercial buildings.

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

Recommendation: We recommend that the City of Iroquois and BASEC continue to work with commercial property owners to rehabilitate their buildings and to demolish the buildings if they are beyond repair. Also, new businesses should, to the extent that it is feasible, be encouraged to locate in Iroquois.

Town of Yale

Introduction

Yale is a small town located in Beadle County approximately 16 miles from Huron and 67 miles from Brookings.

Key Statistics: Yale	
Demographic	
Population:	112 people in 2020
Households:	47 households in 2020
Household Size:	2.38 persons per household in 2020
Population Trend:	Up 4 people from 2010
Household Trend:	Down 3 households from 2010
Household Projection:	A loss of 2 households between 2020 and 2026
Income	
Median Household Income:	\$59,668 in 2019
Median Family Income:	\$93,750 in 2019
Housing	
Home Ownership Rate:	86.0% home owners in 2010
Rental Rate:	14.0% renters in 2010
Median Home Value:	\$67,250 based on sales from 2016 to 2020 (8 sales)
New Construction:	No houses from 2010 to 2020
Housing Condition	
Condition Rating:	Sound - 21 homes/40.4%
	Minor Rehab - 14 homes/26.9%
	Major Rehab - 11 homes/21.2%
	Dilapidated - 6 homes/11.5%

Findings on Growth Trends

Based on U.S. Census Data, Yale had 108 people in 2010 and 112 people in 2020, a gain of four people during the decade.

From 2000 to 2010 Yale had a loss of 10 people. Yale also had a loss of 10 people during the 1990s.

Yale had 47 households in 2020 and 50 households in 2010, for a loss of three households over the decade. Yale had a gain of three households from 2000 to 2010 and a loss of two households in the 1990s.

Between 2010 and 2020, Beadle County had an increase of 1,751 people and 93 households. From 2000 to 2010, Beadle County had a gain of 375 people and 66 households. In the 1990s, Beadle County had a decrease of 1,230 people and 131 households.

Findings on Growth Projections

As part of this Study, Community Partners Research, Inc., provided household projections to the year 2026 for Yale and Beadle County not including Huron.

Community Partners Research, Inc., is projecting that Yale will lose two households from 2020 to 2026.

For Beadle County excluding Huron, Community Partners Research, Inc., expects a loss of eight households from 2020 to 2026.

Rental Housing Data

Census Bureau Rental Inventory

According to the 2010 U.S. Census, there were seven occupied rental units and no unoccupied rental unit in Yale, for a total estimated rental inventory of seven units. Yale's rental tenure rate, was 14.0%, based on renter-occupancy households, which was well below the Statewide rate in 2010 of 31.9%.

At the time of the 2000 Census, Yale had six occupied rental units, and two vacant rental units, for a total estimated rental inventory of eight units. The rental tenure rate in 2000 was 12.8%.

Based on a Census comparison, Yale had an increase of one renter-occupancy household, and a loss of one rental unit from 2000 to 2010.

No rental units were constructed from 2010 to 2020, however, some rental units may have converted to owner-occupancy and vice versa.

Rental Survey

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

Yale has one four-unit multi-family rental project. The four-plex is a general occupancy market rate project that was constructed in the late 1990s. All of the units have two bedrooms. The rent is \$550 and includes all utilities. Currently, there are two vacancies. The owner reports that he typically had full occupancy until the past three or four months.

Table 21 Yale Multifamily Rental Housing Inventory					
Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Four-plex	<u>4 - 2 bedroom</u> 4 total units	\$550	Two vacancies	General occupancy	The four-plex is a general occupancy market rate project that was constructed in the late 1990s. All of the units have two bedrooms. The rent is \$550 and includes all utilities. Currently, there are two vacancies. The owner reports that he typically has full occupancy until the past three or four months.

Source: Community Partners Research, Inc.

Recommendations, Strategies and Housing Market Opportunities

Based on the research contained in this study, we believe that the following recommendations are realistic options for Yale. 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 Town's potential for growth.
- ▶ **New housing development and housing rehabilitation generally will not occur without proactive community involvement** - To attract new home construction or housing rehabilitation in Yale, subsidies or some other form of financial and technical assistance may be needed from the Town of Yale, BASEC, regional housing agencies and the South Dakota Housing Development Authority.
- ▶ **Protect the Town's existing housing stock** - The future of Yale will be heavily dependent on the Town's appeal as a residential location. The condition of the existing housing stock is a major factor in determining the Town's long-term viability. The existing housing stock is in fair condition and the Town's major asset, however, rehabilitation efforts are needed to preserve the housing stock.
- ▶ **Develop a realistic action plan with goals and time lines** - The Town should continue to 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 Town has other resources to draw on including Grow South Dakota, Homes are Possible, Inc., USDA Rural Development and the South Dakota Housing Development Authority. These resources should be accessed as needed to assist with housing activities.

Summary of Findings/Recommendations

The findings/recommendations for Yale have been formulated through the analysis of the information provided in the previous sections and include 12 recommendations. The findings/recommendations have been developed in the following five categories:

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

The findings/recommendations for each category are as follows:

Rental Housing Development

1. Monitor the need to develop new market rate or subsidized housing
2. Utilize single family homes for rental housing
3. Utilize the Housing Choice Voucher Program

Home Ownership

4. Utilize and promote all programs that assist with home ownership
5. Develop a purchase/rehabilitation program

Single Family Housing Development

6. Lot availability
7. Governors Homes/Housing Development

Housing Rehabilitation

8. Promote rental housing rehabilitation
9. Promote owner-occupied housing rehabilitation efforts

Other Housing Issues

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

Rental Housing Development

Findings: The 2010 U.S. Census reports that there were seven rental households in Yale. Yale's renter households are living in a four-plex and single family homes.

Community Partners Research, Inc., projections indicate that Yale is expected to decrease by two households from 2020 to 2026 and Beadle County excluding Huron is projected to decrease by eight households.

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

Findings: From 2020 to 2026, Yale is projected to have a loss of two households, thus, Yale's demand for additional rental housing is limited. Also, Yale lacks amenities to attract a large number of rental households including employment, commercial, health care, retail and service opportunities. Yale historically has been a City with a high owner-occupancy rate due to the lack of demand for rental housing and the lack of household growth.

Yale has one four-plex with four two-bedroom units. Currently, the four-plex has two vacancies, although, typically the four-plex has had a high occupancy rate.

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

2. Utilize single family homes for rental housing

Findings: We are not recommending the construction of new rental housing, however, we do believe there is some limited demand for affordable rental housing. Yale is within commuting distance of Huron, which offers employment opportunities and other amenities.

According to the 2020 U.S. Census, and our housing condition survey, there are several vacant homes in Yale. There are also affordable single family homes that may come up for sale or become available due to foreclosures.

Recommendation: We continue to recommend that the Town of Yale and BASEC coordinate with private rental property owners, BASEC and regional housing agencies to acquire homes for rental housing. Potentially, private rental property owners or BASEC could purchase the homes and utilize funding from housing agencies to rehabilitate the homes.

Funding sources may include USDA Rural Development, the South Dakota Housing Development Authority, BASEC and the Federal Home Loan Bank. Grow South Dakota and HAPI, Inc. Grow South Dakota and HAPI, Inc., are regional housing agencies that could potentially assist with the administration of this project.

Additionally, housing Vouchers may be available to assist the eligible rental households with the rent.

3. Utilize the Housing Choice Voucher Program

Findings: The Housing Choice Voucher Program provides portable, tenant-based rent assistance to lower income renter households. The program requires participating households to contribute approximately 30% 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 Beadle County by the Huron Housing Authority. There is a waiting list for the Voucher program.

Recommendation: The Huron Housing Authority should work with the Town of Yale and BASEC to assure that Yale receives its share of Housing Choice Vouchers and that tenants are aware of the program.

Home Ownership

Findings: Expanding home ownership opportunities is a primary goal for most cities. High rates of home ownership promote stable communities and strengthen the local tax base. The median owner-occupied home value in Yale is estimated to be \$67,250 based on sales activity over the past five years. This is significantly higher than the Yale estimated median home value at the time of the 2014 Housing Study. The home values in Yale provide an excellent market for first time buyers and households seeking moderately priced homes.

Some Yale and Beadle County households have not been able to achieve the goal of home ownership and may need the assistance of special programs to help them purchase their first home. To assist in promoting the goal of home ownership, the following activities are recommended:

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

Findings: We believe that affordable home ownership is one of the issues facing Yale 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. Yale has a supply of houses that are price-eligible for these assistance programs. The home value estimates used in this study indicate that a large majority of the existing stock currently is valued under the purchase price limits for the first-time home buyer assistance programs.

While these individual home ownership assistance programs may not generate a large volume of new ownership activity, the combination of below market mortgage money, home ownership training, credit counseling, and down payment assistance may be the mix of incentives that moves a potential home buyer into home ownership.

Recommendation: We continue to recommend that the Town of Yale and BASEC should continue to work with area housing agencies, the South Dakota Housing Development Authority and local financial institutions to utilize all available home ownership assistance programs. Currently, BASEC has a mortgage program available to Spink and Beadle County households. Private and nonprofit agencies should be encouraged to provide home ownership opportunities.

The Town of Yale and BASEC should also work with housing agencies to assure that Yale is receiving its share of resources that are available in Beadle County and the region.

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

5. Develop a Purchase/Rehabilitation Program

Findings: Yale has a stock of older, lower valued homes, many of which need repairs. Our analysis of sales activity over the past five years indicates that approximately 50% of the homes in Yale are valued at less than \$67,250. 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 Town 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, low interest rate and a monthly payment that is affordable for the family. Also, the homes could be rehabilitated and available for rental occupancy.

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

Recommendation: We continue to recommend that BASEC and BASEC cities and towns develop and implement a purchase/rehab program. The low values of existing homes in small Beadle County cities and towns make a purchase/rehab program feasible. 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 majority of survey respondents who were renters indicated an interest in buying a home in need of repair if rehabilitation assistance was available.

A purchase/rehabilitation program achieves several goals. The program encourages home ownership, rehabilitates homes that are currently substandard and provides affordable home ownership and rental opportunities.

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

Also, there may be an opportunity for BASEC to financially assist the private sector with purchasing, rehabilitating and selling homes.

Single Family Housing Development

Findings: Over the past 20 years from 2000 to 2020, two new homes have been constructed in Yale. No new homes have been constructed in Yale since the 2014 Housing Study.

Household projections for Yale expect the loss of two households from 2020 to 2026, thus, there is very limited demand for owner-occupied housing construction. Strong growth is anticipated over the next five years among rural Beadle County households in the 65 and older age ranges. Households in these age ranges tend to be predominantly home owners, and form a market for higher priced trade-up housing and for no/low maintenance housing options such as twin homes and town houses.

Our projections also expect Beadle County's number of households in the 35 to 44 age range to remain relatively stable over the next five years. Many households in this age range are first-time home buyers and may be in the market for new affordable homes or trade-up housing.

Although there will be household growth in Beadle County, it is our opinion that new housing construction will be limited in Yale over the next five years. This is due to multiple factors including the small size of the community, the current low property values, no housing construction over the past several years and the lack of buildable lots. However, it is our projection that one home could be constructed or moved into Yale over the next five years from 2021 to 2026.

6. Lot Availability

Findings: As part of this Study, we attempted to identify the inventory of available residential lots for single family housing construction in Yale. Buildable lots are defined as having sewer and water available to the lots. There are no new lots or subdivisions in Yale, but a few infill lots may exist in the community.

Recommendation: We use a standard that a 2.5-year supply of lots should be available in the marketplace, based on annual lot usage. Using our projections that one house will be constructed or moved in over the next five years, there currently is an adequate supply of infill lots in Yale and these lots can meet demand.

We recommend that Yale and BASEC inventory lots in the Town to determine their availability, price, etc. Therefore, if there is a household that has an interest in building a home or moving a home into Yale, an inventory of lots will be available.

7. Governors Homes/Housing Development

Findings: Two homes were constructed in Yale from 2000 to 2010. These homes were not Governors Homes. No homes have been constructed or moved into the Town from 2010 to 2020.

Recommendation: We recommend that the Town of Yale continue to research the potential to utilize the Governors Home Program or to move a modular home into the community. It is our opinion that one Governors Home or modular home could be moved into Yale over the next five years.

For the Governors Home Program or modular home to be moved into Yale, the price of the home must be as low as possible. To accomplish this, all stakeholders must continue to be involved, including the Town of Yale and BASEC. Also, financial assistance such as land donations, low interest loans, down payment assistance, tax abatement, etc. may need to be included in the development and purchase of the home to keep the home affordable.

Housing Rehabilitation

Findings: Yale has an asset in its existing housing stock. Existing units, both now and into the future, will represent the large majority of the affordable housing opportunities. Existing units generally sell at a discount to their replacement value. Units that are not maintained and improved may slip into disrepair and be lost from the housing stock. Efforts and investment in housing rehabilitation activities will be critical to offering affordable housing opportunities.

It is our opinion that the Town of Yale, BASEC and area housing agencies will need to make housing rehabilitation a priority in the future. Housing options for households at or below the median income level will largely be met by the existing, more affordable housing stock. As this existing stock ages, more maintenance and repair will be required. Without rehabilitation assistance, there is a chance that this affordable stock could shrink, creating an even more difficult affordability situation.

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

8. Promote rental housing rehabilitation

Findings: It is estimated that in 2021, Yale has approximately 10 to 12 rental units. Our condition analysis identified several substandard rental units. The rental units in need of repair are primarily single family homes. It is difficult for rental property owners to rehabilitate and maintain their rental properties while keeping the rents affordable for the tenants. The rehabilitation of older rental units can be one of the most effective ways to produce decent, safe and sanitary affordable housing.

Recommendation: The Town of Yale and BASEC 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 BASEC, Grow South Dakota, HAPI, Inc., USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank.

9. Promote owner-occupied housing rehabilitation efforts

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

Our 2021 housing condition survey of 52 Yale homes found 14 homes that need minor repairs and 11 homes that need major repairs. In 2014, the housing condition survey identified 17 homes that needed major repair, therefore, the condition of single family homes has improved since 2014. Without continued rehabilitation assistance, there is the potential that the affordable housing stock will shrink in Yale.

Recommendation: We recommend that Yale and area housing agencies continue to seek local, state and federal funds to assist in financing housing rehabilitation. BASEC has been active in obtaining funds for housing rehabilitation. USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank, are all potential funding sources.

Currently, Grow South Dakota and Homes are Possible, Inc., are assisting BASEC with funding and implementing owner-occupied housing rehabilitation programs in Beadle and Spink Counties. BASEC currently administers a housing rehabilitation program that provides funding for owner-occupancy rehab. Households that meet eligibility requirements are eligible for a low interest loan and a deferred forgivable loan to rehabilitate their homes. Deferred forgivable 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 Yale households to utilize these programs.

Other Housing Initiatives

10. Acquire and Demolish Dilapidated Structures

Findings: Our housing condition survey identified that of the 52 homes surveyed in Yale, six homes are dilapidated and too deteriorated to rehabilitate. We also identified 11 homes as needing major repair and several of these homes may be too dilapidated to rehabilitate. To improve the quality of Yale's housing stock and to maintain the appearance of the community, dilapidated structures should be demolished when possible.

Recommendation: The Town of Yale and BASEC should continue to work with property owners to demolish severely dilapidated structures. Yale is enhanced when blighted and dilapidated structures are removed. Also, some of the cleared lots can be utilized for the construction of new affordable housing units. Some cities and towns are adopting ordinances that give cities more authority to require property owners to demolish vacant, dilapidated homes.

Also, Yale and BASEC should maintain an inventory of dilapidated houses, which will enable the Town to acquire dilapidated homes as opportunities come to fruition. Additionally, an inventory of vacant lots should be maintained for potential redevelopment.

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

Findings: In addition to local resources, the Town of Yale has access to BASEC, Grow South Dakota, Homes are Possible, Inc., USDA Rural Development and the South Dakota Housing Development Authority to assist with addressing its housing needs. These agencies all have experience with housing and community development programs.

Recommendation: The Town of Yale has access to multiple agencies that can assist with addressing housing needs. It is our recommendation that the Town of Yale continue to work with the housing agencies to prioritize the recommendations of this Study and to develop a plan in coordination with BASEC to address the Town of Yale's housing needs. The plan should include strategies, time lines and the responsibilities of each agency.

It will also be important for Yale to look for opportunities to work cooperatively with other area towns and cities to address housing issues. With the number of small towns and cities in the County, and limited staff capacity at the town and county levels, cooperative efforts may be the only way to accomplish certain projects. Cooperative efforts will not only make housing projects more practical, but they will often be more cost-effective and competitive.

12. Promote Commercial Rehabilitation and Development

Findings: The Town of Yale's commercial/retail opportunities are very limited. Yale would be a more attractive residential location for households if more of their commercial/retail needs could be met in Yale.

Recommendation: We recommend that the Town of Yale and BASEC continue to encourage commercial property owners to rehabilitate their buildings and to demolish the buildings that are beyond repair. New businesses should, to the extent that is feasible, be encouraged to locate in Yale.

Town of Cavour

Introduction

Cavour is a small town located in Beadle County approximately nine miles from Huron, 57 miles from Redfield and 65 miles from Brookings.

Key Statistics: Cavour	
<i>Demographic</i>	
Population:	128 people in 2020
Households:	45 households in 2020
Household Size:	2.84 persons per household in 2020
Population Trend:	Up 14 people from 2010
Household Trend:	Down 11 households from 2010
Household Projection:	A loss of 5 households between 2020 and 2026
<i>Income</i>	
Median Household Income:	\$63,333 in 2019
Median Family Income:	\$67,500 in 2019
<i>Housing</i>	
Home Ownership Rate:	89.3% home owners in 2010
Rental Rate:	10.7% renters in 2010
Median Home Value:	\$59,000 based on sales from 2016 to 2020
New Construction:	No houses from 2010 to 2020
<i>Housing Condition</i>	
Condition Rating:	Sound - 13 homes/34.2% Minor Rehab - 13 homes/34.2% Major Rehab - 6 homes/15.8% Dilapidated - 6 homes/15.8%

Findings on Growth Trends

Based on U.S. Census Data, Cavour had 114 people in 2010 and 128 people in 2020, a gain of 14 during the decade. From 2000 to 2010, Cavour had a loss of 27 people. Cavour had a loss of 25 people during the 1990s.

Cavour had 45 households in 2020 and 56 households in 2010, for a loss of 11 households over the last decade. Cavour had a loss of four households from 2000 to 2010 and a loss of five households in the 1990s.

Between 2010 and 2020, Beadle County had an increase of 1,751 people and 93 households. From 2000 to 2010, Beadle County had a gain of 375 people and 66 households. In the 1990s, Beadle County had a decrease of 1,230 people and 131 households.

Findings on Growth Projections

As part of this Study, Community Partners Research, Inc., has provided household projections to the year 2026 for Cavour and Beadle County, not including Huron.

Community Partners Research, Inc., is projecting that Cavour's population will decrease by five households from 2020 to 2026.

For Beadle County excluding Huron, Community Partners Research, Inc., expects a decrease of eight households from 2020 to 2026.

Rental Housing Data

Census Bureau Rental Inventory

According to the 2010 U.S. Census, there were six occupied rental units and no unoccupied rental unit in Cavour, for a total estimated rental inventory of six units. Cavour's rental tenure rate was 10.7%, which was well below the Statewide rate in 2010 of 31.9%.

At the time of the 2000 Census, Cavour had eight occupied rental units, and nine vacant rental units, for a total estimated rental inventory of 17 units. The rental tenure rate in 2000 was 13.3%.

Based on a Census comparison, Cavour had a decrease of two renter-occupancy households, and loss of 11 rental units from 2000 to 2010.

There were no rental units constructed in the Town of Cavour from 2010 to 2020, however, some single family homes may have converted from owner-occupied to rental or vice versa.

Rental Survey

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

There is one multi-family project with four or more units in Cavour. The four-plex is a market rate project with four two-bedroom units. There were no vacancies at the time of the survey.

Table 22 Cavour Multifamily Rental Housing Inventory					
Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Cavour 4-plex	<u>4 - 2 bedroom</u> 4 total units	Not provided by owner	No vacancies	General occupancy	The 4-plex includes four two-bedroom units. There were no vacancies at the time of the survey.

Source: Community Partners Research, Inc.

Recommendations, Strategies and Housing Market Opportunities

Based on the research contained in this study, we believe that the following recommendations are realistic options for Cavour. 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 Town's potential for growth.
- ▶ **New housing development and housing rehabilitation generally will not occur without proactive community involvement** - To attract new home construction or housing rehabilitation in Cavour, it is probable that financial assistance and technical assistance will be needed from Cavour, the Cavour Development Corporation, BASEC, regional housing agencies and the South Dakota Housing Development Authority.
- ▶ **Protect the Town's existing housing stock** - The future of Cavour will be heavily dependent on the Town's appeal as a residential location. The condition of the existing housing stock is a major factor in determining the Town's long-term viability. The existing housing stock is in fair condition and the Town's major asset, however, rehabilitation efforts are needed to preserve the housing stock.
- ▶ **Develop a realistic action plan with goals and time lines** - The Town should continue to 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 Town has other resources to continue to draw on including Grow South Dakota, Homes are Possible, Inc., USDA Rural Development and the South Dakota Housing Development Authority. These resources should be accessed as needed to assist with housing activities.

Summary of Findings/Recommendations

The findings/recommendations for Cavour have been formulated through the analysis of the information provided in the previous sections and include 12 recommendations. The findings/recommendations have been developed in the following five categories:

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

The findings/recommendations for each category are as follows:

Rental Housing Development

1. Develop two new affordable market rate rental housing units
2. Utilize single family homes for rental housing
3. Utilize the Housing Choice Voucher Program

Home Ownership

4. Utilize and promote all programs that assist with home ownership
5. Develop a purchase/rehabilitation program

Single Family Housing Development

6. Lot availability
7. Governors Homes/Housing Development

Housing Rehabilitation

8. Promote rental housing rehabilitation
9. Promote owner-occupied housing rehabilitation efforts

Other Housing Issues

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

Rental Housing Development

Findings: The 2010 U.S. Census reports that there were six rental households in Cavour. Cavour's renter households are in a four-plex and in single family rental houses.

Community Partners Research, Inc., projections indicate that Cavour is expected to lose five households from 2020 to 2026 and Beadle County excluding Huron is projected to decrease by eight households.

1. Develop two new affordable market rate rental housing units

Findings: From 2020 to 2026, Cavour is projected to lose five households, thus, Cavour's demand for rental housing is limited. Also, Cavour lacks amenities to attract a large number of rental households including employment, commercial, health care, retail and service opportunities. Cavour historically has been a Town with a high owner-occupancy rate due to the lack of rental demand and the lack of a significant household growth over the past several years.

The Town of Cavour has one market rate general occupancy four-plex. The four-plex is a market rate project with four two-bedroom units. There were no vacancies at the time of the survey.

Recommendation: We recommend the construction of two affordable market rate rental units over the next five years.

Although the Town of Cavour is not projected to gain households over the next five years, the Town's proximity to Huron, and the lack of existing rental units warrants the construction of new units. We recommend that the units have two or three bedrooms, and the rents should not exceed \$800 to \$900, plus utilities. To achieve this, rent assistance may be needed from the Town of Cavour, the Cavour Development Corporation and regional housing agencies. Assistance could include land donations, tax abatement, low interest loans, grants, etc.

2. Utilize single family homes for rental housing

Findings: In addition to recommending two new rental units, we believe there is some limited demand for additional affordable rental housing. Cavour is within commuting distance of Redfield, Huron and Brookings. These cities have employment opportunities.

According to the 2020 U.S. Census, there are several vacant homes in Cavour. There are also single family homes that may come up for sale or become available due to foreclosures.

Recommendation: We continue to recommend that Cavour and BASEC coordinate with private rental property owners, BASEC, and regional housing agencies to acquire vacant homes for rental housing. Potentially, private rental property owners could purchase the homes and utilize funding from housing agencies to rehabilitate the homes.

Potential funding sources may include USDA Rural Development, the South Dakota Housing Development Authority, BASEC and the Federal Home Loan Bank. Grow South Dakota and HAPI, Inc., are regional housing agencies that could potentially assist with this project.

Additionally, housing vouchers may be available to assist the eligible rental households with the rent.

3. Utilize the Housing Choice Voucher Program

Findings: The Housing Choice Voucher Program provides portable, tenant-based rent assistance to lower income renter households. The program requires participating households to contribute approximately 30% 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 Beadle County by the Huron Housing Authority. There is a waiting list for the Voucher program.

Recommendation: The Huron Housing Authority should work with the Town of Cavour and BASEC to assure that Cavour receives its share of Housing Choice Vouchers and that tenants are aware of the program.

Home Ownership

Findings: Expanding home ownership opportunities is a primary goal for most cities and towns. High rates of home ownership promote stable communities and strengthen the local tax base. The median owner-occupied home value in Cavour is estimated to be \$59,000 based on sales activity over the past five years. The home values in Cavour provide an excellent market for first time buyers and households seeking moderately priced homes.

Some Cavour and Beadle County households have not been able to achieve the goal of home ownership and may need the assistance of special programs to help them purchase their first home. To assist in promoting the goal of home ownership, the following activities are recommended:

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

Findings: We believe that affordable home ownership is one of the issues facing Cavour 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. Cavour has a supply of houses that are price-eligible for these assistance programs. The home value estimates used in this study indicate that a large majority of the existing stock currently is valued under the purchase price limits for the first-time home buyer assistance programs.

While these individual home ownership assistance programs may not generate a large volume of new ownership activity, the combination of below market mortgage money, home ownership training, credit counseling, and down payment assistance may be the mix of incentives that moves a potential home buyer into home ownership.

Recommendation: We recommend that the Town of Cavour, the Cavour Development Corporation and BASEC should continue to work with area housing agencies, the South Dakota Housing Development Authority and local financial institutions to utilize all available home ownership assistance programs. Currently, BASEC has a mortgage program available to Spink and Beadle County households. Private and nonprofit agencies should be encouraged to provide home ownership opportunities.

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

5. Develop a Purchase/Rehabilitation Program

Findings: Cavour has a stock of older, lower valued homes, many of which need repairs. Our analysis of sales activity over the past five years indicates that approximately 50% of the homes in Cavour are valued at less than \$59,000. 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 Town 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, low interest rate and a monthly payment that is affordable for the family. Also, the homes could be rehabilitated and available for rental occupancy.

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

Recommendation: We continue to recommend that BASEC and BASEC cities and towns develop and implement a purchase/rehab program. The low values of existing homes in small Beadle County cities and towns make a purchase/rehab program feasible. 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 majority of survey respondents who were renters indicated an interest in buying a home in need of repair if rehabilitation assistance was available.

A purchase/rehabilitation program achieves several goals. The program encourages home ownership, rehabilitates homes that are currently substandard and provides affordable home ownership and rental opportunities.

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

Also, there may be an opportunity for BASEC to financially assist the private sector with purchasing, rehabilitating and selling homes.

Single Family Housing Development

Findings: Four homes have been constructed or moved into the Town of Cavour from 2010 to 2020. Two of the new homes replaced existing homes that were demolished.

Household projections for Cavour expect the loss of five households over the next five years, thus, there is very limited demand for owner-occupied housing construction based on household growth. Housing growth is anticipated over the next five years among Beadle County households in the 65 and older age ranges. Households in these age ranges tend to be predominantly home owners, and form a market for higher priced and trade-up housing and low maintenance housing such as twinhomes/townhomes.

Our projections also expect Beadle County's number of households in the 35 to 44 age range to increase over the next five years. Many households in this age range are first-time home buyers and may be in the market for new affordable homes or for trade-up housing.

Although there will be household growth in Beadle County, it is our opinion that new housing construction in Cavour will be limited over the next five years. This is due to multiple factors including the small size of the community, the current low property values and limited housing construction over the past 20 years. However, it is our projection that two homes could be constructed or moved into Cavour over the next five years from 2021 to 2026.

6. Lot Availability

Findings: As part of this Study, we attempted to identify the inventory of available residential lots for single family housing construction in Cavour. Buildable lots are defined as having sewer and water available to the lots. There are no new lots or subdivisions in Cavour, however, there are a few infill lots throughout the community and the Cavour Development Corporation owns a parcel in Cavour that may be available for future housing development.

Recommendation: We use a standard that a 2.5-year supply of lots should be available in the marketplace, based on annual lot usage. Using our projections that two houses will be constructed or moved in over the next five years, there currently is an adequate supply of infill lots in Cavour and these lots can meet demand.

We recommend that Cavour inventory infill lots in the Town to determine their availability, price, etc. Therefore, if there is a household that has an interest in building a home or moving a home into Cavour, an inventory of lots will be available.

7. Governors Homes/Housing Development

Findings: Four homes have been constructed or moved into the Town of Cavour from 2010 to 2020.

Recommendation: We recommend that the Town of Cavour utilize the Governors Home Program and also work with households to construct new homes or to move modular homes into Cavour. It is our opinion that two homes could be constructed in or moved into Cavour over the next five years.

For the Governors Home Program to be successful in Cavour, the price of the home must be as low as possible. To accomplish this, all stakeholders must continue to be involved, including the Town of Cavour, the Cavour Development Corporation and BASEC. Also, financial assistance such as land donations, low interest loans, down payment assistance, tax abatement, etc. will need to be included in the development and purchase of the homes to keep the homes affordable.

Housing Rehabilitation

Findings: The Town of Cavour has an asset in its existing housing stock. Existing units, both now and into the future, will represent the large majority of the affordable housing opportunities. Existing units generally sell at a discount to their replacement value. Units that are not maintained and improved may slip into disrepair and be lost from the housing stock. Efforts and investment in housing rehabilitation activities will be critical to offering affordable housing opportunities.

It is our opinion that the Town of Cavour, BASEC and area housing agencies will need to make housing rehabilitation a priority in the future. Housing options for households at or below the median income level will largely be met by the existing, more affordable housing stock. As this existing stock ages, more maintenance and repair will be required. Without rehabilitation assistance, there is a chance that this affordable stock could shrink, creating an even more difficult affordability situation.

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

8. Promote rental housing rehabilitation

Findings: It is estimated that in 2021, Cavour has approximately eight to 10 rental units. Our condition analysis identified several substandard rental units. It is difficult for rental property owners to rehabilitate and maintain their rental properties while keeping the rents affordable for the tenants. The rehabilitation of older rental units can be one of the most effective ways to produce decent, safe and sanitary affordable housing.

Recommendation: The Town of Cavour and BASEC 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 BASEC, Grow South Dakota, HAPI, Inc., USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank.

9. Promote owner-occupied housing rehabilitation efforts

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

Our 2021 housing condition survey of 38 Cavour homes found 13 homes that need minor repairs and six homes that need major repairs. Without continued rehabilitation assistance, there is the potential that the affordable housing stock will shrink in Cavour.

Recommendation: We recommend that Cavour, BASEC and area housing agencies continue to seek local, state and federal funds to assist in financing housing rehabilitation. BASEC has been active in obtaining funds for housing rehabilitation. USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank, are all potential funding sources.

Currently, BASEC, Grow South Dakota and Homes are Possible, Inc., are assisting BASEC with funding and implementing owner-occupied housing rehabilitation programs in Beadle and Spink Counties. BASEC currently administers a housing rehabilitation program that provides funding for owner-occupancy rehab. Households that meet eligibility requirements are eligible for a low interest loan and a deferred forgivable loan to rehabilitate their homes. Deferred forgivable 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 Cavour households to utilize these programs.

Other Housing Initiatives

10. Acquire and Demolish Dilapidated Structures

Findings: Our housing condition survey identified that of the 38 homes in Cavour, six homes are dilapidated and too deteriorated to rehabilitate. We also identified six homes as needing major repair and several of these homes may be too dilapidated to rehabilitate. To improve the quality of Cavour's housing stock and to maintain the appearance of the community, dilapidated structures should be demolished when possible.

Recommendation: The Town of Cavour and BASEC should continue to work with property owners to demolish severely dilapidated structures. Cavour is enhanced when blighted and dilapidated structures are removed. Also, some of the cleared lots can be utilized for the construction of new affordable housing units. Some cities and towns are adopting ordinances that give cities more authority to require property owners to demolish vacant, dilapidated homes.

Also, the Town of Cavour, the Cavour Development Corporation and BASEC should maintain an inventory of dilapidated houses, which will enable the Town to acquire dilapidated homes as opportunities come to fruition. Additionally, an inventory of vacant lots should be maintained for potential redevelopment.

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

Findings: In addition to local resources, the Town of Cavour has access to BASEC, Grow Beadle, Grow South Dakota, Homes are Possible, Inc., the USDA Rural Development Office and the South Dakota Housing Development Authority to assist with addressing its housing needs. These agencies all have experience with housing and community development programs.

Recommendation: The Town of Cavour has access to multiple agencies that can assist with addressing housing needs. It is our recommendation that the Town of Cavour continue to work with the housing agencies to prioritize the recommendations of this Study and to develop a plan in coordination with BASEC to address the Town of Cavour's housing needs. The plan should include strategies, time lines and the responsibilities of each agency.

It will also be important for Cavour to look for opportunities to work cooperatively with other area towns and cities to address housing issues. With the number of small towns and cities in the County, and limited staff capacity at the town and county levels, cooperative efforts may be the only way to accomplish certain projects. Cooperative efforts will not only make housing projects more practical, but they will often be more cost-effective and competitive.

12. Promote Commercial Rehabilitation and Development

Findings: The Town of Cavour's commercial/retail opportunities are very limited. Cavour would be a more attractive residential location for households if more of their commercial/retail needs could be met in Cavour.

Recommendation: We recommend that the Town of Cavour Development Corporation and BASEC continue to encourage work with commercial property owners to rehabilitate their buildings and to demolish the buildings that are beyond repair. Also, new businesses should, to the extent that is feasible, be encouraged to locate in Cavour.

Agencies and Resources

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

Grow South Dakota

104 Ash Street East
Sisseton, SD 57262
(605) 698-7654

Homes Are Possible, Inc.

318 S. Main
Aberdeen, SD 57401
(605) 225-4274

South Dakota Housing Development Authority

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

USDA Rural Development

524 Enterprise Street South
Aberdeen, SD 57401
(605) 226-3360