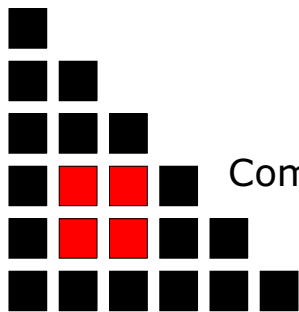


City of Yankton HOUSING STUDY

December 2013

An analysis of the overall housing needs
of the City of Yankton and the surrounding area



Community Partners Research, Inc.

10865 32nd Street North

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Introduction

Overview

Community Partners Research, Inc., was hired by the City of Yankton to complete a comprehensive study of housing market conditions in Yankton and the surrounding area.

Methodology

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

- U.S. Census Bureau
- Demographic data from the State Data Center
- Records and data from the City
- Records and data maintained by Yankton County
- Data from the SD Department of Labor
- Data provided by the Multiple Listing Service
- Interviews with elected officials and staff from the City
- Interviews with community leaders
- Interviews with people familiar with the area's housing conditions including bankers, Realtors, property managers, and developers
- Area housing agencies
- Rental property owner surveys
- Housing condition survey

Limitations

This Housing Study represents an analysis performed with the data available at the time of the research. Any findings 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 findings and conclusions contained in this Study.

In 2013, a number of issues continue to negatively impact local and national housing markets. Many of these issues represent a significant departure from conditions that were present prior to 2008, when housing development activity was stronger. They have the potential to alter traditional supply and demand calculations for housing.

In most cases, this 2013 Study has not attempted to project future economic conditions, but instead has relied on past patterns and practices, with modifications that are appropriate for the current conditions. Among the issues impacting housing markets are the following:

- ▶ High Rates of Delinquency and Foreclosure - Since 2007, many communities have witnessed an above-average level in the number of delinquent mortgages and foreclosures. As a result, there has been an above-average level of housing turnover, caused by both "short sales" and foreclosures.
- ▶ Mortgage Market Liquidity - In response to rising delinquency and foreclosure rates, the mortgage market has been altered, with both primary and secondary mortgage lenders changing their standards and the availability of credit.
- ▶ Fannie Mae and Freddie Mac Bailout - The federal government was forced to take over these quasi-public agencies to help keep home mortgages available. Changes to the federal government's role in the home mortgage market continue to be debated in Washington.
- ▶ National Retreat in Home Prices - After many years of steady gains, the median value of single family homes dropped in some major markets in recent years. This had multiple effects, including a retreat of potential home buyers out of the market until conditions stabilize. In 2013, these price trends appear to be reversing.
- ▶ Over Supply of Housing - Strong housing market conditions earlier in this decade resulted in above-average activity in the housing development markets, including both housing units and residential lots. In some areas, an oversupply of inventory exists, which further depresses home prices.
- ▶ Economic Recession - The economy of the United States was in a period of sustained recession, and recovery remains slow in 2013. Above-average national unemployment levels exist and reduced consumer demand has been present in many areas, including housing.

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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, including the 2010 Census. However, the most recent Census was more limited in scope than in the past. As a result, some of the variables, such as income and housing cost information, were not available.

To supplement the decennial Census, the Census Bureau has created the American Community Survey, an annual sampling of households. The American Community Survey provides detailed demographic characteristics, replacing information once collected by the decennial Census. At the time of the research for this Study, the 2011 estimates were the most recent release, and were derived from sampling that was done over a five-year period, between 2007 and 2011. However, because the American Community Survey is based on sampling data, there is a margin of error that exists for each estimate. The following tables incorporate the 2010 Census data, when available, or the American Community Survey data.

The analysts are aware that the Census Bureau has a past history of significantly underestimating actual growth in Yankton and many other communities in South Dakota. However some of these past problems may have been corrected when the 2010 Census established a new demographic benchmark for the community. For example, the most recent annual population estimate from the Census Bureau does show population growth in the City. The American Community Survey does appear to underestimate current conditions somewhat, but this is a function of the limited sampling that is done and recognized by the margin of error that is provided.

Market Area Designations

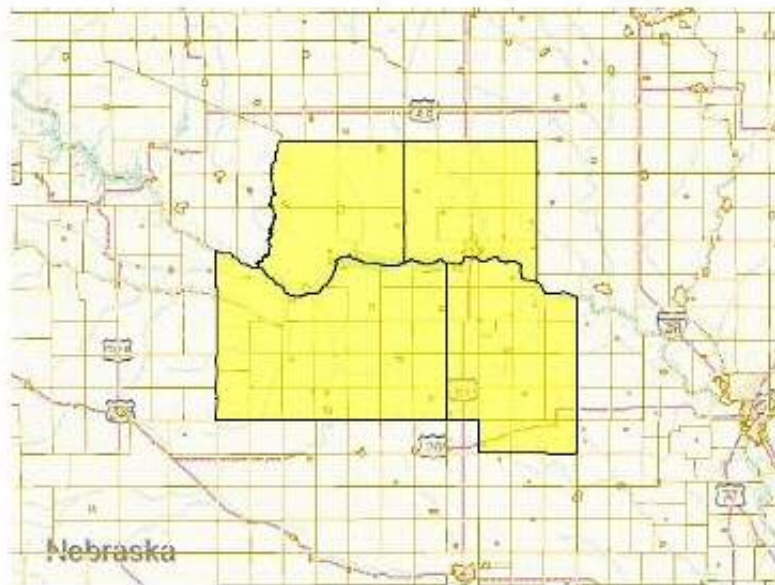
Yankton serves as a regional center for a number of surrounding counties. In addition to demographic information for the City, two larger aggregated areas have also been examined.

The first aggregated area, referred to in this Study as "Greater Yankton" includes the City as well as a number of smaller towns, townships and precincts in both South Dakota and Nebraska that are generally within a 15-mile radius. The South Dakota jurisdictions include the Towns of Gayville, Lesterville, Mission Hill, Tabor, Utica and Volin, and the Townships/Unorganized territories of Gayville, Marindahl, Mission Hill, Southeast Bon Homme, Southeast Yankton, Utica, Volin and West Yankton.

Jurisdictions in Nebraska include Precincts 1 through 5 in Cedar County, and the City of Crofton, and the Townships of Eastern, Frankfort and North Frankfort in Knox County.



To put the City in a larger regional context, a multi-county area has also been examined for certain demographic variables, such as population and household trends. This area includes all of Yankton County, Bon Homme County, Cedar County, NE and Knox County, NE. This is referred to as the “Four-County Region” in this Study.



Population Data and Trends

Table 1 Population Trends - 1980 to 2012							
	1980 Census	1990 Census	2000 Census	% Change 1990-2000	2010 Census	% Change 2000-2010	2012 Estimate
Yankton	12,011	12,703	13,528	6.5%	14,454	6.8%	14,538
Greater Yankton	23,264	22,956	25,291	10.2%	26,004	2.8%	N/A
Four-County	49,843	46,006	47,901	4.1%	47,061	-1.8%	46,951

Source: U.S. Census

Based on population data from the Census Bureau, the City of Yankton has had a long-term history of population growth. At the time of the 2010 Census, Yankton had a total population of 14,454 people, up by 926 people, or 6.8% from the 2000 Census count. Over the last three decades, the City has been gradually adding population, with an increase of 5.8% in the 1980s, 6.5% in the 1990s and 6.8% in the 2000s.

The most recent estimate released by the Census Bureau is effective July 1, 2012. It shows the City adding 84 residents between 2010 and 2012. While the City has continued to add population in the last few years, the rate of growth has slowed from the prior decade. If the most recent estimate is correct and the current pace is sustained through the year 2020, the rate of growth for this decade would be less than half the rate achieved in the 2000s.

The aggregated area defined as Greater Yankton, lost population in the 1980s, but has been adding people since 1990. However, it is important to note that nearly all of the net growth within Greater Yankton is the direct result of strong growth within Yankton, West Yankton Unorganized Territory, and Southeast Yankton Unorganized Territory. If these three jurisdictions are removed, there would be population loss for the remainder of the Greater Yankton aggregation.

Within the larger Four-County Region, there has generally been a pattern of population loss. The Region did grow in the 1990s, but not enough to replace the losses of the 1980s. Since 2000, there has been a gradual population reduction within this defined area. Between 2000 and 2012, the Four-County Region has lost 950 people, despite the gains that have been achieved in and around Yankton.

The Census Bureau's county-level population estimates for 2012 show the components of population change. Within the four counties, only Yankton had net growth from both natural increase (births exceeding deaths) and from immigration. Cedar and Knox Counties lost population in both categories.

Population by Race/Ethnicity

Yankton's population is primarily White and non-Hispanic. At the time of the 2010 Census, nearly 91% of the City's residents identified themselves as White for race, and not of Hispanic/Latino ethnicity. Including Hispanic/Latino groups, more than 92% of the City's population was identified as White.

The Native American population represented 2.3% of the City total. This was the largest single racial group other than White. The Black/African American population represented 2.1% of the City total.

The Hispanic/Latino ethnicity represented only 3.4% of Yankton's total population in 2010.

Given the relatively small minority populations, no further information has been provided on this segment of the population.

Group Quarters Population Data

Approximately 11.4% of the people in Yankton reside in “group quarters” instead of households. The following table displays changes in this population subset over the past 30 years.

Table 2 Group Quarters Populations in Yankton: 1980 to 2010				
	1980 Census	1990 Census	2000 Census	2010 Census
Yankton	885	941	1,330	1,642

Source: U.S. Census

According to the 2010 Census, Yankton had 1,642 people living in group quarters housing. In Yankton, this represented four primary groups.

- ▶ Adults living in correctional facilities represented nearly 55% of all the group quarter’s total, or 900 people.
- ▶ People living in college housing, presumably at Mt. Marty, accounted for nearly 17% of the total.
- ▶ Approximately 14% of the group quarters residents were living in skilled nursing facilities.
- ▶ The remaining 14% were in noninstitutionalized group housing, which was not more specifically defined.

The City’s group quarters population has been growing over time. In 2000, there were 1,330 people living in group quarters housing. Most of the net growth over the decade was due to an increase in the adult correctional facilities.

Less detail is available from the 1980 and 1990 Censuses, but over the past 30 years increasing group quarters residents have contributed to more than 750 people to the City.

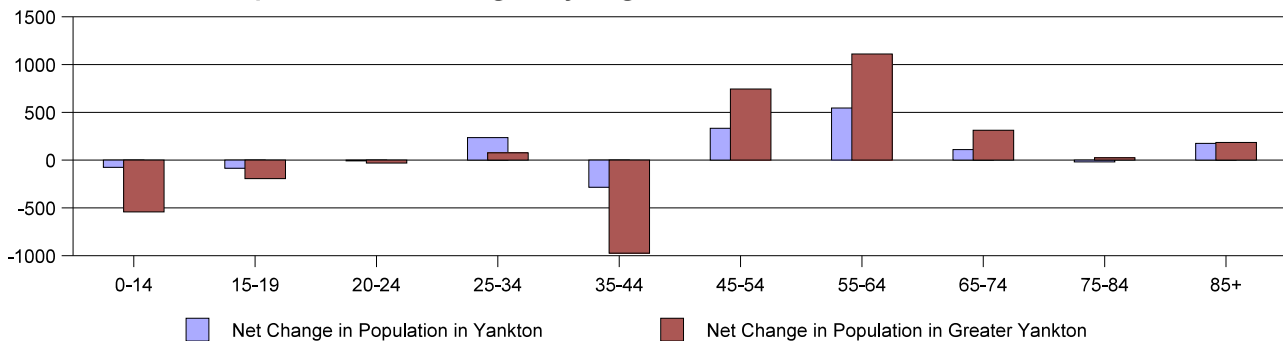
Population by Age Trends: 2000 to 2010

The release of demographic information from the 2010 Census allows for some analysis of the area’s changing age patterns. The following table compares population by age in 2000 and 2010, along with the numeric changes.

Table 3 Population by Age - 2000 to 2010						
Age	City of Yankton			Greater Yankton		
	2000	2010	Change	2000	2010	Change
0-14	2,596	2,520	-76	5,388	4,846	-542
15-19	965	880	-85	1,898	1,705	-193
20-24	937	929	-8	1,437	1,406	-31
25-34	1,726	1,961	+235	3045	3,121	+76
35-44	2,090	1,806	-284	4,121	3,147	-974
45-54	1,768	2,101	+333	3,439	4,183	+744
55-64	1,122	1,667	+545	2,184	3,295	+1,111
65-74	1,009	1,119	+110	1,832	2,145	+313
75-84	883	864	-19	1,364	1,388	+24
85+	432	607	+175	583	768	+185
Total	13,528	14,454	+926	25,291	26,004	+713

Source: U.S. Census

Population Change by Age Between 2000 and 2010



For many years, demographic analysts have been talking about the impact that is occurring as the large “baby boom” generation moves through the aging cycle. This trend has been very evident in Yankton and the surrounding area.

Between 2000 and 2010, Yankton had a net gain of 878 people in the age ranges between 45 and 64 years old. In 2010, nearly all of the baby boomers were within these age ranges. The aging of the baby boomers, as reflected in the numeric net gain in the 55 to 64 year old age group, was the largest change within any of the defined age cohorts.

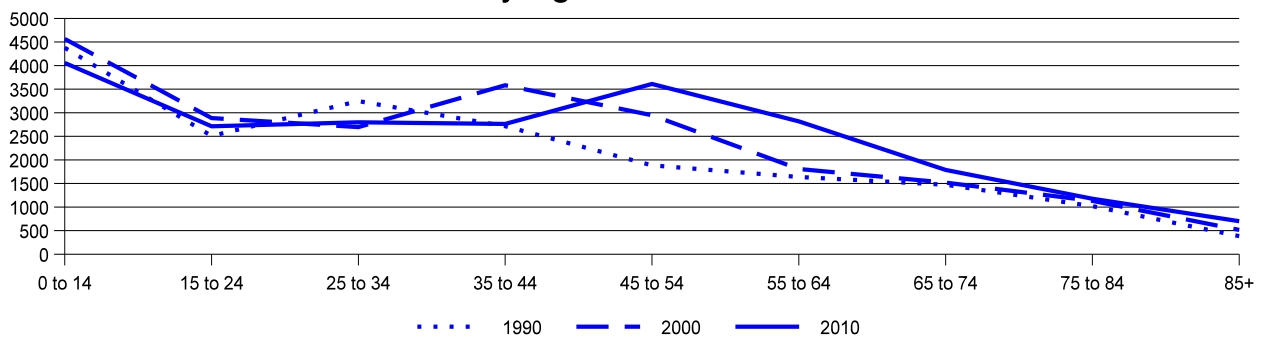
Yankton also had relatively strong net growth in one of the younger adult age groups, between 25 and 35 years old. This 10-year age grouping added 235 people during the decade. However, growth in this single younger adult group could not compensate for the large decrease in the 35 to 44 year old range, or in the population loss of children and young adults age 24 and younger. Overall, the City had a decrease of 220 residents age 44 or younger.

The City had a net gain of senior citizens, 65 and older. This was due to strong growth among older seniors, age 85 and above, and younger seniors, age 65 to 74 years old. The 74 to 84 year old age group decreased slightly in size.

The City of Yankton represents more than 55% of the total population of the Greater Yankton area, so many of the same patterns are reflected in the larger, aggregated area. However, in the jurisdictions outside of Yankton there were even larger losses in the younger age ranges, including a large reduction in the number of children, age 19 and younger. Outside of Yankton there were losses in the 25 to 34 year old age group, which negated the gains that Yankton had made in this younger adult population. Overall, Greater Yankton had a net reduction of 1,664 people age 44 and younger.

The aging trends can be traced back over the previous decades to see the movement of the baby boom generation. This chart shows all of Yankton County.

Yankton County Age Distribution: 1990 to 2010



Population Projections

The following table presents population projections using two different sources. The South Dakota State Data Center has issued preliminary population projections at the County level. These projections were issued in 2012, and reflect the new data presented in the 2010 Census. The following table shows the medium series Data Center projections for Yankton County. No similar projections could be found for the Nebraska portions of the study areas, so no projection is available for the Four-County Region.

The other set of projections has been calculated by Community Partners Research, and these are based on past patterns of population change. The 20-year growth trend is based on the rate of change between 1990 and 2010, using the 1990 and 2010 Census. The 10-year growth trend uses the same methodology, but calculates an annual growth rate from 2000 to 2010.

Table 4 Population Projections Through 2015				
	2010 Population Census	2015 Projection from 10-year trend	2015 Projection from 20-year trend	2015 Projection State Data Center
Yankton	14,454	14,790	14,755	N/A
Greater Yankton	26,004	26,215	26,670	N/A
Yankton County	22,438	23,135	22,590	22,925
Four-County Area	47,061	46,400	47,125	N/A

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

The trend-based projections are directly impacted by the growth of a group quarters population in Yankton in recent decades. These residents primarily live in an institutionalized adult correction facility. To remove the impact of this incarcerated population, an adjustment has been made to the contributing growth from group quarters. If the City’s group quarters populations continue to grow rapidly in the future, this net increase would be in addition to the totals that are projected above.

The two trend-based calculations for Yankton, as prepared by Community Partners Research, result in very similar forecasts for the City, highlighting the steady pace of growth that has existed in the past. These projections expect the City to add approximately 300 to 335 residents between 2010 and 2015. On an average annual basis, this would be approximately 60 to 67 people per year. For comparison, the most recent Census Bureau estimate shows the City adding only 42 people per year between 2010 and 2012.

There is a greater level of variation in the forecasts for the Greater Yankton aggregation. Over the last decade, growth outside of Yankton was very limited, while these rural areas had grown more rapidly in the 1990s. Depending on the time period reviewed, the trend-based projections would indicate growth potential of only 210 to 665 people over a five-year period. Growth at the lower end of this range would actually point to population losses for the remaining jurisdictions if Yankton is removed from the aggregation.

For all of Yankton County, the projected growth range is between approximately 150 and 700 people in the five-year projection period. Once again, growth at the lower end of this range would imply population losses for the portions of the County that are farther away from the Yankton area. For comparison, the 2012 Census Bureau estimate shows that the County added 146 residents between 2010 and 2012. This total included a 62-person net gain outside of the City of Yankton.

The South Dakota State Data Center has issued population projections at the County level. Their medium-series projection expects the County to add 487 people between 2010 and 2015. This would be near the middle of the projected range from the Community Partners Research calculations. To achieve the Data Center projection, the County would need to add approximately 97 people per year. The Census Bureau's 2012 estimate shows average growth of 73 people per year between 2010 and 2012.

The projections for the entire Four-County Region expect no growth outside of Yankton, and probable population losses. Projections based on the trends of the past 10 years would expect a loss of as many as 600 people from the region, despite the growth that is expected to occur within Yankton. This would generally be consistent with the 2012 Census Bureau estimate, which show the Four-County Region losing 110 people between 2010 and 2012. If Yankton is removed, the regional losses would be even larger.

Household Data and Trends

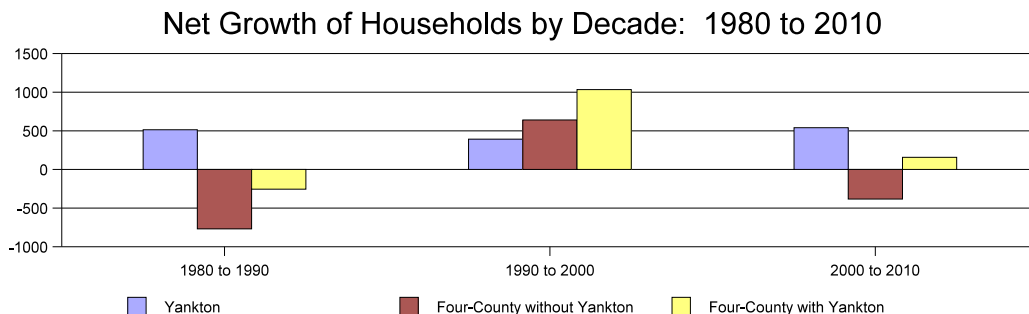
Table 5 Household Trends - 1980 to 2010						
	1980 Census	1990 Census	2000 Census	% Change 1990-2000	2010 Census	% Change 2000-2010
Yankton	4,463	4,977	5,369	7.9%	5,909	10.1%
Greater Yankton	N/A	8,413	9,599	14.1%	10,161	5.6%
Four-County	17,478	17,223	18,256	6.0%	18,413	0.9%

Source: U.S. Census

According to the 2010 Census, Yankton added 540 households between 2000 and 2010. This represented household growth of more than 10% for the decade. Over the past 30 years, Yankton has continually added households, but the rate of growth has varied. In the 1980s, the household level increased by more than 11.5%, followed by an increase of less than 8% in the 1990s. After 2000, the rate of growth once again increased to more than 10% in the most recent decade. Over the 30-year period between 1980 and 2010, Yankton has added 1,446 households.

The entire Greater Yankton aggregation added only 562 total households between 2000 and 2010. When the City of Yankton’s contribution was removed, the remaining jurisdictions had a net gain of only 22 households in the 10-year period. In the 1990s, the other jurisdictions had been adding households, and a majority of the area’s growth occurred outside of Yankton. But after 2000, this pattern changed, and nearly all of the net gain was within the City.

Household patterns in the entire Four-County Region have shown significant variation from decade to decade. In the 1980s, the area had a loss of more than 250 households, despite the growth that occurred within Yankton. This pattern then reversed in the 1990s, as more than 1,000 households were added, with most of the net growth outside of the City of Yankton. After 2000, patterns changed again, and there was a net loss of more than 380 households in the jurisdictions outside of the City of Yankton.



Household by Age Trends: 2000 to 2010

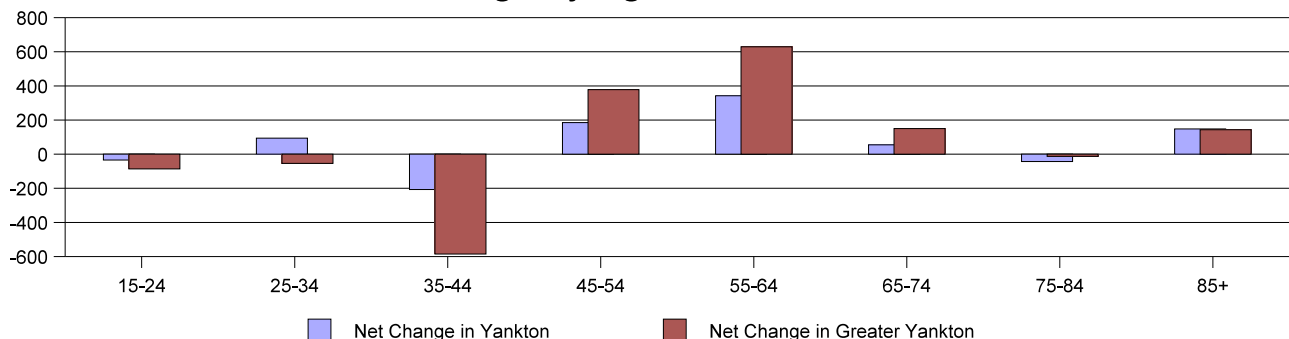
The 2010 Census allows for some analysis of the area’s changing age patterns. The following table compares households by age of householder in 2000 and 2010, along with the numeric changes.

Table 6 Households by Age of Householder - 2000 to 2010						
Age	City of Yankton			Greater Yankton		
	2000	2010	Change	2000	2010	Change
15-24	385	351	-34	544	458	-86
25-34	797	891	+94	1,413	1,359	-54
35-44	1,083	876	-207	2,119	1,534	-585
45-54	982	1,167	+185	1,874	2,252	+378
55-64	648	990	+342	1,244	1,873	+629
65-74	633	688	+55	1,125	1,275	+150
75-84	614	571	-43	938	925	-13
85+	227	375	+148	342	485	+143
Total	5,369	5,909	+540	9,599	10,161	+562

Source: U.S. Census

Consistent with the population by age data presented earlier, the household patterns show most of the net change occurring in the baby boomer age groups. For both Yankton and the Greater Yankton area, the largest net growth in households occurred in the 10-year age group between 55 and 64 years old. For the entire Greater Yankton area there were 629 households added in the 55 to 64 year age range, with more than of the net gain occurring in Yankton.

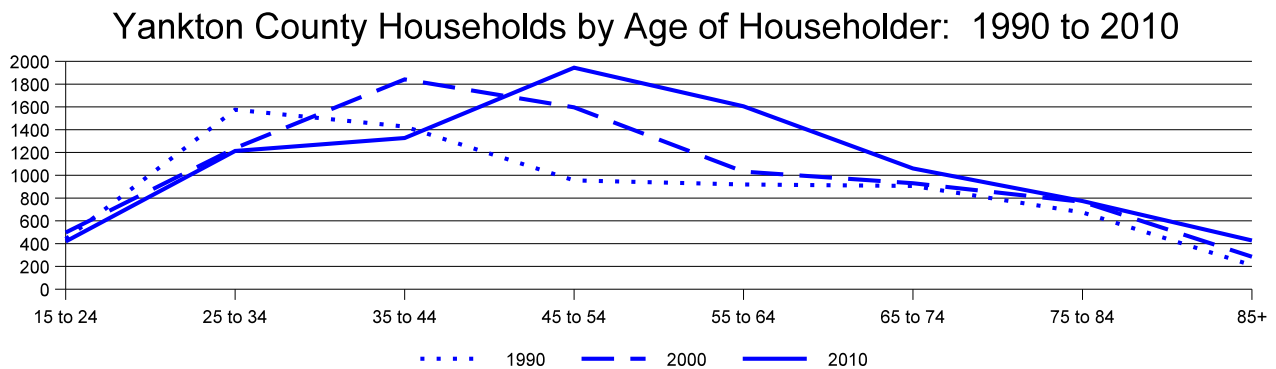
Household Change by Age Between 2000 and 2010



The movement of the baby boomers through the aging cycle also resulted in a net reduction in households age 35 to 44 years old, as the age group immediately younger was much smaller in size and they could not replace the advancing baby boomers. For both Yankton and the Greater Yankton area there was an overall net decrease in the number of households age 44 and younger. For the entire Greater Yankton aggregation, there were 725 fewer households in 2010 than in the year 2000, in the age groups less than 45 years old.

For the larger Greater Yankton area there was an overall increase in the number of senior-headed households, including a net gain of 150 young senior households, age 65 to 74, and 140 older senior households, age 75 and above. The growth of older senior households occurred in Yankton, as the City added a number of households age 85 and older.

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



Average Household Size

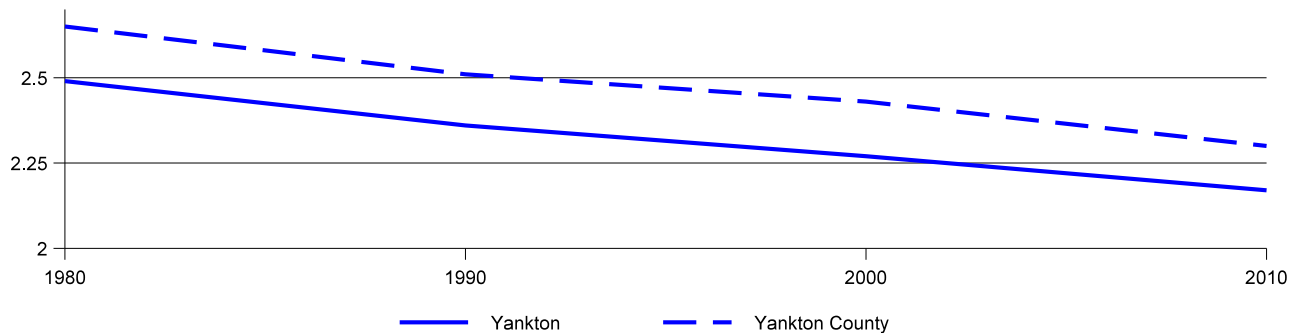
The following table provides decennial Census information on average household size. Information on group quarters populations was not readily available for the smaller jurisdictions that form Greater Yankton.

Table 7 Average Number of Persons Per Household: 1980 to 2010				
	1980 Census	1990 Census	2000 Census	2010 Census
Yankton	2.49	2.36	2.27	2.17
Yankton County	2.65	2.51	2.43	2.30

Source: U.S. Census

Household formation has been occurring at a different rate than population change in recent decades due to a steady decrease in average household size. This has been caused by household composition changes, such as more single person and single parent families, fewer children per family, and more senior households due to longer life spans.

Average Household Size: 1980 to 2010



The average household size in the area has continued to decrease over the past three decades. In Yankton, the average household size has decreased from 2.49 persons per household in 1980 to 2.17 persons in 2010. This same pattern was evident in all of Yankton County, although the County has still maintained a larger average household size than the City.

Household Projections

The following table presents household projections generated by Community Partners Research, Inc. They are based on the annualized rate of change that was present between 2000 and 2010.

Table 8 Household Projections Through 2020			
	2010 Census	2015 Projection	2020 Projection
Yankton	5,909	6,200	6,500
Greater Yankton	10,161	10,460	10,755
Four County Area	18,413	18,490	18,570

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

As stated earlier, the City of Yankton has grown at a relatively steady rate over recent decades. The trend-based calculations expect Yankton to add approximately 290 households over the five-year projection period between 2010 and 2015. On an average basis, this would be approximately 58 additional households per year. To the year 2020, trend-based calculations would show the average annual potential for approximately 60 households per year.

Although longer-term patterns do support growth of nearly 60 households annually in Yankton, it is important to recognize that recent conditions have not been consistent with growth at or near this level. The City has not produced 60 or more new housing units in a single year since 2008. Since household growth and housing unit availability are directly linked in Yankton, it is doubtful that the City has achieved the annual incremental growth potential in recent years.

For the entire Greater Yankton area, the trend-based growth forecast yields no growth outside of Yankton. While it is probable that some of the individual jurisdictions, such as Utica Township, West Yankton UT and North Frankfort Township will add households, these would be offset in others, yielding no net growth for the entire aggregated area, other than the expected growth within Yankton.

The household projection for the Four-County Area, of Yankton, Bon Homme, Cedar and Knox, expects an overall loss of households outside of the City of Yankton. When the Yankton contribution is removed, the remaining jurisdictions would be expected to lose more than 40 households in an average year over the five-year time period.

Household by Age Projections: 2010 to 2015

The 2010 Census established a new benchmark for age-related statistics for the Yankton area. In the following table, Community Partners Research has generated age-based household projections to the year 2015 for Yankton County. Yankton County has been used since projections at the County level can be directly compared with other available forecasts, including those from the State Data Center.

The first set of age-based projections has been extrapolated from preliminary population forecasts that have been issued by the South Dakota State Data Center. They have been converted into households using past calculations on the average household size that has existed within specific age ranges.

The second set of projections was created by Community Partners Research by trending forward past retention rates within defined age cohorts, and assuming that these past patterns are a reasonable predictor of future age-based household changes.

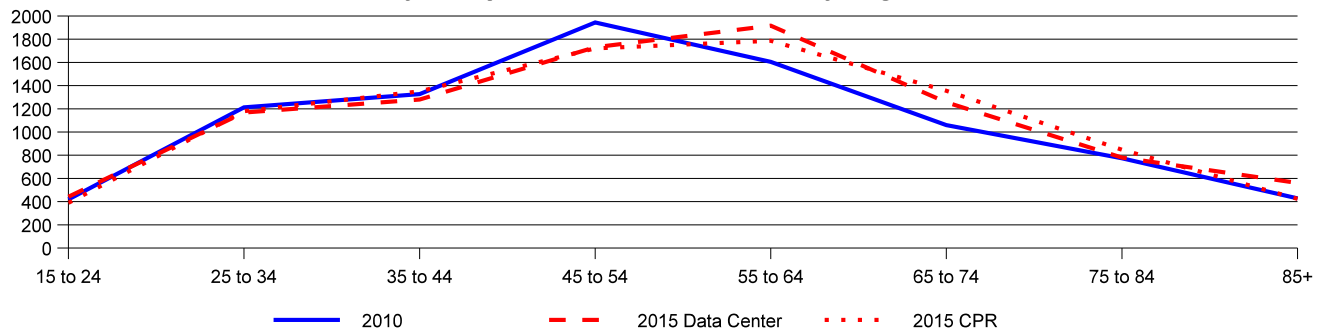
Both sets of projections assume that historical patterns will continue into the near-future, especially related to household formation and household size within specific age groups. If the area can grow at a rate that is faster than past patterns would suggest, then traditional age-based forecasts could be altered.

Table 9 Yankton County Projected Households by Age - 2010 to 2015

Age Range	2010 Census	Extrapolated from State Data Center		Community Partner Research	
		2015 Projection	Change	2015 Projection	Change
15-24	419	442	+23	389	-30
25-34	1,213	1,168	-45	1,180	-33
35-44	1,327	1,280	-47	1,351	+24
45-54	1,944	1,731	-213	1,721	-223
55-64	1,605	1,917	+312	1,786	+181
65-74	1,060	1,256	+196	1,356	+296
75-84	774	780	+6	847	+73
85+	428	561	+133	424	-4
Total	8,770	9,135	+365	9,054	+284

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

Yanton County Projected Households by Age: 2010 to 2015



While the two projection methods do yield some differences for the age-based forecasts, in general terms they offer a somewhat similar expectation through the year 2015. The relative similarity becomes more evident when viewed as a line chart showing the progression from 2010 to 2015.

The projections derived from the State Data Center tend to be more optimistic for the number of households at the youngest and oldest ends of the age spectrum. The Data Center anticipates a larger population, and consequently more households, in the age groups 24 and younger, and age 85 and older.

However, if the age ranges are aggregated into larger groupings, both projection sources show probable losses in the young and middle-aged adult groups, age 54 and younger. The Community Partners Research projections point to a probable loss of 262 households. The extrapolation from the State Data Center indicates a probable loss of 282 households within this adult group.

The two projection methods are reasonably similar in the empty-nester adult and young senior age ranges. The Community Partners Research projection shows a net increase of 477 households in the age ranges between 55 and 74 years old, while the Data Center extrapolation shows net growth of 508 households.

Both projection sources do show some growth in the number of older senior citizen households, age 75 and above. However, the extrapolated projections from the Data Center show much stronger growth among households age 85 and older, with a probable net gain of 133 households, compared to a projected loss of four households under the Community Partners Research projection.

It is the analysts’ opinion that to achieve this large growth in older seniors, the Yankton area would need to attract people from outside the immediate area, as growth of more than 31% within this one defined age cohort would not occur within a five-year time period from natural age progression patterns.

Households by Type

The 2010 Census can be compared to statistics from 2000 to examine changes in household composition. The following table looks at household trends within the City of Yankton.

Table 10 Yankton Household Composition - 2000 to 2010			
	2000 Census	2010 Census	Change
Family Households			
Married Couple with own children	1,123	967	-156
Single Parent with own children	463	554	+91
Married Couple without own children	1,425	1,580	+155
Family Householder without spouse	221	247	+26
Total Families	3,232	3,348	+116
Non-Family Households			
Single Person	1,875	2,218	+343
Two or more persons	262	343	+81
Total Non-Families	2,137	2,561	+424

Source: U.S. Census

Between 2000 and 2010, Yankton did experience growth in the total number of households, but this was primarily due of an increase of “non-family” households, with the largest net growth from people living alone.

There was an increase in the number of married couple families without their own children, but a nearly equal decrease in married couples with their children living at home. The City did have a net increase in single parent families, other family households without children, and in non-family households with two or more unrelated individuals living together.

Housing Tenure

The 2010 Census provided an updated look at housing tenure patterns. The following tables examine overall tenure rates, along with the changes that have occurred since 2000.

Table 11 Household Tenure - 2010				
	Number of Owners	Percent of all Households	Number of Renters	Percent of all Households
Yankton	3,656	61.9%	2,253	38.1%
Greater Yankton	7,178	70.6%	2,983	29.4%
Yankton County	6,050	69.0%	2,720	31.0%
State	-	68.1%	-	31.9%

Source: U.S. Census

According to the 2010 Census, the ownership tenure rate in the City of Yankton was 61.9%, with the remaining 38.1% of households renting their unit. When the Greater Yankton aggregated area is examined, the ownership rate increased to 70.6%, above the Statewide ownership tenure rate of 68.1%.

Although not displayed in the table above, Yankton’s rental tenure rate of 38.1% was generally comparable to or lower than the other larger Cities in the State, including Pierre/Ft. Pierre (35.7%), Watertown (36.5% renter), Sioux Falls (37.6%), Aberdeen (40.1%), Huron (40.1%), Rapid City (42.5%), Mitchell (44.1%) and Brookings (52.9%).

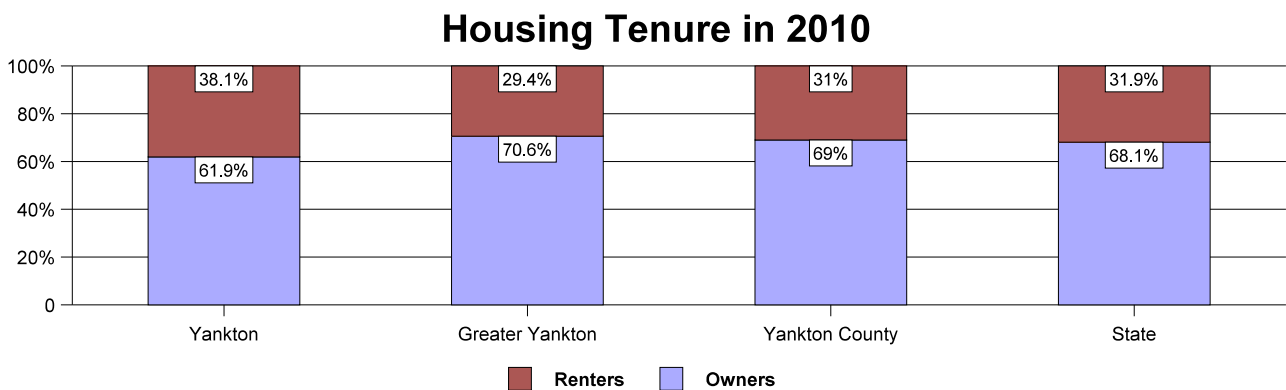


Table 12 Households by Housing Tenure - 2000 to 2010						
Tenure	Yankton			Greater Yankton		
	2000	2010	Change	2000	2010	Change
Owners	3,322	3,656	+334	6,796	7,178	+382
Renters	2,047	2,253	+206	2,803	2,983	+180
Total	5,369	5,909	+540	9,599	10,161	+562

Source: U.S. Census

The City of Yankton had growth of both owner and renter households over the last decade. As a result, the City’s housing tenure rate remained stable. In both 2000 and 2010, 61.9% of the City’s households owned their housing unit.

Although Yankton added renter households over the last decade, in the remainder of Greater Yankton outside of the City, there was actually a decrease of renter households. There was some minor growth in the number of home owners outside of the City of Yankton.

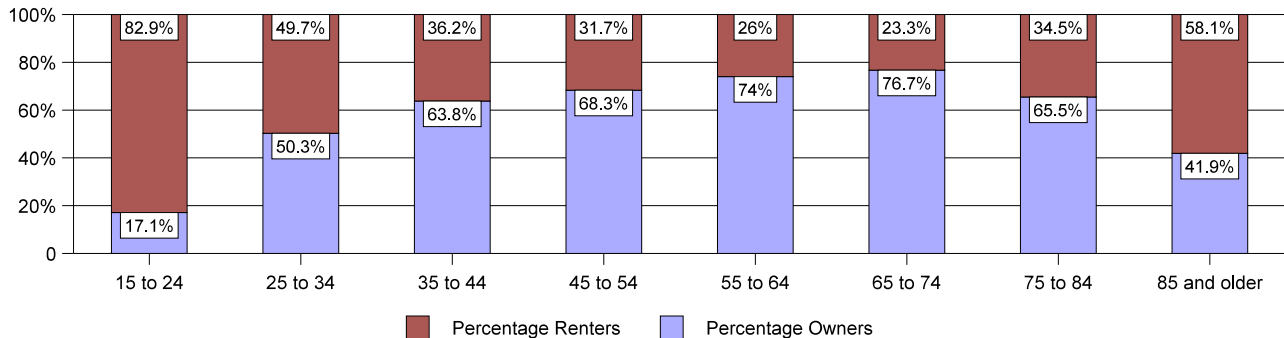
Tenure by Age of Householder

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

Table 13 Yankton Tenure by Age of Householder - 2010				
Age	Owners		Renters	
	Number	Percent within age	Number	Percent within age
15-24	60	17.1%	291	82.9%
25-34	448	50.3%	443	49.7%
35-44	559	63.8%	317	36.2%
45-54	797	68.3%	370	31.7%
55-64	733	74.0%	257	26.0%
65-74	528	76.7%	160	23.3%
75-84	374	65.5%	197	34.5%
85+	157	41.9%	218	58.1%
Total	3,656	61.9%	2,253	38.1%

Source: U.S. Census

Yankton Housing Tenure Patterns by Age in 2010



Within the defined age ranges, typical tenure patterns were present, with households at the lowest and highest ends of the age spectrum showing greater preference for rental housing, while middle-aged adult households were primarily home owners. Nearly 83% of households age 24 and younger rented their unit, and more than 58% of households age 85 and older were renters.

Home ownership rates for each of the 10-year age cohorts between 35 and 84 years old were above 63%.

Tenure by Household Size

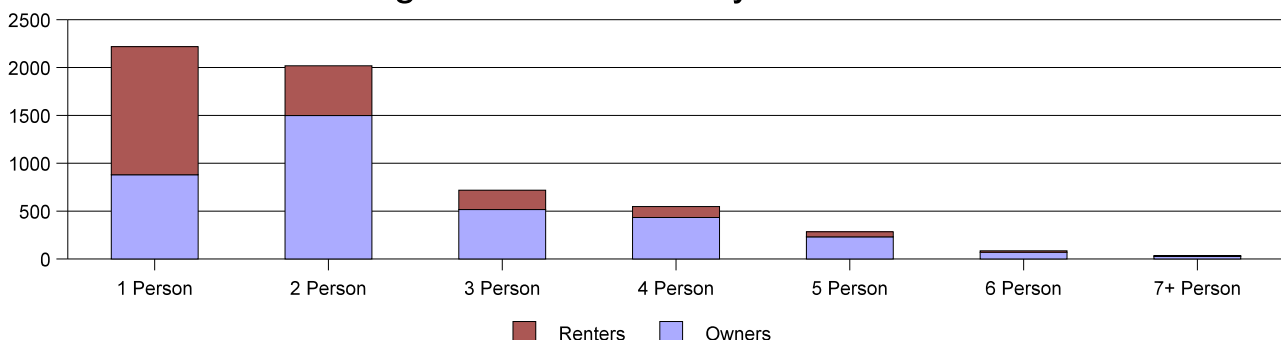
The 2010 Census did provide information on housing tenure by household size. This can be compared to 2000 Census information to better understand trends for housing unit needs. The following table provides information for Yankton.

Table 14 Yankton Tenure by Household Size - 2000 to 2010						
Household Size	Owners			Renters		
	2000	2010	Change	2000	2010	Change
1-Person	705	880	+175	1,170	1,338	+168
2-Person	1,310	1,499	+189	461	519	+58
3-Person	493	516	+23	215	203	-12
4-Person	495	433	-62	113	115	+2
5-Person	217	231	+14	58	53	-5
6-Person	74	70	-4	20	16	-4
7-Persons+	28	27	-1	10	9	-1
Total	3,322	3,656	+334	2,047	2,253	+206

Source: U.S. Census

Over the past decade, there was an increase in the number of smaller households. Among home owners, nearly all of the growth occurred from households with only one or two members. Overall, there was an increase of 364 owner households with one or two members, and a decrease of 30 owner households with three or more members. This would be consistent with some of the other demographic information provided earlier, including an aging population and fewer children. The patterns were very similar for renters in Yankton. Renter households with only one household member represented nearly 82% of all renter household growth in the City during the decade.

Yankton Housing Tenure Patterns by Household Size in 2010



2011 Income Data

The 2010 Census did not collect information on household income. However, estimates are available at the city and county level through the 2011 American Community Survey.

Household income represents all independent households, including people living alone and unrelated individuals together in a housing unit. Families are two or more related individuals living in a household. No median income information was available for Greater Yankton, since it is an aggregated geography. Median information has been provided for Yankton County.

Table 15 Median Household Income - 2000 to 2011			
	2000 Median	2011 Median	% Change
Yankton	\$31,843	\$46,042	44.6%
Yankton County	\$35,374	\$51,680	46.1%
South Dakota	\$35,282	\$48,010	36.1%

Source: U.S. Census; 2010 ACS 5-year survey

Table 16 Median Family Income - 2000 to 2011			
	2000 Median	2011 Median	% Change
Yankton	\$44,009	\$65,967	49.9%
Yankton County	\$43,600	\$65,887	51.1%
South Dakota	\$43,237	\$61,412	42.0%

Source: U.S. Census STF-3; 2011 ACS 5-year survey

Information contained in the 2011 American Community Survey shows solid local income levels and income growth over the past decade. Although the City’s median household income level was slightly below the Statewide median, it had been increasing at a faster rate between 2000 and 2011. The City’s median family income level was higher than the State of South Dakota’s median and also had been increasing at a faster rate.

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, while many non-family households have only one household member.

The rate of change for median income levels over time also needs to be compared to inflation. According to the website www.usinflationcalculator.com, the inflation rate during the last decade was between 26.6% and 28.8%, depending on the exact time period reviewed. According to the website, this is based on the change in the Consumer Price Index over the decade. Using this comparative measure, the rate of change for the median household income level in Yankton significantly exceeded the rate of inflation.

Median income levels can also be used to establish a benchmark for affordable housing thresholds. Using the commonly accepted standard that up to 30% of gross income can be applied to housing expenses without experiencing a cost burden, a median income household in Yankton could afford approximately \$1,150 per month for ownership or rental housing in 2011.

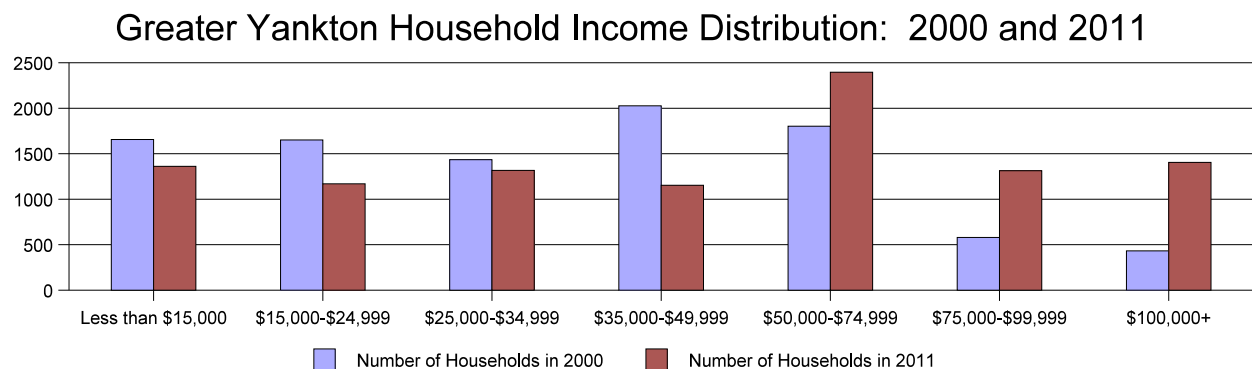
However, as will be detailed later in this section, renter households tend to be below the overall median, while owner households tend to be above the overall median level.

Greater Yankton Household Income Distribution

The 2011 American Community Survey household income estimates for the entire Greater Yankton area can be compared to the same distribution information from 2000 to examine changes that have occurred over time.

Table 17 Greater Yankton Household Income Distribution: 2000 to 2011			
Household Income	Number of Households 2000	Number of Households in 2011	Change 2000 to 2011
\$0 - \$14,999	1,656	1,362	-294
\$15,000 - \$24,999	1,652	1,170	-482
\$25,000 - \$34,999	1,434	1,317	-117
\$35,000 - \$49,999	2,027	1,153	-874
\$50,000 - \$74,999	1,803	2,396	+593
\$75,000 - \$99,999	580	1,313	+733
\$100,000+	432	1,405	+973
Total	9,584	10,116	+532

Source: 2000 Census; 2011 ACS



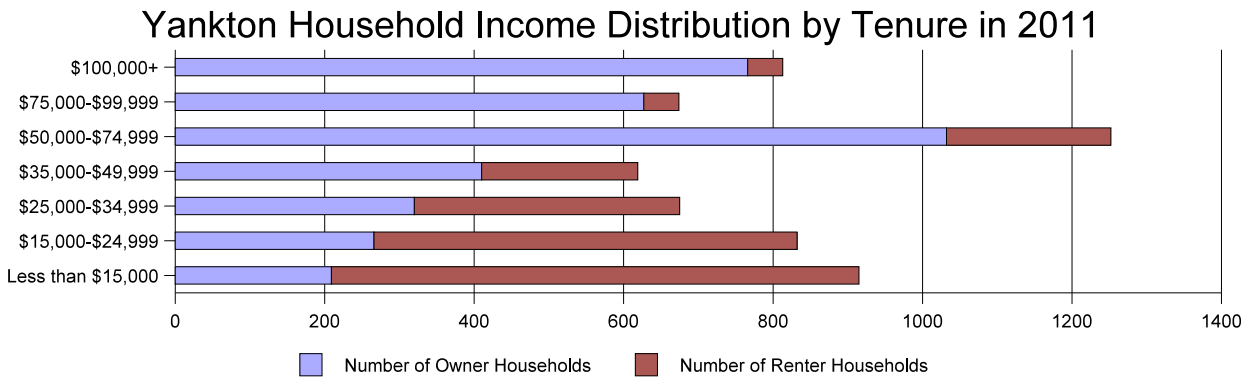
According to income estimates contained in the 2011 American Community Survey, household incomes have generally improved in the Greater Yankton area, especially in the highest income ranges. When compared to the 2000 Census (1999 income), the number of households with an income of \$75,000, or higher, increased by more than 1,700 households. Although there was a decrease in the number of households in each of the lower income ranges, there were still more than 2,500 households with an annual income below \$25,000 in 2011.

Yankton Income Distribution by Housing Tenure

The 2010 American Community Survey provides an income estimate by owner and renter status. The following table examines income distribution within the City of Yankton. The American Community Survey is based on limited sampling data, and there are some differences when compared to the 2010 Census. For total households, the American Community Survey reported 129 fewer households than the Census, a difference of more than 2%. With the one-year time difference between the effective dates, the underestimate would be even larger. The American Community Survey estimated 26 fewer owner households than the Census, and 103 fewer renter households. With a probable underestimate of as many as 170 total households, the income estimates are conservative, especially in the lower income ranges, where the renters are most likely to be represented.

Table 18 Yankton Household Income Distribution by Tenure - 2011			
Household Income	Number of Owner Households	Number of Renter Households	Total Households
\$0 - \$14,999	209	706	915
\$15,000 - \$24,999	266	566	832
\$25,000 - \$34,999	320	355	675
\$35,000 - \$49,999	410	209	619
\$50,000 - \$74,999	1,032	220	1,252
\$75,000 - \$99,999	627	47	674
\$100,000+	766	47	813
Total	3,630	2,150	5,780

Source: 2011 American Community Survey



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

In 2011, nearly 76% of all renter households in Yankton had an annual income below \$35,000. At 30% of income, these households would have \$875, or less, that could be applied to monthly housing costs. The median income for all renter households was \$21,044 in 2011. At 30% of income, a renter at the median level could afford approximately \$525 per month for housing costs.

Conversely, most owner households had a substantially higher income level. Nearly 67% of all owner households had an annual income of \$50,000 or more. The estimated median household income for owners in 2011 was \$65,171. At 30% of income, an owner at the median level could afford approximately \$1,630 per month for housing costs.

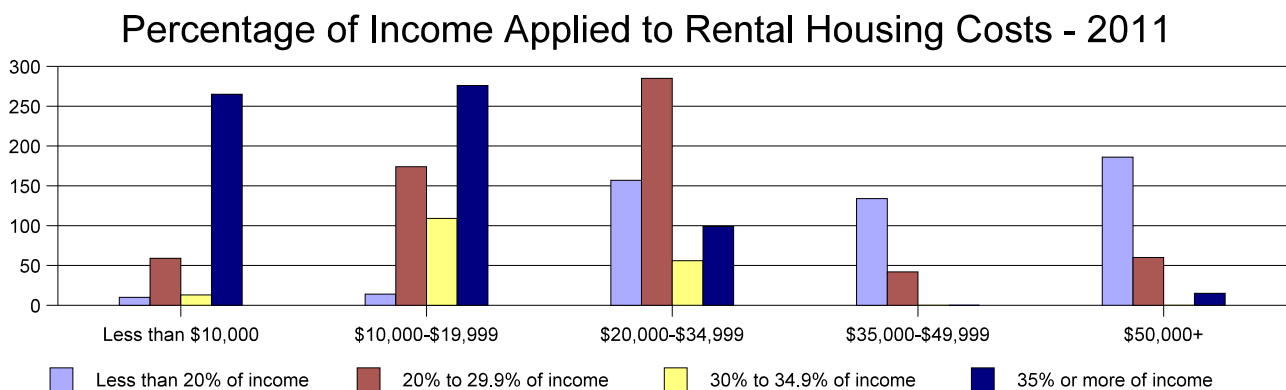
Rental Housing Cost Burden

The household income and tenure information in the 2011 American Community Survey can be analyzed to determine the number of lower income households that experience a 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 more than 35% of income for housing may often have a severe housing cost burden.

Household Income	Less than 20% of Income	20% to 29% of Income	30% to 34% of Income	35% or More of Income
\$0 - \$9,999	10	59	13	265
\$10,000 - \$19,999	14	174	109	276
\$20,000 - \$34,999	157	285	56	99
\$35,000 - \$49,999	134	42	0	0
\$50,000 +	186	60	0	15
Total	501	620	178	655

Source: 2011 American Community Survey

The table above only provides information for households paying cash rent, and excludes those households where a percentage of income could not be computed.



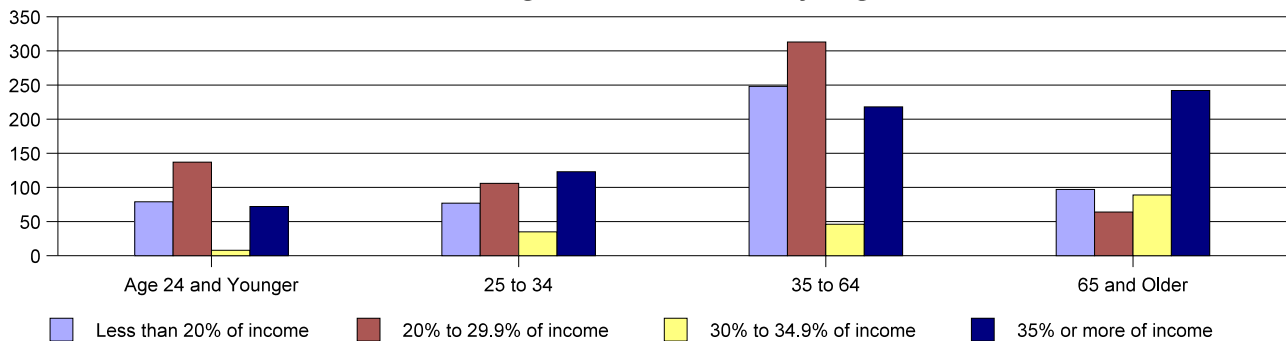
With approximately 1,950 Yankton renter households reporting a cash rent, there were more than 830 households that had a housing cost burden, with 30% or more of their income required for gross rent. This represented approximately 43% of all reporting renter households in 2011. For most of these households, a severe cost burden existed, with 35% or more of income applied to housing.

As would be expected, a large majority of the renter households with a housing cost burden also had an annual income below \$35,000. For renter households with an annual income of \$35,000 or more, the percentage with a cost burden dropped to less than 4%.

Age of Householder	Less than 20% of Income	20% to 29% of Income	30% to 34% of Income	35% or More of Income
15 to 24	79	137	8	72
25 to 34	77	106	35	123
35 to 64	248	313	46	218
65 and older	97	64	89	242
Total	501	620	178	655

Source: 2011 American Community Survey

Rental Housing Cost Burden By Age - 2011



For households paying 30% or more of income for rent, approximately 10% were age 24 or younger, and only 19% were in the younger adult range between 25 and 34 years old. Most of the cost-burdened households were in the older adult age ranges. Approximately 40% of the renters with a housing cost burden were age 65 or older, and nearly 32% were age 35 to 64 years old.

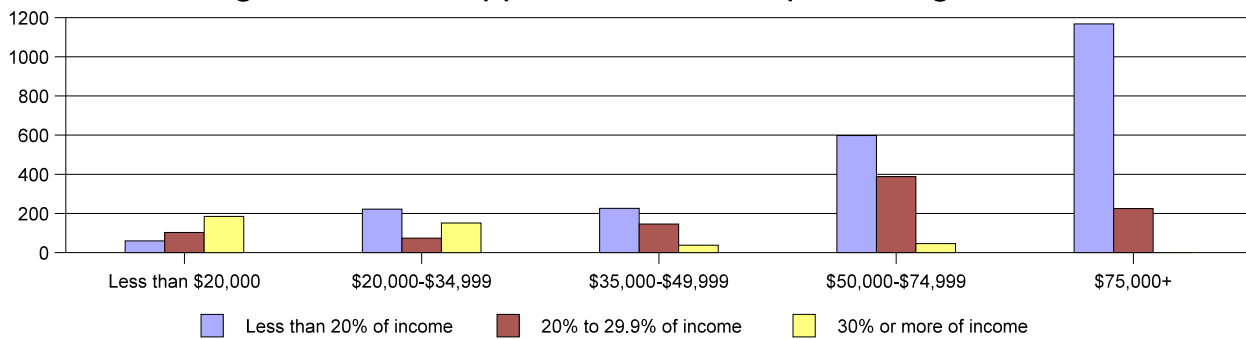
Ownership Housing Cost Burden

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

Table 21 Yankton Home Owner Income and Housing Costs - 2011			
Household Income	Less than 20% of Income	20% to 29% of Income	30% or More of Income
\$0 - \$19,999	60	103	185
\$20,000 - \$34,999	222	74	151
\$35,000 - \$49,999	226	146	38
\$50,000 - \$74,999	598	388	46
\$75,000 +	1,168	225	0
Total	2,274	936	420

Source: 2011 American Community Survey

Percentage of Income Applied to Ownership Housing Costs - 2011



Most home owners have higher household income levels. Overall, nearly 67% of all owner-occupants in Yankton had an annual income of \$50,000 or more. This significantly increases the amount of monthly income that can be applied to housing costs, and lowers the percentage with a cost burden. Lending practices also tend to limit the amount of monthly income that can be used for mortgage repayment.

Only 22% of owners had an annual income below \$35,000, according to the 2011 American Community Survey. These low to moderate income households had the greatest frequency for a housing cost burden. More than 53% of all home owners with an annual income below \$20,000 had to apply 30% or more of their income for housing. Presumably, many of these lower income owners were seniors that had retired on a fixed income but still owned their home.

For households with an annual income between \$20,000 and \$34,999, approximately 34% were applying 30% or more of their income for housing. However, fewer than 10% of households between \$35,000 and \$49,999 also reported a cost burden, and for households with an annual income of \$50,000 or more, the percentage paying 30% or more of their income for housing dropped to less than 2%.

As would be expected, the large majority of cost-burdened home owners had a mortgage on their home.

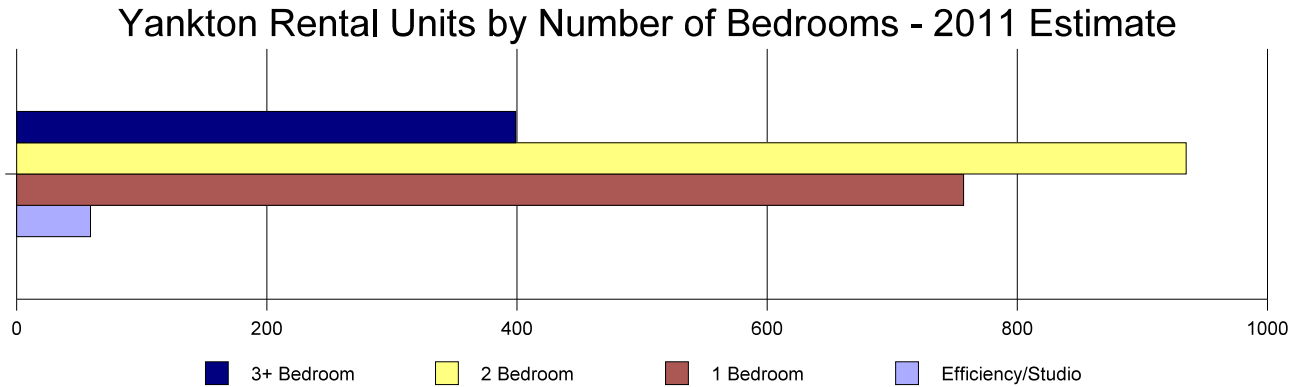
Rental Housing Costs and Comparison to Renter Incomes

American Community Survey Rental Inventory Data

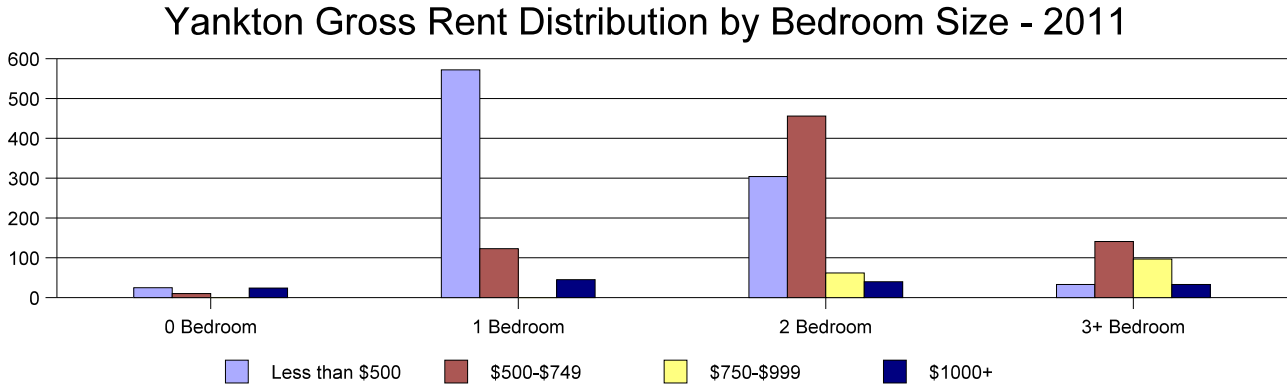
The 2011 American Community Survey provides estimates on rental units in Yankton and the gross rents for these units. Once again, the ACS has underestimated the total number of occupied rental units by 5% or more.

Table 22 Yankton Rental Distribution by Bedrooms and Rent - 2011						
Unit Size	Rent less than \$500	Rent \$500 to \$749	Rent \$750 to \$999	Rent \$1,000+	No cash rent	Total Units
Efficiency/Studio	25	10	0	24	0	59
1 Bedroom	572	123	0	45	17	757
2 Bedroom	304	456	62	40	73	935
3+ Bedroom	33	141	97	33	95	399
Total	934	730	159	142	185	2,150

Source: 2009 American Community Survey



According to the 2011 ACS, two-bedroom rental units represented more than 43% of all rental housing in the City, and one-bedroom units represented more than 35%. Larger units, with three or more bedrooms accounted for fewer than 19% of all rental housing, and efficiency/studio type units represented less than 3% of the rental stock.



The median gross rent for all units in 2011 was \$510 per month. A median gross rent by bedroom size was not provided, but the distribution of rents by bedroom in 2011 did define a prevailing range for units. From the distribution, it is also possible to calculate a median rent through extrapolation.

For 0-bedroom units, there was a wide disparity in the reported gross rents, with nearly half of all units at \$1,000 or more. This may be an estimating error, based on the limited sample size. However, it may also be a reflection of specialized senior units. For example, some senior projects may offer small studio/efficiency units that also have high rent levels, reflecting the support services that are also available. Excluding the high-rent units, the median gross rent for a 0-bedroom unit would be between \$300 and \$499.

The inventory of one-bedroom units was larger, and the rent distribution would be more reliable. The majority of units fell within a range between \$300 and \$499 per month. The extrapolated median gross rent for these units was approximately \$403 per month.

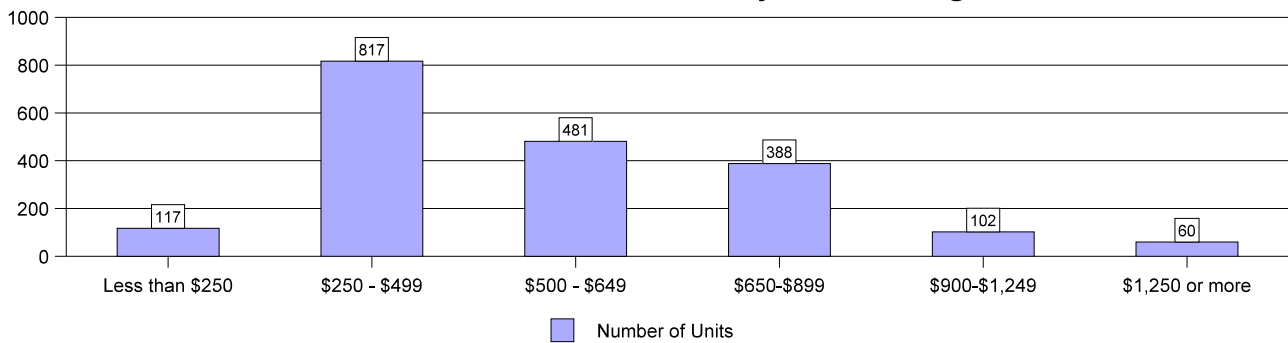
For two-bedroom units, the majority of units fell within a range between \$500 and \$749 per month. However, the extrapolated median gross rent for two-bedroom units was approximately \$569 per month, near the lower end of this range.

Prices increased rapidly for larger rental units, with three or more bedrooms. For these larger units, the majority of gross rents were again between \$500 and \$749. The extrapolated median gross rent was \$710 per month. It is probable that many rental units with three or more bedrooms exist in single family structures, such as houses converted to rental use or mobile homes.

The information on gross monthly rent by the number of bedrooms used fairly broad ranges for reporting rents. The American Community Survey also presents information on gross rents within more defined ranges, but this information is not distributed by bedroom mix.

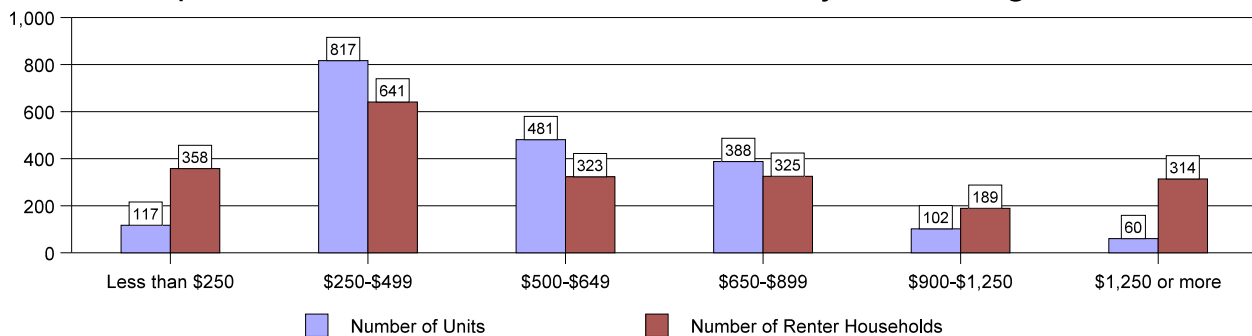
The rent distribution tables from the 2011 American Community Survey also do not differentiate between different segments of the market. Since all types of renter households should be surveyed, the rent distribution should include subsidized units, tax credit units, and probably some specialized senior housing. However, the vast majority of units in Yankton would represent conventional, market rate housing.

Yankton Rental Unit Distribution by Rent Range - 2011



Using the overall distribution of gross monthly rents and renter households by income, presented earlier in this Study, it is possible to compare rents and income. The following chart displays the overall rent distribution within defined price ranges as estimated for all rental units in Yankton. This is then compared to the number of renter households that would need a unit within this same basic price range, using a standard that 30% of income can be applied to housing costs.

Comparison of Income to Unit Distribution by Rent Range - 2011



Comparing supply and demand, based on the price needed versus unit distribution, shows some interesting trends. First, there were many more low income households that need a unit priced less than \$250 than there were units available in 2011. There were more than three times as many households with an annual income below \$10,000 as there were units that would be considered affordable for this income range.

However, this mismatch disappeared in the next price/income ranges. There were more available units in the \$250 to \$449 price range and in the \$500 to \$649 price range than there were households within these basic income ranges. Presumably, some of the very low income renter households were living in a unit that was more expensive than their income level could support. This may have been helped somewhat by rent assistance Vouchers or other public assistance programs. However, even with some assistance available, there were many lower income households that reported a housing cost burden, as detailed earlier in this section.

The supply of units in the \$650 to \$899 price range was slightly larger than the number of renter households with an annual income between \$26,000 and \$36,000. The conventional rental market has been able to produce new units in this basic price range in recent decades, and rental housing constructed in the 1990s and 2000s may often be priced below \$900 per month. Higher income households that rent a less expensive unit would potentially elect to rent a unit in this more moderate range.

In the higher rent ranges of \$900 or more, the total supply of units is less than the number of renter households with moderate to higher incomes. Overall, the American Community Survey estimates show that approximately 15% of all renter households in Yankton in 2011 had an annual income of \$36,000 or more, but fewer than 4% of all rental units were priced at \$900 or more for gross rent. As reported earlier, more than 73% of the moderate to higher income renters were living in a unit that required less than 20% of their monthly income for gross rent.

Building Permit Trends

Yankton has had a significant amount of new housing construction activity in recent years. The following table identifies the units that have been issued a building permit since the year 2000.

Table 23 Yankton Housing Unit Construction Activity: 2000 to 2013*					
Year	Single Family Detached	Single Family Attached	Multifamily/ Apartments	Senior/Special Use Units	Total Units
2013*	20	2	0	0	22
2012	12	12	1	6	31
2011	16	6	0	0	22
2010	18	6	2	8	34
2009	28	4	0	13	45
2008	34	6	32	0	72
2007	40	6	52	0	98
2006	48	6	24	0	78
2005	42	10	39	0	91
2004	54	6	10	0	70
2003	36	6	3	37	82
2002	39	0	0	0	39
2001	31	4	30	57	122
2000	43	2	30	112	187
TOTAL	461	76	223	233	993

Source: City of Yankton; Census Bureau

Over the past 14 years (partial 2013), nearly 1,000 housing units have been added to Yankton's housing inventory, based on building permits issuance. However, 139 of the permitted units represent very specialized forms of housing, including senior housing in skilled nursing homes, or group homes for disabled populations. Excluding these units, which are very targeted to specific segments of the market, Yankton had a net gain of 854 housing units. This revised total does include assisted living apartments, which also represent specialized housing, but generally would be counted as a household, instead of a group quarters residence.

Single Family Construction

The housing total includes more than 460 single family detached units. There has also been ongoing construction activity of attached single family units, primarily in the form of twin homes, and over the 14-year time period, an estimated 76 attached single family units have been permitted that appear to be for owner-occupancy.

Most of the new single unit creation in Yankton occurred between 2000 and 2007. During this eight-year time period, the City issued permits for 373 single family detached and attached units, and the annual average was approximately 47 units per year. The single highest year of production was 2004, when 60 single family units were permitted. Between 2004 and 2006, more than 50 single family permits were issued each year.

Since 2008, the City has achieved a single year high of 40 single family units, and this occurred in 2008. Over the past six years (partial year 2013), the City has averaged approximately 27 single family units per year.

There are multiple factors that have probably contributed to the slowdown in unit creation after the year 2008. One factor is the collapse of a national "housing bubble" starting in 2007. Although Yankton was not greatly impacted by an overinflated housing market, national concerns and news reports did tend to have a ripple effect on construction activity across the country. A nationwide economic recession also resulted in reduced consumer confidence, even in areas of the country that did not experience high rates of unemployment.

Another factor may have been an overproduction of single family housing units during the "housing boom" years of the early 2000s. During the ten-year period from 2000 through 2009, building permit issuance in Yankton showed construction of 445 single family attached and detached units.

Units permitted in 2009 would generally have completed construction and been available for occupancy by April when the 2010 Census was completed. When the 2010 totals are compared to the 2000 Census, they show a net gain of only 334 home owners in Yankton during the decade, approximately 110 households lower than the number of new units constructed. If the Census counts are accurate, new home construction during the last decade exceeded the growth in home ownership demand from permanent residents. The construction slowdown that has occurred over the past five years may be a market response to a possible overproduction of housing in the prior time period.

There may also have been some change in the inventory of mobile homes/manufactured housing, but City reports that were reviewed did not provide the details to determine the possible change in unit count.

Multifamily Construction Activity

Although most of the new construction activity over the past 14 years has been in the form of single family housing, presumably intended for owner-occupancy, there have also been a number of rental projects. City reports indicate that 223 multifamily/rental units were permitted, presumably intended for renter-occupancy. There were also 233 specialized-use units constructed, most serving senior citizens and providing some level of services along with the housing. The larger projects constructed since the year 2000 include:

- ▶ **Ability Building Services** - 6 unit group home permitted in 2012 for people with developmental disabilities
- ▶ **Ability Building Services** - 8 unit group home permitted in 2010 for people with developmental disabilities
- ▶ **Ability Building Services** - 8 unit group home permitted in 2009 for people with developmental disabilities
- ▶ **Yankton Women's/Children's Center** - 5 units of transitional housing permitted in 2009
- ▶ **Hillcrest East Apartments** - 32 apartment units permitted in 2008 as the second construction phase serving the conventional segment of the market
- ▶ **Apple Creek Apartments** - 44 apartment units permitted in 2007 that utilized federal low income housing tax credits and serving moderate income renters
- ▶ **Bridgeport Apartments** - 8 cottage-style units permitted in 2007 serving the conventional segment of the market
- ▶ **Fox Run Apartments** - 24 apartment units permitted in 2006 serving the conventional segment of the market
- ▶ **Hillcrest East Apartments** - 39 apartment units permitted in 2005 as the first construction phase serving the conventional segment of the market
- ▶ **Tramp Rental Townhomes** - 10 units in a 14-unit town house development that are used as rental housing serving the conventional segment of the market - probably permitted in 2004

- ▶ **Walnut Village** - 37-unit senior housing project permitted in 2003 that created housing through the conversion of a former school into 21 independent and 16 assisted living units
- ▶ **Sutton Place II** - 30 apartment units permitted in 2001 that utilized federal low income housing tax credits and serving moderate income renters
- ▶ **Avera Sacred Heart Majestic Bluffs** - 57-unit senior assisted living project permitted in 2001
- ▶ **Avera Sister James Care Center** - 112-bed skilled nursing home that was permitted in 2000
- ▶ **Sutton Place I** - 30 apartment units permitted in 2000 that utilized federal low income housing tax credits and serving moderate income renters

There have also been a few miscellaneous rental units added, in one to three unit permits. These may have represented new construction, such as a triplex, or single units added to existing buildings.

Housing Construction Activity in Greater Yankton

In addition to the new housing construction that has occurred in Yankton, there have been some units added in the smaller jurisdictions that are part of the Greater Yankton aggregation. However, most of these jurisdictions are small, and do not report individually to the Census Bureau's building permit recording system.

Yankton County does have some information on rural housing starts, although the exact location within the County is not specifically identified. In 2013, there were 26 single family units permitted Countywide, with approximately 15 estimated in West Yankton or Utica Township. In 2012, totals were slightly lower, with an estimated 12 units in the rural areas west of Yankton. Over the five-year period from 2009 to 2013, an average of 12 to 13 units has probably been built in the areas immediately surrounding Yankton. While it is possible that some of these are seasonal-use properties, most are assumed to be for permanent residents.

Community Partners Research also reviewed decennial Census records from 2000 and 2010 to help identify individual jurisdictions that have had construction activity in the recent past. The West Yankton Unorganized Territory had a net gain of 214 housing units between 2000 and 2010, according to Census counts. North Frankfort Township, NE, had a net gain of 50 housing units, Utica Township had a net gain of 29 units, and Crofton City, NE, had a net gain of 13 units over the last decade. These were the only jurisdictions that added more than 10 units during the last decade. Many jurisdictions actually had a small net loss of housing between 2000 and 2010, according to the Census.

West Yankton UT and North Frankfort Township, NE, are both along Lewis and Clark Lake, immediately west of Yankton. The popularity of the area's recreational opportunities has resulted in ongoing housing activity in these two jurisdictions. Utica Township is contiguous to the northwest portion of the City of Yankton, and its close proximity to the City has resulted in housing growth.

The number of permanent resident households in West Yankton UT increased by 107 households between 2000 and 2010, while the number of housing units increased by 214 units, implying that half of the net gain was attributable to seasonal use housing. In North Frankfort, there was net growth of only 10 permanent resident households, despite a net increase of 50 housing units. However, in Utica Township the growth in units and households was closely matched, with 26 additional permanent households and a net gain of 29 housing units.

Existing Home Sales

This section examines houses that have been sold since 2005 in the City of Yankton. The information was obtained from the Yankton County Equalization Office.

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

The County also 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 in the County's sample may have been sales that could be considered distressed, such as houses that were previously bank-owned, but were sold by the bank back into private ownership. While it can be argued that sales of bank-owned properties acquired through foreclosure are not fair market transactions, they may be included in the County data if the bank openly placed them for sale in the public market.

The County and State reject sales that show significant variation from the assessed value. Known as the "150% rule" these sales may be open market transactions but are not useful in the sales ratio analysis. The sales file provided by Yankton County included the 150% rule sales if they otherwise represent open market transactions.

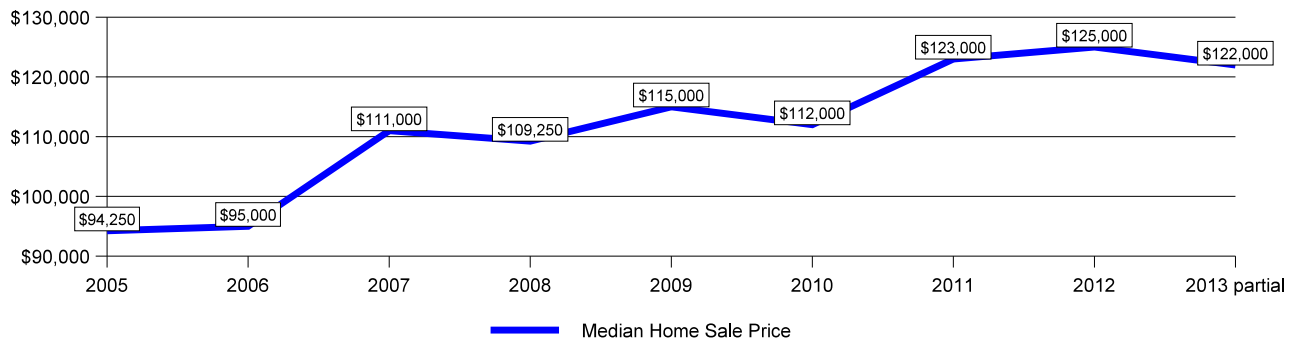
The County's time period for analyzing annual sales differs slightly from the calendar year. It begins on November 1st and ends on October 31st of each year. A full sales year was not yet available for 2013, but most sales through September had been entered into the County's data system, representing nearly 11 months of this sales year. The 2013 information had not yet been audited by the State, it is also possible that some sales could eventually be rejected.

Table 24 Yankton Residential Sales Activity - 2005 through 2013*

Sales Year	Number of Sales	Median Sale Price	Highest Sale	Lowest Sale
2013*	199	\$122,000	\$550,000	\$5,000
2012	247	\$125,000	\$600,000	\$20,000
2011	169	\$123,000	\$356,200	\$10,000
2010	177	\$112,000	\$475,000	\$10,000
2009	221	\$115,000	\$495,000	\$5,000
2008	174	\$109,250	\$314,500	\$26,000
2007	231	\$111,000	\$405,000	\$15,586
2006	211	\$95,000	\$296,000	\$18,000
2005	178	\$94,250	\$352,000	\$18,750

Source: Yankton County Equalization; Community Partners Research

* Nearly 11 months represented

Median Home Sale Price: 2005 to 2013*

Over the last nine years the median home sale price in Yankton has been on a general upward trend. Over that time the median price has ranged from a low of \$94,250 in 2005, to a high of \$125,000 in 2012. Through the end of September in 2013, the median sale price was \$122,000, very similar to the midpoint price in the previous two years.

There has been some variation in the annual number of open market transactions. In 2011 there were 169 sales that were viewed as fair market transfers, the lowest volume over the time period reviewed. However the next sales year, 2012, had the largest volume of good sales, at 247.

In each of the years there was at least one house that sold for less than \$30,000, and at least one sale for \$300,000 or more.

Home Sales by Price Range

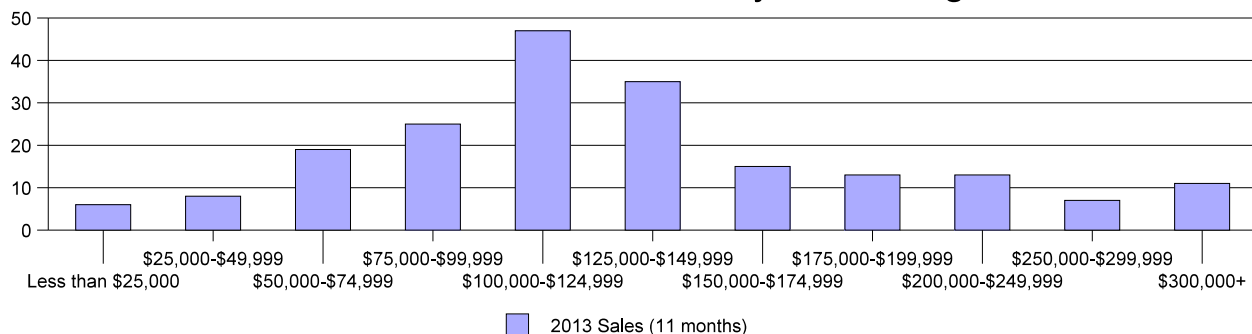
The following table looks at single family houses that sold within defined price ranges in 2013, using the unaudited information that was available. Although the 2013 sales data had only been recorded through late September, this did represent nearly an 11-month sample, as the County's sales ration year ends on October 31st of each year.

Table 25 Yankton Home Sales by Price Range in 2013*		
Sale Price	Number of Sales	Percent of Sales
Less than \$25,000	6	3.0%
\$25,000 - \$49,999	8	4.0%
\$50,000 - \$74,999	19	9.5%
\$75,000 - \$99,999	25	12.6%
\$100,000 - \$124,999	47	23.6%
\$125,000 - \$149,999	35	17.6%
\$150,000 - \$174,999	15	7.5%
\$175,000 - \$199,999	13	6.5%
\$200,000 - \$224,999	9	4.5%
\$225,000-\$249,999	4	2.0%
\$250,000 - \$274,999	5	2.5%
\$275,000 - \$299,999	2	1.0%
\$300,000+	11	5.5%
Total	199	100%

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

* Nearly 11 months represented

2013 Yankton Home Sales by Price Range



Recent home sales in Yankton have been widely distributed in different price ranges, but more than 41% of 2013 sales were priced between \$100,000 and \$149,999. Less than 16% of existing homes sold for \$200,000 or more, and 29% of all sales were priced below \$100,000.

Multiple Listing Service Home Value Data

As part of the research process, Community Partners Research, Inc., was provided summary information by Yankton area Realtors on home sales through the Multiple Listing Service. This information listed the number of sales and average sale prices for different types of housing units.

Although most sales reported in the Yankton County Equalization data would be included in the MLS summary, there are also a number of differences between the two sources. There is a timing difference, as the MLS summaries are based on a calendar year, while the County's sales period begins on November 1st of each year. There is also a geographical difference, as the MLS region would extend beyond the Yankton City limits, while the County data were specific to sales within the City.

The MLS data would only include sales that were listed with a Realtor, while the County data would include properties sold directly by the owner. The MLS reports differentiate by various housing types, including single family detached, town houses and twin homes, while this level of specificity. One final difference is the MLS reports show an average sale price, while the median price was used from the County reports.

Table 26 Yankton Residential Sales Activity - 2005 through 2013*

		2013*	2012	2011	2010	2009
Single Family Detached	Number of Sales	156	263	247	234	277
	Average Price	\$148,689	\$133,246	\$137,150	\$130,496	\$110,835
Town House	Number of Sales	7	7	10	14	7
	Average Price	\$163,500	\$95,057	\$140,650	\$137,500	\$91,271
Twin Home	Number of Sales	4	7	5	4	4
	Average Price	\$153,750	\$184,757	\$179,450	\$182,875	\$176,625
Condo	Number of Sales	2	8	1	1	3
	Average Price	\$45,110	\$57,238	\$85,000	\$15,000	\$180,333
Mobile Home	Number of Sales	8	12	17	6	N/A
	Average Price	\$45,975	\$40,600	\$33,645	\$30,333	N/A

Source: Yankton MLS; Community Partners Research

* Through 8/16/13

The summary reports from the Multiple Listing Service do show that most of the home sales in the Yankton area are single family detached housing units. In each of the five years reviewed, detached houses represented 88% or more of the annual MLS sales volume.

The average annual sale price for single family detached homes tended to be higher than the median levels reported earlier, but in each of the years reviewed, the average price was below \$150,000.

In each of the years reviewed, the average price for a twin home unit was higher than for a detached single family home. In many years, the average town house sale price was also higher. In general, these attached single family units represent newer housing, constructed within the past 25 years. Some of the single family detached sales may represent very old houses, with some constructed in the 1800s.

Active Residential Listings

The website Realtor.com, maintained by the National Association of Realtors, was used to collect information on active residential real estate listings in Yankton. When viewed in November 2013, there were 53 homes listed for sale, with 48 identified as single family homes. There were also three listings condominium-style units, one listing for a mobile home, and one single family house that had been divided into more than one living unit.

It does appear that some of the listings may actually be outside of the City limits, based on the address or the presence of a larger land holding, with an acre or more. It is probable that 10 or more of the current listings are outside of the City, but in the immediate Yankton area.

It is important to note that the active properties are those included in the Multiple Listing Service (MLS) and would generally be offered through a real estate agent. There are other properties that are posted for sale in Yankton that would not be part of the MLS, including most homes being offered "for sale by owner".

The following table examines the MLS listings by listing price. It does include 10 or more listings that are probably outside of the City limits.

Table 27 Yankton Active MLS Listings by Price Range in November 2013

Asking Price	Number of Listings	Percent of Listings
Less than \$50,000	2 (mobile home, condo)	3.8%
\$50,000 - \$74,999	3	5.7%
\$75,000 - \$99,999	3	5.7%
\$100,000 - \$124,999	4	7.5%
\$125,000 - \$149,999	6	11.3%
\$150,000 - \$174,999	3	5.7%
\$175,000 - \$199,999	5	9.4%
\$200,000 - \$249,999	6	11.3%
\$250,000 - \$299,999	9	17.0%
\$300,000+	12	22.6%
Total	53	100%

Source: Realtor.com; Community Partners Research, Inc.

Based on the listings on Realtor.com, most of the houses currently being offered for sale are priced at \$150,000 or more. Overall, more than 66% of active listings are priced at \$150,000 or above. Only 15% of all listings are priced below \$100,000, and some of these are condominiums or mobile homes. However, it is possible that some additional lower-priced houses are for sale, but not included in the Multiple Listing Service.

As identified earlier in this section, the median sale price for existing homes in Yankton has been \$125,000 or less in recent years. However, in 2013, only a small number of houses were listed in this basic price range.

American Community Survey Estimated Home Values

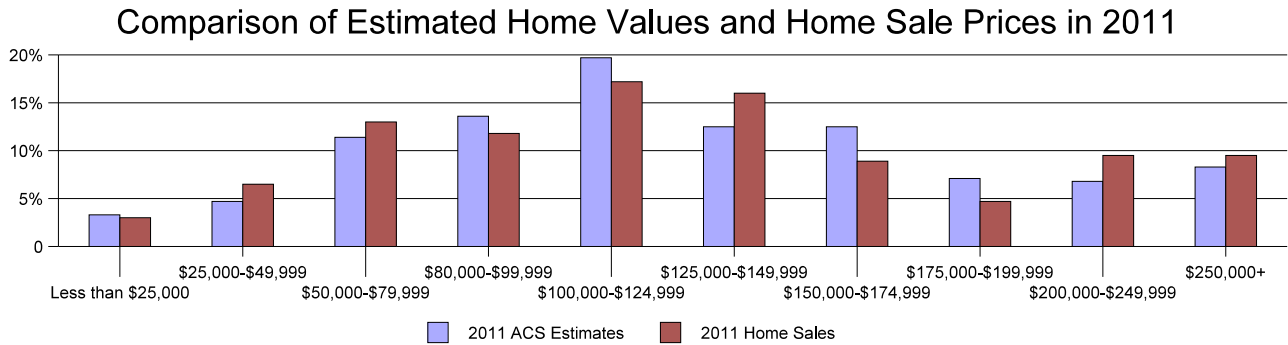
One final source of information on home values is available from the American Community Survey for 2011, which asked home owners about the value of their house. The following table displays the distribution of values that were reported.

Table 28 Yankton Estimated Home Values by Price Range in 2011		
Sale Price	Number of Sales	Percent of Sales
Less than \$25,000	118	3.3%
\$25,000 - \$49,999	172	4.7%
\$50,000 - \$79,999	414	11.4%
\$80,000 - \$99,999	494	13.6%
\$100,000 - \$124,999	715	19.7%
\$125,000 - \$149,999	452	12.5%
\$150,000 - \$174,999	455	12.5%
\$175,000 - \$199,999	259	7.1%
\$200,000 - \$249,999	248	6.8%
\$250,000-\$299,999	52	1.4%
\$300,000+	251	6.9%
Total	3,630	100%

Source: 2011 American Community Survey

Consistent with a range of home ownership options in Yankton, owner-occupied home values are widely distributed within the community. The ACS surveys owners of all unit types, so the value estimates displayed above represent single family detached homes (92% of reported units), single family attached (5%), condominiums (less than 0.3%) and mobile home (2%).

Since County sales data also exist for 2011, it is possible to compare the ACS home value estimates with sales that occurred that year in the same price ranges. In general, these two sources show a relatively similar distribution of houses by value.



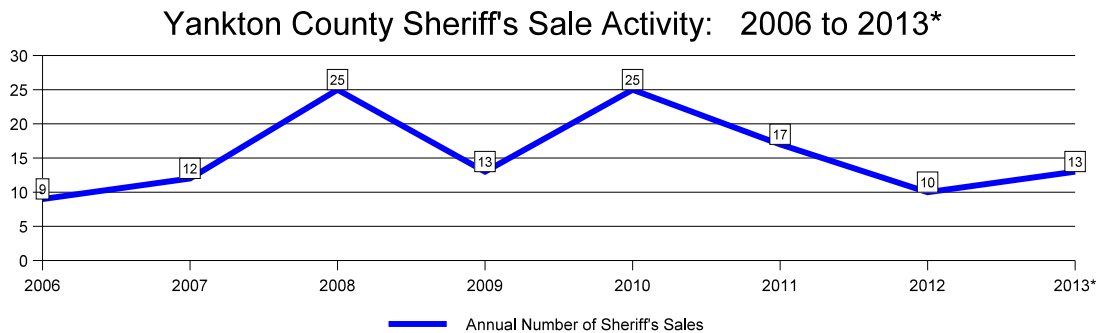
If grouped into larger price ranges, 33% of all owner-occupancy units in Yankton were estimated to have a value below \$100,000 according to the ACS, while 34% of sales in 2011 were in this range. The ACS estimated that 45% of homes were in the \$100,000 to \$174,999 ranges, while 42% of the sales activity was in these ranges. The ACS estimated that 22% of homes were valued at \$175,000 or more, while 24% of sales were in these higher ranges.

Home Foreclosures

In recent years there has been a nationwide increase in home foreclosures, short sales, and other distressed property transfers, caused by a national recession and a collapse of a “housing bubble”. Although Yankton has been impacted by these national trends to some extent, the best available evidence does not show any large-scale problem with home foreclosures.

The Yankton County Registrar of Deeds office supplied information on the number “Sheriff’s Sales” that have occurred annually as part of the foreclosure process. This information was for all of Yankton County, but staff estimated that approximately 90% of the activity occurred within Yankton. It is also possible that some of these foreclosures may not have been a housing unit, but most are believed to represent residential properties.

Over the eight-year period from 2006 to 2013, there were 124 Sheriff’s Sales in the County. Annual volume ranged from a low of nine in 2006, to a high of 25 in 2008 and 2010.



Residential Lots and Land

Information on residential lots and land parcels that could be suitable for future residential development was provided by the City's Community Development Department. Some additional information on lot sales was obtained from Yankton County.

Residential Lots

According to City staff, there are approximately 90 platted lots within Yankton that are vacant. These lots do have public infrastructure available. Some of these lots are "infill" or "remnant" lots and may be scattered around the community, including locations within older neighborhoods. The actual status of these lots is not known, and they may not be available for purchase or residential development.

Many of the residential lots are located in newer subdivisions and development areas, primarily located in the northeast and northwest corners of the community. At least five areas were identified where a cluster of lots exist in newly developing areas. In some cases, the County tax parcel identification map viewed by the analysts did not show the actual lot lines, as these areas have been recently subdivided.

Very limited information is available on single family lot pricing. The review of Multiple Listing Service listings on the website Realtor.com did not show any traditional lots for sale in Yankton. A review of specific subdivisions indicates that some of the available lots in the City are owned by people associated with local construction companies, and lots may primarily be sold as part of a package that includes home construction.

Sales records obtained from Yankton County did show some lot sales in 2010 and 2011. During that time, sales were ranging between \$20,000 and \$80,000, with most sales below \$40,000.

Future Development Areas

City staff also identified a number of undeveloped parcels that are possibly suitable for future residential development. According to this analysis, there are approximately 212 acres that are currently inside the City limits that may be suitable for future residential use.

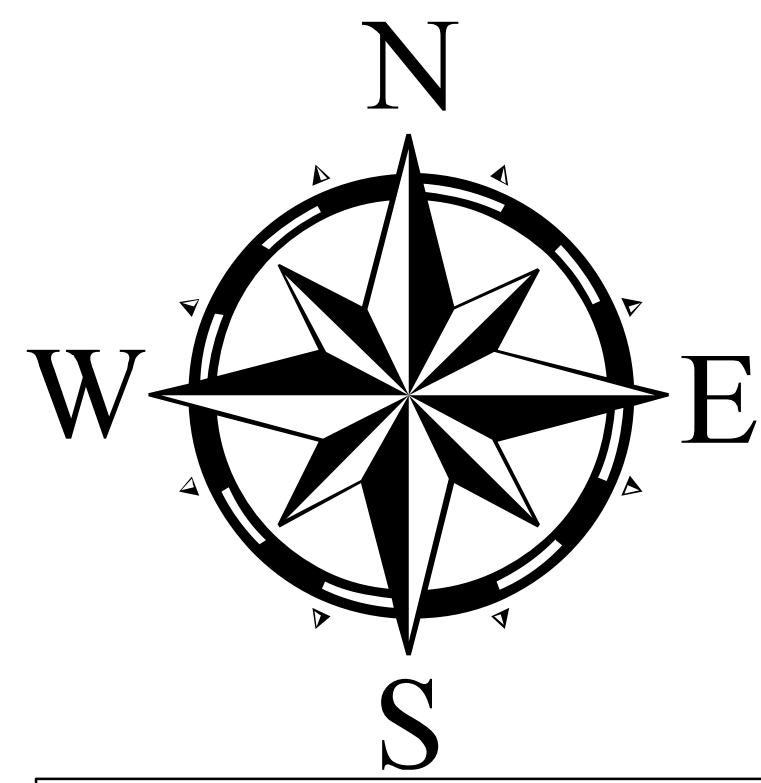
There are approximately 156 additional acres that are either outside of the City limits, or outside of the City's municipal water service area. These areas could be annexed in the future, as needed, to provide additional development options.

Water Service

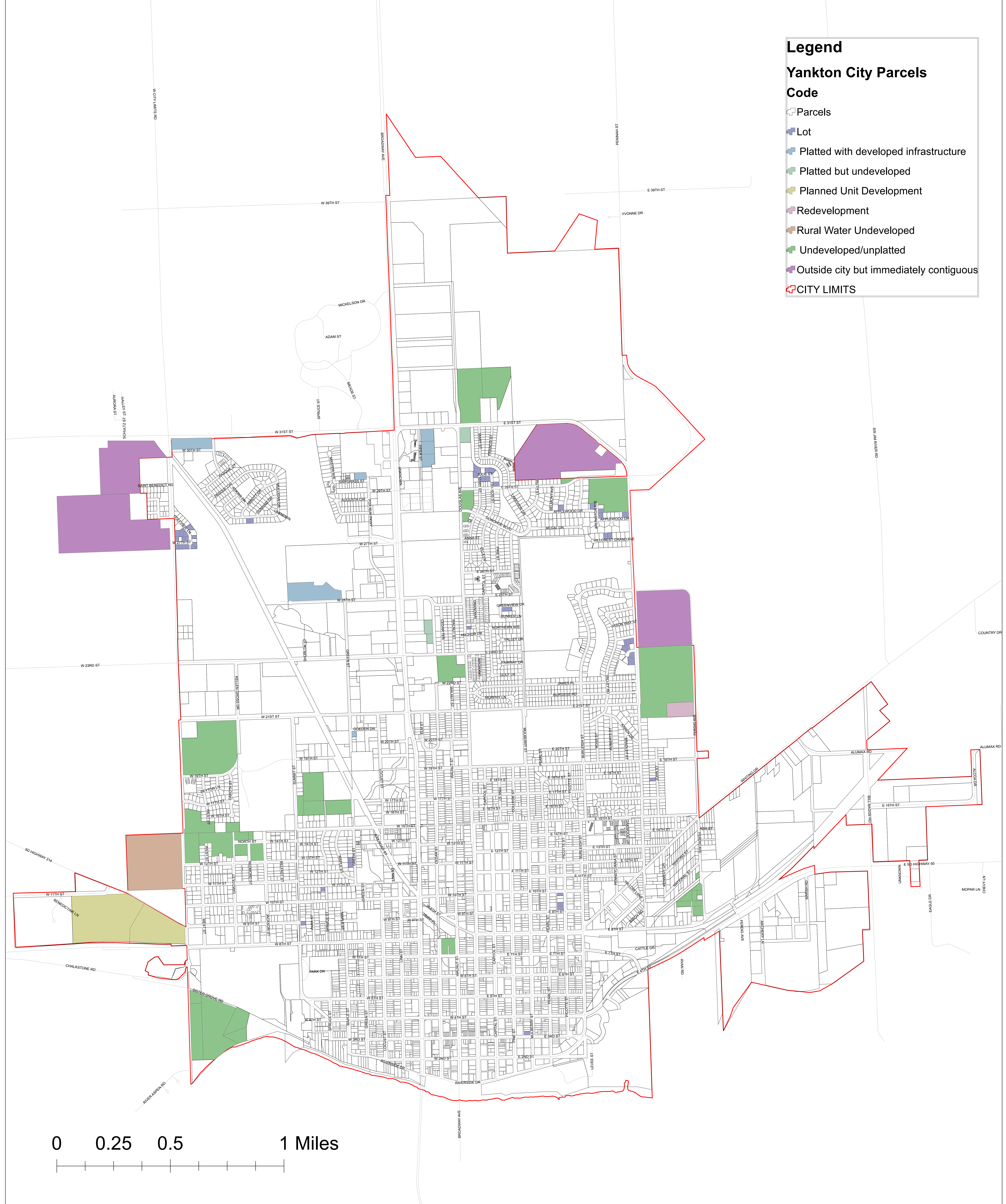
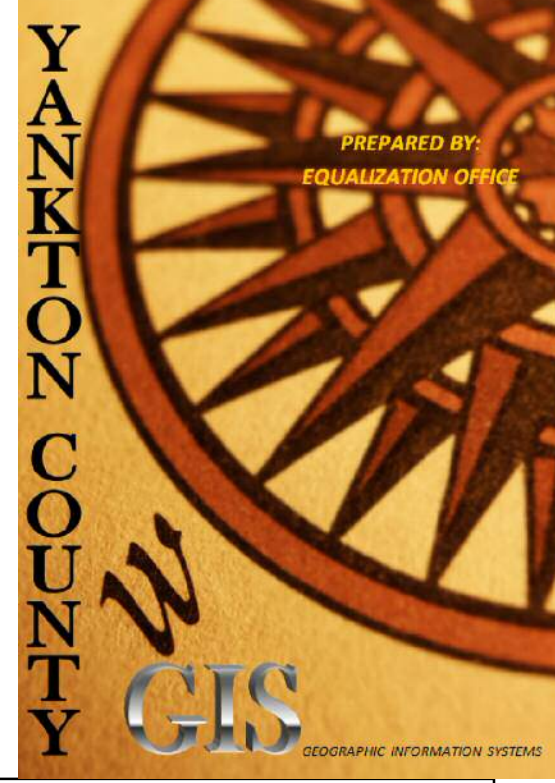
The City of Yankton has a rather unique issue that impacts future development, related to the provision of water service to future development areas. Land within the City limits is generally served by Yankton's public water system. However, areas outside of the City, and even some areas that were recently annexed into the City are served by a Rural Water Service.

The interviews completed as part of this Study indicate that Rural Water has limitations on the provision of service, especially adequate capacity for fire protection. In the future it is probable that some development areas will need dual water service. Rural Water would provide the residential service to the houses or buildings that are constructed. The City of Yankton would provide separate lines for fire protection.

There are differing opinions on the added cost associated with dual water service, but it will add an additional cost to provide two separate water service lines.



****FOR COUNTY PURPOSES**
ACCURACY OF THE INFORMATION
MUST BE VERIFIED BY THE USER**

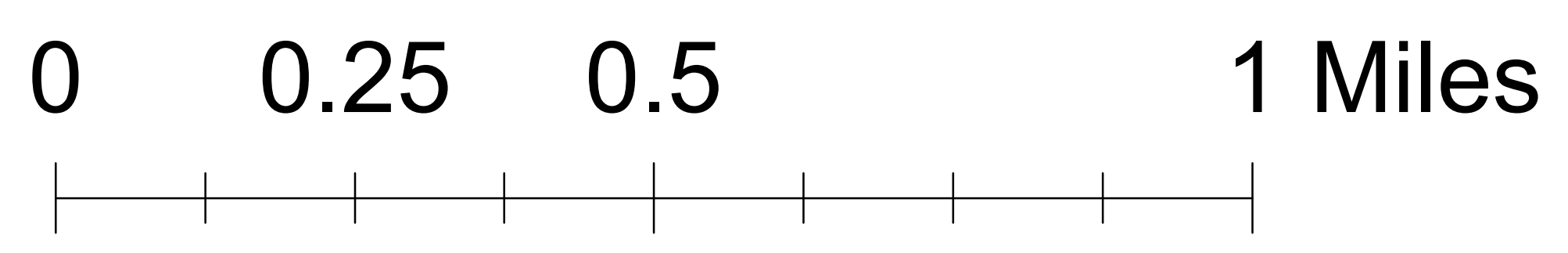


Legend

Yankton City Parcels

Code

- Parcels
- Lot
- Platted with developed infrastructure
- Platted but undeveloped
- Planned Unit Development
- Redevelopment
- Rural Water Undeveloped
- Undeveloped/unplatted
- Outside city but immediately contiguous
- CITY LIMITS



DISCLAIMER: The information provided on this map is for convenience only and does not represent a survey. It was compiled from official records, including plats, surveys, recorded deeds, and other public records and data. In the preparation of this map, extensive efforts were taken to offer the most current, correct, and clearly expressed information possible. However, errors may have occurred, and information here is not intended to replace any official source. **Use any information contained here is done so at the users own risk!** All critical information should be independently verified by user.

Housing Condition

Community Partners Research, Inc. representatives conducted a visual 'windshield' survey of single family/duplex houses in some of the oldest neighborhoods in Yankton. The neighborhood boundaries were selected with input from City staff. The neighborhood boundaries are as follows:

Neighborhood #1 - Highway 50 on the south; East 8th Street/RR tracks on the north; Douglas on the west; and Burleigh Street on the east (both sides of Burleigh were surveyed)

Neighborhood #2 - Highway 50 on the north; East 2nd Street on the south; Broadway on the west; and Burleigh Street on the east

Neighborhood #3 - East 10th Street on the north; East 4th Street on the south; Douglas Avenue on the east; and Broadway on the west

Neighborhood #4 - Whiting Drive on the north; RR tracks on the south; Ferdig Avenue on the east; and Burleigh Street on the west

Neighborhood #5 - East 8th Street/RR tracks on the south; East 10th Street on the north; Douglas on the west; and Burleigh Street on the east (both sides of Burleigh were surveyed)

Neighborhood #6 - Riverside Drive on the south; East 4th Street on the north; Green Street on the west; and Broadway Avenue on the east

Houses that appeared to contain three or more residential units and mobile homes 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. Dilapidated 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 29 Windshield Survey Condition Estimate - 2013					
	Sound	Minor Repair	Major Repair	Dilapidated	Total
Neighborhood#1	89 (35.0%)	91 (35.8%)	62 (24.4%)	12 (4.7%)	254
Neighborhood#2	9 (21.4%)	15 (35.7%)	15 (35.7%)	3 (7.1%)	42
Neighborhood#3	25 (20.5%)	61 (50.0%)	29 (23.8%)	7 (5.7%)	122
Neighborhood#4	29 (23.6%)	33 (26.8%)	43 (35.0%)	18 (14.6%)	123
Neighborhood#5	45 (44.6%)	36 (35.6%)	18 (17.8%)	2 (2.0%)	101
Neighborhood#6	15 (17.6%)	43 (50.6%)	26 (30.6%)	1 (1.2%)	85

Source: Community Partners Research, Inc.

The visual condition survey found that most of the neighborhoods were in fair condition. In each neighborhood, a majority of the structures were rated as needing some level of repair, although this included the Minor Repair category. In five of the six neighborhoods, more than 25% of all structures were in one of the two lowest condition categories.




In total, there were 43 single family houses in these six neighborhoods that were rated as Dilapidated, and possibly beyond repair. Dilapidated structures may be suitable for demolition and clearance.

City of Yankton

Neighborhood Housing Condition

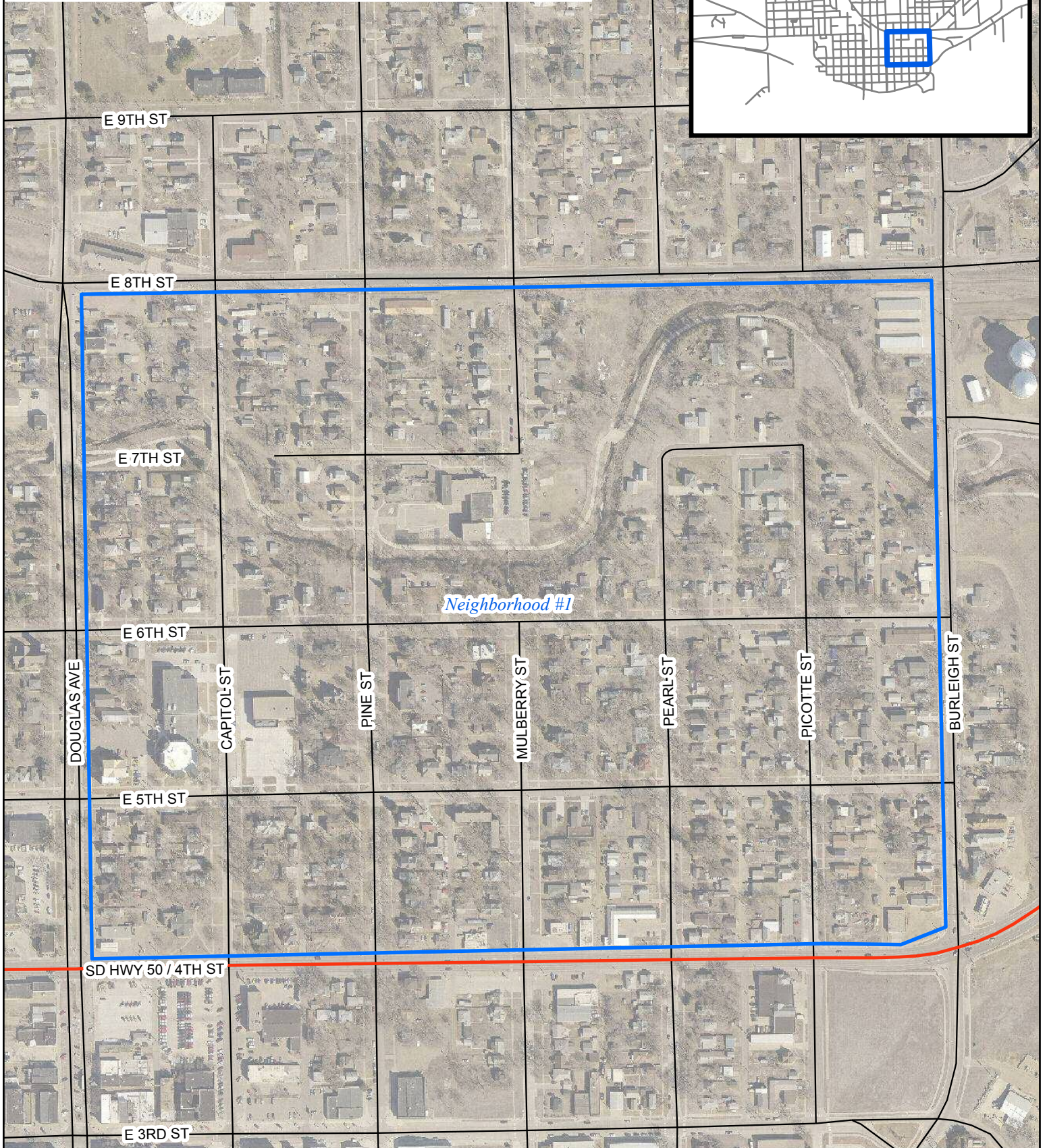
Neighborhood #1

Legend

-  Neighborhood
-  Major Highway
-  City Road



0 165 330 660 Feet






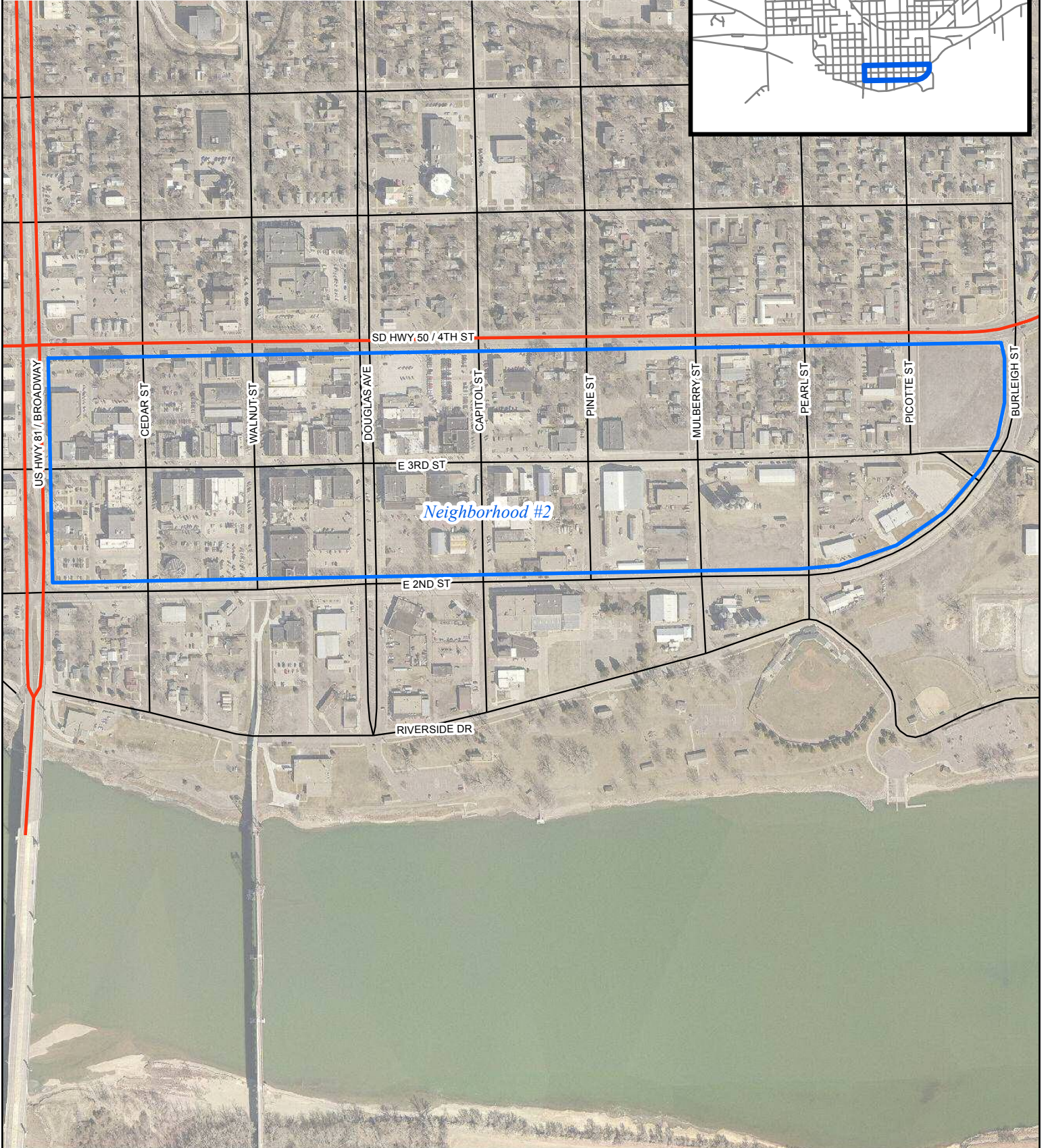
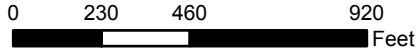
City of Yankton

Neighborhood Housing Condition

Neighborhood #2

Legend

-  Neighborhood
-  Major Highway
-  City Road






City of Yankton

Neighborhood Housing Condition

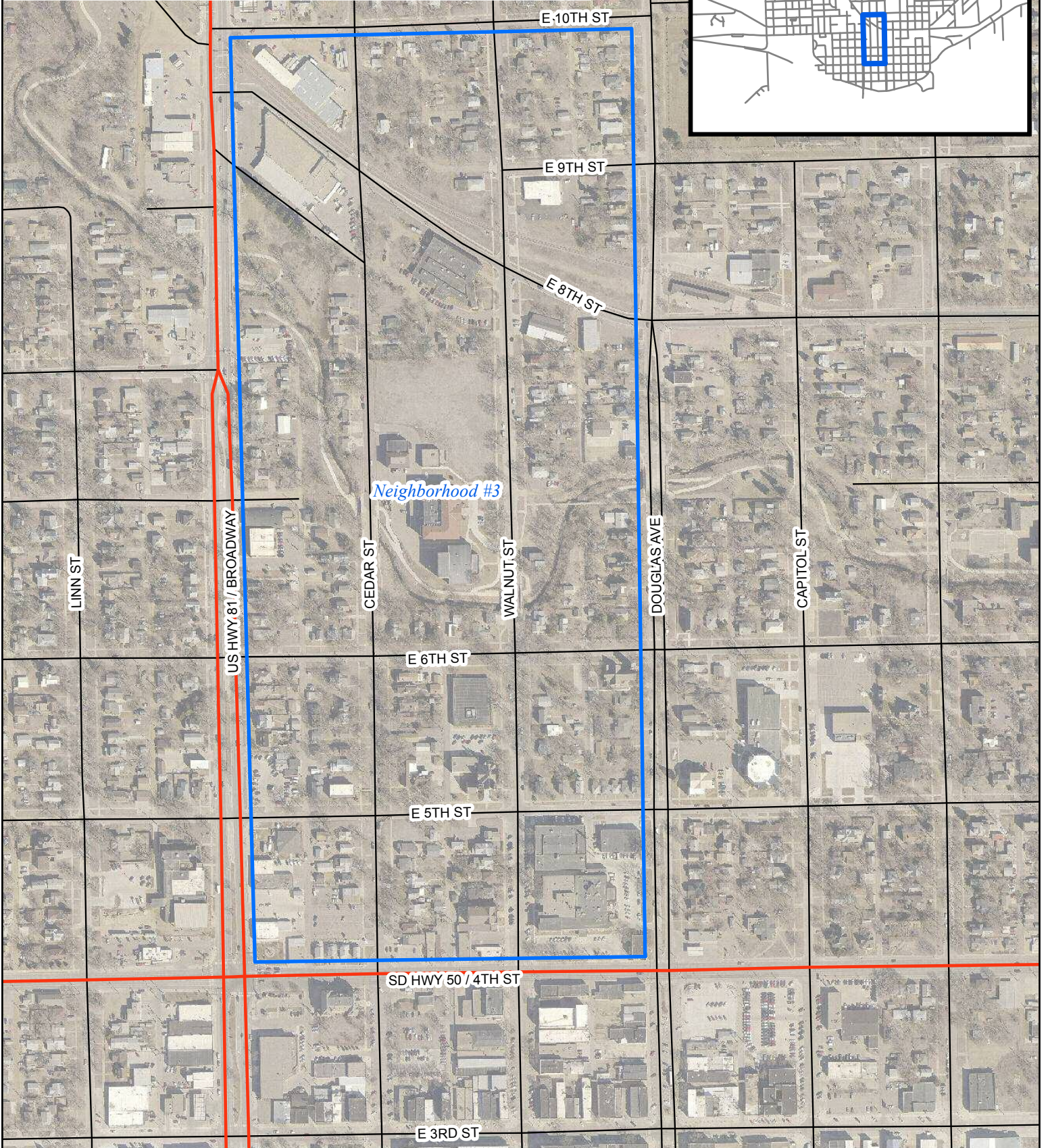
Neighborhood #3

Legend

-  Neighborhood
-  Major Highway
-  City Road



0 175 350 700 Feet






City of Yankton

Neighborhood Housing Condition

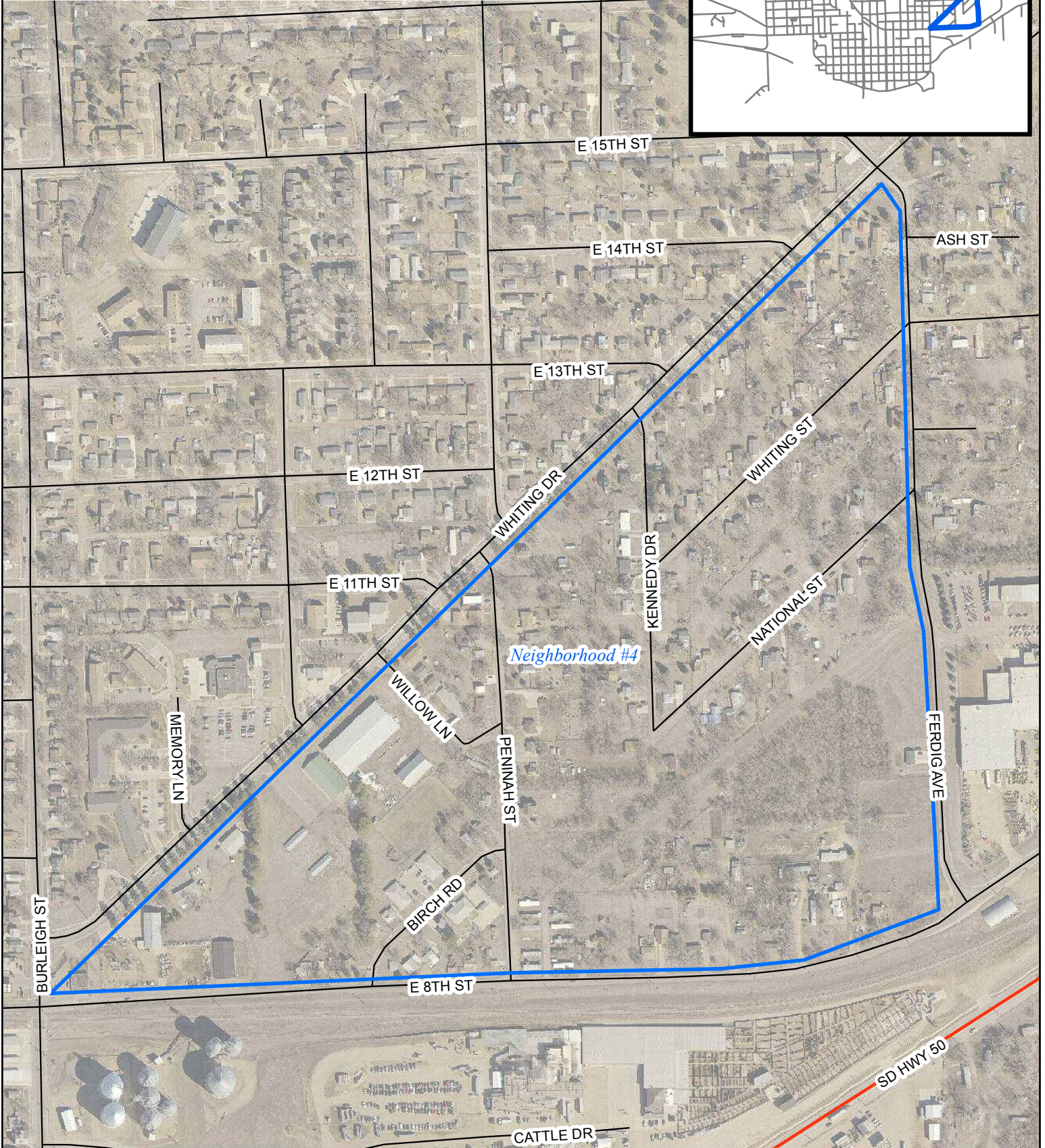
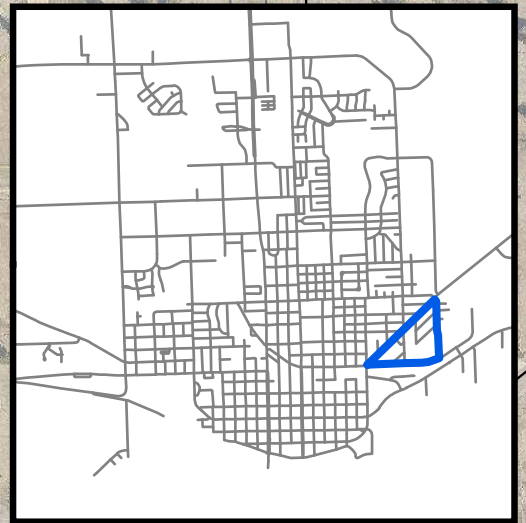
Neighborhood #4

Legend

-  Neighborhood
-  Major Highway
-  City Road



0 185 370 740 Feet






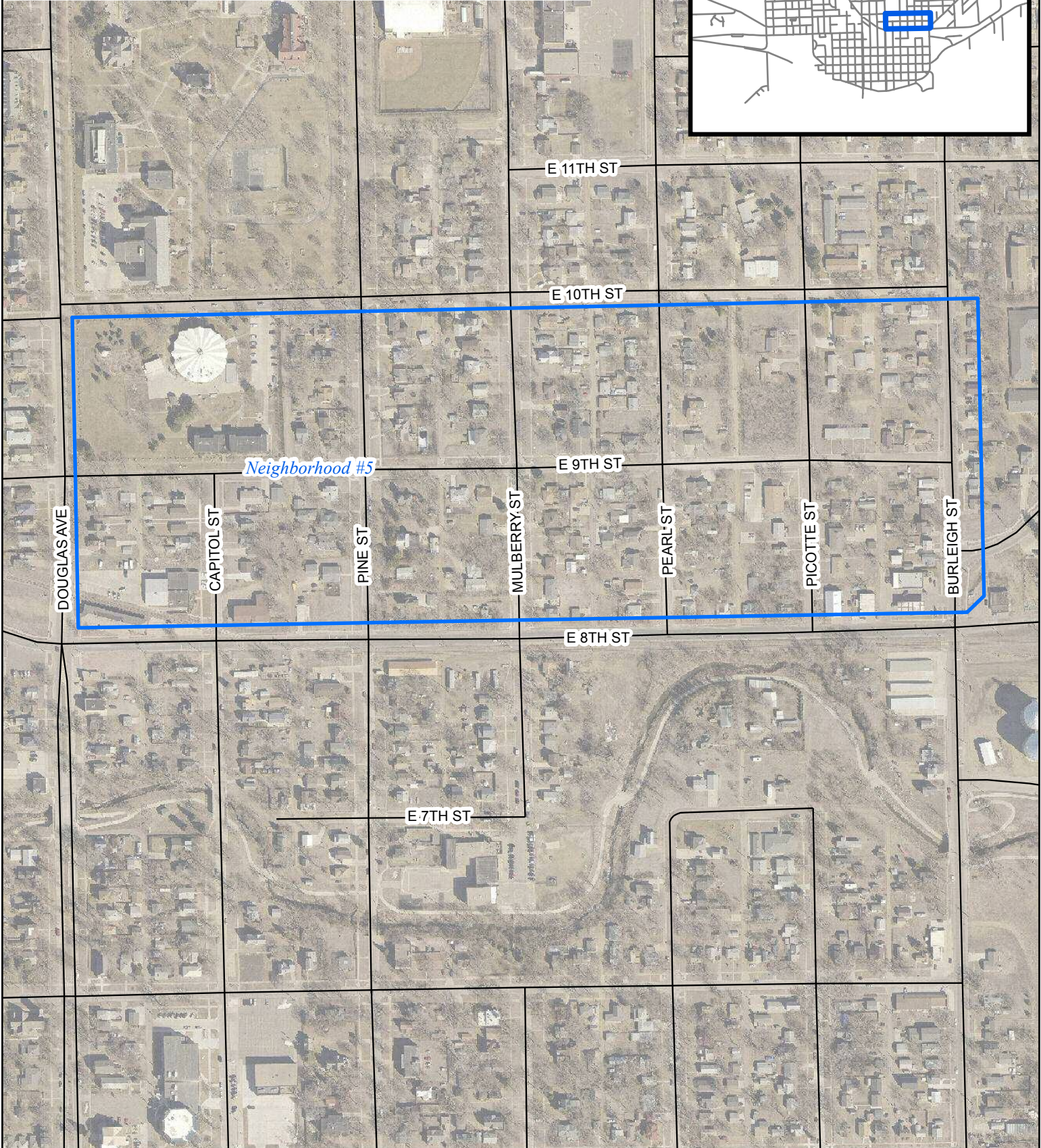
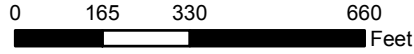
City of Yankton

Neighborhood Housing Condition

Neighborhood #5

Legend

-  Neighborhood
-  Major Highway
-  City Road






City of Yankton

Neighborhood Housing Condition

Neighborhood #6

Legend

-  Neighborhood
-  Major Highway
-  City Road



0 130 260 520 Feet



Rental Housing Data

Census Bureau Rental Inventory

According to the 2010 U.S. Census, there were 2,253 occupied rental units, and at least 257 unoccupied rental units in Yankton, for a total estimated rental inventory of approximately 2,510 units. The City's rental tenure rate, was 38.1%, based on renter-occupancy households, well above the Statewide rate in 2010 of 31.9% rental.

At the time of the 2000 Census, Yankton had 2,047 occupied rental units, and at least 180 vacant rental units, for a total estimated rental inventory of approximately 2,227 units. The rental tenure rate in 2000 was also 38.1%, the same percentage as 2010.

Based on a Census comparison, the City added 206 renter-occupancy households, and approximately 280 rental units during the last decade.

Yankton is the primary rental center for the immediately surrounding area. According to the 2010 Census, there were 2,983 occupied rental units in the Greater Yankton aggregation, with 76% being located in Yankton. For the entire Greater Yankton area the rental tenure rate was 29.4%, lower than the rental tenure rate Statewide.

Between 2000 and 2010, the smaller jurisdictions that are part of the Greater Yankton aggregation actually lost renter households. When Yankton is removed, there was a net loss of 26 renter households over the decade outside of the City.

Although the surrounding area did lose renter households, there were certain individual jurisdictions that did add renters. West Yankton UT and Southeast Yankton UT both added 21 renter-occupancy households between 2000 and 2010. Utica Township added 18 renter households, and Crofton, NE added 11 renter households. However, most of the other jurisdictions experienced a loss of renters during the decade, negating the growth in the areas immediately surrounding the City.

While detailed information is generally lacking for the smaller jurisdictions, American Community survey estimates for 2011 show that the large majority of rental options existing in single family houses or mobile homes in West Yankton UT, Southeast Yankton UT and Utica Township. The net growth in renter-occupancy households in these rural areas around Yankton did not result from the construction of multifamily rental buildings.

Recent Rental Construction

In the section of this document that examines building permit trends, information was provided on rental housing development since the year 2000. The best available information indicates that overall, there were approximately 223 general purpose rental units of all types that were constructed in Yankton the last 13 years. There were an additional 233 special purpose housing units/beds that were added, including group homes, shelter beds, skilled nursing home beds, and senior housing with services projects.

Many of the special purpose units constructed in the past would not be viewed as independent living units, but would instead be counted as “group quarters” by the Census Bureau. However, it is probably that the 57 senior units in Avera Majestic Bluffs, and the 37 units in Walnut Village would be count as independent living housing, even though many residents may be accessing support services.

Including the 94 senior units, an estimated 317 units of rental housing have been added to Yankton between 2000 and 2013. However, nearly all of these units should have been constructed and available for occupancy at the time the 2010 Census was conducted. These new units constructed during the last decade would actually exceed the net gain of 280 rental housing units that were counted by comparing the 2000 and the 2010 Census data. This implies that some units were also lost from the local inventory, due to vacancy, obsolescence, and possibly to tenure conversion.

After 2010, it is probably that fewer than five rental units have been added to the community. Without any other adjustments for unit loss or tenure conversion, it is probable that the rental housing inventory at the end of 2013 will be unchanged from the level of 2,510 total units (both occupied and unoccupied) as counted by the 2010 Census.

Pending/Proposed Rental Projects

The research for this Study identified only one rental project in Yankton that was being proposed. This project would construct additional tax credit rental units, with income and occupancy restrictions. A funding request for this project would not be submitted until 2014, and there is no guarantee that this project will proceed to construction.

Rental Housing Survey

As part of this housing study, a telephone survey was conducted of multifamily projects in the City of Yankton. The survey was conducted between September and November 2013.

Emphasis was placed on contacting properties that have five or more units, although a few smaller properties were also included. For the purposes of planning additional projects in the future, multifamily properties represent the best comparison of market potential. Various sources were used to identify multifamily rental projects, including housing resources lists compiled by the Yankton Area Chamber of Commerce and the Yankton Housing and Redevelopment Commission.

Multiple attempts were made to contact each building. Information was tallied separately for different types of rental housing, including market rate units, tax credit units, subsidized housing, and senior housing.

While subsidized senior housing is included in this section of the Study, the following section contains the information on the senior units that also provide services. Senior housing that includes light services, such as a daily meal in the monthly rent are considered to be housing with services, even if they are marketed as independent senior units.

There were more than 1,430 housing units of all types that were contacted in the survey. This total would represent nearly 57% of the City's estimated total inventory of rental housing units. The units that were successfully contacted include:

- ▶ 466 conventional, market rate units
- ▶ 132 tax credit/HOME moderate rent units (other tax credit units included in subsidized summary)
- ▶ 322 subsidized units for senior/disabled occupancy
- ▶ 346 subsidized units for general occupancy
- ▶ 168 specialized senior units/beds (detailed in following section)

The findings of the survey for independent living units are provided below. The findings of the survey for senior housing with services units are presented in the next section of this Study.

Market Rate Summary

Usable information was obtained from 30 different market rate rental projects. Combined, these projects had 466 conventional rental units.

The project and unit totals did include various forms of rental housing. In some cases, these represent a cluster of downtown apartments with a single owner, although located in various buildings. In other cases, a cluster of single family homes or mobile homes may have been included, because they have a single owner who reported the units as a larger group. However, most of the conventional units exist in multifamily buildings, with four or more units per building.

For some of the buildings that were contacted, only partial information was obtained. For example, some properties did not provide the exact bedroom mix for units in the building. In other cases, vacancies were not defined by bedroom mix. For some of the calculations that follow, a smaller subset of market rate units may have been used.

Unit Mix

Since a number of the building owners/managers could not identify an exact unit count by bedrooms, the following breakdown is based on the specific information obtained from 336 units:

- ▶ Efficiency/Studio - no specific number reported
- ▶ One-bedroom - 84 units (25.0% of the reported units)
- ▶ Two-bedroom - 228 units (67.9%)
- ▶ Three-bedroom - 44 units (7.1%)
- ▶ Four-bedroom - no reported units

Occupancy / Vacancy

Within the market rate multifamily segment there were 19 vacant units of the 466 used in the occupancy calculation. This represents an overall vacancy rate of 4.1%. There were a few additional units that were intentionally vacant for allow for unit repairs.

It should be noted that although some vacant units were reported to the survey, these may have been units that had recently turned over. Most property owners/managers talked about strong overall demand, and multiple inquiries that would be received if available units were advertised. A number of people elect to fill the units by word-of-mouth, rather than through public advertising.

Five of the 19 reported vacancies were in a mobile home park with 15 available rental units. Excluding this mobile home park, the vacancy rate would drop to 3.1%.

There were differing opinions about the strength of the local rental market. Most owners/managers indicated that many inquiries were received from prospective tenants. However, one property owner, with six of the 14 non-mobile home vacancies, reported insufficient demand to fill the 20 total units he had available in two small apartment projects. If this single property owner is removed from the vacancy calculations, the conventional vacancy rate dropped below 1.9%.

Rental Rates

Rental units in Yankton can vary widely, reflecting the age of construction and the unit amenities being offered. Reported rents may include the primary utility payments within the contract rent, or the tenant may be required to pay some utilities separately, in addition to the contract rent. In the following summary, Community Partners Research has attempted to estimate the gross rents being charged, inclusive of an estimate for tenant-paid utilities.

In the first column, the lowest and highest gross rents have been identified, as reported in the telephone survey. Since the highest and lowest ends of the rent range may not be representative of most units, a prevailing rent column has also been listed that attempts to define the gross rents being charged by a majority of the units surveyed.

<u>Unit Type</u>	<u>Lowest/Highest Gross Rents</u>	<u>Prevailing Rents Majority of Units</u>
Efficiency/Studio	\$350-\$410	\$350-\$410
One-bedroom	\$390-\$1170	\$450-\$550
Two-bedroom	\$450-\$1275	\$550-\$725
Three-bedroom	\$700-\$1700	\$700-\$925

Certain types of units, such as efficiency/studio rentals, were not well represented in the multifamily sample, and the rent levels presented above may not be a good reflection of the typical rental rates in the community.

Income Restricted/Tax Credit/HOME Moderate Rent Summary

The City of Yankton has some moderate rent units that received federal assistance, but that do not offer “deep subsidy” rental housing. These projects include units assisted with low income housing tax credits, and units assisted through HUD’s HOME Program. The following section analyzes this segment of the market which has income and rent restrictions in place, but generally has rent levels that are too high to serve very low income renters.

Tax Credit Inventory

Since the late 1980s, the primary federal incentive program for the production of affordable rental housing has been through federal low income housing tax credits, also referred to as Section 42 housing. In South Dakota, tax credits are awarded annually on a competitive basis through the South Dakota Housing Development Authority.

Projects receiving tax credit assistance have income, occupancy and rent restrictions in place for 15 years or more. The income limits are generally tied to 60% or less of the median income level, although a portion of the units may be set aside for even lower income ranges.

Nine rental projects were identified in Yankton that have received a tax credit award since the late 1980s. There is one additional award that was made to a Yankton Sioux project that while identified as being in Yankton does not appear to actually be located within the City.

Most of the tax credit awards in Yankton have been made for new construction of affordable housing. Three awards were made in conjunction with other federal subsidy programs to construct very affordable housing. Since other federal subsidy sources were used, these units typically operate as subsidized housing, with rent based on household income, and the ability to serve even very low income renters.

The new construction tax credit projects that operate as subsidized housing are Sunrise Apartments (Rural Development), Memory Lane Apartments (Rural Development), and Sunrise II Apartments (Rural Development). These projects still participate in the Rural Development subsidy program and have been included in the subsidized housing analysis that follows later in this section.

There have been three tax credit awards made to existing subsidized projects in Yankton for renovation/preservation activities. Both Colonial Square Apartments and the Walnut Hill complex were constructed in the 1970s but received a tax credit award in 1988. The 15-year tax credit compliance period has been met but both of these projects continue to operate as HUD subsidized housing. Sir Charles Apartments received a tax credit award in 2011 but also offer HUD subsidized housing for senior/disabled tenants. Colonial Square, Walnut Hill and Sir Charles have also been included in the subsidized housing analysis that follows later in this section.

There are three tax credit awards that were made for new construction projects serving moderate income renters, without any other form of project-based federal subsidies. These moderate rent projects are Sutton Place (2001 award), Sutton Place II (2002), and Apple Creek (2008). They have 104 combined units serving low and moderate income renters.

HOME Program Inventory

The South Dakota Housing Development Authority has made funding awards over the past few decades using HUD's HOME program. The use of HOME funds imposes income restrictions of the assisted units, with all units serving households at or below 80% of the median income level, and some units serving households at or below 50% of the median income level.

Like tax credits, HOME-assisted units had a contract compliance requirement, generally believed to be 15 years or less for most projects. Some projects awarded HOME funds in the 1980s or 1990s have now completed their affordable housing requirements and have converted to conventional housing. This section only reports on HOME units that still comply with the income tests.

There are currently three rental projects in Yankton that comply with the HOME Program requirements. Prairie View Townhomes was constructed in 1994 with HOME assistance. Sagewood Apartments A and Sagewood Apartments B also operate under HOME regulations. No date of award was obtained on the two Sagewood properties.

Combined, these three projects have 28 income-restricted units, tied to either 50% or 80% of the median income level. Prairie View Townhomes will complete its compliance requirements in early 2014, and may convert to conventional housing, but at the time of the research for this Study, was still operating as income-restricted housing.

It should be noted that Sutton Place I and II also received HOME Program funding, along with housing tax credits, but the tax credit regulations are generally more restrictive for most units, and they have been categorized as tax credit housing.

Unit Mix

The following breakdown is based on the 104 moderate rent units that operate under tax credit regulations, and the 28 HOME Program units.

- ▶ One-bedroom - 2 units (25.0% of the reported units)
- ▶ Two-bedroom - 92 units (67.9%)
- ▶ Three-bedroom - 38 units (7.1%)
- ▶ Four-bedroom - no reported units

Occupancy / Vacancy

Occupancy information was obtained from all 132 income-restricted units in this segment of the market. On the date of the survey, only two units were reported as vacant, for a vacancy rate of 1.5%.

Both of the vacant units were three-bedroom apartments in Apple Creek at the highest end of their rent range, \$775 plus tenant-paid heat and electric. The manager stated that waiting lists existed for lower priced units in Apple Creek, and that contract rents had recently been lowered for some units due to vacancy issues.

Most of the other projects maintained waiting lists for occupancy, although some managers stated that prospective tenants are generally looking for immediate housing options, and cannot wait for a unit to become available at an unknown date in the future.

Rental Rates

Federal requirements place rent caps on assisted units. Tax credit requirements, which apply to most of the moderate rent units within this segment, have gross rents capped at 60% of the median income level. However, it is typical to see most units at or below the limits set at 50% of median, in part due to competitive market pressures. HOME units will generally have some units capped at 50% of median, although other units may be allowed to charge rents up to 80% of median. However, the limits set at 80% of median may well be higher than the prevailing rents that exist within the community and a lower amount is often charged.

The 2013 rent limits for Yankton County at 50% and 60% of median are provided below, along with the range currently being charged by tax credit and Home Program projects in Yankton, based on the survey responses.

	<u>Yankton Range</u>	<u>50% Limits</u>	<u>60% Limits</u>
One-bedroom	\$440 - \$460	\$600	\$720
Two-bedroom	\$435 - \$700	\$720	\$864
Three-bedroom	\$500 - \$860	\$832	\$999

Nearly all of the income restricted moderate rent units in Yankton are charging gross rents that are below the federal limits set for households at 50% of the median income level. There are some three-bedrooms in Apple Creek Apartments that are above the 50% limits, but two of these higher-rent units were also vacant when the project was surveyed, and the property manager indicated that some of the higher-rent units had been lowered in response to vacancy issues. All of the surveyed units that were below the 50% limits were occupied at the time of the rental survey.

Tax Credit/Home Units Gains/Losses

The research for this Study identified one proposed tax credit project. It would be a new construction project, but the application for tax credits would not be submitted until 2014, and if selected for funding, units would probably not be available until sometime in 2015.

Projects assisted with tax credits/HOME funding generally have an initial compliance period, generally 15 years. Tax credit projects then tend to have an extended compliance phase of 15 years or more. Although some of the certification and reporting requirements may ease during extended compliance, the projects still provide affordable housing for moderate income renters. HOME program units may also have some additional compliance, depending on the year the award was made.

According to the owner, Prairie View Townhomes will complete its HOME Program compliance requirements in early 2014, and this project may be converted to conventional rental housing. Prairie View has 10 three-bedroom units, or more than 25% of the inventory in this larger family moderate rent segment.

Subsidized Summary

The research completed for this Study identified 27 subsidized projects in Yankton that provide rental opportunities for lower income households. These projects have a combined 668 units.

The projects analyzed in this section serve the general occupancy or senior/disabled segments of the market, but do not include targeted housing for special needs populations. There are some additional subsidized projects in Yankton that serve populations such as the developmentally disabled, but occupancy in these buildings is generally controlled by a specialized service provider, and these units are not available for the general rental market.

Ten of the subsidized projects are designated for or oriented to senior and/or disabled tenant occupancy. These projects have a combined total of 322 units. These projects are Canyon Ridge, Evergreen Lodge, Marne Creek, Meadow Park, Memory Lane, Orchard Square, Sir Charles, Sunrise, Sunrise II, and Walnut Hill Apartments. According to the manager of Evergreen Lodge, this project is not limited to tenants with disabilities, but most tenants have either vision or hearing impairments, and this project has therefore been grouped with senior and/or disabled projects.

There are 17 subsidized projects are designated as general occupancy housing. Combined, they have 346 total units. The general occupancy projects are Ashbury, Between the Fifties, Canyon Ridge Townhomes, Colonial Square, Crestview, East Meadow, Estes, Heritage, Locust Lane, Pine Tree East, Pine Tree West, Pineview, River Run, Terrace Hill, Valley Park, Village Green and Walnut Hill Townhomes.

Most of the City's subsidized units have access to project-based rent assistance. These units can charge rent based on 30% of the tenant's household income. A small number of units in some Rural Development projects may not have rent assistance. Units without project-based rent assistance have a basic rent amount that is charged, even if this is above 30% of income for the tenant.

In the past, SDHDA has been willing to reallocate available rent assistance to different projects around the State, to serve income-eligible households. As a result, nearly all low income renters could access project-based rent assistance. However, in response to federal budget sequestration/shutdown, SDHDA has not been transferring rent assistance as readily as in the past, so there is no guarantee that a tenant can access rent assistance unless it is already committed to the specific project.

There are also tenant-based rent assistance Vouchers available in the area. In September 2013, there were approximately 115 Vouchers being used in Yankton. It is possible that some of these Vouchers could be used in subsidized projects that cannot offer project-based rent assistance to all lower income tenants, but most Vouchers tend to be used in private-market, conventional rental housing.

Senior/Disabled Occupancy Unit Mix

The individual subsidized rental projects in Yankton that primarily serve senior/disabled populations range in size from 17 units to 60 units. The bedroom mix breakdown is as follows (excluding special needs units):

- ▶ 294 one-bedroom (91.3% of total)
- ▶ 28 two-bedroom (8.7%)

General Occupancy Unit Mix

- ▶ 104 one-bedroom (30.1%)
- ▶ 216 two-bedroom (62.4%)
- ▶ 26 three-bedroom (7.5%)

Senior/Disabled Occupancy Vacancy Rate

There were 14 to 15 unoccupied units that were identified in the senior/disabled occupancy subsidized projects. However, each of the projects that reported open units also reported the existence of a waiting list. In all cases, the property owners/managers indicated that the waiting list would be used in an attempt to fill the units.

Although the calculated vacancy rate was more than 4%, this may largely be due to paperwork requirements and the processing time needed to properly certify new tenants.

All of the senior/disabled projects reported a waiting list for occupancy, although the strength of these waiting lists may vary. Some managers stated that the waiting lists are sometimes out-of-date, as many applicants need immediate access to housing.

General Occupancy Vacancy Rate

There were 21 to 22 unoccupied units that were identified in the general occupancy subsidized projects. However, most of the projects with vacancies indicated that processing was underway to fill available units. Nearly all of the projects reported that waiting lists are maintained and used to fill units as they become available. In addition to the unoccupied units, there were a few additional apartments being held intentionally vacant to facilitate repairs.

Although the calculated vacancy rate was more than 6%, this may largely be due to paperwork requirements and the processing time needed to properly certify new tenants.

Most projects do maintain waiting lists, but some managers stated that the waiting lists are sometimes out-of-date, as many applicants needed immediate access to housing.

The best single indicator of unmet demand for subsidized housing may be the waiting list for the Voucher rent assistance program, which is not location or project-specific. In September, there were approximately 140 households on this waiting list. Most of the waiting households were from Yankton or one of the surrounding Counties that can also be served by the Voucher Program.

Subsidized Housing Gains/Losses

Federal subsidy sources for low income rental housing have been very limited for the past few decades. Most subsidized projects were constructed in the 1960, 1970s or early 1980s. Some of these older projects may have completed their compliance requirements and have the opportunity to leave their subsidy program and convert to conventional rental housing. In communities with low vacancy rates, private property owners may have an incentive to convert subsidized units to conventional housing.

There is no specific information available on projects that may have terminated their subsidy contracts in the past. The research for this Study did identify two projects that may end subsidy agreements in the future.

Pine Tree East is a 24-unit general occupancy project, with 12 one-bedroom units and 12 two-bedroom units. It is currently in the USDA Rural Development subsidy program. According to the owner, this project may convert to conventional housing within the next few months. Initial mitigation planning indicates that income-eligible residents will receive a tenant-based rent assistance Voucher, but the project-based subsidy contract will be lost.

The same property owner also has Pine Tree West, with 48 Rural Development subsidized units. He intends to convert this project to conventional rental housing within the next few years.

Based on the original dates of construction, it is possible that additional subsidized projects in Yankton may meet their contract compliance requirements in the future, although specific at-risk projects were not identified.

Tenant-Based Rent Assistance Vouchers

As stated above, Yankton renters also have access to HUD Housing Choice Vouchers (formerly Section 8 Existing Program). The service area for the rent assistance program includes Yankton and some neighboring cities and counties. The total program can generally serve approximately 140 households, but typically as many as 115 participants live in the City of Yankton.

Housing Choice Voucher assistance is issued to income-eligible households for use in suitable, private market rental housing units. With the assistance, a household pays approximately 30% of their income for their rent, with the program subsidy paying any additional rent amounts. The rent assistance is administered by the Yankton Housing and redevelopment Commission.

Since this rent assistance is tenant-based, and moves with the household, the actual number of participating households within the City can vary from month to month. It is possible that some of these households may be using their rent assistance in one of the tax credit or subsidized projects, if that project does not have project-based rent assistance available for all tenants.

The waiting list for the program had approximately 140 names in September 2013. The large majority of waiting list households already live in Yankton or in one of the other counties served by the program.

Table 21 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Birch Road 808-813 Birch Rd	<u>12 - 2 Bedroom</u> 12 Total Units	\$595-\$650 +electric	No vacant units	Mix of tenants	Three four-plexes built in 1994. Tenants pay electric but heat and other utilities included in rent. Amenities include coin laundry and garages - higher rent units include garage. Project allows pets. Manager reports that 2-bedrooms have 1 bathroom and approx. 700 sq ft. No units vacant at time of survey.
Bridgeport Apartments	8 Total Units	N/A	N/A	N/A	Unable to contact. Cottage-style rental housing constructed in 2007.
Bunker Apartments 305-307 Bunker Lane	<u>8 - 2 Bedroom</u> 8 Total Units	\$545-\$585 +most utilities	No vacant units	Mix of tenants	Two four-plex structures constructed in 1976. Rent includes water and garbage with tenant paying other utilities. Amenities include detached garage, in-unit laundry hookup and central AC. Owner reports no vacancies and low turnover, with some long-term tenants.
Carriage House Apartments 805 E 15 th St	3 - 1 Bedroom <u>24 - 2 Bedroom</u> 27 Total Units	\$600-\$625 \$625-\$775 +heat, electric	No vacant units, waiting list	Mix of seniors and younger tenants	Multi-story apartment building with underground parking that was constructed in the early 1990s. Building has elevator and coin laundry facilities. Units have wall AC, dishwasher and a heated parking space for each unit. Multiple floor plans with 1-bedrooms having approx. 800 sq ft and 2-bedrooms ranging from 800 to 1240 sq ft; larger units have 2 bathrooms. Manager reports full occupancy and waiting list - popular with seniors and young professionals.
Cedar Street Apartments 1014 Cedar St	1 - 1 Bedroom <u>11 - 2 Bedroom</u> 12 Total Units	\$495 \$545 +electric	3 vacant units, 1 - 1 Bdrm 2 - 2 Bdrm	Mix of tenants	Apartment building constructed in the mid-1960s. Rent includes heat, water, sewer and garbage, with tenant paying electric. Amenities include coin laundry and off-street parking. Owner reports 3 vacant units due to insufficient demand.

Table 21 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Corner Stone Apartments 408-412 Burleigh St	6 - 1 Bedroom <u>6 - 2 Bedroom</u> 12 Total Units	\$425 \$575 +electric	No vacant units	Mix of tenants	Stone rowhouse units constructed in the 1950s or earlier. Units are one-level with private entrance. Rent includes heat with tenant paying electric. Units have window AC. No vacancies at time of survey.
Country Acres Mobile Home Park East Highway 50	2 Bedroom <u>3 Bedroom</u> 15 Total Units	\$450-\$650 +heat, electric	5 vacant mobile homes	Mix of tenants	Mobile home park with approximately 15 units that are owned by park owner and used as rental housing. Unit size and age varies, but 1990s mobile homes are typical. Tenants pay lot rent, heat and electric in addition to unit rent - rents listed are home and lot combined. Owner reports 5 vacant units due to insufficient demand. Approximately 20 lots in park are also vacant.
Deer Boulevard 100 Rainbow	<u>4 - 3 Bedroom</u> 4 Total Units	\$750-\$800 +heat, electric	No vacant units	Mix of tenants	Two-level four-plex built in 1994. One level has attached garages, other level has detached garages. Tenants pay heat and electric in addition to rent. Amenities include in-unit laundry and 2 bath rooms - higher rent reflects attached garage units. No units vacant at time of survey.
Downtown Loft Apartments	<u>7 - 2 Bedroom</u> 7 Total Units	\$1000 +some utilities	No vacant units	Mostly younger households	Owner with 7 apartments in various downtown buildings. Units vary, but most are large, with 2000 or more square feet, and have 2 bedrooms and either 1 or 2 bathrooms. Typical rent is around \$1000, and units vary by utilities that are tenant-paid. Good demand for unique rental options, especially from younger singles and couples - location is generally not conducive to families with children. Parking is generally available in public lots. Units do have in-unit laundry. Most buildings are low density with only one or two lofts on upper floors of commercial buildings.

Table 21 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Fox Run Apartments 1313 W 30th	18 - 2 Bedroom <u>6 - 3 Bedroom</u> 24 Total Units	\$650 \$750 +heat, electric	1 vacant unit, 1 - 3 Bdrm	Mix of tenants	Three-level apartment building constructed in 2006, without elevator. Tenants pay heat (electric) and electric in addition to rent. Amenities include dishwasher, microwave and 3-bedrooms have in-unit laundry hookup and master bathroom. Manager reports that 2-bedrooms have 1 bathroom and approx. 750 sq ft, and 3-bedrooms have 2 bathrooms and nearly 1000 sq ft. One unit vacant at time of survey due to turnover, but ad in newspaper will result in 50 inquiries.
Hillcrest East 2205 Burleigh St	1 Bedroom 2 Bedroom <u>2 Bdrm+Den</u> 71 Total Units	\$900-\$1000 \$1000-\$1200 \$1600 +heat, electric	No vacant units	Mix of tenants	Apartments in 2 multi-level buildings with elevators that are connected by a community room, constructed in 2005 and 2008. Unit amenities include in-unit laundry and 3-season porch. Building amenities include underground heated garage, extra storage available, community room, fitness center, sauna, and location near golf course. Tenants pay heat and electric in addition to rent. One-bedrooms have 1006 sq ft and 1 bathroom, 2-bedrooms have 1265 sq ft and 2 bathrooms, and 3-bedrooms have 1859 sq ft and 2 bathrooms. No vacancies at time of survey, but multiple vacancies existed earlier in the year.
Huber Home Rentals scattered locations	1 Bedroom <u>2 Bedroom</u> 18 Rental Houses	\$390 to \$750 +utilities	No vacant units	Mix of tenants	Eighteen rental houses, most of them built in the 1930s or 1940s. Tenants pay utilities in addition to rent. Condition, quality and location impacts the contract rent. Owner reports good demand and full occupancy.
Jackson Apartments 903 Jackson	<u>12 - 2 Bedroom</u> 12 Total Units	\$585 +most utilities	No vacant units	Mix of tenants	Two-level apartment building constructed in 1996. Rent includes water and garbage with tenant paying other utilities. Amenities include detached garage, coin laundry, central AC and dishwasher. Owner reports no vacancies and low turnover, with some long-term tenants.

Table 21 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Lincoln Arms Apartments 600 W 6th St	6 - 1 Bedroom <u>13 - 2 Bedroom</u> 19 Total Units	\$425 \$450 +electric	No vacant units	Senior-designated housing	Three-level apartment building constructed in 1966. Rent includes heat, water, sewer and garbage, with tenant paying electric. Building is age-designated as senior housing, but up to 20% of tenants can be younger. Building has an elevator, coin laundry in basement, and 10 garages available. No vacancies and low turnover rate reported.
Means Apartments 213 W 3rd St	3 - 1 Bedroom <u>1 - 2 Bedroom</u> 4 Total Units	\$400 \$500 including utilities	No vacant units	Mostly younger households	Rental units on upper floor of a downtown commercial building. Apartments were renovated in 1994 with HOME funding through SDHDA. Income limits were in place but expired in 2009. Units have approx. 600 sq ft, 1 bathroom and off-street parking. Rent includes utilities. Owner reports good demand with any turnover units generally filling by word-of-mouth. Most tenants are younger singles or couples.
901 Mulberry St	<u>6 - 1 Bedroom</u> 6 Total Units	\$360-\$390 +electric	No vacant units	Mix of tenants	Apartment building originally constructed in the 1920s. Tenants pay electric but heat is included in rent. Coin laundry facility and 4 garages available. Owner reports full occupancy.
N-K Properties scattered rental houses	20 rental houses	\$500-\$1100 +utilities	1 vacant 3 bedroom house	Mix of tenants	Approximately 20 units, primarily in single family houses. Rent varies depending on unit size and amenities. Tenants pay utilities. One 3-bedroom house was vacant at time of survey, with monthly rent of \$900.
Omanson Apartments 804 Belfast St	1 - 1 Bedroom <u>3 - 2 Bedroom</u> 4 Total Units	\$300 \$350 +utilities	No vacant units	Mix of tenants	Two-level apartment building constructed in the late 1960s or early 1970s. Tenants pay utilities in addition to rent. Amenities include coin laundry and off-street parking. Manager reports good demand with no vacant units and any turnover units filling quickly.

Table 21 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Park 50 Estates 802 W City Limits Rd	15 - 1 Bedroom 53 - 2 Bedroom <u>4 - 3 Bedroom</u> 72 Total Units	\$460-\$465 \$500-\$650 \$650-\$700 +electric	a few units intentionally vacant for repairs	Mix of tenants	Complex includes three buildings with 24 units, 24 units and 18 units, constructed in the late 1960s and early 1970s. Buildings are 3-level. Rent includes heat, but tenant pays electric. Amenities include coin laundry. Manager reports that the only vacant units are for repairs - they can get 30 calls a day looking for an available unit.
Pine Manor 305 Pine St	4 - 1 Bedroom <u>1 - 2 Bedroom</u> 5 Total Units	\$450 \$450	No vacant units	Mix of tenants	Older house that was converted into 3 rental units, plus two additional units in structure behind the house. Rent includes utilities. No vacancies at time of survey.
River Heights Apartments 1305-1307 W 8 th St	10 - 1 Bedroom <u>32 - 2 Bedroom</u> 42 Total Units	\$460 \$495-\$565 +electric	a few units intentionally vacant for repairs	Mix of tenants	Complex includes two buildings with 24 units and 18 units, constructed in the 1960s. Buildings are 3-level. Rent includes heat, but tenant pays electric. Amenities include coin laundry and 10 garages. Manager reports that the only vacant units are for repairs - they can get 30 calls a day looking for an available unit.
Rose Hill Apartments 200 E 15 th	<u>5 - 1 Bedroom</u> 5 Total Units	\$475 +electric	1 vacant unit, 1 - 1 Bdrm	Mix of tenants	Building that is more than 100 years old that was converted to rental housing. Rent includes heat with tenant paying electric. Some garages available. One vacant unit at time of survey.
S & S Rentals 1008 W 8th St	1 - 1 Bedroom <u>3 - 2 Bedroom</u> 4 Total Units	\$300 \$350 +utilities	No vacant units	Mix of tenants	Two-level apartment building constructed in the late 1960s or early 1970s. Tenants pay utilities in addition to rent. Amenities include coin laundry and off-street parking. Manager reports good demand with no vacant units and any turnover units filling quickly.

Table 21 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Tramp Rental Townhomes 15 th and Green	<u>10 - 3 Bedroom</u> 10 Total Units	\$800 +utilities	No vacant units	Mix of tenants	Ten town house units in a 14 unit complex that are used as rental housing. Constructed in 2003. Each unit has 3 bedrooms, 3 bathrooms and an attached garage, with approx. 1500 sq ft of living space. Tenant pays utilities. Owner reports full occupancy.
Walnut Apartments 415 Walnut	3 - 1 Bedroom <u>3 - 2 Bedroom</u> 6 Total Units	\$350-\$550 \$450-\$495 +heat, electric	1 vacant unit, 1 - 1 Bdrm	Mix of tenants	Apartment building constructed in the 1930s. Tenants pay heat and electric in addition to rent. Higher rent 1-bedroom has tuck-under garage. One 1-bedroom unit vacant at time of survey due to turnover, but ad in paper will lead to multiple inquiries.
Walnut Cottages 1206½ - 1218½ Walnut St	<u>7 - 1 Bedroom</u> 7 Total Units	\$395 +utilities	1 vacant unit, 1 - 1 Bdrm	Mix of tenants	Cottages that were constructed in the 1950s. Tenant pays all utilities. Units have less than 600 sq ft. One vacant unit at time of survey.
Walnut Groove 1004 Walnut St	1 - 1 Bedroom <u>7 - 2 Bedroom</u> 8 Total Units	\$395 \$495 +electric	3 vacant units, 3 - 2 Bdrm	Mix of tenants	Apartment building constructed in the mid-1960s. Rent includes heat, water, sewer and garbage, with tenant paying electric. Amenities include coin laundry and off-street parking. Owner reports 3 vacant units due to insufficient demand.
Webster Apartments 1510 Pine	3 - 1 Bedroom <u>9 - 2 Bedroom</u> 12 Total Units	\$450 \$595 +electric	3 vacant units, 1 - 1 Bdrm 2 - 2 Bdrm	Mix of tenants	Three level apartment building with an elevator constructed in the mid-1960s. Rent includes heat, water, sewer and garbage, with tenant paying electric. Amenities include balconies, coin laundry and off-street parking. Owner reports 3 vacant units due to insufficient demand.
West Side Apartments 808 W 5th St	1 - 1 Bedroom <u>5 - 2 Bedroom</u> 6 Total Units	\$550 \$550	No vacant units	Mix of tenants	Apartment building; no estimate on age of construction. Most units have all utilities included in rent. Coin laundry and some garages available. Manager reports no vacancies an good occupancy history. Diligent tenant screening completed including ability to pay.

Table 21 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
501/503 W 4 th	<u>8 - 1 Bedroom</u> 8 Total Units	\$375 +heat, electric	No vacant units	Singles and couples	Apartment building constructed in the early 1940s - all units have 1 bedroom and most tenants are singles or couples. Tenants pay heat and electric in addition to rent. Some tenants use rent assistance Vouchers. Owner reports full occupancy.
302 & 304 Bunker Ln	8 Total Units	N/A	N/A	N/A	Unable to contact.
600-606 E 9th St	4 Total Units	N/A	N/A	N/A	Unwilling to participate in survey.
2916 Broadway Avenue Apartments	Efficiency <u>1 Bedroom</u> 6 Total Units	\$350 \$400-\$450 +heat, electric	No vacant units	Mostly singles and couples	Former motel from the 1950s that was converted into condos in the 1980s, but nearly all units are used as rental housing. Total project has 23 units, with approx. 20 being rented - owner contacted has 6 efficiency and 1-bedroom units. Tenants pay heat and electric in addition to rent. No vacancies and good demand.
Galaxy Properties 1005 Cedar St	<u>8 - 2 Bedroom</u> 8 Total Units	N/A	N/A	N/A	Unable to contact.

Table 21 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Tax Credit/Moderate Rent					
<p>Apple Creek Apartments 2900 Douglas Ave</p>	<p>20 - 2 Bedroom <u>24 - 3 Bedroom</u> 44 Total Units</p>	<p>\$359-\$625 \$413-\$775 +heat, electric</p>	<p>2 vacant units, 2 - 3 Bdrm, waiting list for lower priced units</p>	<p>General occupancy units serving households at or below 60% of median</p>	<p>Tax credit apartment building constructed in 2008; two-level walk-up. One unit used by caretaker but 43 units serve households at or below 60% of median income, with some units set aside for households at 40% or 50% of median. Sixteen units are Voucher eligible. Rent includes water, sewer and garbage, with tenant paying heat (electric) and electricity. Unit amenities include in-unit laundry hookup with washer/dryer in some units, microwave, central air and heat, garbage disposal, dishwasher, storage unit, window coverings and a patio/balcony. Project amenities include community room, play ground BBQ/picnic area and computer room. Two-bedrooms have 880 sq ft and 1 bathroom; 3-bedrooms have 1050 sq ft and 2 bathrooms. Manager reports 2 vacant units - 3-bedrooms at the highest rent level. Top end rents were lowered due to vacancies. Waiting list exists for lower-priced units.</p>
<p>Prairie View Townhomes 1315-1317 W 30th St</p>	<p><u>10 - 3 Bedroom</u> 10 Total Units</p>	<p>\$601 +most utilities</p>	<p>No vacant units, waiting list</p>	<p>General occupancy</p>	<p>HOME-assisted town house units constructed in 1994. All units serve households at or below 50% of median income - but contract compliance can end in 2014. Designated for general occupancy, with most current tenants being single parents with children. Amenities include detached garage, in-unit laundry and dishwasher. Units have approx. 1200 sq ft. Rent includes water with tenant paying other utilities. Owner reports good demand with full occupancy and waiting list of 4 to 5 names.</p>

Table 21 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Tax Credit/Moderate Rent					
Sagewood Apartments A (formerly Boulder Terrace) 1920 Locust St	8 - 2 Bedroom 8 Total Units	\$440 +heat, electric	No vacant units	Income-restricted at 50% or 80% of median	Two-level apartment building assisted with federal HOME funds through SDHDA - all tenants must meet income tests at either 50% or 80% of median income. Amenities include coin laundry and off-street parking. Units have 1 bathroom. Some tenants use rent assistance Vouchers. Tenants pay heat and electric in addition to rent. Manager reports full occupancy and good demand.
Sagewood B Apartments (formerly Spartan) 507 W 20th St	2 - 1 Bedroom 8 - 2 Bedroom 10 Total Units	\$385 \$440 +heat, electric	No vacant units	Income-restricted at 50% or 80% of median	Two-level building with was converted to rental housing and used federal HOME funds through SDHDA - all tenants must meet income tests at either 50% or 80% of median income. Amenities include coin laundry and off-street parking. All units have 1 bathroom. Some tenants use rent assistance Vouchers. Tenants pay heat and electric in addition to rent. Manager reports full occupancy and good demand.
Sutton Place Apartments I 3000-3002 Douglas Ave	28 - 2 Bedroom 2 - 3 Bedroom 30 Total Units	\$464-\$515 \$571-\$612 +electric	No vacant units, waiting list	All units at 50% or 60% of median income	Tax credits and HOME-assisted units constructed in 2001. Two 2-level buildings with 15 units each. All units have income limits set at either 50% or 60% of median income. Heat, water, garbage, and sewer included in rent with tenant paying electric. Amenities include in-unit laundry for most units and dishwasher. Units with washer/dryer are approx. \$40 higher than other units. Project amenities include coin laundry, controlled entrance, play ground and storage spaces. Two-bedroom units range in size from 863 to 870 sq ft and have 1 bathroom; 3-bedrooms have 1042 sq ft and 2 bathrooms. Manager reports full occupancy and many inquiries - waiting list is kept but most households need access to housing and cannot wait for a unit.

Table 21 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Tax Credit/Moderate Rent					
Sutton Place Apartments II 2902 Douglas Ave	28 - 2 Bedroom <u>2 - 3 Bedroom</u> 30 Total Units	\$464-\$515 \$571-\$612 +electric	No vacant units, waiting list	All units at 50% or 60% of median income	Tax credits and HOME-assisted units constructed in 2002. Two 2-level buildings with 15 units each. All units have income limits set at either 50% or 60% of median income. Heat, water, garbage, and sewer included in rent with tenant paying electric. Amenities include in-unit laundry for most units and dishwasher. Units with washer/dryer are approx. \$40 higher than other units. Project amenities include coin laundry, controlled entrance, play ground and storage spaces. Two-bedroom units range in size from 863 to 870 sq ft and have 1 bathroom; 3-bedrooms have 1042 sq ft and 2 bathrooms. Manager reports full occupancy and many inquiries - waiting list is kept but most households need access to housing and cannot wait for a unit.

Table 21 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized - General Occupancy					
Ashbury Apartments 1010 Pennsylvania St	1 - 1 Bedroom <u>7 - 2 Bedroom</u> 8 Total Units	\$485 \$505 30% of income	3 vacant 2 bedroom units, application processing underway	General occupancy	Rural Development subsidized two-level apartment building constructed in the 1970s. Designated for general occupancy. All tenants have access to rent assistance that allows rent based on 30% of income, up to maximum rents listed. Managed as part of 5 property portfolio - vacancies exist in projects, but processing underway to certify tenants to fill units. Turnover and tenant screening practices have caused some vacancies.
Between the Fifties 801-807 Dakota St	<u>32 - 2 Bedroom</u> 32 Total Units	\$490-\$535 30% of income	1 vacant unit, 1 - 2 Bdrm waiting list	General occupancy	Rural Development subsidized two-story apartment buildings constructed in 1978. Four buildings with eight units per building. Nearly all tenants have access to rent assistance that allows rent based on 30% of income. Basic and note rents are listed - note rents are maximums charged. Manager reported one vacancy on date of survey and waiting list is kept.
Canyon Ridge Townhomes 1700 Locust St	2 - 1 Bedroom 14 - 2 Bedroom <u>4 - 3 Bedroom</u> 20 Total Units	30% of income	2 vacant units, 1 - 2 Bdrm 1 - 3 Bdrm	General occupancy	HUD-subsidized town house units constructed in 1977 and designated as general occupancy. All tenants have access to project-based rent assistance that allows rent based on 30% of income. Manager reports 2 vacant units at time of survey but waiting list is maintained.
Colonial Square Apartments 802, 806, 810 E 13th St	21 - 1 Bedroom <u>21 - 2 Bedroom</u> 42 Total Units	30% of income	7 vacant units, 5 - 1 Bdrm 2 - 2 Bdrm waiting list	General occupancy	HUD Section 8 apartment buildings constructed in the 1970s and awarded tax credits in 1988, possibly for renovation. Three two-level buildings with 14 units per building. Project-based rent assistance allows tenants to pay rent based on 30% of income. Unit amenities include stove, refrigerator and utilities included in rent calculation. Manager reported 7 vacant units at time of survey due to move-outs and evictions, but continual advertising results in a waiting list for the project.

Table 21 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized - General Occupancy					
Crestview Apartments 815 Picotte St	1 - 1 Bedroom <u>7 - 2 Bedroom</u> 8 Total Units	\$520 \$540 30% of income	3 vacant units, 1 - 1 bdrm 2 - 2 bdrm application processing underway	General occupancy	Rural Development subsidized two-level apartment building constructed in the 1970s. Designated for general occupancy. All tenants have access to rent assistance that allows rent based on 30% of income, up to maximum rents listed. Managed as part of 5 property portfolio - vacancies exist in projects, but processing underway to certify tenants to fill units. Turnover and tenant screening practices have caused some vacancies.
East Meadow Apartments 1001-1003 Memory Ln	<u>24 - 2 Bedroom</u> 24 Total Units	\$605 max. 30% of income	No vacant units, waiting list	General occupancy	HUD Section 8 subsidized units for general occupancy constructed in 1973. Units are in 2-level building without elevator. Four units on lower level are accessible. All tenants have access to rent assistance that allows rent based on 30% of income, up to market rent listed. Manager reports full occupancy and 7 name waiting list.
Estes Apartments 301 Bunker Ln	12 - 1 Bedroom <u>12 - 2 Bedroom</u> 24 Total Units	\$435-\$475 \$465-\$505 30% of income	No vacant units, waiting list	General occupancy	Rural Development subsidized one and two-story apartment buildings constructed in 1984. All tenants have access to rent assistance that allows rent based on 30% of income. Rents listed are basic/market rents. Amenities include coin laundry and off-street parking. No vacancies at time of survey and waiting list exists.

Table 21 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized - General Occupancy					
Heritage Apartments 808 Picotte St	<u>4 - 3 Bedroom</u> 4 Total Units	\$720 30% of income	1 vacant 3 bedroom unit, application processing underway	General occupancy	Rural Development subsidized two-level apartment building constructed in the 1970s. Designated for general occupancy. All tenants have access to rent assistance that allows rent based on 30% of income, up to maximum rents listed. Managed as part of 5 property portfolio - vacancies exist in projects, but processing underway to certify tenants to fill units. Turnover and tenant screening practices have caused some vacancies.
Locust Lane Apartments 2003-2005 Locust Ln	<u>12 - 3 Bedroom</u> 12 Total Units	\$625-\$695 30% of income	No vacant units, waiting list	General occupancy	Rural Development subsidized two-story apartment buildings constructed in 1991. Nearly all tenants have access to rent assistance that allows rent based on 30% of income. Basic and note rents are listed - note rents are maximums charged. Manager reported no vacancies on date of survey and waiting list is kept.
Pine Tree West 2500-2506 Douglas Ave	4 - 1 Bedroom <u>44 - 2 Bedroom</u> 48 Total Units	\$403 \$452 30% of income	2 units intentionally vacant, waiting list	General occupancy	Rural Development subsidized two-story apartment buildings constructed in 1978; 4 buildings with 12 units each. Designated for general occupancy. All tenants have access to rent assistance that allows rent based on 30% of income, up to market rents listed. Owner is keeping some units intentionally vacant - companion project Pine Tree East will terminate subsidy contract within next few months and intentionally vacant units may be offered to tenants that could be displaced. Otherwise good demand and waiting list is kept.

Table 21 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized - General Occupancy					
Pine Tree East 106 E 25 th St, 2501-2503 Capital St	12 - 1 Bedroom <u>12 - 2 Bedroom</u> 24 Total Units	\$405 \$460 30% of income	No vacant units, waiting list	General occupancy	Rural Development subsidized two-story apartment buildings constructed in 1982; 3 buildings with 8 units each. Designated for general occupancy. All tenants have access to rent assistance that allows rent based on 30% of income, up to maximum rents listed. Project may terminate subsidy contract at end of 2013 and convert to market rate housing - mitigation plan may allow existing tenants to receive rent assistance Vouchers. Good demand for subsidized units and waiting list is kept.
Pineview Apartments 713 Pine St	<u>6 - 1 Bedroom</u> 6 Total Units	\$525 30% of income	1 vacant 1 bedroom unit, application processing underway	General occupancy	Rural Development subsidized two-level apartment building constructed in the 1970s. Designated for general occupancy. All tenants have access to rent assistance that allows rent based on 30% of income, up to maximum rents listed. Managed as part of 5 property portfolio - vacancies exist in projects, but processing underway to certify tenants to fill units. Turnover and tenant screening practices have caused some vacancies. Some seniors in this project but no elevator limits interest in upper floor.
River Run Apartments 902 E 11th St	1 - 1 Bedroom <u>7 - 2 Bedroom</u> 8 Total Units	\$505 \$520 30% of income	1 vacant 2 bedroom unit, application processing underway	General occupancy	Rural Development subsidized split-foyer apartment building constructed in the 1970s. Designated for general occupancy. All tenants have access to rent assistance that allows rent based on 30% of income, up to maximum rents listed. Managed as part of 5 property portfolio - vacancies exist in projects, but processing underway to certify tenants to fill units. Turnover and tenant screening practices have caused some vacancies.

Table 21 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized - General Occupancy					
Terrace Hill Apartments 2403 Cedar St	12 - 1 Bedroom <u>8 - 2 Bedroom</u> 20 Total Units	\$495-\$560 \$530-\$595 30% of income	No vacant units, waiting list	General occupancy	Rural Development subsidized two-story apartment buildings constructed in 1992. Designated for general occupancy. Nearly all tenants have access to rent assistance that allows rent based on 30% of income. Basic and note rents are listed - note rents are maximums charged. Manager reported no vacancies on date of survey and waiting list is kept.
Valley Park 2200 E Green St	16 - 2 Bedroom <u>2 - 3 Bedroom</u> 18 Total Units	30% of income	3 vacant units, waiting list	General occupancy	HUD-subsidized town house project constructed in the early 1980s. Tenants pay rent based on 30% of income. Amenities include AC, in-unit laundry hookup, patio and extra storage available. Manager reports 3 vacant units at time of survey, including 1 that was being repaired and not available for occupancy. Recent turnover caused vacancies, but waiting list is kept.
Village Green Apartments 904-906 E 13 th St	<u>32 - 1 Bedroom</u> 32 Total Units	30% of income	No vacant units, waiting list	General occupancy	HUD Section 8 apartment buildings constructed in the 1970s. Two 2-level buildings with 16 units each. Lower levels have no stairs and are popular with seniors, but project is general occupancy. Project-based rent assistance allows tenants to pay rent based on 30% of income. Unit amenities include stove, refrigerator and utilities included in rent calculation. Manager reported no vacant units at time of survey and continual advertising results in a waiting list for the project.
Walnut Hill Townhomes 1015-1021 Walnut St	12 - 2 Bedroom <u>4 - 3 Bedroom</u> 16 Total Units	\$657 \$789 30% of income	No vacant units, waiting list	General occupancy	HUD-subsidized town house units constructed in 1977 and designated for general occupancy. Tax credits awarded in 1988 for renovation, but compliance period has been met. All tenants have access to rent assistance that allows rent based on 30% of income, up to market rent listed. Manager reports full occupancy and 7-name waiting list for 2-bedrooms and 9-name waiting list for 3-bedrooms.

Table 21 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized - Senior/Disabled Occupancy					
Canyon Ridge Apartments 1700 Locust St	<u>40 - 1 Bedroom</u> 40 Total Units	30% of income	2 vacant units, 2 - 1 Bdrm waiting list	Senior/ disabled occupancy	HUD-subsidized 3-level apartment constructed in 1977 and designated for senior and/or disabled tenant occupancy. All tenants have access to project-based rent assistance that allows rent based on 30% of income. Participates in State STAR program. Manager reports 2 vacant units at time of survey but waiting list is maintained. Some pets allowed.
Evergreen Lodge Apartments 1006 Whiting Dr	10 - 1 Bedroom <u>7 - 2 Bedroom</u> 17 Total Units	30% of income	3 vacant units	Disabled/ special needs	HUD Section 8 subsidized apartments constructed in the 1980s - most tenants are disabled with hearing/vision impairments, although disability not required for occupancy. All tenants have access to rent assistance that allows rent based on 30% of income. Amenities include coin laundry, community room, elevator, and small pets allowed. Manager reported 3 vacant units at time of survey due to above-average turnover, but waiting list exists.
Marne Creek Apartments 610 W 21st St	<u>40 - 1 Bedroom</u> 40 Total Units	\$769 max. 30% of income	2 vacant units, 2 - 1 Bdrm waiting list	Senior/ disabled occupancy	HUD and Rural Development subsidized three-story apartment building constructed in 1978. Designated for senior (age 62+) and/or disabled tenant occupancy. All tenants have access to rent assistance that allows rent based on 30% of income up to maximum rent listed. Amenities include coin laundry, off-street parking, carpeted units, full size range and refrigerator, air conditioner, and small pets allowed. Units have approx. 576 sq ft. Manager reports 2 vacant units at time of survey, but waiting list exists.

Table 21 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized - Senior/Disabled Occupancy					
Meadow Park Apartments 909 Memory Lane	18 - 1 Bedroom <u>2 - 2 Bedroom</u> 20 Total Units	\$460-\$510 \$480-\$530 30% of income	No vacant units, waiting list	Senior/ disabled occupancy	Rural Development subsidized one-story apartment building constructed in 1989. Designated for senior and/or disabled tenant occupancy. Nearly all tenants have access to rent assistance that allows rent based on 30% of income. Basic and note rents are listed - note rents are maximums charged. Manager reported no vacancies on date of survey and waiting list is kept.
Memory Lane Apartments 901 Memory Lane	16 - 1 Bedroom <u>2 - 2 Bedroom</u> 18 Total Units	\$495-\$560 \$525-\$590 30% of income	1 vacant unit, 1 - 1 Bdrm waiting list	Senior/ disabled occupancy	Tax credit and Rural Development subsidized one-story apartment building constructed in 1994. Designated for senior and/or disabled tenant occupancy. Nearly all tenants have access to rent assistance that allows rent based on 30% of income. Basic and note rents are listed - note rents are maximums charged. Manager reported one vacancy on date of survey and waiting list is kept.
Orchard Square 418 W 15 th	45 - 1 Bedroom <u>15 - 2 Bedroom</u> 60 Total Units	\$573 \$632 30% of income	4 vacant units, 3 - 1 Bdrm 1 - 2 Bdrm waiting list	Senior/ disabled occupancy	HUD Section 221(d)(3) and Section 8 subsidized units for senior and/or disabled tenant occupancy; constructed in 1969. All tenants have access to rent assistance that allows rent based on 30% of income, up to maximum rent listed. Manager reported 4 vacancies on date of survey but waiting list is kept.
Sir Charles Apartments 120 W 3 rd St	<u>34 - 1 Bedroom</u> 34 Total Units	30% of income	No vacancies, waiting list	Senior/ disabled occupancy	HUD Section 8 subsidized units for senior and/or disabled tenant occupancy - building was an old hotel that was later converted to rental use. New owner in 2010 and renovation has since been completed using low income housing tax credits. All tenants have access to rent assistance that allows rent based on 30% of income. Manager reports full occupancy and a waiting list.

Table 21 Yankton Multifamily Rental Housing Inventory					
Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized - Senior/Disabled Occupancy					
Sunrise Apartments 2015 Green St	31 - 1 Bedroom <u>1- 2 Bedroom</u> 32 Total Units	\$560 \$600 30% of income	2 to 3 vacancies in Sunrise I and II, waiting list	Senior/ disabled occupancy	Tax credit and Rural Development subsidized one-story apartment building constructed in 1992. Designated for senior and/or disabled tenant occupancy. Identified as congregate housing, with noon meal delivery from senior center. Most tenants have access to rent assistance that allows rent based on 30% of income. Manager reported a few vacancies at time of survey, but demand in Yankton is generally good.
Sunrise Apartments II 2015 Green St	32 - 1 Bedroom <u>1- 2 Bedroom</u> 33 Total Units	\$560 \$600 30% of income	2 to 3 vacancies in Sunrise I and II, waiting list	Senior/ disabled occupancy	Tax credit and Rural Development subsidized one-story apartment building constructed in 1999. Designated for senior and/or disabled tenant occupancy. Identified as congregate housing, with noon meal delivery from senior center. Most tenants have access to rent assistance that allows rent based on 30% of income. Manager reported a few vacancies at time of survey, but demand in Yankton is generally good.
Walnut Hill Apartments 1015-1021 Walnut St	<u>28 - 1 Bedroom</u> 28 Total Units	\$480 max. 30% of income	No vacant units, waiting list	Senior/ disabled occupancy	HUD-subsidized apartments designated for senior an/or disabled tenant occupancy and constructed in 1977. Tax credits awarded in 1988 for renovation, but compliance period has been met. Two 2-level building with no elevator. Upper level tenants are often younger disabled people with no mobility limitations, and lower level units are occupied by seniors. All tenants have access to rent assistance that allows rent based on 30% of income, up to market rent listed. Manager reported full occupancy and 10-name waiting list.

Source: Community Partners Research

Senior Housing with Services

Specialized senior housing, which provides some level of services along with a housing unit, has been an important part of the housing inventory for most larger South Dakota communities. In Yankton, a number of projects have been developed over the last 25 years have catered to senior renters.

Under South Dakota law, the Department of Health is required to license the more service-intensive forms of senior housing, including Skilled Nursing Facilities and Assisted Living Centers. Lower-service forms of senior housing, referred to as Residential Living Centers by the State, are required to register with the Department of Health, but are not licensed and subject to the more stringent requirements, such as inspections, that apply to more service-intensive housing.

Due to the higher level of regulation, the Skilled Nursing Facilities and Assisted Living Centers can be identified through State licensing. In the case of Residential Living Centers, where registration is required but inspections are not required, it is possible that some properties are not registered.

Although there are both State and industry definitions that identify the different types of specialized senior housing, there can be some variation in how these definitions are used. For example, some senior projects may identify themselves as “independent living” rental housing for seniors, but they may be registered as a Residential Living Center with the State, implying the availability of some light services. In the opinion of Community Partners Research, the features that differentiate these units from truly independent housing are the availability of some limited services, such as a daily meal, weekly assistance with housekeeping and laundry, and similar offerings that are included in the rent package.

For the analysis that follows, Community Partners Research has grouped the housing with services providers into the following categories. Although we have attempted to clearly define each housing project by these categories, there may be some overlap in units.

- ▶ Independent senior housing with a meal option/congregate housing
- ▶ Residential Living Center/Senior housing with light services
- ▶ Assisted Living Center
- ▶ Memory Care
- ▶ Skilled Nursing Facility

Independent Senior Housing with a Meal Option

Unit Inventory

The research for this Study identified two subsidized rental projects that identify themselves as congregate housing. Sunrise Apartments and Sunrise II have noon meal delivery from the senior center.

There is one additional senior-designated project in Yankton, Canyon Ridge Apartments, that participates in the STAR Program (Service to Aging Residents). The STAR program helps residents secure outside services, but the services are actually provided by a home health care agency or similar organization, and are not provided by the apartment complex. Canyon Ridge is also a federally subsidized rental project.

Sunrise, Sunrise II and Canyon Ridge Apartments have a combined 105 rental units, primarily in one-bedroom apartments. Various subsidy programs have been used in these projects, including HUD and Rural Development subsidies, along with tax credits, to create income-based housing for lower income seniors and/or disabled tenants. Most units offer rent based on 30% of household income, making it affordable for even very low income tenants. These three projects have been listed in the rental table provided with the previous section, as part of the subsidized housing inventory.

Occupancy

Occupancy rates were generally high in each of these projects, although some turnover had resulted in unoccupied apartments at the time the survey was conducted. Each project does maintain a waiting list and any vacancies were attributed to the processing time needed to admit a new tenant.

Senior Housing with Light Services

Unit Inventory

As used in this Study, senior housing with light services defines a housing project where the basic monthly rent amount includes access to certain services, such as a daily meal(s), access to an emergency call system, and possibly other light services, such as weekly laundry service or assistance with housekeeping. Light services projects may or may not be registered with the State as Residential Living Centers. None of these light services projects identified in Yankton are registered as Residential Living Centers.

The research for this Study identified three housing projects in Yankton that meet the basic definition of offering seniors a light services unit. Combined, these projects have approximately 49 units available for seniors looking to live independently, but with possible access to certain light services. Actual person capacity could be higher, as couples may reside in some of the units.

Two of the light services projects are part of the Avera Sister James senior complex. Majestic Bluffs Senior Independent Apartments has 20 apartment units, and Sacred Heart Senior Townhomes have eight two-bedroom units. While residents in the Townhomes may not be required to utilize any specific services or meals, these options are available to them as residents of this Avera senior community.

Walnut Village is also a senior complex offering various levels of care. Twenty-one apartments, offering one-bedroom and two-bedroom rentals, are identified as more independent housing that offers lighter services units, with daily breakfast and lunch, light housekeeping every other week, and laundry services for an additional fee. Other less intensive services may also be available to residents.

Walnut Village was created in 2003 through the conversion of a former school building into senior housing. Avera Majestic Bluffs was constructed in 2001. The Avera Senior Townhomes were constructed in 2001 and 2005.

The third local provider of specialized senior housing, Autumn Winds, had once offered light services housing in its Autumn Winds East facility. However, in 2009, the 31 units in this portion of the project were converted to assisted living use, based on greater demand.

Occupancy

The lighter services units in Avera Majestic Bluffs had two vacancies at the time of the survey. Walnut Village reported four unoccupied units in the more independent side of the project, due in part to recent turnover. The Avera Senior Townhomes reported full occupancy and a low rate of turnover.

Based on the survey responses, the estimated vacancy rate in this segment was above 12%, but this rate can vary. Specialized senior housing can have a high rate of unit turnover, causing vacancies. The manager of the Avera Majestic Bluffs facility expected demand to increase as winter approaches, as seniors needing services will soon be making a decision to move.

Rental Rates

Rental rates can vary in this segment of the market, depending on what is actually included in the basic package. The monthly rates in Avera Majestic Bluffs ranged from \$1,695 to \$2,199, depending on the unit. A noon meal and other light services are included.

The lowest-priced units in Walnut Hill started at approximately \$1,500. Breakfast and lunch, along with some other light services are included in the basic package.

The Avera Senior Townhomes do not include any meals or services, but they are available for purchase. Residents of these units may not acquire any services, but the project's location near to the hospital and Majestic Bluffs makes it a higher-priced option than other forms of independent senior housing.

Assisted Living Centers

Assisted living providers are able to offer a higher level of care and services for their senior residents. Although some facilities will offer a bundled package of services with the monthly rent, and others will sell the services "a la carte", the assisted living providers are able to offer a significant assistance with daily living activities. Assisted living will have 24-hour on-site staffing, and the availability of skilled nursing. All meals are available, as well as the ability to assist with medications. In South Dakota, these facilities must be licensed as Assisted Living Centers.

Unit Inventory

There are three facilities in Yankton that are licensed as Assisted Living Centers that specifically serve the resident senior community. Autumn Winds East and West have a combined capacity for 64 assisted living residents. Walnut Village is licensed for 16 residents.

Avera Majestic Bluffs is licensed for 45 residents, although this number is greater than the number of apartments in the assisted living part of this complex. To reach a 45-person capacity would require double-occupancy, such as a married couple, living in a number of the units. The Majestic Bluffs total also includes 13 memory care units that form a specialized section of the assisted living portion of the project.

When combined, the three facilities offer approximately 106 units available for traditional assisted living. Person capacity can be greater if more than one person resides in the unit.

Yankton also has some additional facilities that are licensed as assisted living centers, however, they are not aimed at local senior residents. Instead they serve very targeted population, including people with mental illness or people meeting the definition of long-term homelessness.

The most recent addition to the senior assisted living inventory occurred in 2009 when Autumn Winds East converted from light services housing to assisted living. However, the building was actually constructed in the late 1990s. Avera Majestic Bluffs was constructed in 2001 and Walnut Village was created in 2003 when a historic school building was converted to senior housing.

Occupancy

At the time of the survey, there were four vacancies in the traditional assisted living portion of Avera Majestic Bluffs. Walnut Village reported six vacant units when surveyed. Autumn Winds reported three vacant units between the East and West buildings.

Based on the survey responses, the estimated vacancy rate in this segment was above 12%, but this rate can vary. Specialized senior housing can have a high rate of unit turnover, causing vacancies. The manager of the Avera Majestic Bluffs facility expected demand to increase as winter approaches, as seniors needing services will soon be making a decision to move.

Rental Rates

Prices can vary depending on the type of unit and the services that are included in the basic package. In Walnut Village, the lowest-priced units are at approximately \$2,700 per month. In Autumn Woods, the lowest-priced units start at approximately \$3,000 per month. In Avera Majestic Oaks, the lowest entry price was \$3,750. It is important to note that residents may often need additional services each month that are in addition to the basic package.

Medicaid Assistance for Lower Income Seniors

Lower income seniors needing assisted living may be able to secure County/State assistance through the Medicaid Waivers system. Low reimbursement rates for Medicaid Waivers make this program difficult to use for many facilities.

Autumn Winds will accept up to 20 Medicaid residents. Walnut Village is private-pay only. Avera Majestic Bluffs does not accept Medicaid Waivers in its assisted living units, but Medicare residents do live in the skilled nursing homes.

Memory Care Housing

Unit Inventory

Memory care housing represents a very specialized segment of the senior market. People with health issues due to dementia, Alzheimer's Disease, or other causes may often be housed in assisted living centers, nursing homes, or less service-intensive forms of senior housing in the earlier phases of memory loss. However, as the problems progress, it is often necessary to provide housing in special facilities that provide a secure environment and specialized care targeted to memory care residents.

The research for this Study identified only one provider of specific memory care housing in Yankton. Avera Majestic Bluffs has a dedicated memory care wing with 13 rooms and typical capacity for 13 to 15 residents, if some shared occupancy occurs. The monthly price is above \$4,300 for memory care.

In many communities, additional memory care may exist in a specialized wing of a skilled nursing home. However, with very high occupancy rates in Avera Sister James and Avera Yankton Care Center, any conversion of beds to memory care use would simply displace other seniors needing skilled nursing care.

Skilled Nursing Homes

Skilled nursing homes have historically represented the most service-intensive form of senior housing. This segment of the market has been in transition, however, as other forms of senior housing, such as assisted living, have grown in availability, and become the preferred option for many seniors. Telephone interviews with administrators of nursing homes around the region have highlighted the fact that nursing home residents are staying for shorter periods of time, and some nursing homes have designated an increasing share of their beds for short-term/rehabilitation stays.

In South Dakota, a moratorium has been in place for many years that prevent the addition of more skilled nursing beds, even in communities with high utilization rates.

Unit Inventory

There are three State-licensed skilled nursing homes in Yankton. However, one of these is the State Psychiatric Facility, as part of the correctional system, and has not been included in this analysis.

The Avera senior complex includes both the Sister James Care Center and the Yankton Care Center, with a combined 187 skilled nursing beds. In 2001, the Sister James Care Center built a new facility on the Majestic Bluffs campus. This new building replaced the beds in an older building, and did not represent an addition of licensed beds. The new facility primary offers private rooms.

In 2014, construction will start on a replacement building for the Yankton Care Center. The new facility will be located on the Avera Majestic Bluffs campus and buildings will be physically connected. Once again, the new building will replace the existing beds and will not represent an expansion of nursing home beds.

Although subject to change, the two Avera nursing homes typically have a combined 35 beds available to Medicaid recipients, representing shorter-term rehab/recovery stays. The remaining beds are generally used for longer-term occupancy.

Occupancy

Although we did not complete a formal “snapshot” occupancy survey, each facility was asked about occupancy rates. Both indicated that utilization rates are very high and a waiting list exists for occupancy. Yankton’s role as a medical center, and the location of Sister James near to the hospital, make these facilities very popular with frail seniors.

Rental Rates

No information was collected on daily rates. Rates are generally impacted by State policy on reimbursement.

Market Share for Existing Housing with Services Projects

Senior Demographics

Housing with services projects can serve seniors of any age, but typically have the greatest utilization by older seniors. A 2005 Assisted Living Center report from the South Dakota Department of Health identified 88.3% of all assisted living residents Statewide as age 75 or older. To analyze the market share for the various forms of housing in the Yankton area, Community Partners Research has focused on demographic data for older seniors, age 75 and above residing in the Greater Yankton aggregation.

The 2010 Census information provides an accurate, updated look at the area's senior population. In April 2010, there were 4,301 senior citizens (age 65+) living in Greater Yankton. This included 2,145 younger seniors, in the age range between 65 and 74 years old, and 2,156 older seniors age 75 and above.

The population of senior citizens did grow over the last decade. Between 2000 and 2010, the Greater Yankton area added 313 younger seniors, age 65 to 74, and 209 older seniors, age 75 and above.

Between 2010 and 2015, the projections used for this Study point to growth of approximately 660 additional senior citizens in the Greater Yankton area, but most of this will be due to seniors at the youngest end of the group, age 65 to 74. Fewer than 120 additional senior citizens would be projected in the age groups 75 years old and older, unless they relocate into the Yankton area from more distant locations.

One additional issue that impacts the senior population in Yankton is the presence of certain group quarters populations, including a federal prison camp and a State psychiatric facility. After examining Census data from 2010, a downward adjustment of 120 senior citizens has been made for residents of group home facilities that do not serve a resident population, but instead place people in the community due to the nature of the facility. This non-voluntary group quarters population includes an estimated 60 older seniors. This group quarters adjustment would not impact the household estimates.

After these adjustments, and incorporating the changes that have occurred between 2010 and 2013, Community Partners Research would estimate that there will be approximately 4,700 senior citizens in Greater Yankton in early 2014. Approximately 2,250 of these seniors will be in the older age groups, age 75 or older.

For senior-headed households, there were 2,685 households in Greater Yankton that had a householder age 65 or older at the time of the 2010 Census. Of these households, 1,410 had a householder age 75 or older. As with senior populations, there was a net increase in the number of senior households in the last decade, but most of the gain was due to an increase in younger senior households, age 65 to 74.

Once again, available projection data would show fairly strong growth in the number of senior-headed households through the year 2015, but this will largely be caused by an expansion of younger seniors, age 74 and younger. The growth in the number of older senior households should be much more limited. The projections used for this Study expect net growth of between 75 and 80 additional older senior households between 2010 and 2015.

The forecasts do point to net growth in the number of younger senior households, in the age range between 65 and 74 years old. A net increase of approximately 320 to 330 households would be expected within this younger senior group by the year 2015. Over the longer-term, the advancing baby boomer generation will create demand for additional specialized senior housing, but this demand is not expected until after the year 2020.

At the start of 2014, Community Partners Research estimates that there will be approximately 3,000 households age 65 and older, including approximately 1,470 households with a head-of-household age 75 or older.

Senior Housing Utilization

It is important to note that the senior demographic statistics from the 2010 Census would include seniors already residing in specialized senior housing, including nursing homes, assisted living centers, memory care facilities, and group quarters units. Adjustments to the senior population and the number of senior-headed households will be made for each of the different housing types reviewed. For example, when examining the seniors that form a potential market for an assisted living unit, it is necessary to subtract the seniors that already reside in more service intensive forms of senior housing, such as nursing homes or memory care units.

Skilled Nursing Homes

Since utilization of nursing home beds varies by short-term versus longer-term stays, some assumptions need to be applied to this segment of the market. After talking to staff at Avera, it is estimated approximately 147 to 153 skilled nursing beds are generally available for longer-term residents. These are the only traditional skilled nursing beds identified in Greater Yankton.

When these statistics are compared to the senior populations in Greater Yankton, the available supply of beds represents approximately 6.6% of the total population of older seniors (age 75+). While this is a relatively high capture rate, it is probable that the effective market area for skilled nursing beds in Yankton is larger than the area defined as Greater Yankton. This is especially true given the quality and location of skilled nursing beds, with a new Sister James facility constructed in 2001 near to the hospital, and a new Yankton Care Center scheduled to open in 2015. Very few communities have new skilled nursing homes that offer private occupancy rooms.

Despite the market potential that exists in Yankton, with its high quality nursing home options, there is a long-standing moratorium on adding beds. The rebuilt facilities in Yankton only replaced existing beds, and did not add to the total inventory. As a result, no additional capture by nursing homes would be expected in the future. To the extent that some existing beds are diverted to other uses, such as rehab/recovery, the utilization as a long-term place of residence could be lowered over time.

Memory Care Housing

Yankton has limited capacity for people needing specialized memory care housing. There is a 13-unit memory care designated area within the Avera Majestic Bluffs Assisted Living building. With the potential for some shared occupancy, this facility may house as many as 15 people.

The available memory care beds in Yankton represent approximately 0.6% of the older senior population. Since memory care represents a very specialized form of housing, no adjustment has been made for seniors residing in other forms of housing. In the opinion of Community Partners Research, 0.6% represents a low capture rate for memory care units. Since Yankton is an important regional center, it is probable that more beds/units could be filled, if they were available.

Discussions with area housing providers point to the cost and regulatory difficulties of creating specialized memory care units. Staffing, security, liability and licensing requirements all contribute to a reluctance to enter this very specialized housing segment.

In South Dakota, it appears that some of the demand for memory care housing is met through the use of nursing home beds that devote a portion of the building to memory care use. In Yankton, there is already a high rate of occupancy and a waiting list for traditional skilled nursing beds. There is, therefore, no incentive to convert existing beds to memory care use, which would simply displace other senior residents.

The conversion of skilled nursing home beds to specialized memory care is more likely to occur in smaller communities that may have a declining local senior population. However, there are no skilled nursing home beds in Yankton County outside of the City of Yankton.

Assisted Living Centers

When examining market demand for assisted living, calculations are generally compared to the population of older seniors, rather than senior households. This is because assisted living residents are generally older seniors that tend to live alone, rather than as couples or households. Yankton does have a limited number of assisted living units that can accommodate couples if they both need this form of housing.

A downward adjustment needs to be made to account for seniors that are living in a memory care unit or a nursing home on a permanent basis. This results in a potential target market of approximately 2,085 older senior citizens that would consider an assisted living unit.

The City has approximately 106 units available to serve assisted living residents. The supply of units/beds represents approximately 5.1% of the adjusted target population of older senior citizens residing in the Greater Yankton area. In the opinion of the analysts, the existing supply of units represents a relatively average capture rate within the target population. Given Yankton's importance as a regional center, it is probable that a capture rate of more than 5% could be achieved.

Although it is the analysts' opinion that the potential exists for additional assisted living units, there is limited evidence of pent-up demand in 2013. At the time of the rental survey, a vacancy rate of more than 12% was present in

the existing unit inventory. This does have the potential to change rapidly, as vacancies can sometimes be present due to the ongoing turnover that is inherent in facilities serving a frail senior population.

Housing with Light Services/Residential Living Centers

Light services units are typically compared to the distribution of all older senior households, rather than population. Housing with light services can serve a more active and independent senior, and it is more common to see couples reside in this housing, as well as single person households.

After adjusting for senior households that already reside in more service-intensive forms of housing, we would estimate the target market at approximately 1,370 older senior households in the Greater Yankton area.

The current supply of 49 light services rental units represents a market capture rate of approximately 3.6% of the primary target market. In the opinion of the analysts, this is a relatively low concentration of units. Similar to assisted living, it is probable that a capture rate of 5% or more could be achieved.

However, the rental survey completed for this Study found limited evidence of unmet demand in 2013, with an estimated vacancy rate above 12%. Once again, this vacancy rate is subject to change, as high turnover rates can result in above-average vacancy rates at any point in time.

It should also be noted that the supply of lighter services units had once been much larger in Yankton. In 2009, the 31 units in Autumn Winds East converted from light services housing to assisted living. According to the owner, this change was made due to greater demand for assisted living. Had these units remained as light services housing, the required capture rate to fill all units in Yankton would have approached 6% of the primary target market.

Table 21 Yankton Senior Housing with Services Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Senior Housing with Services					
Autumn Winds, LLC East 2905 Douglas Ave	26 - Studio <u>5 - 1 Bedroom</u> 31 Total Units 36 person ALC license capacity	\$2950 \$3195-\$3399 + additional service packages as needed	3 vacant studio units in East and West combined	Assisted Living Center	Senior assisted living project constructed in 1999 - originally for light services housing but converted to assisted living in 2009 based on demand. Basic package includes all meals, 24-hour staffing, skilled nursing staff, emergency call system, weekly housekeeping and laundry, medication assistance, cable TV, utilities and maintenance. Additional services can be purchased in set packages as needed. Project will accept up to 20 Medicaid residents - at capacity at time of survey. Three studio units vacant, but unmet demand for 1-bedroom units. Project planned for the future that will physically connect East and West buildings and will add office space, and possibly a few more 1-bedroom units.
Autumn Winds, LLC West 2903 Douglas Ave	16 - Studio 6 - 1 Bedroom <u>2 - 2 Bedroom</u> 24 Total Units 28 person ALC license capacity	\$2950 \$3195 \$3599 + additional service packages as needed	3 vacant studio units in East and West combined	Assisted Living Center	Senior assisted living project constructed in 1996. Basic package includes all meals, 24-hour staffing, skilled nursing staff, emergency call system, weekly housekeeping and laundry, medication assistance, cable TV, utilities and maintenance. Additional services can be purchased in set packages as needed. Project will accept up to 20 Medicaid residents - at capacity at time of survey. Three studio units vacant, but unmet demand for 1-bedroom units. Project planned for the future that will physically connect East and West buildings and will add office space, and possibly a few more 1-bedroom units.

Table 21 Yankton Senior Housing with Services Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Senior Housing with Services					
Avera Sacred Heart Majestic Bluffs Assisted Living 2109 11 th St	Studio 1 Bedroom <u>2 Bedroom</u> 26 Total Units	\$3750-\$4390 +care package	4 vacant units	Assisted Living Center	Senior assisted living units constructed in 2001 that are part of Avera Majestic Bluffs community which also offers independent living, memory care and skilled nursing beds. Units are in studio one and two-bedroom options with microwave and small refrigerator. Two basic care packages available in addition to basic rent range listed. Four units vacant at time of survey due to high rate of turnover. Medicaid not accepted, but VA assistance is used for some residents.
Avera Sacred Heart Majestic Bluffs Assisted Living 2109 11 th St	<u>13 Units</u> 13 Total Units with capacity for 13 to 15 residents	\$4315-\$4820	Fully occupied	Memory Care	Senior memory care units constructed in 2001 that are part of Majestic Bluffs community which also offers assisted living, independent living, and skilled nursing beds. Initially had 9 rooms, but later expanded to 13 in this specialized area. Units fully occupied.
Avera Sacred Heart Majestic Bluffs Senior Living Apartments 2109 11 th St	Studio 1 Bedroom <u>2 Bedroom</u> 20 Total Units	\$1695-\$2199 depending on unit	2 vacant units	Senior housing with light services	Independent living units constructed in 2001 that are part of the Majestic Bluffs community which also includes assisted living, memory care and skilled nursing beds. Lighter services units have kitchens, in-unit laundry and more square feet than assisted living. Residents receive noon meal, and emergency call system, and can also purchase services such as laundry, housekeeping or other meals. Tenants can age in place by adding additional care services instead of moving to a different unit. Two units vacant at time of survey and turnover can result in some vacancies.

Table 21 Yankton Senior Housing with Services Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Senior Housing with Services					
Avera Sacred Heart Senior Townhomes	<u>8 - 2 Bedroom</u> 8 Total Units	\$1800-\$1900 +utilities	No vacant units, low turnover	Independent living for seniors on Avera campus	Twin homes constructed in 2001 and 2005 and part of the Avera senior complex that includes specialized senior housing options. Units have attached double garage and yard work/snow removal included in rent. Units have 1200 sq ft and 1 bathroom or 1325 sq ft and 2 bathrooms. Residents can make \$45,000 initial deposit to lower rent to \$850 or \$900 - with deposit depleted over 5 year period to offset lower rent. Good demand and full occupancy. Land exists for more units, but none are planned.
Avera Sister James Care Center 2111 W 11 th St	114 bed skilled nursing home	N/A	High occupancy rate, waiting list	Skilled Nursing Home	Skilled nursing home that is attached Avera Majestic Bluffs senior campus. New facility constructed in 2001 replacing older nursing home. New facility has private occupancy rooms. Approximately 20 rooms are used for shorter-term Medicare stays but most rooms available for longer-term residents. High occupancy rate and waiting list.
Avera Yankton Care Center 2111 W 11 th St	73 bed skilled nursing home	N/A	High occupancy rate, waiting list	Skilled Nursing Home	Older skilled nursing home that was acquired by Avera Sister James, and not on the Avera campus. Construction will start in 2014 on new facility to replace the beds in current home. New building will be physically attached to Sister James and Majestic Bluffs senior campus and will open in 2015. New facility will have private occupancy rooms. Approximately 15 rooms are currently used for shorter-term Medicare stays but most rooms available for longer-term residents. High occupancy rate and waiting list.

Table 21 Yankton Senior Housing with Services Inventory					
Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Senior Housing with Services					
Walnut Village Independent Apartments 613 Walnut St	1 Bedroom <u>2 Bedroom</u> 21 Total Units	\$1505-\$2160 depending on unit	4 vacant units	Senior Housing with Services	Senior housing community offering assisted living and light services housing. Project opened in 2004 when former high school was converted to senior housing. Independent living includes breakfast and noon meal, and light housekeeping every other week. Additional meals and light services such as laundry can be purchased a la carte. Residents needing more advanced services must move into assisted living. Monthly rent is within range listed, depending on unit size and type. Some units have laundry hookup, and some garages available. Building amenities include activities, scheduled transportation, community rooms, and guest suite. Manager reports 4 unoccupied units at time of survey, due in part to recent turnover.
Walnut Village Apartments Assisted Living 613 Walnut St	12 - Studio <u>4 - 1 Bedroom</u> 16 Total Units	\$2670-\$3095 +additional services as needed	6 vacant units	Assisted Living Center	Senior housing community offering assisted living and light services housing. Project opened in 2004 when former high school was converted to senior housing. Assisted Living license is for 16 beds. Includes all meals, 24-hour staffing, laundry, housekeeping, emergency call system, medication dispensing and access to skilled nursing. Building amenities include activities, scheduled transportation, garages, community rooms, and guest suite. Assisted living packages are within price range listed - with more intensive services purchased as needed. Manager reports 6 unoccupied units at time of survey. Project is private-pay.

Source: Community Partners Research

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.

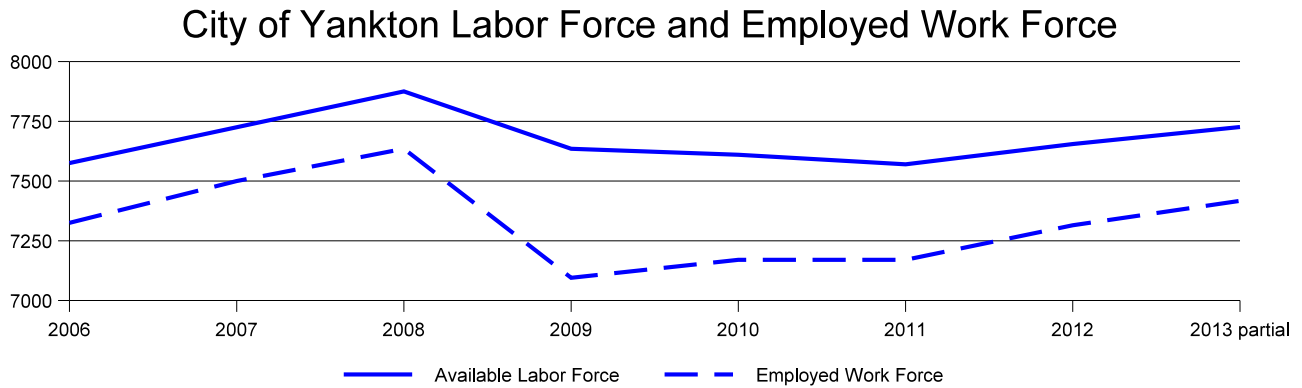
Employment opportunities may be provided by a broad range of private and public business sectors. Jobs may be available in manufacturing, commercial services, agriculture, public administration, and other industries. The type of employment, wage level, and working conditions will each influence the kind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

The City of Yankton has been aggressively pursuing economic development and job growth. While working on attracting new business to the area, the City has also worked with existing businesses to facilitate job expansion in the communities.

Employment information is available at the City level for Yankton, and at the County level. The first table displays information for the City of Yankton, while the second table contains data for the Four-County area that includes Yankton, Bon Homme, Cedar and Knox. Information for Yankton has only been available since 2006. The labor force statistics in the tables below track people by place of residence, rather than place of employment.

Table 32 Yankton Average Annual Labor Statistics: 2006 to 2013*						
Year	Labor Force	Employed	Unemployed	Unemployment Rate - City	Unemployment Rate - SD	Unemployment Rate - US
2006	7,575	7,325	250	3.3%	3.1%	4.6%
2007	7,725	7,500	225	2.9%	2.9%	4.6%
2008	7,875	7,635	240	3.0%	3.0%	5.8%
2009	7,635	7,095	540	7.1%	5.2%	9.3%
2010	7,610	7,170	440	5.8%	5.1%	9.6%
2011	7,570	7,170	400	5.3%	4.8%	8.9%
2012	7,655	7,315	340	4.5%	4.4%	8.3%
2013*	7,726	7,417	309	4.0%	4.0%	7.5%

Source: South Dakota Department of Labor
 * 2013 information is for January through October



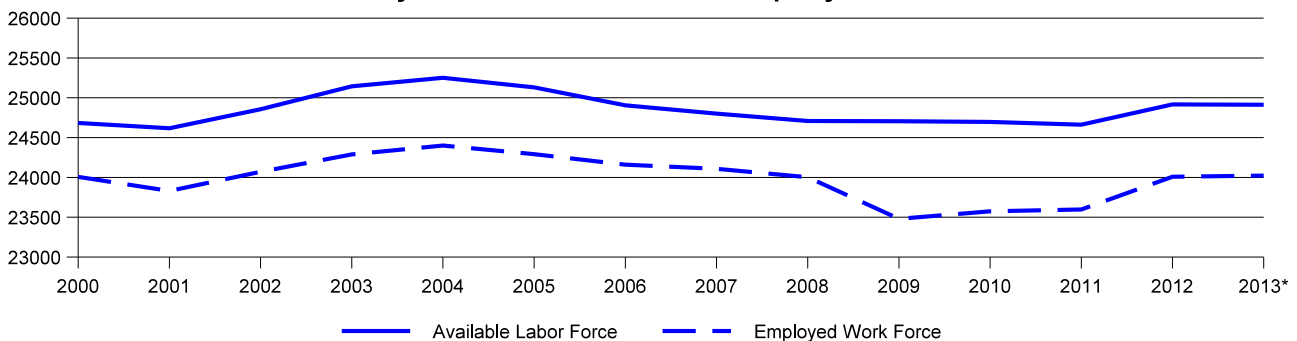
Yankton has experienced some fluctuation in recent years in the available labor force and the employed work force. Between 2006 and 2012, the last full year of data, the City’s labor force decreased by 1.1%, or 80 people. However, the resident labor force reached its recent peak in 2008, before declining in size in 2009. Through the first 10 months of 2013, the labor force has been growing when compared to 2012.

The same basic pattern was evident in the employed work force. The highest level of employment in the City occurred in 2008, before dropping in 2009. Although only partial year data exist for 2013, the employed workforce has grown since 2012, and is continuing a growth pattern that started after 2009.

Year	Labor Force	Employed	Unemployed	Unemployment Rate - County	Unemployment Rate - SD	Unemployment Rate - US
2000	24,684	24,007	677	2.7%	2.7%	4.0%
2001	24,617	23,830	787	3.2%	3.1%	4.7%
2002	24,856	24,071	785	3.2%	3.3%	5.8%
2003	25,144	24,289	855	3.4%	3.5%	6.0%
2004	25,250	24,400	850	3.4%	3.7%	5.6%
2005	25,130	24,292	838	3.3%	3.7%	5.1%
2006	24,905	24,160	745	3.0%	3.1%	4.6%
2007	24,801	24,108	693	2.8%	2.9%	4.6%
2008	24,709	24,003	706	2.9%	3.0%	5.8%
2009	24,705	23,480	1,225	5.0%	5.2%	9.3%
2010	24,696	23,574	1,122	4.5%	5.1%	9.6%
2011	24,662	23,598	1,064	4.3%	4.8%	8.9%
2012	24,917	24,008	909	3.6%	4.4%	8.3%
2013*	24,912	24,022	890	3.6%	4.0%	7.5%

Source: South Dakota Department of Labor
 * 2013 information is for January through October

Four-County Labor Force and Employed Work Force



Yankton represents more than 30% of the entire labor force for the Four-County area, and the patterns for this larger region are generally similar to those in the City. Over a longer time period, there has been some growth in

the area's labor force and employed work force, however, the levels have fluctuated from year to year. Between 2000 and 2012, the last full year of information, the size of the resident labor force increased by only 233 people, or 0.9%. The employed work force has remained almost unchanged over that longer time period.

However, the lowest level for employment was reached in 2009, during a period of national economic recession. Since that time, the employed resident work force has grown by nearly 530 people, and has returned to the level that existed in 2008.

Although information for 2013 is only through the end of October, it appears that labor statistics for the entire Four-County area will be very comparable to 2012.

Since 2002, the unemployment rate in the Four-County has stayed below the Statewide rate. The Statewide unemployment rate has consistently remained well below the national average.

Average Annual Wages by Industry Sector

The following table shows the annual employment and average annual wages by major employment sector in 2012, the last full year of data. It is important to note that the major employment sectors listed do not represent all employment in the County.

This information is for all of Yankton County. Covered employment and wages are based on the location of the job, not the residency of the worker.

Table 34 Yankton County Average Wages by Industry Detail: 2012		
Industry	2011 Employment	2011 Average Annual Wage
Total All Industry	12,352	\$35,019
Natural Resources, Mining	72	\$37,311
Construction	448	\$33,492
Manufacturing	2,940	\$42,544
Trade, Transportation, Utilities	2,317	\$27,774
Information	146	\$31,145
Financial Activities	468	\$53,853
Professional and Business Services	676	\$33,996
Education and Health Services	2,005	\$42,208
Leisure and Hospitality	1,156	\$11,340
Other Services	256	\$20,381
Government	1,869	\$37,316

Source: South Dakota Department of Labor

The average weekly wage for all industry in 2012 was \$35,019. The highest paying wage sectors were Financial Activities, Manufacturing and Education and Health Services, each with an annual average wage above \$42,000. Manufacturing and Education and Health Services were also two of the largest industry sectors for number of employees.

The lowest paying wage sector was Leisure and Hospitality, with an average annual wage of only \$11,340.

Major Employers in Yankton

The Community Profile for Yankton lists the following major employers with 100 or more employees. Most of this information is from the website maintained by the Governor's Office of Economic Development.

- ▶ Avera Sacred Heart Hospital
- ▶ SD Human Services Center
- ▶ Hy-Vee Food Stores
- ▶ Yankton School District
- ▶ Kolberg-Pioneer, Inc.
- ▶ WalMart
- ▶ Sapa Extrusion, Inc.
- ▶ Yankton Medical Clinic, PC
- ▶ Vishay Dale Electronics
- ▶ First National Bank of Omaha
- ▶ Wilson Trailer Company
- ▶ Cimpl Meats, Inc.
- ▶ Shur-Co
- ▶ Gehl Power Products
- ▶ Baldwin Filters, Inc.
- ▶ Applied Engineering, Inc.
- ▶ City of Yankton
- ▶ Mount Marty College
- ▶ First Dakota National Bank

Source: Governor's Office of Economic Development

Commuting Patterns of Area Workers

Only limited information is available on area workers that commute for employment. The best information is from the 2011 American Community Survey, and has been examined for the City of Yankton. This table only examines travel time for Yankton residents, and excludes people that work at home.

Table 35 Commuting Times for Yankton Residents - 2011		
Travel Time	Number	Percent
Less than 10 minutes	3,492	51.7%
10 to 19 minutes	2,437	36.1%
20 to 29 minutes	230	3.4%
30 minutes +	599	8.8%
Total	6,758	100%

Source: 2011 American Community Survey 5-year estimates

The large majority of Yankton residents were commuting less than 20 minutes to work in 2011. Overall, nearly 88% of residents commuted less than 20 minutes to work. Fewer than 9% of the City’s residents did commute a half hour or more for employment.

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

Table 36 Commuting Times for Yankton Employees - 2011		
Travel Time	Number	Percent
Less than 10 minutes	3,554	35.6%
10 to 19 minutes	3,430	34.3%
20 to 29 minutes	1,201	12.0%
30 minutes +	1,805	18.1%
Total	9,990	100%

Source: 2011 American Community Survey 5-year estimates

For people that traveled to Yankton for employment, more than 30% traveled 20 minutes or more. Overall, approximately 4,000 people traveled to Yankton from these greater distances, including more than 1,800 people that traveled 30 minutes or more. However, most Yankton workers had a commute time of 19 minutes or less, and would either be City residents, or were living reasonably close to the City.

Regional Unemployment and Wage Rates

The City of Yankton, like many of the other employment centers in South Dakota, has a concern about maintaining an adequate labor force. As existing businesses look to expand, or new businesses look to locate into the community, potential worker shortages could become an issue. In addition to labor force and employment information for Yankton and the surrounding area, information has also been collected for the larger region and neighboring states. Information is presented for 2012, the last full year of available data.

Table 37 Regional and State Unemployment Data - 2012			
Area	Number of Unemployed - 2012	Unemployment Rate - 2012	2011 Average Annual Wage all Industry
Yankton	470	4.0%	\$35,019
Aberdeen/Brown	770	3.6%	\$36,262
Brookings/Brookings	710	3.8%	\$36,774
Huron/Beadle	345	3.5%	\$34,041
Mitchell/Davison	385	3.3%	\$33,739
Pierre/Hughes	350	3.4%	\$37,005
Vermillion/Clay	295	4.0%	\$31,976
Watertown/Codington	620	3.8%	\$34,343
Sioux Falls MSA	5,380	4.1%	\$41,010
Sioux City MSA	4,100	5.3%	\$35,082*
South Dakota	-	4.4%	\$36,533
Nebraska	-	3.9%	\$39,260
Minnesota	-	5.6%	\$49,348
Iowa	-	5.2%	\$40,352

Source: Various sources including State Departments of Labor and the Federal Bureau of Labor Statistics

* Woodbury County, Iowa portion only

For calendar year 2012, the last full year of employment data, the national unemployment rate was at 8.3%. All of the regional entities reviewed had an unemployment rate that was well below the national average. The State of Minnesota, with an unemployment rate of 5.6%, was the highest of the jurisdictions examined.

The average annual wage data is from the Quarterly Census of Employment and Wages (QCEW) and represents the average pay for all employed workers within the jurisdiction. It does not represent any estimate of the pay that is being offered for available jobs. However, it does provide some perspective on the overall wage conditions that exist.

The average annual wage in Yankton County in 2012 was below the Statewide average by approximately \$1,500 annually. However, it was higher than in some of the other large communities in the area, including Huron, Mitchell, Vermillion and Watertown. The average wage in Yankton County was lower than those reported in larger area jurisdictions, including the Sioux Falls MSA, Aberdeen and Brookings.

The average annual wage in South Dakota was the lowest of the five States examined. The highest average annual wage in 2012 was in the State of Minnesota. This average wage was more than \$14,000 higher than the average wage in Yankton County.

Summary of Findings/Recommendations

The findings/recommendations for the City of Yankton have been formulated through the analysis of the information provided in the previous sections. These findings/recommendations have divided into the following categories:

- ▶ **Rental Housing Recommendations**
- ▶ **Home Ownership and Single Family Housing Recommendations**
- ▶ **Housing Rehabilitation and Neighborhood Revitalization**
- ▶ **Other Housing Issues**

The findings/recommendations for each category are as follows:

Findings and Recommendations for the City of Yankton	
Rental Housing Recommendations	
1.	Market Potential to Develop 50 to 60 Moderate Rent Conventional Market Rate Rental Housing Units
2.	Market Potential to Develop 30 to 40 Higher-Priced, High Amenity Conventional Market Rate Rental Housing Units
3.	Recommended Development of 50 to 60 Tax Credit/Moderate Income Rental Housing Units rental units
4.	Monitor the Need for Additional Subsidized Rental Housing Development and Work to Preserve Existing Projects
5.	Promote a Limited Expansion of Certain Senior Housing with Services Units
6.	Promote Opportunities to Provide Housing with Services in Subsidized Housing
7.	Consider Innovative Program Efforts to Assist Renter Households
8.	Housing opportunities in the downtown area

Findings and Recommendations for the City of Yankton	
Home Ownership and Single Family Housing Recommendations	
9.	Most demand for single family home construction will continue to be for moderate to higher priced housing
10.	Promote affordable new home construction using available resources and incentives
11.	Promote townhouse and twin home development
12.	Monitor lot availability and promote additional residential lot development to meet expected demand
13.	Utilize and promote all programs that assist with home ownership
14.	Explore the creation of a local down payment assistance program
15.	Coordinate with agencies/nonprofits that develop very affordable ownership housing
Housing Rehabilitation and Neighborhood Revitalization	
16.	Promote rental housing rehabilitation programs
17.	Promote owner-occupied housing rehabilitation programs
18.	Consider the development of a program to promote the purchase and rehabilitation of older homes
19.	Consider the development of a Neighborhood Revitalization Program
20.	Acquire and demolish dilapidated structures
21.	Investigate the possibility of implementing a rental inspection program
Other Housing Initiatives	
22.	Promote employer involvement in housing programs
23.	Develop mobile home programs
24.	Create a plan and a coordinated effort among housing agencies

More detail on these recommendations is provided in the following section. Prior to the specific recommendations, a summary of some of the key growth-related findings and projections has been presented.

Summary of Growth Trends

The Demographic section of this report has presented information on the recent estimates and past trends for the City of Yankton, and a larger aggregated area of smaller jurisdictions in South Dakota and Nebraska that surround the City. In general terms, the City of Yankton and a few immediately contiguous jurisdictions have demonstrated a consistent pattern of growth in recent decades, adding both population and households.

However, the larger geographical area, defined as Greater Yankton, has generally been losing population and households if select jurisdictions, including Yankton, Utica Township and West Yankton UT are moved from the aggregation. Consistent with demographic patterns that have been evident elsewhere in South Dakota, there has been an ongoing consolidation of people living in or near the State's regional centers, as more rural and remote areas experience a gradual reduction of residents.

Yankton's past rate of household growth has been reasonably consistent. The City had a net gain of 540 households between 2000 and 2010, 392 households in the 1990s, and 514 households in the 1980s. The City's population level has also grown in each of the past three decades.

While the City has continually added population and households, the average household size has been gradually declining, as an aging population and fewer children have resulted in smaller households. At the time of the 2010 Census, the City's average household size was 2.17 persons, down from an average of 2.49 persons that had existed in 1980. The number of one and two-person households accounted for most of the net household gain over the last decade.

The Census Bureau's most recent population estimates are effective for July 1, 2012. These estimates showed Yankton adding only 84 people between 2010 and 2012. There are no intercensal household estimates, but it is possible to extrapolate some basic household information from the population data. For the City of Yankton, the population change would indicate net growth of approximately 40 to 45 households. This estimate would be generally consistent with building permit data which showed 48 traditional housing units constructed in Yankton in 2010 and 2011. Annual net household growth of only 20 to 25 households, if sustained for the remainder of this decade, would be well below the level of growth achieved over the prior 30 years.

With very limited excess housing capacity in the City of Yankton, future population and household growth will generally be dependent upon a commensurate level of housing unit creation.

Growth Projections Overview

A primary method for projecting future household growth is based on the continuation of past trends and patterns. For the aggregated area defined as Greater Yankton, the projections created by Community Partners Research expect the addition of approximately 300 households over the five-year projection period between 2010 and 2015. On an average basis, this would be approximately 60 additional households per year. This annual incremental growth through 2015 is also a reasonable indicator of the probable change that would be expected between 2015 and 2020.

Although this growth projection is for the entire Greater Yankton aggregation, these additional households will probably be located in and immediately around Yankton. The annual growth potential for Yankton, West Yankton UT and Utica Township would be as high as 75 households per year. Probable losses in most of the remaining jurisdictions would then reduce the growth total for the entire Greater Yankton area.

For the City of Yankton, average annual household growth has the potential to be as high as 55 to 60 households per year. The areas just outside the City, including West Yankton UT and Utica Township, would have the potential to add 15 to 20 households per year.

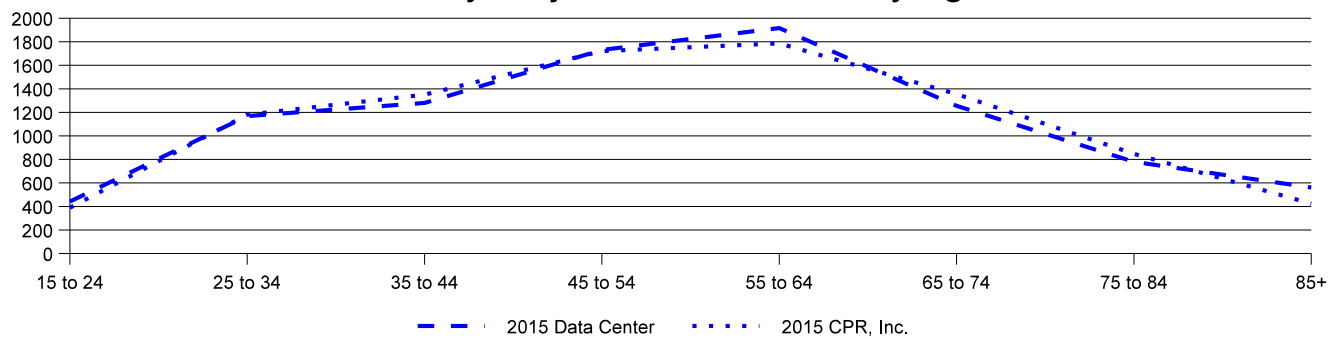
For household growth in Yankton to occur at the projection levels used in this Study, some rebound will be required in new housing construction activity. The City has not added 60 or more housing units in a single year since 2008. Over the past five years, the number of conventional housing units added each year has averaged fewer than 30 units, less than half of the growth potential indicated by past demographic patterns.

Summary of Growth Projections by Age Group

The Demographic section of this Study presented projection information on anticipated changes by age group over the next few years. This information can be informative in determining the housing changes that may be needed due to age patterns of the area population.

There are two age-based projection sets that have been examined. Both of these are for all of Yankton County. One was derived from recent population projections issued by the South Dakota State Data Center. Although these are population projections, they can be converted into household forecasts, based on past household formation trends. The second set of age-based projections was formulated by Community Partners Research, using the detailed demographic data contained in the 2010 Census, and projecting this information forward to the year 2015.

Yankton County Projected Households by Age in 2015



Although the two forecasts do have some minor disagreement on probable changes, they are generally very similar in the expected changes that will occur in the next few years, as can be seen in the line chart above that shows the age distribution projections.

These age-based projections have been based on Yankton County since it allows the incorporation of forecasts from the State Data Center. Since the Greater Yankton aggregation represents parts of four counties in two different states, no official State projections could be found for the Nebraska portion.

Community Partners Research, Inc., did prepare its own projections for the Greater Yankton area, and they tend to show the same basic trends as those evident in all of Yankton County. Nearly all of the net growth in households at either the County or Greater Yankton level will be due to an increase in households in the age ranges between 55 and 74 years old. This change follows the migration of the baby boom generation through the aging cycle.

Since the younger age groups are not as large as the advancing baby boomers, there will probably be an overall reduction in the number of households age 54 and younger. This net reduction will be especially large in households in the 10-year range between 45 and 54 years old.

The following ranges show the expected net change in the number of Yankton County households in each 10-year age cohort between 2010 and 2015. The first column reflects the changes derived from the medium series population projections from the State Data Center. The second column reflects the change from the projections by age as calculated by Community Partners Research.

<u>Age Range</u>	<u>Projected Change in Households</u>
	<u>2010 to 2015</u>
15 to 24	+23 to -30
25 to 34	-45 to -33
35 to 44	-47 to +24
45 to 54	-213 to -223
55 to 64	+312 to +181
65 to 74	+196 to +296
75 to 84	+6 to +73
85 and Older	+133 to -4

While there are some numeric differences within the projections for 10-year age ranges, these are less evident when grouped into larger aggregated groups. Both projection sources expect a net reduction of households in the age groups under 55 years old. Both show large net growth in the 20-year age cohort between 55 and 74 years old. Both show growth among senior citizens, but primarily due to younger seniors, under the age of 75.

While projections can be informative in planning for future changes, it is important to note that they may be altered in the future. To the extent that the Yankton area can attract in-migration to fill available job openings, the demographic profile of future residents may not always match historical patterns, and it is possible that more young adults may move to the area.

Summary of Housing Unit Demand and Tenure Projections

As the largest city in Yankton County and the immediate area, Yankton has developed a diverse range of housing options for area residents. This is most evident in rental housing, as Yankton contains more than 75% of all renter households in the aggregated area defined as Greater Yankton, and nearly 83% of all renter households Countywide. However, Yankton has also been successful as a location for new single family home construction.

Between 2000 and 2010, net changes in tenure closely followed historical patterns. Yankton added 334 owner-occupancy households and 206 renter-occupancy households. As a result, the City's home ownership rate remained unchanged at 61.9%, and a rental rate of 38.1%.

Although Yankton did add 334 owner-occupancy households, the level of home owner growth was lower than the level of single family housing unit construction. Housing units issued a building permit between 2000 and 2009 would probably have completed construction and been available for occupancy by the time the 2010 Census was completed. During the ten-year period from 2000 through 2009, building permit issuance in Yankton showed construction of 445 single family attached and detached units, approximately 110 units greater than the number of owner-occupancy households. If the Census tenure counts are accurate, actual new home construction during the last decade exceeded the growth in home ownership demand from permanent residents.

There also appears to have been some level of overproduction of rental units over the last decade. Between 2000 and 2009, approximately 310 rental units can be identified from building permit reports that would be available for occupancy by a household, rather than a group quarters resident. This level of production did exceed the level of renter-occupancy growth as tracked by the Census, by approximately 100 units.

The potential overproduction of both owner and renter-occupancy units during the peak construction years of the last decade may help to explain the construction slowdown that has been evident after 2008.

Looking forward, there are multiple methods available for converting projected household growth into expected tenure preference. These methods include historic tenure patterns, tenure patterns for the past few years, and the projected tenure preferences among households in the different age groups.

Age-based forecasts would show above-average demand for home ownership, and below-average demand for rental housing going forward. The age ranges that are growing in size tend to have very high rates of home ownership, and growth within these age cohorts would point to an ownership preference. However, this same pattern should have been present in the past, but was not evident between 2000 and 2010. As a result, greater weight has been placed on the tenure projections based on historic patterns.

In the Yankton area, any calculations based on past trends tend to generate reasonably similar tenure forecasts, with growth-generated demand for approximately 37 to 46 owner-occupancy units per year, and approximately 23 to 29 renter-occupancy units annually. These calculations are relatively similar when based on long-term or short-term tenure preference patterns.

While household growth will be the primary demand-generator for new construction, there are other factors that will also contribute to the need for more housing. Over the last decade, annual construction of owner-occupancy housing units was greater than owner household growth, implying that unit replacement and pent-up demand may also have contributed to the need for new construction. However, some level of overbuilding may have occurred, possibly contributing to a construction slowdown over the past five years. As a result, we have made only a minor upward demand adjustment for unit replacement or pent-up demand for owner-occupancy housing, bringing the annual projected range to 40 to 50 owner-occupancy units per year.

For rental housing, some upward adjustment does need to be applied for existing, pent-up demand that is evident in the low rate of rental housing vacancy. Including some allowance for pent-up demand and unit replacement, the potential exists for an additional 8 to 10 rental units each year during the five-year projection period. When added to growth-generated demand, the estimated cumulative rental unit potential reaches approximately 31 to 39 units per year, or a five-year total of 155 to 195 rental units.

The demand for owner-occupancy units will exist both inside and outside the city limits of Yankton, especially in the lake areas and rural settings that surround the City. Demand for rental units will be primarily oriented to Yankton. Any rental growth outside of the two cities would generally only occur when a unit is converted from owner to renter-occupancy.

It is important to note that we have estimated potential demand in the Yankton area. In the specific recommendations that follow, we have made an actual construction forecast that also incorporates current economic and market conditions, which have recently suppressed building activity to a lower level than potential demand would indicate.

It is also probable that the five-year projections will not necessarily result in a consistent level of annual construction. Since 2009, single family housing unit construction in Yankton has been averaging fewer than 30 units per year in Yankton, and in some years, fewer than 30 homes have been added in the City and adjoining rural areas. However, when viewed over a five-year period, these annual variations should result in an average that is closer to the projections identified in this Study.

Over the past six years, rental production has not been close to the demand forecasts contained in this Study. The last significant infusion of rental housing occurred in 2008, when the second phase of Hillcrest East was constructed, adding 32 conventional units to the community.

However, between 2000 and 2008, Yankton was averaging more than 20 new rental units per year. This infusion of units into the rental stock helped the City to maintain a stable tenure rate over the last decade.

Summary of Employment and Economic Conditions

As detailed in a previous section of this Study, Yankton has had a strong local economy, especially when compared to other parts of the U.S. The City's unemployment rate has been well below the national rate for more than a decade, and in most recent years, the unemployment rate in the City has been generally comparable to the Statewide rate.

Although the City's unemployment rate has remained relatively low, there has been some up and down movement. The most notable recent change occurred between 2008 and 2009, when the unemployment rate went from 3.0% to 7.1%. The unemployment rate has continued to drop since reaching a recent peak in 2009, and was at 4.0% through the first ten months of 2013.

Single family housing construction patterns and home values are directly linked to economic activity and consumer confidence. As national economic conditions deteriorated in the late 2000s, housing markets also slumped. While Yankton's unemployment rate has been lower than the national average, the fluctuations in unemployment over the past six years appear to have had some ripple effect on housing, especially the number of single family houses being constructed.

The accuracy of demand projections and housing forecasts contained in this Study will be impacted by the local economy. In 2013, the local economy is strong, although Yankton's resident labor force and employed work force is still slightly smaller than the levels that had existed in 2008. Although larger-scale negative employment changes would not be expected in the Yankton area, housing demand will be directly impacted by any future changes in the local economy.

Rental Housing Recommendations

Overview: Yankton has a relatively large supply of rental housing. This is a direct result of the City's role as a regional center, providing rental opportunities for area residents from multiple surrounding counties.

At the time of the 2010 Census, approximately 38% of Yankton's households were renting their housing. This rental tenure rate was unchanged from the year 2000, as the proportional gain of owners and renters between 2000 and 2010 was closely matched to long-term tenure patterns.

As the largest City in the immediate region, Yankton also has a diverse rental inventory, with a broad mix of units serving different income levels and age groups. Despite the strength of the rental market, and the growth of housing demand over the last decade, the actual construction of new rental units has been very limited over the past five years. After averaging more than 20 new rental units per year between 2000 and 2008, there has been no significant addition of rental housing in Yankton over the past five years.

Looking forward, the potential demand calculations used for this Study show the need for 155 to 195 units of rental housing over a five-year projection period. These recommendations are primarily based on projected growth, but also reflect some allowance for unit replacement, and pent-up demand from under-served segments of the local market.

Rental Rate Distribution of Recommended Units

In the section above, an overall demand-based recommendation was made for rental unit production. Information from the American Community Survey can be analyzed to better define an ideal distribution of units, based on the ability to pay of area renters.

Please note that this is largely a theoretical discussion, as most renters would need a lower-priced unit. However, production of lower-priced units is generally not practical, given economic considerations of new housing construction. But restrictions on the ability-to-pay do help to define some of the limitations that apply as the area attempts to address rental demand and add to their supply of affordable rental housing.

- ▶ More than 46% of all current renter households have an annual income below \$20,000 and an affordable unit would be defined as a gross rent below \$500 - this would include many renters currently living in income-based housing

- ▶ Approximately 15% of current renters would need an affordable unit priced between \$500 and \$650 per month
- ▶ Approximately 15% of renters would need a moderately-priced unit between \$650 and \$900 per month - this range is often consistent with the market rate rental inventory that is 10 or more years old
- ▶ Approximately 23% of renter households can afford \$900 or more for rent, although many choose to apply a smaller percentage of their income for housing - this higher-rent group could potentially be expanded by current home owners that would opt for a high quality rental unit as a lifestyle option

Recognizing the income limitations of area renter households has an impact on the number and type of units that can be constructed. Even though more overall demand may exist, the predicted income distribution of future renter household growth would generally be similar to these established income patterns.

1. Market Potential to Develop 50 to 60 Moderate Rent Conventional Market Rate Rental Housing Units

Findings: The majority of the rental housing in Yankton can be classified as conventional housing, serving general occupancy, market rate renters. These units are free of any specific occupancy restrictions or income limits. Conventional, market rate housing does not typically have any form of rent controls, other than those imposed by the competitive marketplace.

There is no definitive summary of total rental units in Yankton. However, based on the research completed for this Study, Community Partners Research estimates there are approximately 2,500 total rental units in Yankton in 2013. Approximately 1,500 to 1,550 of these units, or 61%, are best described as conventional, market rate rental housing. To the best of our knowledge, nearly all of these are for general occupancy, although a few may be age-restricted to 55 and older occupancy.

Most of the conventional market rate housing in Yankton would generally be described as having a moderate rent structure. The rental survey found the following prevailing gross rent ranges in the City, representing a majority of the units surveyed.

<u>Unit Type</u>	<u>Prevailing Rents Majority of Units</u>
Efficiency/Studio	\$350-\$410
One-bedroom	\$450-\$550
Two-bedroom	\$550-\$725
Three-bedroom	\$700-\$925

Most of the units within these moderate rent ranges represent older housing. While some units may have been constructed in the 1990s, most of the moderate rent stock would be older, with construction from the 1960s to the 1980s.

The economics of future rental housing construction will force most new market rate units into higher rent ranges than otherwise exist in the older rental stock. The most recent conventional project constructed within a more moderate price range was Fox Run Apartments, built in 2006. In this property, two-bedroom gross rents would be within a range of approximately \$800 to \$850 per month.

The only other conventional units that can be identified since the year 2000 are in the higher-rent segment of the market, which will be discussed in the next specific recommendation, or in smaller projects, that have fewer than 25 combined units. These smaller projects generally offer single family-style rental options, in town house or cottage units. Rents tend to be higher for these units, due to the single family living amenities that are offered.

The rental telephone survey that was completed for this Study collected information from 30 different market rate rental projects in Yankton. Combined, these projects had 466 conventional rental units. Most of the units in the survey were multifamily buildings, although some property owners with clusters of mobile homes or single family rentals were also contacted. The surveyed units represented approximately 30% of the estimated market rate stock in the community.

There were 19 vacant units reported to the survey of the 466 used in the occupancy calculation. This represents a vacancy rate of 4.1%. However, this number was directly impacted by responses from two specific property owners that reported most of the vacancies. If these two owners are excluded, the vacancy rate would have dropped below 2%.

One of the property owners with multiple vacancies was renting mobile homes. While no attempt was made to actually view these units, condition and quality may have been a contributing factor to the occupancy issues in these mobile homes.

The other property owner with multiple vacancies talked about insufficient demand to fill his apartment units in various apartment buildings. This report of insufficient demand varied greatly from other property owners/managers contacted by the survey, many of whom reported their reluctance to publicly advertise available units, due to the large volume of inquiries that would be generated.

It should be noted that although some additional vacant units were reported, even when the two property owners were excluded, these were generally units that had recently turned over. Most property owners/managers talked about strong overall demand. A number of the owners/managers contacted stated that they generally fill units by word-of-mouth, rather than through public advertising.

While the goal of the rental survey was to contact multifamily rental properties, some limited information was obtained on single family rentals. In general, single family rentals are a popular option for people looking for rental housing, and there were no indications that vacancy rates would differ significantly within this segment of the market.

A commonly used standard is that a vacancy rate between 3% and 5% is considered acceptable, to offer some degree of unit choice while still providing rental property owners with a good return on their investment. The estimated vacancy rate that we found in our survey was below this level, indicating that some pent-up demand does exist, and part of the unit recommendation in this Study is based on adding to the overall supply to promote choice for existing renter households.

Occupancy rates in the City's newest moderate rent projects are high. In general, property owners/manager that offer a good quality, well maintained units reported no difficulty keeping their units full. Some talked of low turn over, with many long-term tenants, probably due to the limited choices that exist elsewhere in the local market.

Recommendation: The overall demand calculations show that the Yankton area will need between 155 and 195 total rental units over a five-year forecast period. We have allocated approximately 50 to 60 of these units into a more moderate rent, conventional segment of the market.

While unit rents would still be higher than the prevailing rates for older housing in the community, these proposed units should have the ability to serve more moderate income renter households. Target rents would generally be below \$700 for a one-bedroom unit, and below \$900 for a two-bedroom apartment.

To achieve a more affordable rent structure, these units will probably need to be smaller in size, and would not offer the same types of amenities available in more luxury style housing.

There have been numerous examples of more moderate rent apartments that have been constructed in other South Dakota cities including Aberdeen, Mitchell and Sioux Falls. These units will often have less than 700 square feet of living space in a one-bedroom unit, and less than 1,000 square feet in a two-bedroom unit. However, they may contain an in-unit laundry hookup, an elevator in the building, some community spaces and similar features that make the building attractive for conventional renter households willing to pay more for new, good quality housing.

The research for this Study indicated that the most comparable units within this segment of the market have a gross rent structure that is between \$0.90 and \$1.10 per square foot. The highest rent per square foot is generally being achieved in one-bedroom units, while the lower end tends to reflect the larger two and three-bedroom options. Fox Run, the most comparable property in Yankton, has estimated gross rents below \$1.00 per square foot for two-bedrooms and below \$0.90 per square foot for three-bedrooms.

Although these are described as more moderate rent units, the gross rental rate per square is generally very similar to the prices being achieved in more luxury-style rental housing. The difference is that the higher-end units tend to be significantly larger, in addition to offering more features and amenities. The more moderate market segment tends to achieve a lower overall unit rent by offering a less spacious unit.

The renter household income estimates for Yankton indicate that between 25% and 30% of the current renter households in Yankton can afford to pay a rent of \$800 or more. The actual distribution of current units within this price range is probably less than 15%. As the community grows, serving this moderate rent segment will be an important part of the effort to provide quality housing at a more affordable price.

While the actual construction of these units could be phased in over the five-year period, the scale of this recommendation probably will be accomplished in one or two development phases.

2. Market Potential to Develop 30 to 40 Higher-Priced, High Amenity Conventional Market Rate Rental Housing Units

The City of Yankton has a relatively small inventory of higher-priced, higher amenity housing. This segment of the market is generally defined as units that reach or exceed \$800 per month for a one-bedroom, \$1,000 or more for a two-bedroom, and \$1,200 or more for even larger units.

The most recently constructed apartment units in Yankton that serve this segment of the market are in Hillcrest East, which was built in two phases, with the last phase in 2008. This project primarily offers high quality rental options with two-bedroom apartments generally in a gross rent range between \$1,050 and \$1,200 per month.

These newer, high quality rental projects tend to offer amenities and features not present in older rental housing, such as garage parking, in-unit laundry and large floor plans. The units have proven to be successful with area renters looking for a higher quality unit. No vacancies were reported at the time of the rental survey.

Although there is no definitive total of higher quality, higher rent units in Yankton, the various data sources and research completed for this Study point to less than 7% of the local rental inventory that is in a higher price range, with gross rents above \$1,000 per month. The income estimates used for this Study show that nearly 20% of current Yankton renter households can afford rents above \$1,000.

In addition to moderate to higher income renter households, the Yankton area has a growing market of older adult households, most of whom currently own their housing. The projections used for this Study show the strongest net household growth over the next few years occurring among households in the 55 to 74 year old age groups. While home ownership rates in these age groups remain very high, those looking to rent will generally have higher incomes and/or assets, and will often look for higher amenity rental units that offer features that are age-appropriate and a reasonable replacement for their single family home.

Recommendation: The overall demand calculations show that the Yankton area will need between 155 and 195 total rental units over a five-year forecast period. We have allocated approximately 30 to 40 of these units into a high quality, higher-priced segment of the market. Even with these additional units, the higher-end segment of the market will still account for less than 10% of the rental options in Yankton.

These units should be larger in size, and offer amenities such as attached parking, in-unit laundry and other features consistent with the higher end of the rental market. In some locations, these types of units are constructed as rental town homes, or cottage-style units, allowing renters to enjoy single family living amenities in rental housing.

While the actual construction of these units could be phased in over the five-year period, the scale of this recommendation probably will be accomplished in one or two development phases.

The research for this Study indicated that the most comparable units within this segment of the market have a gross rent structure that is between \$0.92 and \$1.07 per square foot. The highest rent per square foot is generally being achieved in one-bedroom units, while the lower end tends to reflect the larger two and three-bedroom options.

Developers should be cognizant of the growing demographic segment that is age 55 and older. While most of these households own their housing, as they age there will be continued movement into rental options. More mature renters will be looking for amenities and features that are age-appropriate, including one-level living options.

If evidence of unmet demand continues to exist after the recommended units are built, additional phases of construction could be appropriate later in the five-year projection period.

3. Recommended Development of 50 to 60 Tax Credit/Moderate Income Rental Housing Units

Findings: The federal low income housing tax credit program remains as one of the only subsidy sources still available for the production of more affordable rental housing. Tax credits alone do not produce “deep subsidy” rental units that can serve very low income people, but tax credits do provide a “shallow subsidy” that allows for the construction of units that can serve households at or below 60% of the median income level. When other resources are combined with tax credits, even lower income households can be served.

In Yankton, some income-restricted projects received HUD HOME funding to create or preserve affordable rental units. HOME regulations do differ somewhat from the tax credit rules, but both programs use income caps on tenants and rent limitations of assisted units. Both programs are designed to serve low and moderate income renters.

Since the tax credit program became available in the late 1980s, a number of different rental projects in Yankton have received an award. However, in some cases, the tax credit assistance was used in conjunction with federal subsidy sources to produce “deep subsidy” housing, and these projects have been included in the subsidized housing recommendation that follows.

In other cases, the assisted projects have fulfilled their affordable housing contract provisions and are no longer required to comply with affordable housing regulations.

In 2013 there are three operating tax credit projects in Yankton serving the more moderate segment of the market, without any other form of project-based federal subsidies. These moderate rent projects are Sutton Place (2001 award), Sutton Place II (2002), and Apple Creek (2008). Combined, they have 104 units serving low and moderate income renters.

There are also three rental projects in Yankton that comply with the HOME Program requirements. Prairie View Townhomes was constructed in 1994 with HOME assistance. Sagewood Apartments A and Sagewood Apartments B also operate under HOME regulations. No date of award was obtained on the two Sagewood properties. Combined, these three projects have 28 income-restricted units, tied to either 50% or 80% of the median income level.

Prairie View Townhomes will complete its compliance requirements in early 2014, and may convert to conventional housing, but at the time of the research for this Study, was still operating as income-restricted housing. However, the analysts have assumed that this project will convert to conventional, market rate housing in the future.

It should be noted that Sutton Place I and II also received HOME Program funding, along with housing tax credits, but the tax credit regulations are generally more restrictive for most units. Under either program, units serve moderate to lower income renters.

Occupancy information was obtained from all 132 income-restricted units in this segment of the market. On the date of the survey, only two units were reported as vacant, for a vacancy rate of 1.5%.

Both of the vacant units were three-bedroom apartments in Apple Creek at the highest end of their rent range, \$775 plus tenant-paid heat and electric. The manager stated that waiting lists existed for lower priced units in Apple Creek, and that contract rents had recently been lowered for some of the higher-priced units.

Most of the other projects maintained waiting lists for occupancy, although some managers stated that prospective tenants are generally looking for immediate housing options, and cannot wait for a unit to become available at an unknown date in the future. As a result, waiting lists are not always useful.

Federal requirements place rent caps on assisted units. Tax credit requirements, which apply to most of the moderate rent units within this segment, have gross rents capped at 60% of the median income level. However, it is typical to see most units at or below the limits set at 50% of median, in part due to competitive market pressures, and the need to offer lower rents when applying for a competitive tax credit award.

HOME units will generally have some units capped at 50% of median, although other units may be allowed to charge rents up to 80% of median. However, the limits set at 80% of median may well be higher than the prevailing rents that exist within the community and a lower amount is often charged.

The 2013 rent limits for Yankton County at 50% and 60% of median are provided below, along with the range currently being charged by tax credit and Home Program projects in Yankton, based on the survey responses.

	<u>Yankton Range</u>	<u>50% Limits</u>	<u>60% Limits</u>
One-bedroom	\$440 - \$460	\$600	\$720
Two-bedroom	\$435 - \$700	\$720	\$864
Three-bedroom	\$500 - \$860	\$832	\$999

Nearly all of the income-restricted moderate rent units in Yankton are charging gross rents that are below the federal limits set for households at 50% of the median income level. There are some three-bedrooms in Apple Creek Apartments that are above the 50% limits, but two of these higher-rent units were also vacant when the project was surveyed, and the property manager indicated that some of the higher-rent units had been lowered in response to vacancy issues. All of the surveyed units that were below the 50% limits were occupied at the time of the rental survey.

Renter household income levels in Yankton are generally well-matched to income-based housing. In 2013, a family of three can have a maximum annual income of \$34,560 to qualify for a tax credit unit. In Yankton, more than 70% of all rental households would probably be below this limit, without making any adjustment for household size. The City's median household income level in 2011 was at only \$21,044. This median income was lower than in most comparably-sized communities in South Dakota.

Recommendation: As part of the allocation of rental housing development in Yankton over the next few years, the research for this Study would support the construction of 50 to 60 additional moderate rent units to serve the low and moderate income segments. This is most likely to occur through the utilization of State and Federal resources, including low income housing tax credits, the HUD HOME Program and similar resources.

This unit recommendation has been based on anticipated growth in demand, and also from a need for affordable unit replacement. While as many as 70% of all renters in Yankton would be income eligible for tax credit housing, many of these households would not actually have a sufficient income to rent a moderately-priced unit. With the assumption that approximately 25% of all renter households would be income-qualified, the overall demand calculation would yield a need for approximately 40 to 50 units over a five-year period.

Some additional unit development would be recommended, in part to replace income restricted units that will probably be lost from the inventory. In 2014, it is possible that 10 units in Prairie View Townhomes will convert to conventional, market rate housing. Also in 2014, it is probable that 24 Rural Development units in Pine Tree East will terminate their subsidy contract and convert to conventional housing. Farther out, Pine Tree West may also end its Rural Development subsidy agreement within the next few years. Pine Tree West has 48 income-based units.

While Prairie View and Pine Tree East and West would all continue to offer rental housing, they would not be subject to the income limits and rent restrictions that are currently in place. Pine Tree East and West, as older housing, may very well retain a moderate rent structure. Prairie View, which was constructed in 1994 and offers three-bedroom town homes, would probably be able to achieve a higher rent level as conventional, market rate housing.

It is important to note that this assessment of moderate rent, income-restricted housing is based on a general assessment of overall need within this segment. The analysts did not have access to any proposed rent structure or construction plans for any future project. Any application to the State for tax credits must be supported by a project-specific analysis. This analysis may reach different conclusions, based on access to more specific information.

Community Partners Research did learn of a proposed project that would address this segment of the market. Initial information indicates that two phases of tax credit development may be proposed, with the initial phase creating approximately 30 moderate rent units. If successful, a second phase would be added in the future.

4. Monitor the Need for Additional Subsidized Rental Housing Development and Work to Preserve Existing Projects

Findings: The term subsidized rental housing, as used in this Study, refers to rental units that have been constructed to serve low and moderate income people. In nearly all cases, subsidized housing has utilized federal resources that provide a “deep subsidy”, allowing very low income people access to the housing at an affordable price. Most of the subsidized housing in the Yankton area has project-based rent assistance, or a similar subsidy available, that allows rent to be based on 30% of the household’s monthly income.

The research completed for this Study identified 27 subsidized projects in Yankton that provide rental opportunities for lower income people. These projects have a combined 668 units. There are additional subsidized projects that may serve special needs populations within the City, but only general occupancy and senior/disabled occupancy projects have been included in this section. The special housing needs units are generally filled through referrals from the applicable service provider, and are not available to the general rental market.

Ten of the subsidized projects are designated for senior and/or disabled tenant occupancy. These senior-oriented projects have a combined total of 322 units. There are 17 subsidized projects are designated as general occupancy housing. Combined, they have 346 total units.

In addition to the subsidized properties with project-based rent subsidies, there are also tenant-based rent assistance Vouchers available in the area. In September 2013, there were approximately 115 Vouchers being used in Yankton. It is possible that some of these Vouchers could be used in subsidized projects that cannot offer project-based rent assistance to all lower income tenants, but most Vouchers tend to be used in private-market, conventional rental housing.

The combination of project-based and tenant-based rent assistance results in approximately 783 Yankton renter households that have access to some form of subsidized housing. This would represent 34% or more of all renter households in the community.

In comparison with other communities, this represents a high percentage of subsidized rental units. A similar analysis in Pierre/Ft. Pierre in 2012 found that approximately 24% of renters in those communities had access to subsidized housing. In Mitchell, a review in 2012 identified approximately 21% of all renters accessing subsidized housing.

Even though there is a large supply of subsidized units, occupancy rates tend to be high in Yankton. There were some unoccupied units that were identified in the rental survey, but these appeared to be temporary vacancies, caused by the paperwork requirements involved with certifying a new tenant. Nearly all of the projects reported that waiting lists are maintained and used to fill units as they become available. In all cases, the unoccupied units were in the process of being filled from the waiting list.

Despite the subsidized options that exist, most renter households in Yankton with an annual income below \$20,000 still reported a housing cost burden in 2011, with 30% or more of their annual income required for monthly gross rent.

In addition to the rent burden statistics, there is also evidence of unmet demand for subsidized housing based on the waiting list for the Voucher rent assistance program, which is not location or project-specific. In September, there were approximately 140 households on the waiting list for the rent assistance Voucher program. Most of the waiting households were from Yankton or one of the surrounding Counties that can also be served by the Voucher Program.

On additional issue that needs to be identified concerning subsidized housing is a possible reduction subsidized units in the future. The research for this Study identified two projects that may end their subsidy contract in the next few years. Pine Tree East, with 24 units, is scheduled to convert to conventional housing in 2014. It is also possible that Pine Tree West will convert to conventional housing within the next few years. If these two projects both end their subsidy contracts, there would be a reduction of approximately 21% in the City's inventory of general occupancy units.

As part of any mitigation plan, projects terminating their subsidy program can often secure rent assistance Vouchers for lower income tenants. However, there is no guarantee that these Vouchers will remain available in Yankton in the future, as tenants may move of federal budget cutbacks could eliminate the funding for this program.

Recommendation: Based on the research for this Study, there is unmet demand for additional income-based subsidized housing in Yankton. However, it is unlikely that financial resources will be available to build new units that can serve households with incomes below \$20,000 per year. Even if resources could be secured, Yankton would need to make a policy decision, as the City already has a very large supply of subsidized units.

An attempt to add to the inventory through new construction could be more easily justified if both Pine Tree East and Pine Tree West terminate their subsidy agreements over the next few years. The actual number of replacement units that could be developed would be dependent upon access to financial resources. It is unlikely that a larger number of units could be created.

In the opinion of the analysts, an important community strategy will be to prevent the future loss of any of the existing project-based subsidized housing. It may be appropriate for public or nonprofit housing agencies to become involved in attempts to preserve subsidized housing resources. In other South Dakota communities, including Aberdeen, Housing Authorities have acquired subsidized projects that were at risk of being lost.

One final issue that has emerged in other South Dakota communities that could impact Yankton in the future is growing demand for Vouchers from people that have not formerly resided in the community. According to staff at the Brookings Housing Commission staff, as many as 700 households have applied to that agency's Voucher Program from locations that are outside of the immediate Brookings area. Brookings' location near the Minnesota border has resulted in many applicants coming from that State.

If these nonresident households are selected to receive a Voucher, they are required to initially lease-up in the Brookings area and sign a one-year lease. However, at the end of the one-year period, it is possible that the household can "port" the Voucher assistance to a new location outside of South Dakota. Some porting of Vouchers from Brookings has already been occurring, but a much greater potential exists over the next year as the one-year initial lease requirements are fulfilled.

If this trend continues, the Brookings area would see a continued decrease in the number of local Vouchers, unless an equal number of households port into Brookings from outside locations, which is unlikely to occur. This does not appear to be a problem in Yankton in 2013, but it may emerge as an issue in the future.

5. Promote a Limited Expansion of Certain Senior Housing with Services Units

Findings: A previous section of this Study has specifically addressed the supply of specialized senior units in Yankton. Senior housing with services, as used in this Study, defines a wide range of housing types. Skilled nursing homes, assisted living centers and memory care housing are generally the most service-intensive types of units. High-service housing provides 24-hour staffing and offers assistance with daily living needs of residents. Under South Dakota law, service-intensive senior housing must be licensed as a Skilled Nursing Facility or as an Assisted Living Center.

Lower-service housing, sometimes referred to as independent or congregate senior housing, generally offers a daily meal, access to transportation and selected services such as weekly laundry or light housekeeping. While a resident may be able to contract for more intensive services, or purchase them separately through a home health care provider agency, they are not included in light services rent package. Some of the light-service housing providers are registered with the State as Residential Living Centers. These facilities are not subject to the same standards as the Assisted Living Centers, including the inspection requirements. Because of the lower level of regulation, some light services projects may not be registered as Residential Living Centers.

An earlier section of this Study provides details on the existing specialized senior projects in Yankton, including a summary of the different segments being served. Readers are encouraged to review this section for a greater level of detail. In general terms, the following observations are made regarding senior housing with services:

- ▶ Yankton has a range of senior housing options, providing various levels of care. In most subsets of the market, there are multiple providers, allowing some degree of choice for consumers.
- ▶ Yankton has a large, senior campus that provides varying levels of senior care. The Avera Majestic Bluffs campus has independent housing, housing with light services, assisted living, skilled memory care, and skilled nursing home beds, all located close to the hospital and other medical facilities. This senior campus can allow seniors to age-in-place, within the same senior facility. Other providers also offer a range of care options, but not as broad as those in the Avera complex.

- ▶ One of the two skilled nursing homes has been replaced by a new facility within the past 15 years. Plans exist to replace the other skilled nursing home in 2014. While a State moratorium has generally prevented beds from being added within this segment, replacement has sometimes occurred. However, when both of the skilled nursing homes are replaced, it will make the community somewhat unique in the quality of the skilled nursing facilities. There is a high utilization rate reported for skilled nursing beds in Yankton, and the replacement of the Yankton Care Center in the future will help to keep this segment strong.
- ▶ There are approximately 106 units available to serve assisted living residents. The supply of units/beds represents approximately 5.1% of the adjusted target population of older senior citizens residing in the Greater Yankton area. In the opinion of the analysts, the existing supply of units represents a relatively average capture rate within the target population. Given Yankton's importance as a regional center, it is probable that a capture rate of more than 5.1% could be achieved. Although it is the analysts' opinion that the potential exists for additional assisted living units, there is limited evidence of pent-up demand in 2013. At the time of the rental survey, a vacancy rate of more than 12% was present in the existing unit inventory.
- ▶ Most of the assisted living units/beds in Yankton are not accessible by lower income seniors receiving Medicaid Waivers assistance, primarily due to the low rate of reimbursement. If more lower income seniors had access to assisted living, utilization rates would be higher.
- ▶ The current supply of 49 light services rental units represents a market capture rate of approximately 3.6% of the primary target market. In the opinion of the analysts, this is a relatively low concentration of units. Similar to assisted living, it is probable that a capture rate of 5% or more could be achieved. However, the rental survey completed for this Study found limited evidence of unmet demand in 2013, with an estimated vacancy rate above 12%. This segment of the market had once been larger, but Autumn Winds East converted 31 units from light services housing to assisted living in 2009, reducing the supply of units available to more independent seniors.
- ▶ The specialized senior segment that appears to be in the shortest supply is memory care housing. Only one project was identified in Yankton, with only 13 units beds in a specialized wing of the Avera Majestic Bluffs Assisted Living project. The available memory care beds in Yankton represent approximately 0.6% of the older senior population. In the

opinion of Community Partners Research, this represents a low capture rate for memory care units. Since Yankton is an important regional center, it is probable that more beds/units could be filled, if they were available. Discussions with housing providers point to the cost and regulatory difficulties of creating specialized memory care units. Staffing, security, liability and licensing requirements all contribute to a reluctance to enter this very specialized housing segment.

- ▶ There have been no additions to the specialized senior housing market since Walnut Village was created in 2004. In 2009, Autumns Winds East did change its focus to assisted living, but it did not add to the overall supply of senior units. In 2014, work will begin on replacement of the Yankton Care Center, but this will not represent any addition of beds. The existing providers are in the best position to judge actual market conditions. Their decision to not add units in the past 10 years indicates a probable balance of supply and demand.

Recommendation: Yankton currently has multiple choices for seniors and a wide range of specialized units. Although the rental survey completed for this Study found some unused capacity in both lighter services housing and assisted living, this has the potential to change over time. Since specialized senior housing generally serves a frail population, a high rate of unit turnover can exist, causing vacancies at certain points in time. Additional monitoring of the housing segments would help to determine longer-term occupancy patterns for specialized units.

The projections used for this Study do not expect any significant near-term growth in the local population of older senior citizens. As a result, growth-generated demand for additional units will be limited, but will continue to increase to the year 2020. Higher capture rates within the targeted population groups also have the potential to increase demand.

Between 2010 and 2015, the projections used for this Study point to growth of approximately 660 additional senior citizens in the Greater Yankton area, but most of this will be due to seniors at the youngest end of the group, age 65 to 74. Fewer than 120 additional senior citizens would be projected in the age groups 75 years old and older, unless they relocate into the Yankton area from more distant locations.

These same basic patterns exist through the year 2020, with some senior growth, due primarily to younger seniors. The projected net growth of older senior residents would be approximately 5% between 2015 and 2020. After 2020, as the baby boom generation begins advancing into the older senior age ranges, there will be more substantial growth in the number of older seniors.

With some modest growth in the number of older senior residents in Greater Yankton, the recommended expansions of specialized senior units would also be modest in size, to incrementally expand the supply over time. The existing network of providers may be able to adjust to market demands with additional phases of development. For example, a 5% to 10% expansion of assisted living options over the next few years would yield fewer than 12 additional units. This would probably be accomplished through adding a small wing onto an existing facility.

The continued growth of the younger senior population, age 65 to 74, would indicate some expansion of lighter services housing units in the future. This segment also appears to be under represented in the current market, although some level of vacancy also existed at the time of our survey. Applying an approximate 5% capture rate would indicate that as many as 20 or 30 light services units could be added. An expansion of this scale would largely replace the units that were removed from the inventory in 2009, when Autumn Winds East converted to assisted living use.

The most under-represented segment of the Yankton market is specialized memory care, which is currently very limited in Yankton. Typically, we would expect to see at least twice as many units as presently exist. Development of memory care beds is a complicated issue in South Dakota, due to licensing and regulatory issues.

The existing skilled nursing homes could be a logical supplier of specialized wings for memory care residents, but a moratorium on adding new nursing home beds would require them to invest in facilities and staff while reducing the number of beds that are being utilized by other residents. With high occupancy rates from traditional nursing home residents, a change in use for some of the beds would simply displace other seniors needing care. The demand for memory care housing may be sufficient to justify a stand-alone facility, or the construction of a new wing at one of the Assisted Living Centers.

The final senior with services gap that seems to exist is the provision of assisted living to lower income people. Two of the Assisted Living Centers are private-pay only, and Autumn Winds limits the number of Medicaid Waivers residents. As a result, there are few options for some lower income seniors that rely on Medicaid Waivers assistance. This problem will not be easily solved, due to the costs associated with providing assisted living care and the State reimbursement rate.

It should be noted that we have looked at overall demand for senior units, not competitive positioning for individual projects. It is very possible that more units could successfully be constructed than we have recommended. However, in the opinion of the analysts, the success of new projects would probably reduce occupancy rates in competing projects.

6. Promote Opportunities to Provide Housing with Services in Subsidized Housing

Findings: One of the issues identified in the previous recommendation was the inability of lower income seniors to access some assisted living options due to cost. While not a solution to this problem, some lower income seniors may be able to live in subsidized rental housing if certain services can be made available. In other communities, subsidized senior rental projects have attempted to retain older seniors by facilitating service delivery.

The research for this Study identified one senior-designated project in Yankton, Canyon Ridge Apartments, that participates in the STAR Program (Service to Aging Residents). The STAR Program is available through the South Dakota Housing Development Authority and helps residents secure outside services, but the services are actually provided by a home health care agency or similar organization, and are not provided by the apartment complex. Canyon Ridge is a federally subsidized rental project.

Two additional subsidized rental projects identify themselves as congregate housing but it does not appear that they participate in the STAR Program. Sunrise Apartments and Sunrise II do have noon meal delivery from the senior center.

Canyon Ridge, Sunrise and Sunrise II Apartments have a combined 105 rental units, primarily in one-bedroom apartments. Various subsidy programs have been used in these projects, including HUD and Rural Development subsidies, along with tax credits, to create income-based housing for lower income seniors and/or disabled tenants. Most units offer rent based on 30% of household income, making it affordable for even very low income tenants.

Providing supportive housing for lower income seniors outside of nursing homes is a challenge for many South Dakota communities. In most cases, lower income seniors in need of more service-intensive housing will often move into skilled nursing homes with Medicaid Waivers/Medicare assistance.

Although some lower income seniors may access assisted living services, the acceptance of Medicaid in assisted living facilities is much more limited, as evidenced by the acceptance in Yankton. A Statewide survey of Assisted Living Centers in 2005 found that nearly 74% of assisted living residents were private-pay, approximately 19% were Medicaid Waiver, and approximately 7% were SSI or State-paid. In Yankton, the 19% Medicaid Waiver percentage is consistent with the findings reported in the rental survey, as only 20 units in Autumn Woods are available to Medicaid Waivers recipients.

Recommendation: One program opportunity that may exist is to better promote and utilize the existing subsidized senior housing projects to serve low income seniors needing some level of services with their housing. SDHDA's STAR Program, already offered in Canyon Ridge, may already provide a good model for helping frail elderly residents that can benefit from additional services. If this model can be replicated in other senior-oriented housing, it could allow more low income seniors the opportunity to remain living independently.

In some subsidized buildings in Minnesota, entire floors of senior buildings have been used for seniors needing additional services, and office space may be provided for use by home health care agencies. While services are contracted directly between the tenant and the home health care provider, the on-site office makes the services readily available to lower income people. It should be noted that State licensing or registration requirements would need to be researched in South Dakota. At a minimum, it would appear that this type of housing with services arrangement would require the housing project to register with the State as a Residential Living Center, and possibly as an Assisted Living Center.

7. Consider Innovative Program Efforts to Assist Renter Households

Findings: Yankton has a large number of renter households and rental housing units. Compared to other medium to larger sized cities in South Dakota, renter household incomes also tend to be low. A comparison of the median renter household income levels, presented later in this document, showed that Yankton renters have a median income of only \$21,044. This median is more than \$2,000 lower than in Aberdeen or Huron, and more than \$5,000 lower than in Mitchell or Pierre.

Due to the low rental vacancy rate that exists in 2013, property owners and managers can be very selective in accepting new tenants to fill available units. This can add to the difficulty in securing affordable housing for lower income renter households that have credit problems or similar financial issues.

Some communities in the State have been developing innovative rental housing programs to assist households that may otherwise be “hard to house”. The Aberdeen Housing Authority secured a \$21,000 HOME Program grant from the South Dakota Housing Development Agency for a Security Deposit Program. The Program can provide up to \$300 to eligible households for a security deposit. The Program goal was to assist between 70 and 80 households.

Another innovative program that could be considered is based on the Tenant Education and Self-Sufficiency (TESS) model being used in Sioux Falls. TESS is administered by the Inter-Lakes Community Action Partnership. It is a very labor-intensive program that includes active case management, especially in the financial affairs of the participating household. By all reports, this approach has tended to be very successful, and is highly regarded by some property managers who have worked with program graduates.

Recommendation: We would recommend that the community, in cooperation with local housing agencies, explore innovative programs to improve the situation for area renter households. As Yankton continues to grow, more households will need to migrate from other parts of the country. Newly arriving households will often look for rental housing until they get acclimated to the community and look for ownership options. Ongoing efforts to assist area renters and rental housing conditions will be an important strategy for community growth.

8. Housing opportunities in the downtown area

The City of Yankton's downtown business district provides some housing options for area residents. Additional opportunities may exist for the future creation of rental housing.

As part of the research for this Study, staff from the City and District III examined property information on some of the buildings in the downtown area. This analysis identified approximately 64 residential units in downtown mixed-use buildings. Some of these units may be occupied by the building owner, and not available as rental housing, but most are assumed to be rental units. This total excluded the Sir Charles Apartments, which was specifically constructed as a subsidized building for senior/disabled tenant occupancy and is also located in the City's downtown. The other rental units typically exist in mixed-use commercial buildings.

The analysis also identified as many as 35 additional buildings in the downtown area that do not currently have housing units, but may have available space on upper floors. The square footage estimate for unused space varied, but 24 of the buildings had less than 5,000 square feet available, and only three of the buildings had more than 10,000 square feet. The suitability of this available space as future housing was not identified.

Since most of the downtown buildings that currently include housing have only one or two residential units, they were not identified and contacted as part of the rental housing survey. However, two property owners with downtown units were contacted by the survey, and information was obtained on 11 rental units. These units represent some of the range of housing that currently exists downtown.

One property owner that was contacted has created seven loft apartments, located in various downtown buildings. These are described as unique units that typically offer 2,000 square feet, or more, of living space. Contract rents are generally \$1,000 or more, with tenants also having some responsibility for utilities.

Although the gross rents being achieved for these loft units are well above the prevailing range for typical rental housing in Yankton, the information indicates that they are actually a very economical option, when viewed as a price per square foot. Most of the high quality options in the community have gross rents per square foot that are above \$0.90. As reported by the owner, these higher-priced lofts are renting for less than \$0.60 per square foot.

The owner of these lofts has included in-unit laundry facilities, but other types of amenities, such as attached covered parking, are not available. Instead, residents of downtown housing must often use public parking areas.

The owner indicated that good demand exists for these loft units, especially from younger singles and couples. The downtown locations, on upper floors of buildings, are generally not conducive to families with children or to senior citizens that do not want to use stairways.

The other downtown rental units that were included in the survey represent the other end of the spectrum. These units were created with HUD HOME Program financial assistance and had a 15-year compliance requirement to provide affordable housing. They are small, with an estimated 600 square feet of living space, but gross rents are only \$400 for a one-bedroom and \$500 for a two-bedroom apartment.

Both the higher-priced units and the lower-priced units reported good demand, consistent with other rental housing in the community. Neither owner reported any difficulty filling units when they are vacated.

Recommendation: The research for this Study has recommended the development of between 155 and 195 additional rental units in Yankton over a five-year period. Although most units will probably be created through new construction of larger multifamily buildings, there are also opportunities to introduce units through building conversion. Based on the available evidence, success can be achieved in downtown units that serve both the higher-end and the more moderate rent segment of the market.

Creating lower-priced units would generally take less consideration, due to attractive pricing. Most new construction projects would generally need to charge higher, market rate rents. Moderate-priced units created through downtown space conversion may be achievable at a lower cost, and could therefore charge rents that are more compatible for the prevailing rental market. Good quality, affordable rental housing is in high demand in Yankton.

Additional higher-priced loft units could also be successful. However, based on the prevailing rents in the community, these units would be more dependent on the quality and features of the spaces being renovated. One of the reasons renters are willing to pay above-average rates for a loft unit is the unique floor plans, which may often highlight the historic restoration efforts. An evaluation of higher-priced lofts would therefore be very building dependent. Attractive older buildings, attractive unit floor plans and desirable locations downtown would all need to be considered before developing higher-priced housing.

Since most of the downtown buildings that could be considered for future housing have relatively small spaces available, it is probable that any unit creation would generally be between one and five units per building. The introduction of a small number of units into the Yankton rental market, with approximately 2,500 total rental units, would represent a very low required absorption rate.

Compared to other cities, Yankton appears to have a relatively small number of rental units that exist in downtown Yankton. Even including the Sir Charles Apartments, fewer than 100 rental units, or approximately 4% of the total inventory exists in the downtown area. A similar examination found that in the City of Mitchell, more than 6% of all housing units were located in downtown commercial buildings, and these units had a high rate of occupancy. An overall expansion of units in downtown Yankton should prove to be equally successful.

Home Ownership and Single Family Housing Recommendations

Findings: Expanding home ownership and generating new owner-occupied housing construction activity are primary goals for most cities. Home ownership promotes a stable community, the availability of a steady and reliable labor force, and property ownership can strengthen the local tax base.

Home ownership advancement can be achieved through the promotion of new construction activity. It can also be accomplished through utilization of the large, existing housing stock that already exists in the Yankton area.

Based on the research completed for this Study, Yankton tends to have relatively strong home values in the existing single family inventory. This is probably due in part to the consistent pattern of growth that has been present in the community, as Yankton has continued to add households over the past 30 years, creating ongoing demand for more housing.

The research of recent sales activity indicated that the median owner-occupied home value in Yankton has been in a range between \$120,000 and \$125,000 in recent years. There has been a gradual, upward climb in the median sale price, from approximately \$111,000 in 2007, to approximately \$122,000 in 2013 (partial year).

While median sale price information for other communities in the State is not readily available, the American Community Survey does provide a comparative measure for existing home values. In 2011, the ACS estimated the median owner-occupied home value in Yankton at \$121,600, very similar to the actual sales median. The ACS estimated median for Yankton is relatively similar to other comparable cities in the State, including an estimated median value of \$123,600 in Aberdeen, \$127,900 in Vermillion and \$128,400 in Watertown. However, it is below the median in some of the other cities, including \$140,000 in Brookings, \$145,700 in Pierre and \$149,600 in Sioux Falls.

Although existing home prices tend to have a significant price advantage when compared to new construction, the supply of existing houses that may be available for sale is often limited. When existing houses are available, they do represent an option for first time home buyers. Year-to-date in 2013, approximately 29% of all existing home sales in Yankton were for less than \$100,000, and more than 70% of the houses were sold for less than \$150,000. Some of the recommendations contained in this section specifically address strategies intended to assist with ownership, especially for entry-level buyers, who will typically need a more affordable house.

Home ownership opportunities will also be created through new construction. The community has experienced significant single family owner-occupied housing construction since the year 2000, with more than 460 single family detached units. There has also been ongoing construction activity of attached single family units, primarily in the form of twin homes, and over the 14-year time period, approximately 76 attached single family units have been permitted that appear to be for owner-occupancy.

Most of the new single unit creation in Yankton occurred between 2000 and 2007. During this eight-year time period, the City issued permits for 373 single family detached and attached units, and the annual average was approximately 47 units per year. The single highest year of production was 2004, when 60 single family units were permitted. Between 2004 and 2006, more than 50 single family permits were issued each year.

Since 2008, the City has achieved a single year high of 40 single family units, and this occurred in 2008. Over the past six years (partial year 2013), the City has averaged approximately 27 single family units per year. Single family production in both 2012 and 2013 has been below the recent annual average.

There are multiple factors that have probably contributed to the slowdown in unit creation after the year 2008. One factor is the collapse of a national "housing bubble" starting in 2007. Although Yankton was not greatly impacted by an overinflated housing market, national concerns and news reports did tend to have a ripple effect on construction activity across the country. A nationwide economic recession also resulted in reduced consumer confidence, even in areas of the country that did not experience high rates of unemployment.

Another factor may have been an overproduction of single family housing units during the "housing boom" years of the early 2000s. During the ten-year period from 2000 through 2009, building permit issuance in Yankton showed construction of 445 single family attached and detached units.

Units permitted in 2009 would generally have completed construction and been available for occupancy by April when the 2010 Census was completed. When the 2010 totals are compared to the 2000 Census, they show a net gain of only 334 home owners in Yankton during the decade, approximately 110 households lower than the number of new units constructed. If the Census counts are accurate, new home construction during the last decade exceeded the growth in home ownership demand from permanent residents. The construction slowdown that has occurred over the past five years may be a market response to a possible overproduction of housing in the prior time period.

Going forward, the overall household projections used for this Study point to continued good demand for owner-occupied housing construction. The tenure-based forecasts presented earlier in this section show potential demand for between 40 and 50 owner-occupancy housing units per year over a five-year projection period. The demand for owner-occupancy units will exist both inside and outside the city limits of Yankton, especially in the lake areas and rural settings that are west and north of the City.

If this projected level of construction can be achieved, it would require a higher level of building activity than has existed in the recent past, as Yankton and the rural areas outside of the City have been averaging less than the lower end of this range over the past five years.

Substantial net growth of households is anticipated over the next five years among households in the age ranges between 55 and 74 years old. Households in these age ranges tend to be predominantly home owners, and often form a market for higher priced, trade-up housing and for low maintenance housing such as town homes and twin homes.

While growth of older adult households should yield continued demand for new houses, the projections also point to a net decrease in households in the age ranges under 55 years old. A probable reduction in the number of younger adult households could result in lowered demand, especially within the entry-level segment of the market.

In the Table below, we have produced annual demand projections for different price ranges of owner-occupancy housing. These projections assume that between 40 and 50 units will be constructed per year in Yankton and the immediately surrounding rural areas.

Demand Projection for Annual Owner-Occupancy Housing Construction		
Unit Type	Approximate Price Range	Projected Annual Demand Projection
Single Family Projected Demand		
Entry-Level	Less than \$175,000	10% to 15%
Mid-Priced	\$175,000- \$250,000	25% to 35%
Higher-Valued	\$250,000+	50% to 60%

Source: Community Partners Research, Inc.

We have defined ***entry-level homes*** as single family units that would sell for less than \$175,000. Houses in this price range would typically appeal to younger buyers, first-time buyers, or those households trading-up from an older, lower valued house or mobile home. New construction at the lower end of this price range has been very difficult to achieve in Yankton. According to our local research, very few houses have been built in this range in recent years.

It should be stated that potential demand for entry-level housing could be greater, but to achieve a greater market share, it is probable that some form of financial assistance would need to be provided to write-down development costs or assist the end buyer. As will be discussed later in this section, some communities have made public investments and/or financial contributions to promote entry-level housing, but this does require direct financial involvement.

It should also be noted that some additional construction will occur in lower price ranges, including homes built by groups like Habitat for Humanity. This housing often serves a segment of the market that could not otherwise access newly constructed units.

We have defined ***mid-price homes*** within a price range of \$175,000 to \$250,000. This price can generally be achieved by private housing developers without the need for subsidies. Yankton has traditionally had active construction activity occurring within this price range, although most houses in the past few years have been in a higher price range. At the higher end of the price range, this represents a portion of the trade-up housing market.

We have defined ***higher-valued homes*** as those priced at \$250,000 and above. Once again, the private housing market has been very successful at serving this segment of the market in the Yankton area. Most of the houses built over the past few years would have a value above \$250,000. This should continue to be the strongest market segment going forward. Over the next five years, the largest net growth of any demographic segment will be among households in the 55 to 74 year old age ranges. Strong growth in these older adult ranges will keep the market strong for higher-valued homes.

To assist in promoting the goal of home ownership and new home construction, the following activities are recommended.

9. Most demand for single family home construction will continue to be for moderate to higher priced housing

Findings: The demographic analysis contained in this Study has tracked the advancing segment of the population that exists in the age ranges between 55 and 74 years old. As the large “baby boom” generation has moved through the aging cycle, they have created demand for age-appropriate housing options.

The tenure preference patterns within these growing age segments are clearly defined. In 2010, the home ownership tenure rate for Yankton households in the 55 to 74 year old ranges was 74% or higher. In both the recent past, and in the next few years, most of the housing demand should be created by middle-aged and older adult households upgrading their housing.

In the Yankton area, demand will also be impacted by income levels. The comparison of income levels for Greater Yankton households presented earlier in this document showed very strong growth in the number of households with an annual income of \$75,000 or more. The greatest net growth actually occurred among households with an annual income of \$100,000 or more. These households can apply a significant portion of their income to housing costs.

Existing home values also tend to be relatively strong, and are comparable to most of the medium to larger sized communities in the State. Since most of the higher income households already own their housing, people that look to move into a newly constructed house should also have equity available from the sale of their previous home.

Recommendation: Housing units that are attractive to middle-aged and older adult households will continue to represent the largest share of home ownership demand in the Yankton area over the five-year projection period.

The forecasts used in this Study expect that 50% or more of the demand will be in the higher price ranges, generally defined as \$250,000 and above. Based on the overall new construction forecast, this yields annual demand potential for 20 to 30 units annually. Demand for housing in this price range can be met by the private development community, and would not typically require any level of public involvement or assistance.

The forecasts expect that 25% to 35% of the demand will be in the moderate price ranges, generally defined as \$175,000 to \$250,000 and above. Based on the overall new construction forecast, this yields annual demand potential for 10 to 18 units annually. Once again, demand for housing in this price range

can be met by the private development community, and would not typically require any level of public involvement or assistance.

Newly constructed units should continue to represent a mix of single family homes, as well as attached housing, which can appeal to mature households as they age. While attached housing units, such as twin homes or town houses, would be well-matched to life-cycle needs, it is likely that this segment of the market, especially in the higher price ranges, will remain somewhat suppressed until economic conditions improve, and people regain confidence in the strength of the home ownership market.

Attached housing in the more moderate price ranges has been successful in the Yankton market in recent years, with at least two local builders that are active in building attached units that sell for less than \$250,000.

Since households age 55 and older will typically already own a house, the decision to purchase a different house will be based in part on economic conditions. The perceived strength of the local economy will have an impact on the confidence to invest in new housing in the community. They will also need to sell their existing home, typically of lower value. The projected decline in the number of households age 54 and younger through the year 2015 would imply some reduced future demand from younger buyers, although there has generally been unmet demand for existing home in Yankton, due the relatively small supply that seems to be available at any point in time.

10. Promote affordable new home construction using available resources and incentives

Findings: The demand forecasts being used for this Study expect that only 10% to 15% of the home building activity will occur in the more affordable market segment, generally defined as less than \$175,000. Greater demand would exist if attractive options could be produced at a lower price point, but very limited activity has been occurring within this segment. According to local builders and real estate experts, it is very difficult to produce a house for less than \$175,000 that would be attractive to potential buyers.

Existing home prices, both in Yankton and in the smaller communities that form the Greater Yankton aggregation, tend to be well below \$175,000. Year-to-date in 2013, nearly 78% of existing home sales in Yankton occurred in the price ranges below \$175,000. This price disparity between new entry-level homes and the prices for existing homes can further suppress affordable construction activity.

Since very limited affordable new construction has been occurring, it may be appropriate to promote the development of some units within the City. Communities that have achieved higher levels of new construction have generally taken an active role, often through direct financial assistance.

In Brookings, tax increment financing and other resources were used to assist more affordable subdivisions for lower priced houses. Lower cost houses currently being produced in Brookings may use smaller lots, more narrow streets, and in some cases, houses are built without basements. These concepts could be replicated in Yankton.

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

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

Prior to the housing market collapse in the late 2000s, many cities in Minnesota were very actively involved in promoting the development of affordable ownership housing. The most successful example occurred in the Rochester area, as part of an initiative to offer housing for workers. In the First Homes Program, financial incentives up to \$25,000 per house were offered to income-qualified buyers of new homes, priced below a certain limit. Rochester, as home to the Mayo Clinic, had sizable financial donations that were used to fund the program.

Recommendation: To develop a significant number of new single family houses and ownership options for entry-level buyers, it will probably require the community to become actively involved in providing financial assistance and/or development subsidies. According to local sources, producing new, affordable stick-built homes for less than \$175,000 is very difficult, given current development and construction costs.

Direct public involvement will somewhat limit the area's ability to generate this type of housing. As stated above, some communities that have assisted with affordable new construction incentives, a financial contribution as high as \$25,000 per home has been used.

Another possible approach is to develop a publicly-owned subdivision, which could offer lower-priced lots for affordable homes. This would require direct involvement in what has otherwise been a private segment of the market. However, private developers in the Yankton area may have little incentive to develop lower-priced lots and houses. In Yankton, there would also be questions about a suitable land parcel that could be economically developed as an affordable subdivision.

The unit projections used for this Study have set a goal of 10% to 15% of annual home construction. This equates to approximately five to eight affordable new construction homes per year. This level has not been achieved in the recent past.

While affordable new construction is encouraged, we believe that the existing housing market will continue to address much of the demand from entry-level home buyers. The employee survey completed as part of this Study asked non-residents about their interest in buying a home in Yankton. Approximately 15% of survey respondents interested in buying a home in Yankton identified a target price of \$175,000, or more. Most people interested in buying a home in Yankton had a target price of \$150,000 or less, which will generally be achieved through the purchase of an existing home.

It should also be noted that some additional construction will occur in lower price ranges, including efforts by groups like Habitat for Humanity. This housing often serves a segment of the market that could not otherwise access newly constructed units.

Some cities, including Yankton, have also been successful in placing Governors Houses in their communities. In Yankton, any additional Governors Houses would probably use an infill lot or be part of neighborhood redevelopment efforts. The research for this Study includes a lot and land inventory, compiled by City staff, that identifies potential infill lots within older neighborhoods that could potentially be available for affordable home placement.

11. Promote townhouse and twin home development

Findings: Yankton has continued to have some attached housing development in recent years. Although fewer than 10% of the housing starts in 2013 were in the form of attached units, over the past six years, between 20% and 25% of all single family activity has been in the form of twin homes or town houses.

Attached housing provides desirable alternatives for empty nesters and seniors to move out of their single family homes, making these traditional single family homes available for families. It is important for a community to offer a range of life-cycle housing options, allowing some households to move into age-appropriate, low maintenance housing options.

Recommendation: The demand projections used for this Study point to potential demand for 50 to 60 owner-occupancy units per year in the immediate Yankton area. However, some of this construction will occur outside of the city limits, where attached housing is probably not practical. Within the City, a sustained market share of 20% to 25% of all single family housing starts would yield approximately seven to ten units in an average year.

While attached single family housing can appeal to a broad segment of the market, older adult households often form a primary target group. As previously stated, most of the net household growth in the Yankton area will come from households in the 55 to 74 year old age range. Based on current patterns, more than 49% of all households within the Greater Yankton area will have a head-of-household that is 55 or older by the year 2015.

One of the primary developers of attached single family units has been incorporating senior-friendly home designs into their planning and has been successful with empty-nester and senior buyers. Nearly all of their units have been sold to this segment of the market. These same demographic patterns should apply to future attached housing development.

Most of the attached single family activity should occur in the moderate price ranges, below \$250,000. However, as confidence returns to the housing market, the income patterns for the area would indicate growing demand for higher priced units, that offer age-appropriate features and amenities.

The public sector's role in any owner-occupancy attached housing development can be limited, as the private development community can respond to demand for this type of housing. The City's role should include assuring that adequate land is available for development and that planning and zoning allows for attached housing development.

12. Monitor lot availability and promote additional residential lot development to meet expected demand

Findings: As part of this Study, City staff compiled an inventory of lots, improved land and future development parcels. This information was then mapped by Yankton County and has been included in an earlier section of this document.

The City's inventory identified approximately 90 vacant residential lots that are adjacent to municipal infrastructure. This total did include some older, infill lots that may be scattered around the community.

The review of these lot locations by Community Partners Research indicated that some of them have recently been developed, as the actual lot lines were not yet present on County GIS maps. Larger parcels were gradually being developed into usable lots by area developers and home builders. Additionally, some of the larger undeveloped land tracks both in and outside of the current city limits were also owned by developers/home builders, implying that these areas could be subdivided in the future.

There is limited information available about lot prices. Information on some bare residential land sales was obtained from Yankton County. In the past few years, most lot sales have occurred in a price range between \$20,000 and \$40,000. However, some lots have also been sold for more than \$60,000, and a few lots have sold for less than \$20,000.

Local Realtors indicated that a typical good quality lot will sell in the mid-\$30,000s. In many cases, the lots are owned by home builders, and are sold as a package price along with a home construction plan.

Over the past few years, new home construction activity has absorbed fewer than 30 lots per year within the City, although the demand projections used by this Study identify the potential for increased lot usage in the future. At the current pace, the identified inventory in Yankton would be adequate to meet near-term needs. Since it appears that developers are actively adding lots as needed, there is no indication that a lot shortage will impede new construction activity in the near-term.

Longer-term, the land analysis identified approximately 212 acres that are within the city limits and within the municipal water service jurisdiction that would be potentially available for residential development. An additional 156 acres of bare land exists immediately adjacent to the city limits that would represent a logic area for future annexation activity.

The longer-term development of land currently located outside the city limits will potentially be impacted by water service provision, which is an issue unique to Yankton. Land within the city limits is generally served by Yankton's public water system. However, areas outside of the City, and even some areas that were recently annexed into Yankton are served by a Rural Water Service.

The interviews completed as part of this Study indicate that Rural Water has limitations on the provision of residential service, especially adequate capacity for fire protection. In the future it is probable that some development areas will need dual water service. Rural Water would provide the residential connection to the houses that are constructed. The City of Yankton would need to provide separate lines for fire protection.

There are differing opinions on the added cost associated with dual water service, but it will add an additional cost to provide two separate water service lines.

One final land development issue that was identified during the research process is the possible extension of municipal sewer to the rural areas that are west of Yankton. Portions of Utica Township and West Yankton UT have been popular residential locations in recent years, and ongoing single family construction has been occurring. The houses have needed on-site septic systems, triggering larger lot size requirements. Yankton County is hoping to extend sewer service to these development areas within the next five years, with treatment provided by the City of Yankton. If accomplished, this would add to the residential development options available to potential home builders/buyers.

Recommendation: Community Partners Research uses a standard that a 2 ½ year supply of lots should be available in the marketplace based on annual lot usage. The best available information for Yankton indicates that Yankton has an approximate two to three year supply at this time, but additional lot development will be required within the next few years. It will be important to assure that ongoing land development occurs to keep pace with construction activity.

The private development community has been active in residential lot development. There will be a limited role that should be required to address this future need, other than the adequate provision of infrastructure and planning/zoning approvals to facilitate future development activity. Lot and land availability is not viewed as an issue that will limit near-term development.

Longer-term, there may be added cost issues related to dual water service requirements to future development areas. This may serve to double the costs associated with the provision of this portion of the infrastructure.

Rural lot development is likely to increase in the future if sewer service is provided west of the City. Since these rural areas would be served by Rural Water, it is not clear whether City water service may also need to be extended to provide adequate fire protection as the density of development increases.

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

Findings: Home ownership is generally the preferred housing option for most households and most communities. According to the 2010 Census, nearly 62% of all households in Yankton owned their housing unit. This percentage increased to a home ownership rate of approximately 71% for the entire Greater Yankton area. There are a number of strategies and programs that can be used to promote home ownership, and programs that can assist with this effort.

First time home buyer mortgage loans and down payment/closing cost assistance programs can help to address affordable housing issues. The community does have a supply of houses that are price-eligible for these types of assistance programs. The home value estimates used in this study indicate that a very large majority of the existing stock in Yankton is valued below the purchase price limits for the first-time home buyer assistance programs available through the South Dakota Housing Development Authority (SDHDA).

Home ownership counseling and training programs can also play a significant role in helping marginal buyers achieve home ownership. The Home Ownership Education Resource Organization (HERO) has a network of provider agencies across the State that provides classes to potential home buyers. Agencies that can serve the Yankton area include the Consumer Credit Counseling Service of Lutheran Social Services in Sioux Falls, and the Inter-Lakes Community Action Partnership, based in Madison.

While individual home ownership assistance programs may not generate a large volume of new ownership activity, a 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.

The employee survey that was conducted as part of this Study found that nearly half of all renter households currently living outside of Yankton would be interested in purchasing a house in the City. Nearly 60% of renter households currently living in Yankton would like to move to home ownership in the future. However, financial conditions do limit renters, as more than two-thirds of the surveyed renter households had an annual income below \$50,000 per year.

Recommendation: Yankton 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. The community should also work with housing agencies to access programs that provide financial assistance for households to purchase a home and to assure that residents of the City are receiving their share of resources that are available in the region.

In addition to programs available through the South Dakota Housing Development Authority, other potential funding sources for home ownership programs may include USDA Rural Development, and the Federal Home Loan Bank.

14. Explore the creation of a local down payment assistance program

Findings: One of the identifiable barriers preventing low and moderate income households from owning a home is the inability to save money for down payment and closing costs. This is especially true now that lending institutions have recently tightened their lending criteria and some conventional loans require a lower loan-to-value ratio.

There are numerous examples of cities and counties that have created a local fund to assist home owners with a down payment assistance program. Under these programs, the city or county establishes a loan pool. Eligible applicants are provided a “soft second” loan that can be applied to a home purchase.

This down payment/closing cost loan is typically secured against the property, behind the primary mortgage. Repayment can be triggered if the buyer sells the home within a certain period of time, but often the loan is forgiven if the borrower meets the basic program requirements. In other cases, the loan may need to be repaid after a certain period of time, or when the borrower sells or transfers the house in the future. Loans with repayment requirements typically do not accrue interest. The size of the loan is generally \$5,000 or less, but depends upon the resources that are available for the loan pool.

Recommendation: The community may wish to consider the development of a local down payment/closing cost assistance program. A locally-funded program could provide additional assistance or could potentially serve households that do not qualify for SDHDA Down Payment Assistance. Following the collapse of the national housing bubble, and resulting rise in foreclosures, more stringent lending criteria now apply to many conventional mortgage loans, and a larger borrower contribution may be required.

Major local employers, the Federal Home Loan Bank and the South Dakota Housing Development Authority may be potential sources to contribute to the fund. In some communities, recaptured grant funds have also been used to create a loan pool.

15. Coordinate with agencies/nonprofits that develop very affordable ownership housing

Findings: While the private development community has achieved success in meeting demand for moderate to higher-priced homes, there has very little new construction of new housing units that are very affordable and available to lower income buyers.

To serve an even lower income group with few other housing resources, Habitat for Humanity has been very active in Yankton, building and selling more than 35 new homes to low and moderate income households. Although this type of organization may not be able to produce a large number of housing units annually, they can help generate a few new homes for lower income families.

Planning and Development District III has also been active in the past in placing some Governor's Houses in Yankton. These have typically utilized lower-priced infill lots in the community.

Recommendation: We encourage the community to coordinate with housing agencies and nonprofit organizations to help produce more affordable housing units. The City may be able to contribute to the project through land donations, TIF, grant writing, or project coordination activities.

One of the limiting factors in recent years has been access to available lots, as past activity has diminished the lower-priced lot supply. As part of the Housing Study project, City staff compiled a listing of available vacant parcels and infill lots in the City's older neighborhoods. This information may be useful as Habitat and District III look for future sites.

This Study has also included information on housing conditions in the City's older neighborhoods. The condition analysis identified more than 40 dilapidated houses in six older neighborhoods that may be suitable for demolition and clearance. If these substandard structures are demolished in the future, the cleared lots may be suitable for redevelopment. These infill lots may be good sites for this type of new construction activity.

Housing Rehabilitation and Neighborhood Revitalization

Findings: The community has an affordable housing asset in its existing housing stock. Existing units, both now and into the future, will represent the 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 and in preventing the deterioration of existing neighborhoods. As this existing stock ages, more maintenance and repair are required. Without rehabilitation assistance, the affordable stock will shrink, creating an even more difficult affordability situation.

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

16. Promote rental housing rehabilitation programs

Findings: Based on 2010 U.S. Census data, the City of Yankton has approximately 2,500 rental units. These rental units are in large, multifamily projects, small rental buildings, converted buildings, mixed-use buildings, duplexes, single family homes and mobile homes.

According to the American Community Survey estimates, more than 71% of the rental housing in Yankton was constructed before 1980. The estimated median year of construction for all rental housing units was 1971. Although most rental property owners attempt to keep their housing properly maintained, there are age-related issues for condition and quality when a majority of units are more than 30 years old.

Information on the age of construction for rental housing units also exists for different types of rental structures. It is common to see older single family houses represented in the rental stock. The American Community Survey estimates for 2011 show approximately 340 houses that were built before 1960 that were being used for rental housing. There were also more than 430 units in multifamily structures that had a year of construction before 1960.

The rehabilitation of older rental units can be one of the most effective ways to produce decent, safe and sanitary affordable housing. However, it is often difficult for rental property owners to rehabilitate and maintain their rental properties while keeping the rents affordable for the tenants.

Recommendation: The community and area housing agencies should seek funds that can be dedicated to the rehabilitation of rental units. For a rental rehabilitation program to be workable and successful, the funds should allow for program flexibility, to the extent possible.

Potential funding sources include USDA Rural Development, the Federal Home Loan Bank, the South Dakota Housing Development Authority, and local funds. In many cases, some form of grant or forgivable loan may be needed to prevent rents from increasing as a result of the investment in the property.

17. Promote owner-occupied housing rehabilitation programs

Findings: With relatively high prices for homes in the Yankton area, the older existing housing stock will continue to represent some of the most affordable home ownership options in the community. Investment in owner-occupied housing rehabilitation activities will be critical to offering affordable housing opportunities in the future. According to the American Community Survey, the median year of construction for owner-occupied houses in Yankton is 1969, so more than half of all owner-occupied units in the City are more than 40 years old.

As part of the research for this Study, a visual housing condition survey was completed in six of the City's older neighborhoods. A total of 727 houses were viewed and rated based on observable exterior features. The analysis found that 212 homes needed minor repair and 193 homes needed major repairs. Without rehabilitation assistance, there is the potential that the affordable housing stock will shrink in the City of Yankton.

Recommendation: We recommend that the community and area housing agencies identify and apply for funds to develop an ongoing housing rehabilitation program. USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank are potential funding sources.

18. Consider the development of a program to promote the purchase and rehabilitation of older homes

Findings: Although Yankton has a relatively high median home value, the City also has a number of older, lower valued homes. In some cases, these older homes may be used as rental housing.

As detailed in the previous recommendation on housing rehabilitation, a visual survey of some of the City's older neighborhoods did identify older houses in varying states of deterioration.

The employee survey that was conducted as part of the research process for this Study found strong potential interest in the concept of a program that would assist buyers with the rehabilitation of an older home. Of the survey respondents that answered the question, 65% said that they would consider the purchase of an older home needing repair if financial assistance programs were available for rehabilitation.

Some communities have developed programs designed to encourage the purchase and rehabilitation of older homes, either by individual buyers, or by a housing agency. If an agency is involved, it purchases an existing home, rehabilitates the structure and then sells the home to a lower income family. The sale may involve additional financial assistance, such as a mortgage with no down payment, a low interest rate and/or a monthly payment that is affordable for the family.

Because a purchase/rehabilitation program can be expensive and its cost effectiveness in some cases could be marginal, it may be advantageous to directly assist low and moderate income households with purchasing and rehabilitating homes. If an individual buyer purchases the home, then a loan that allows for rehabilitation costs is also structured into the mortgage.

It should be noted that the cost of acquisition and rehabilitation may exceed the after-rehab value of the house. In these instances, some form of subsidy may be needed. However, the subsidy cost required to preserve and re-use an existing housing unit will often be lower than the subsidy required to provide an equally affordable unit through new construction.

Recommendation: The community should work with an area housing agency to explore the program options that may be available for a purchase/rehab program.

A purchase/rehabilitation program can achieve several goals. The program encourages home ownership, it rehabilitates homes in need of repair, and it helps prevent substandard homes from converting to rental use.

19. Consider the development of a neighborhood revitalization program

Findings: As part of the research for this Study, Community Partners Research consulted with City staff and area agencies that work on community development issues. Through that process, six older neighborhoods were identified in the City, and a visual housing condition analysis was completed.

While the housing condition survey found that a number of homes in each neighborhood were in need of repair, the size of each defined neighborhood was relatively small, ranging from approximately 42 to 252 houses per neighborhood. Five of the six defined neighborhoods had fewer than 130 houses.

Given the compact size of most of these defined areas, it would be possible to achieve significant impact if a targeted neighborhood improvement program was initiated. The potential exists that these neighborhoods could deteriorate further, or they could be revitalized to continue to be strong and vital areas of the City.

Recommendation: We recommend that the community, area housing agencies, and the private housing sector select a neighborhood and develop and implement a targeted neighborhood revitalization program.

Redevelopment strategies and opportunities should be identified for the neighborhood including:

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

A neighborhood revitalization plan should include time lines, the identification of responsible staff from the city/housing agency, funding sources, and other details. The program should be evaluated on an ongoing basis as opportunities and potential projects may change priorities.

The City of Sioux Falls has undertaken neighborhood revitalization projects and has developed detailed planning documents for specific neighborhoods. While Sioux Falls has more resources available for these concentrated efforts, the City of Yankton could examine the Sioux Falls approaches to obtain information on how to effectively develop and administer a revitalization program. They could also examine the funding sources that were used.

It must be noted that neighborhood revitalization can result in the loss of affordable housing. Redevelopment projects, infill construction and other affordable housing development in the community should assure that there is an overall net gain in the affordable housing stock as a result of the program.

20. Acquire and demolish dilapidated structures

Findings: The housing condition survey of six older neighborhoods in Yankton identified 43 houses that were dilapidated and viewed as too deteriorated to rehabilitate. It is probable that some additional deteriorated houses exist in other neighborhoods that were not viewed.

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

21. Investigate the possibility of implementing a housing inspection program

Findings: A rental housing inspection program can be a valuable community tool in improving the quality of rental housing and assuring safe and sanitary housing for occupants. Neighborhood deterioration, lower property values and unsafe rental units are often prevented when a rental housing inspection program is successfully implemented.

Yankton contains a large majority of the rental options in the surrounding region. In 2013, there are approximately 2,500 rental units in the City. As detailed earlier, a majority of these units are more than 30 years old.

The City may enforce housing codes on a complaint or random basis, but there is no set policy on annual rental registration or inspection. One of the primary reasons that cities adopt a rental inspection program is for health and safety. There is a need to provide tenants with safe, sanitary, and standard living conditions and to eliminate life-threatening hazards.

Rental inspections can also be an important part of neighborhood revitalization efforts. Rental units need to be maintained to keep the integrity of the neighborhood and stabilize property values. Deferred maintenance, cluttered lots, trash and debris all have a negative impact on residential neighborhoods.

There are additional benefits that can be gained by the community. A rental inspection program provides an accurate record of rental units and owners. The program provides a better opportunity for coordination of city programs and codes, and the program assures that rental units comply with minimum housing standards.

Recommendation: We recommend that the City investigate the possibility of implementing a housing inspection program. The program could assure that rental units are safe and sanitary. The program could also assist with the removal of blighted and unsafe conditions.

It should be noted that rental inspection programs are controversial and may be opposed by rental property owners. However, in most communities, a majority of residents have been found to support community efforts that improve the rental housing stock.

Other Housing Initiatives

22. Promote employer involvement in housing programs

Findings: In cities with low unemployment and a shortage of workers, area employers have sometimes become financial participants in the development of housing. Employer involvement is viewed as a way to retain employees and to attract new workers into the community. Yankton currently has a low unemployment rate. Worker attraction and retention were primary reasons that the City was encouraged to study housing issues.

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

Recommendation: In Yankton County, the two largest single employment sectors are Manufacturing and Trade, Transportation and Utilities. These represent a number of different private employers. These companies may have an interest in assisting with addressing area's housing needs.

One possibility for encouraging employer involvement is through SDHDA's EMAP Program. In some communities, another approach that has been used is to have employers make a financial contribution to an overall city project, such as an affordable subdivision or the construction of rental units. Instead of assisting specific employees, this approach can further citywide affordable housing initiatives.

23. Develop mobile home park improvement programs

Findings: Yankton has a number of mobile homes in multiple mobile home parks. According to the American Community Survey estimates there were 317 mobile homes in the City in 2011. This represented more than 5% of all housing options in Yankton, and nearly 7% of the single family housing options in the community. The American Community Survey also estimated that approximately 68% of the City's mobile homes were constructed before 1980, and are more than 30 years old.

The analysts do recognize that there can be significant variation in the quality and condition between individual mobile home parks. Some of the manufactured home neighborhoods primarily contain newer units that are in good condition.

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

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

It may be appropriate for the community to initiate programs to improve the quality of mobile homes, even if these programs can only address a few units per year.

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

- ▶ ***Operation Safe Mobile Home Park*** - Owners of substandard mobile homes are given the option of voluntarily selling their substandard mobile home to the City or an area housing agency for a fixed minimum price. The mobile homes are then removed from the park and demolished/salvaged. The owner can then use the funds from the sale to help purchase a new home. Mobile home dealerships have sometimes participated by buying the salvaged homes.
- ▶ ***Time of Sale Inspection Program*** - This inspection program is designed to provide safe living conditions through the identification and elimination of basic life/safety hazards in older mobile homes. Mobile homes are subject to inspection prior to their sale. All identified safety hazards must be corrected before the unit is sold and/or occupied.
- ▶ ***Cooperative/Land Trust*** - Some mobile home parks have created a cooperative or a land trust which enables the home owners to own the mobile home park land and facilities. This ownership often creates pride which results in a clean, safe park atmosphere.
- ▶ ***Acquisition of the Mobile Home Park*** - In some mobile home parks, a number of the mobile homes may be substandard or vacant, and the park may be on land that has a better use. In these situations, it may be advantageous to purchase the park and relocate the remaining tenants.

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

Findings: The Yankton area will need staff resources to plan and implement many of the housing recommendations advanced in this Study. Yankton has access to City staff, the Yankton Housing Authority, Planning and Development District III, Inter-Lakes Community Action Partnership, and possibly other organizations. Yankton also has direct access to the USDA Rural Development Service Center Office and the South Dakota Housing Development Authority.

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

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

Yankton in Comparison to Other Cities

As part of the research for this Study, Yankton has been compared to other larger communities in eastern and central South Dakota, including Pierre, Mitchell, Watertown, Huron, Aberdeen, Brookings, Vermillion and Sioux Falls. Although the City of Sioux Falls has been included for comparison, it has not been used when ranking communities, based on its substantially larger size.

There are sources of comparative data from standardized sources. For demographic items such as population and household growth, the decennial U.S. Census has been used.

For information on household income, housing costs and age of housing, the best source is the Census Bureau's American Community Survey, which collects sample data within each community and then generates estimates from these samples. There can be a significant margin of error in these estimates, depending upon the specific variable being examined. However, the same methodology would be used in each city, so a standardized process is being followed.

American Community Survey data can be estimated from different samples. Estimates for larger communities, such as Sioux Falls, may be based on one-year or three-year surveys. In the demographic section for Yankton that was presented earlier, the 5-year American Community Survey estimates were used, based on surveys conducted between 2007 and 2011. For consistency, the following comparisons are all based on five-year surveys within each community.

Population Change 2000 to 2010

Table 40 Comparison of Population Change - 2000 to 2010			
City	Numeric Change 2000 to 2010	Percentage Change 2000 to 2010	Rank 1 = Highest % Growth
Yankton	926	6.8%	3
Aberdeen	1,433	5.8%	6
Brookings	3,552	19.2%	1
Huron	699	5.9%	5
Mitchell	696	4.8%	7
Pierre	-230	-1.7%	8
Vermillion	806	8.3%	2
Watertown	1,245	6.2%	4
Sioux Falls	29,913	24.1%	N/A

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

The City of Yankton outperformed most of the comparison cities for population growth over the last decade, ranking third of the eight comparison communities for percentage growth.

Only Brookings and Vermillion experienced a higher rate of population growth. As locations for major state universities, the population growth may have been due in part to an enrollment increase. However, some of the population growth in Yankton was due to an increase in group quarters residents, including residents of correctional facilities, so Yankton also grew by adding non-traditional population groups.

Only the City of Pierre lost population over the past decade. Development patterns in that area have resulted in many homes being constructed outside of the city limits, taking advantage of rural settings and river views. Yankton also has some growth occur outside of the city limits that would not be reflected in the table above.

Household Change 2000 to 2010

Table 41 Comparison of Household Change - 2000 to 2010			
City	Numeric Change 2000 to 2010	Percentage Change 2000 to 2010	Rank 1 = Highest % Growth
Yankton	540	10.1%	3
Aberdeen	865	8.2%	5
Brookings	1,188	17.0%	1
Huron	155	2.9%	8
Mitchell	575	9.4%	4
Pierre	211	3.8%	7
Vermillion	164	4.5%	6
Watertown	893	10.6%	2
Sioux Falls	11,976	24.1%	N/A

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

The City of Yankton also outperformed most of the comparison cities for household growth over the last decade, once again ranking third for percentage increase.

Brookings led the group, with household growth of 17% during the decade. However, student renter household formation may have contributed to this high growth rate.

All of the comparison cities added households in the last decade.

Median Age in 2010

Table 42 Comparison of Median Age in 2010		
City	Median Age - 2010 Census	Rank 1 = Lowest Median Age
Yankton	40.4	8
Aberdeen	36.4	3
Brookings	23.5	2
Huron	39.8	7
Mitchell	36.8	5
Pierre	39.3	6
Vermillion	23.4	1
Watertown	36.6	4
Sioux Falls	33.6	N/A

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

The 2010 Census included a calculation of the median age for all residents. A higher median age is typically an indicator of both an older population, and fewer children within a community.

Yankton had the highest median age of the comparison cities, and was the only community with a median age above 40 years old.

Vermillion and Brookings had the youngest medians, due to the large student populations in each of those communities.

All of the other comparison communities, excluding Sioux Falls, Brookings and Vermillion, had a median age between 36 and 40 years old.

Average Household Size in 2010

Table 43 Comparison of Average Household Size in 2010		
City	Average Household Size 2010 Census	Rank 1 = Highest Median Size
Yankton	2.17	7
Aberdeen	2.18	6
Brookings	2.29	1
Huron	2.27	3
Mitchell	2.16	8
Pierre	2.23	4
Vermillion	2.21	5
Watertown	2.28	2
Sioux Falls	2.40	N/A

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

The calculation of average household size was included in the 2010 Census. Yankton had a smaller average household size than most of the comparison communities, at 2.17 persons. Similar to median age, a small average household size generally indicates an aging population, with many people living alone, as well as fewer children in the community.

Brookings had the largest average household size at 2.29 persons, although student households with multiple roommates may have impacted this calculation.

Mitchell, Yankton and Aberdeen all had an average that was below 2.20 persons per household.

Median Household Income in 2011

Table 44 Comparison of Estimated Median Household Income in 2011		
City	Median Income - 2011 ACS	Rank 1 = Highest Median Income
Yankton	\$46,042	2
Aberdeen	\$43,479	3
Brookings	\$38,536	6
Huron	\$37,940	7
Mitchell	\$40,850	5
Pierre	\$56,161	1
Vermillion	\$29,393	8
Watertown	\$42,449	4
Sioux Falls	\$51,831	N/A

Source: 2011 American Community Survey; Community Partners Research, Inc.

The American Community Survey issues estimates for the median income level for all households in each city. The most recent estimates are for 2011.

Yankton ranked as the second highest median income, at \$46,042. Only Pierre had a higher median income level.

Pierre and Sioux Falls were the only cities that had a median household income above \$50,000 in 2011.

Vermillion had the lowest median income at \$29,393, but this may have been impact by the community’s relatively small size but large student population.

Median Home Value in 2011

Table 45 Comparison of Estimated Median Home Values in 2011		
City	Median Owner-Occupied Home Value - 2011 ACS	Rank 1 = Highest Median Value
Yankton	\$121,600	6
Aberdeen	\$123,600	5
Brookings	\$140,000	2
Huron	\$78,600	8
Mitchell	\$110,500	7
Pierre	\$145,700	1
Vermillion	\$127,900	4
Watertown	\$128,400	3
Sioux Falls	\$149,600	N/A

Source: 2011 American Community Survey; Community Partners Research, Inc.

The 2011 American Community Survey contains an estimated median value for owner-occupied houses in each city.

Yankton had a lower median home value than most of the comparison communities, with a median of \$121,600. Although a lower median value can make home ownership more achievable, values will often reflect the age, condition and quality of the unit, as well as demand.

The Cities of Pierre and Brookings had the highest median home values, at \$145,700 and \$140,000, respectively. These two cities were well above all of the other comparison communities.

The lowest median value was in Huron, at \$78,600. Huron was the only comparison city with a median value below \$110,000.

Percentage of Income Required for Home Ownership in 2011

Table 46 Comparison of Estimated Median Ownership Costs in 2011		
City	Median Percentage of Household Income Applied to Home Ownership Costs - 2011 ACS	Rank 1 = Lowest Median Percentage
Yankton	17.0%	2
Aberdeen	18.6%	6
Brookings	18.8%	8
Huron	15.2%	1
Mitchell	18.2%	4
Pierre	18.1%	3
Vermillion	18.5%	5
Watertown	18.7%	7
Sioux Falls	19.6%	N/A

Source: 2011 American Community Survey; Community Partners Research, Inc.

The American Community Survey collects information on household incomes as well as housing costs. An estimate is made of the median percentage of household income that is required for ownership costs.

Yankton had the second lowest median percentage of income required for ownership, at 17%. The City did have a higher median income than most of the other cities, as well as a lower median home value, both of which contribute to this lower percentage.

Only Huron had a lower median percentage of income that was required for ownership, but Huron also had a median home value that was well below the level in the peer communities.

In all of the other comparison communities, more than 18% of income was required for home ownership.

Median Gross Rent in 2011

Table 47 Comparison of Estimated Median Gross Rent in 2011		
City	Median Gross Rent - 2011 ACS	Rank 1 = Highest Median Rent
Yankton	\$510	6
Aberdeen	\$488	7
Brookings	\$626	1
Huron	\$441	8
Mitchell	\$571	4
Pierre	\$521	5
Vermillion	\$601	2
Watertown	\$588	3
Sioux Falls	\$685	N/A

Source: 2011 American Community Survey; Community Partners Research, Inc.

The 2011 American Community Survey contains an estimated median for gross rent (rent plus tenant-paid utilities) in each city.

Yankton was at the lower end of the gross rent range of the comparison cities, with a median gross rent of \$510 per month.

While a lower rent structure makes housing more affordable, it may also be a reflection of condition and quality, as there may be a smaller supply of newer units with high quality amenities.

The highest median gross rent levels were in Brookings and Vermillion, both of which were above \$600 per month. Presumably student-generated demand has resulted in newer units and a higher rent structure in these communities.

Only Huron and Aberdeen had a lower median gross rent than Yankton, and in both of these communities the median was below \$500.

Percentage of Income Needed for Rental Costs in 2011

Table 48 Comparison of Estimated Median Renter Costs in 2011		
City	Median Percentage of Household Income Applied to Gross Rent - 2011 ACS	Rank 1 = Lowest Median Percentage
Yankton	27.9%	5T
Aberdeen	22.6%	1
Brookings	30.5%	7
Huron	24.7%	2T
Mitchell	27.9%	5T
Pierre	24.7%	2T
Vermillion	33.6%	8
Watertown	27.5%	4
Sioux Falls	27.0%	N/A

Source: 2011 American Community Survey; Community Partners Research, Inc.

The American Community Survey collects information on household incomes as well as housing costs. An estimate is made of the median percentage of household income that is required for monthly rent. The goal of most affordable housing programs is to achieve a rent that requires less than 30% of household income. Only two of the comparison cities, Vermillion and Brookings required the median household to pay more than 30% of income for rental housing.

Yankton was in the upper half of the comparison communities, with more income required for rental housing than most of the other comparison communities. In Yankton, the median percentage of household income that was applied to housing costs was 27.9% in 2011.

Aberdeen had the most affordable rental housing, with less than 23% of income required for monthly rent.

Although the City’s median household income, presented earlier, was relatively high, this reflected all households including home owners. The high percentage of income required for gross rent payment was due to a relatively low median household income level for the City’s renter households.

Median Renter Household Income in 2011

Table 49 Comparison of Estimated Median Renter Income in 2011		
City	Median Income - 2011 ACS	Rank 1 = Highest Median Income
Yankton	\$21,044	7
Aberdeen	\$23,733	3
Brookings	\$22,258	5
Huron	\$23,574	4
Mitchell	\$27,990	1
Pierre	\$27,900	2
Vermillion	\$20,527	8
Watertown	\$22,042	6
Sioux Falls	\$30,364	N/A

Source: 2011 American Community Survey; Community Partners Research, Inc.

The American Community Survey issues estimates for the median income for all households in each city, based on owner or renter status. The most recent estimates are for 2011.

Yankton ranked as the seventh lowest renter median income, at \$21,044. Only Vermillion had a lower median income level for renter households.

Mitchell and Pierre had the highest median renter household incomes of the comparison cities, both above \$27,000.

Median Owner-Occupancy Household Income in 2011

Table 50 Comparison of Estimated Owner Household Income in 2011		
City	Median Income - 2011 ACS	Rank 1 = Highest Median Income
Yankton	\$65,171	2
Aberdeen	\$56,047	6
Brookings	\$65,060	3
Huron	\$55,085	7
Mitchell	\$60,018	4
Pierre	\$72,841	1
Vermillion	\$57,500	5
Watertown	\$54,961	8
Sioux Falls	\$69,961	N/A

Source: 2011 American Community Survey; Community Partners Research, Inc.

The American Community Survey issues estimates for the median income for all households in each city based on housing tenure. The most recent estimates are for 2011.

Yankton ranked as the second highest median income for owner-occupants, at \$65,171.

Pierre had the highest median owner household income of the comparison cities, and was the only city above \$70,000.

Watertown was the only city that had a median owner household income that was below \$55,000 in 2011.

Median Year Built: Owner-Occupancy Housing

Table 51 Median Year of Construction for Owner-Occupied Housing		
City	Median Year Built - 2011 ACS	Rank 1 = Newest Median
Yankton	1969	5
Aberdeen	1963	7
Brookings	1978	1
Huron	1955	8
Mitchell	1964	6
Pierre	1974	2
Vermillion	1971	4
Watertown	1972	3
Sioux Falls	1983	N/A

Source: 2011 American Community Survey; Community Partners Research, Inc.

The American Community Survey issues estimates for the median year of construction for owned and rented housing units.

Yankton was in the lower half of comparison communities, with a slightly older housing stock. The median year of construction for owner-occupied units was 1969.

Brookings had the newest housing stock, with a median year of construction at 1978 for owner-occupied units.

Huron had the oldest housing stock with 1955 as the median year of construction.

Median Year Built: Renter-Occupancy Housing

Table 52 Median Year of Construction for Renter-Occupied Housing		
City	Median Year Built - 2011 ACS	Rank 1 = Newest Median
Yankton	1971	4T
Aberdeen	1966	7
Brookings	1978	1
Huron	1962	8
Mitchell	1969	6
Pierre	1974	3
Vermillion	1971	4T
Watertown	1976	2
Sioux Falls	1981	N/A

Source: 2011 American Community Survey; Community Partners Research, Inc.

The American Community Survey issues estimates for the median year of construction for owned and rented housing units.

For rental housing, Yankton was in the middle of the comparison communities for the median age of the stock. The median year of construction for renter-occupied units was 1971.

Brookings also had the newest rental housing, with a median year of construction at 1978 for renter-occupied units.

Huron once again had the oldest housing stock with 1962 as the median year of construction for rental units.

Employee Survey

As part of the research process for the Yankton Housing Study, a two-page survey was created and distributed to larger employers in the community. The survey was intended to collect attitudinal information from people that work in the community. It asked various questions about housing, housing costs, and perceptions about Yankton. Participation in the survey was voluntary, and response rates varied.

A copy of the full survey is included at the end of this section. Tabulation information is provided by survey question. In addition, the analysts have identified the following observations as some of the significant highlights from the survey:

- ▶ A total of 299 surveys were completed and returned. In some cases, respondents did not answer all of the questions, so the tabulation totals differ by question.
- ▶ Approximately 61% of the survey respondents lived within the City, and the remaining 39% lived in various jurisdictions in the surrounding area. The median travel time to work for people living outside of Yankton was between 11 and 20 minutes, so most commuters tended to live reasonably close to the City. However, nearly 16% did report a drive time of 30 minutes or more.
- ▶ Non-residents were more likely to own their housing (73% home owners) than residents of the City (59% home owners). However, this may be due to the rental options that are present within Yankton. Very few apartment buildings exist in the small communities around Yankton and most of the region's rental housing is located within the city limits.
- ▶ Home owners were asked about the estimated value of their house. For Yankton residents, the median estimated home value was very close to \$125,000. For non-residents, the median home value was less than \$100,000.
- ▶ Renters were asked about their gross monthly rent. For Yankton residents, the median gross rent was between \$600 and \$699. For non-residents, the median gross rent was approximately \$600 per month.
- ▶ Yankton residents were asked about their plans to change their housing. Most current homeowners did not have any plans to change, but those who did all intended to purchase a different home.

- ▶ The large majority of current Yankton renters did plan to change their housing, and most of these households wanted to move to home ownership. However, financial conditions do limit renters, as more than two-thirds of the surveyed renter households had an annual income below \$50,000 per year.
- ▶ Non-residents were also asked about plans to change their housing. Approximately 15% of current home owners indicated that they would consider buying a house in Yankton.
- ▶ Non-resident renters were more interested in moving into the City, as nearly 44% expressed an interest in Yankton. However, the large majority of these non-resident renter households had an annual income below \$50,000, and limited buying power for replacement housing.
- ▶ The large majority of non-residents interested in moving to Yankton (both current owners and renters) would prefer to purchase a home in the City. Most people interested in buying a home in Yankton had a target price of \$150,000 or less, which will generally be achieved through the purchase of an existing home.
- ▶ There was strong potential interest in the concept of a program that would assist buyers with the rehabilitation of an older home. Of the survey respondents that answered the question, 65% said that they would consider the purchase of an older home needing repair if financial assistance programs were available for rehabilitation.
- ▶ The median household income level for current Yankton home owners was between \$70,000 and \$79,999.
- ▶ The median household income level for current Yankton renters was between \$40,000 and \$49,999.
- ▶ The median household income level for current non-resident home owners was between \$60,000 and \$69,999.
- ▶ The median household income level for current non-resident renters was between \$30,000 and \$39,999.

1. Do you currently live within the City of Yankton? ___ Yes ___ No

If No, please identify the city or area where you live: _____

If No, estimate your driving time to your place of work: _____ minutes

- ▶ 299 total surveys returned
- ▶ 182 respondents live in Yankton (60.9%)
- ▶ 117 respondents live outside of Yankton (39.1%)

Communities/Areas outside of the City include:

- ▶ Yankton County/rural Yankton - 12
- ▶ Tyndall - 10
- ▶ Mission Hill/rural Mission Hill - 10
- ▶ Crofton - 8
- ▶ Gayville - 7
- ▶ Springfield - 7
- ▶ Lake area - 6
- ▶ Riverside Acres - 6
- ▶ Volin/rural Volin - 5
- ▶ Tabor/rural Tabor - 4
- ▶ Vermillion - 4
- ▶ Hartington - 3
- ▶ Plainview - 2
- ▶ Wakanda - 2

Travel Time for Non-Residents

- ▶ 10 minutes or less - 28 (24.6%)
- ▶ 11 to 20 minutes - 36 (31.6%)
- ▶ 21 to 30 minutes - 32 (28.1%)
- ▶ 30 minutes or more - 18 (15.8%)

2. Do you currently own or rent your housing?

_____ Own

_____ Rent

_____ Other

Yankton Residents

- ▶ 106 own - 58.9%
- ▶ 68 rent - 37.8%
- ▶ 6 other - 3.3
- ▶ 2 did not answer

Non-Residents

- ▶ 85 own - 72.6%
- ▶ 24 rent - 20.5%
- ▶ 8 other - 6.8%

3. If you own your housing unit, what would you estimate the value of your home to be?

_____ Less than \$75,000	_____ \$150,000 to \$174,999
_____ \$75,000 to \$99,000	_____ \$175,000 to \$199,999
_____ \$100,000 to \$124,999	_____ \$200,000 to \$249,999
_____ \$125,000 to \$149,999	_____ \$250,000 or more

Home Value Distribution

- ▶ 12.3% of Yankton residents had a house valued less than \$75,000
- ▶ 33.7% of non-residents had a house valued less than \$75,000

- ▶ 14.2% of Yankton residents had a house valued \$75,000-\$99,999
- ▶ 19.1% of non-residents had a house valued \$75,000-\$99,999

- ▶ 23.6% of Yankton residents had a house valued \$100,000-\$124,999
- ▶ 7.9% of non-residents had a house valued \$100,000-\$124,999

- ▶ 21.7% of Yankton residents had a house valued \$125,000-\$149,999
- ▶ 10.1% of non-residents had a house valued \$125,000-\$149,999

- ▶ 9.4% of Yankton residents had a house valued \$150,000-\$174,999
- ▶ 13.5% of non-residents had a house valued \$150,000-\$174,999

- ▶ 2.8% of Yankton residents had a house valued \$175,000-\$199,999
- ▶ 6.7% of non-residents had a house valued \$175,000-\$199,999

- ▶ 11.3% of Yankton residents had a house valued \$200,000-\$249,999
- ▶ 4.5% of non-residents had a house valued \$200,000-\$249,999

- ▶ 4.7% of Yankton residents had a house valued at \$250,000 or more
- ▶ 4.5% of non-residents had a house valued at \$250,000 or more

4. If you rent your housing unit, what would you estimate the monthly gross rent to be? (Including any utilities paid by you)

- | | |
|-----------------------|--------------------------|
| _____ Less than \$500 | _____ \$800 to \$899 |
| _____ \$500 to \$599 | _____ \$900 to \$999 |
| _____ \$600 to \$699 | _____ \$1,000 to \$1,099 |
| _____ \$700 to \$799 | _____ \$1,100 or more |

Please estimate the percentage of your household monthly income that is needed for your rental housing costs (rent plus utilities paid by you _____%)

Gross Rent Distribution

- ▶ 16.2% of Yankton renters paid less than \$500 for rent
- ▶ 25.0% of non-resident renters paid less than \$500 for rent

- ▶ 29.4% of Yankton renters paid \$500 to \$599 for rent
- ▶ 25.0% of non-resident renters paid \$500 to \$599 for rent

- ▶ 16.2% of Yankton renters paid \$600 to \$699 for rent
- ▶ 20.0% of non-resident renters paid \$600 to \$699 for rent

- ▶ 16.2% of Yankton renters paid \$700 to \$799 for rent
- ▶ 15.0% of non-resident renters paid \$700 to \$799 for rent

- ▶ 8.8% of Yankton renters paid \$800 to \$899 for rent
- ▶ 5.0% of non-resident renters paid \$800 to \$899 for rent

- ▶ 2.9% of Yankton renters paid \$900 to \$999 for rent
- ▶ 5.0% of non-residents renters paid \$900 to \$999 for rent

- ▶ 5.9% of Yankton renters paid \$1,000 to \$1,099 for rent
- ▶ 0% of non-resident renters paid \$1,000 to \$1,099 for rent

- ▶ 4.4% of Yankton renters paid \$1,100 or more for rent
- ▶ 5.0% of non-resident renters paid \$1,100 or more for rent

5. How many bedrooms are there in your current housing unit?

_____ Bedrooms

Is this number of bedrooms adequate for your household?

_____ Yes _____ No If no: ____ Need more ____ Need less

Home Owners

- ▶ 1.8% of Yankton home owners had a one-bedroom house
- ▶ 2.4% of non-resident home owners had a one-bedroom house

- ▶ 11.3% of Yankton home owners had a two-bedroom house
- ▶ 18.8% of non-resident home owners had a two-bedroom house

- ▶ 38.7% of Yankton home owners had a three-bedroom house
- ▶ 31.8% of non-resident home owners had a three-bedroom house

- ▶ 48.1% of Yankton home owners had a house with 4 or more bedrooms
- ▶ 47.1% of non-resident home owners had a house with 4 or more bedrooms

Adequacy of Housing

- ▶ 83.7% of Yankton home owners had an adequate number of bedrooms
- ▶ 75% of those with inadequate housing needed more bedrooms

- ▶ 42.9% of non-resident home owners had an adequate number of bedrooms
- ▶ 75% of those with inadequate housing needed more bedrooms

Renters

- ▶ 22.7% of Yankton renters had a one-bedroom unit
- ▶ 8.3% of non-resident renters had a one-bedroom unit

- ▶ 48.5% of Yankton renters had a two-bedroom unit
- ▶ 29.2% of non-resident renters had a two-bedroom unit

- ▶ 24.2% of Yankton renters had a three-bedroom unit
- ▶ 37.5% of non-resident renters had a three-bedroom unit

- ▶ 4.5% of Yankton renters had a unit with 4 or more bedrooms
- ▶ 25.0% of non-resident renters had a house with 4 or more bedrooms

Adequacy of Housing

- ▶ 70.3% of Yankton renters had an adequate number of bedrooms
- ▶ 94.4% of those with inadequate housing needed more bedrooms

- ▶ 80.9% of non-resident home owners had an adequate number of bedrooms
- ▶ 100% of those with inadequate housing needed more bedrooms

6. If you currently live in Yankton, are you considering any of the following:

- Changing from owning to renting
- Changing from renting to owning
- Continue owning, but buy a different house
- Continue renting, but rent a different unit

Please provide any comments about your plans to change housing:

Yankton Home Owners

- ▶ 59.4% of current Yankton home owners did not identify any changes planned
- ▶ 40.6% of current Yankton home owners did identify a change
 - ▶ All of these owners expressed an interest in owning, but buying a different house

Yankton Renters

- ▶ 10.3% of current Yankton renters did not identify any changes planned
- ▶ 92.6% of current Yankton renters did identify a change
 - ▶ 62.5% wanted to change from renting to owning
 - ▶ 37.5% wanted to rent a different unit

7. If you do not currently live in the City of Yankton, would you consider moving to the City if adequate housing choices were available?

_____ Yes I would consider moving to Yankton

If yes, is anything specific preventing you from moving into the City?

_____ No, I would prefer to remain living in my current location

If no, how satisfied are you with your current community?

- ▶ 15.3% of non-resident home owners would consider a move to Yankton
 - ▶ 69.2% of these owners reported a commute time of 25 minutes or more
 - ▶ 66.7% of owners with an interest in Yankton also had an annual income of \$60,000 or more
 - ▶ 23.1% identified an ownership price of \$175,000 or more

- ▶ 43.5% of non-resident renters would consider a move to Yankton
 - ▶ 50% of these renters reported a commute time of 25 minutes or more
 - ▶ 70% of the renters with an interest in Yankton had an annual income below \$50,000
 - ▶ All of the renters wanted a rental unit priced at \$700 or less

8. If you do not currently live in Yankton, but would consider moving into the City, what type of housing would you prefer?

- | | |
|--|---|
| <input type="checkbox"/> Home ownership | <input type="checkbox"/> Rental |
| <input type="checkbox"/> New single family home | <input type="checkbox"/> Apartment |
| <input type="checkbox"/> Existing single family home | <input type="checkbox"/> Rental single family |
| <input type="checkbox"/> Twin home | <input type="checkbox"/> Rental town house |
| <input type="checkbox"/> Town house | <input type="checkbox"/> Rental mobile home |
| <input type="checkbox"/> Mobile home | <input type="checkbox"/> Downtown loft |

Identify any specific housing choice that you would like to see in Yankton:

Please identify a target price that you can afford for your preferred housing:

\$_____ purchase price for ownership \$_____ in monthly rent

- ▶ 58 non-residents identified an ownership housing interest
- ▶ 13 non-residents identified a rental housing interest

9. *Would you consider the purchase of an older home needing repair if financial assistance programs were available for rehabilitation?*

_____ Yes _____ No

- ▶ 66.4% of all home owners would consider purchase/rehab
- ▶ 88.2% of all renters would consider purchase/rehab

10. How many people are in your household?

<input type="checkbox"/> One	<input type="checkbox"/> Three	<input type="checkbox"/> Five
<input type="checkbox"/> Two	<input type="checkbox"/> Four	<input type="checkbox"/> Six

- ▶ 11.5% of owners had 1-person households
- ▶ 19.5% of renters had 1-person households

- ▶ 35.2% of owners had 2-person households
- ▶ 28.7% of renters had 2-person households

- ▶ 15.4% of owners had 3-person households
- ▶ 23.0% of renters had 3-person households

- ▶ 19.2% of owners had 4-person households
- ▶ 20.7% of renters had 4-person households

- ▶ 14.3% of owners had 5-person households
- ▶ 5.7% of renters had 5-person households

- ▶ 4.4% of owners had 6 or more person households
- ▶ 2.3% of renters had 6 or more person households

11. How many people in your household earn income for the household?

<input type="checkbox"/> One	<input type="checkbox"/> Three	<input type="checkbox"/> Five
<input type="checkbox"/> Two	<input type="checkbox"/> Four	<input type="checkbox"/> Six

- ▶ 25.8% of owners had 1 household member earning income
- ▶ 55.2% of renters had 1 household member earning income

- ▶ 70.9% of owners had 2 household member earning income
- ▶ 42.5% of renters had 2 household member earning income

- ▶ 3.3% of owners had 3 or more household member earning income
- ▶ 2.3% of renters had 3 or more household member earning income

12. Please estimate your annual household income:

___ Less than \$30,000	___ \$60,000 to \$69,999
___ \$30,000 to \$39,999	___ \$70,000 to \$79,999
___ \$40,000 to \$49,999	___ \$80,000 to \$89,999
___ \$50,000 to \$59,999	___ \$90,000 or more

Yankton Residents

- ▶ 2.1% of owners had a household income below than \$30,000
- ▶ 18.3% of renters had a household income below \$30,000

- ▶ 12.5% of owners had a household income from \$30,000-\$39,999
- ▶ 26.8% of renters had a household income from \$30,000-\$39,999

- ▶ 8.3% of owners had a household income from \$40,000-\$49,999
- ▶ 12.7% of renters had a household income from \$40,000-\$49,999

- ▶ 12.5% of owners had a household income from \$50,000-\$59,999
- ▶ 18.3% of renters had a household income from \$50,000-\$59,999

- ▶ 9.4% of owners had a household income from \$60,000-\$69,999
- ▶ 8.5% of renters had a household income from \$60,000-\$69,999

- ▶ 14.6% of owners had a household income from \$70,000-\$79,999
- ▶ 0% of renters had a household income from \$70,000-\$79,999

- ▶ 9.4% of owners had a household income from \$80,000-\$89,999
- ▶ 0% of renters had a household income from \$80,000-\$89,999

- ▶ 31.3% of owners had a household income of \$90,000 or more
- ▶ 2.8% of renters had a household income of \$90,000 or more

Non-Residents

- ▶ 3.8% of owners had a household income below than \$30,000
- ▶ 21.7% of renters had a household income below \$30,000

- ▶ 18.8% of owners had a household income from \$30,000-\$39,999
- ▶ 30.4% of renters had a household income from \$30,000-\$39,999

- ▶ 10.0% of owners had a household income from \$40,000-\$49,999
- ▶ 17.4% of renters had a household income from \$40,000-\$49,999

- ▶ 10.0% of owners had a household income from \$50,000-\$59,999
- ▶ 13.0% of renters had a household income from \$50,000-\$59,999

- ▶ 12.5% of owners had a household income from \$60,000-\$69,999
- ▶ 4.3% of renters had a household income from \$60,000-\$69,999

- ▶ 13.8% of owners had a household income from \$70,000-\$79,999
- ▶ 8.7% of renters had a household income from \$70,000-\$79,999

- ▶ 6.3% of owners had a household income from \$80,000-\$89,999
- ▶ 0% of renters had a household income from \$80,000-\$89,999

- ▶ 25.0% of owners had a household income of \$90,000 or more
- ▶ 4.3% of renters had a household income of \$90,000 or more

Yankton Housing Survey

This survey is being distributed by the City of Yankton and Yankton Area Progressive Growth to collect information about housing needs and preferences within the Yankton area. Please be aware that this is an anonymous survey, and does not require you to list your name. It has been distributed to employees at larger area businesses. The results of the survey will be tabulated and used to help policy makers and housing organizations make informed decisions on future housing needs.

Thank you for your cooperation in completing and returning this survey.

1. **Do you currently live within the City of Yankton?** ___ Yes ___ No

If No, please identify the city or area where you live: _____

If No, estimate your driving time to your place of work: _____ minutes

2. **Do you currently own or rent your housing?**

___ Own ___ Rent ___ Other

3. **If you own your housing unit, what would you estimate the value of your home to be?**

___ Less than \$75,000	___ \$150,000 to \$174,999
___ \$75,000 to \$99,000	___ \$175,000 to \$199,999
___ \$100,000 to \$124,999	___ \$200,000 to \$249,999
___ \$125,000 to \$149,999	___ \$250,000 or more

4. **If you rent your housing unit, what would you estimate the monthly gross rent to be? (Including any utilities paid by you)**

___ Less than \$500	___ \$800 to \$899
___ \$500 to \$599	___ \$900 to \$999
___ \$600 to \$699	___ \$1,000 to \$1,099
___ \$700 to \$799	___ \$1,100 or more

Please estimate the percentage of your household monthly income that is needed for your rental housing costs (rent plus utilities paid by you _____ %)

5. **How many bedrooms are there in your current housing unit?**

_____ Bedrooms

Is this number of bedrooms adequate for your household?

___ Yes ___ No If no: ___ Need more ___ Need less

6. **If you currently live in Yankton, are you considering any of the following:**

___ Changing from owning to renting
___ Changing from renting to owning
___ Continue owning, but buy a different house
___ Continue renting, but rent a different unit

Please provide any comments about your plans to change housing:

7. If you do not currently live in the City of Yankton, would you consider moving to the City if adequate housing choices were available?

Yes I would consider moving to Yankton

If yes, is anything specific preventing you from moving into the City?

No, I would prefer to remain living in my current location

If no, how satisfied are you with your current community?

8. If you do not currently live in Yankton, but would consider moving into the City, what type of housing would you prefer?

Home ownership

New single family home

Existing single family home

Twin home

Town house

Mobile home

Rental

Apartment

Rental single family

Rental town house

Rental mobile home

Downtown loft

Identify any specific housing choice that you would like to see in Yankton:

Please identify a target price that you can afford for your preferred housing:

\$_____ purchase price for ownership

\$_____ in monthly rent

9. Would you consider the purchase of an older home needing repair if financial assistance programs were available for rehabilitation?

Yes No

10. How many people are in your household?

One

Three

Five

Two

Four

Six

11. How many people in your household earn income for the household?

One

Three

Five

Two

Four

Six

12. Please estimate your annual household income:

Less than \$30,000

\$60,000 to \$69,999

\$30,000 to \$39,999

\$70,000 to \$79,999

\$40,000 to \$49,999

\$80,000 to \$89,999

\$50,000 to \$59,999

\$90,000 or more

Please provide any other comments concerning housing issues in the Yankton area:
