

Grundy County, Iowa

2019 Housing Needs Assessment

Adopted by: _____

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Prepared By:



Rural Development

This study was funded in part by a Rural Business Development Grant from USDA Rural Development, the results of which are not endorsed by USDA.



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Executive Summary

Grundy County is located in northeast Iowa, west of the Cedar Falls/Waterloo Metropolitan Area. With an estimated population of 12,354 in 2017, the county's population has slowly decreased since 1980. With limited population growth in the last few decades, employers in the county have struggled to meet their workforce demands. One of the barriers limiting workforce availability is the lack of safe, affordable housing close to where persons work. Demand for housing has also increased as the county's aging housing stock becomes undesirable. To fully assess the housing needs of the county and how they relate to population, households and workforce, Grundy County took the initiative to conduct a Housing Needs Assessment (HNA).

In July 2018, the Butler-Grundy Development Alliance contracted the Iowa Northland Regional Council of Governments (INRCOG) to develop a countywide Housing Needs Assessment (HNA). Funding for this study was provided by the Butler-Grundy Development Alliance along with grant funds awarded to the Butler-Grundy Development Alliance through the USDA Rural Business Development Grant (RBDG) program.

Over the course of a year, three planning meetings were held with participation from both Grundy County and its communities. Figure 1 lists the date, topics and location of the meetings.

Figure 1: Grundy County HNA Planning Task Force Meetings			
	Date	Topic	Location
1	March 14, 2019	Reviewed existing housing conditions in each community; discussed recent/current housing and community development activities along with planning tools that could encourage residential development; identified areas in each community where housing units (infill or new development) could occur; shared strengths and weaknesses in regards to housing throughout each community.	Natural Grind 721 G Avenue Grundy Center, IA 50638
2	May 23, 2019	Reviewed strengths and weaknesses in regards to housing; identified housing needs in each community; developed action steps to help solve or mitigate the housing issues identified in each community.	Natural Grind 721 G Avenue Grundy Center, IA 50638

A total of 9 county and city representatives attended the meetings and comprised the Task Force. Figure 2 is a list of Task Force members.

Figure 2: Task Force Members				
Name	Community	Title	Meeting #1	Meeting #2
Ann Smith	City of Beaman	Mayor	X	X
Lori Stansberry	City of Conrad	City Administrator	X	X
Kristy Sawyer	City of Grundy Center	City Clerk	X	X
Dan Bangasser	City of Grundy Center	Public Works	X	
Kristy Sawyer	City of Holland	City Clerk	X	X
Julie Wilkerson	City of Reinbeck	City Administrator	X	X
Wendy Lage	City of Wellsburg	City Clerk		X
Barbara Smith	Grundy County	County Supervisor	X	
Heidi Nederhoff	Grundy County	County Supervisor	X	X
Jeff Kolb	Butler-Grundy Development Alliance	Executive Director	X	X
Marcy Weinzel	Community Planner	INRCOG	X	X
Brian Schoon	Director of Development	INRCOG	X	X

This study utilizes a collection of data from a variety of sources to illustrate historic and current housing conditions in Grundy County. Based on this data, historical trends were identified and forecasts were developed in order to project the anticipated housing demand.

The projections in this document, especially those regarding housing, represent a best estimate of the future based on reasonable projections of current trends. It is important to remember that such trends can change and unforeseen circumstances can arise that affect the accuracy of the projections. Housing projections should be updated over time as projected data points are realized and to ensure that the most accurate information is used.

The sections in this assessment cover (1) Physical Attributes; (2) Population and Demographics; (3) Economic Considerations; (4) Housing Characteristics; (5) Household and Housing Demands; and (6) City Profiles. Appendices A-I cover each city's individual profile while Appendix J covers an inventory of federal, state and local housing funding resources and program providers that can help address some of the housing issues identified in the assessment. This executive summary provides highlights of the findings from Sections 2-5 – where most of the background data and research was conducted. Additional details on each topic can be found in the respective sections.

Section 2: Population and Demographics

- **Population Growth** – Between 1990 and 2010, Grundy County's population increased from 12,029 to 12,453, an average increase of 1.8% per decade. Based on an average of three projection methods, the county's population is projected to increase by an estimated 0.3 percent per decade from 2010 through 2040. The County's population is projected to be approximately 12,460 by 2020, 12,533 by 2030, and 12,573 by 2040.
- **Aging Population** – Following state and national trends, Grundy County has an aging population. Between 2000 and 2010, the county's median age increased from 40.8 to 43.0. The County's median age in 2010 was older than the State of Iowa's median age of 38.1 and the nation's median age of 37.2.

- Racial and Ethnic Diversity – Grundy County is becoming slightly more racial diverse. From 2000 to 2016, the county’s white population decreased by 73 persons (-0.6 percent). During this same time, the county’s non-white population increased from 127 to 205 (+61 percent). People of any race who identified as Hispanic or Latino increased from 72 to 151 (+110 percent) between 2000 and 2016, while the non-Hispanic or Latino population decreased by 0.6 percent. The County remains very homogeneous with 97 percent of the population identified as non-Hispanic white as of 2016. Future population increases are more likely to come from minority groups.

Section 3: Economic Considerations

- Rising Household Incomes—Between 2000 and 2016, the County’s average household income increased by an average of 3 percent per year. In 2016, the County’s median household income was \$64,146 – 13.8 percent higher than the State-wide median.
- Workforce Commuting – Of the estimated 3,810 persons employed at a business in Grundy County in 2015, 56 percent worked in but lived outside of the County. Functioning as a bedroom community – with the Waterloo/Cedar Falls metropolitan area immediately to the east – 68 percent of persons that live in Grundy County and are employed, actually work outside of the county.
- Land Value – From 2002 to 2013, the average value of an acre of agricultural land in Grundy County increased by 282 percent – from \$2,862 to \$10,931 per acre. Since 2013, the county’s average price for land decreased by 19 percent to \$8,816 in 2017.
- Poverty – Three (3) percent of Grundy County families (6% of all persons) fell below the national poverty line in 2016. This is a lower poverty rate than for the State of Iowa overall (8% of families, 12% of persons).
- Owner vs Renter Poverty – Renting households face greater economic hardship. An estimated 25.7 percent of renter-occupied households in the county fell below the poverty line as opposed to only 3.6 percent of homeowners.

Section 4: Housing Characteristics

- Housing Hubs – Of the 5,530 estimated housing units in Grundy County, 32 percent are located in unincorporated Grundy County, 23 percent in Grundy Center, 14 percent in Reinbeck, and 9 percent each in Conrad and Dike. The other five cities are home to the remaining 13 percent.
- Historic Housing Development – According to US Census data, the number of housing units in Grundy County increased by 0.9 percent from 1980 (5,480) to 2010 (5,530). The greatest percent increases occurred in Dike (40%), Stout (16.7%), and Conrad (12.6%), while the greatest decrease occurred in Morrison (-9%).
- Aging Housing Stock – Grundy County has a greater prevalence of older homes compared to the state and the nation. Thirty-seven (37) percent of the county’s housing stock was built prior to 1939 – compared to 26 percent of the homes statewide and 13 percent nationally. The age of housing stock varies widely among different communities in Grundy County.
- Shrinking Household Size – From 1980 through 2010, the county’s average household size decreased by an average of 0.11 persons per decade from 2.71 to 2.39.

- **Vacancy Rate** – In 2016, Grundy County had a homeowner vacancy rate of 0.5 percent, lower than the statewide and national owner vacancy rates of 1.5 percent and 1.8 percent, respectively. The county’s rental vacancy rate was 2 percent, lower than the statewide and national rental vacancy rates of 6.1 percent and 6.2 percent, respectively. The County’s overall vacancy rate in 2016, including vacant units not available for year-round occupancy, was 6.9 percent. However, the overall vacancy rate varies among communities, ranging from 5.1% in Conrad to 17% in Beaman.
- **High Rate of Homeownership** – Eighty (80) percent of Grundy County households own their home – a higher percentage than in Iowa as a whole (71%) and the United States (64%).
- **Housing Affordability** – In Grundy County, a relatively low but important share of households spends more than 30 percent of their incomes on housing costs, the maximum amount considered affordable. In 2016, 14 percent of owner households and 30 percent of renter households in the County were “cost burdened”, or spending more than 30 percent of their incomes for housing. In Iowa overall, 17 percent of owner households and 40 percent of renter households were cost burdened during the same period.
- **Recent Home Sales** – Between January 21, 2015 and October 12, 2018, the Multiple Listing Service reported 442 home sales in Grundy County, or 8 percent of the county’s housing stock. The county-wide median sale price was \$115,000, with city median sale prices ranging from \$60,000 in Wellsburg to \$215,000 in Dike. All county listings spent a median of 48 days on the market, although local median days on market ranged from 15 in Holland to 114 in Beaman.
- **Realtor Survey**- Results of a housing market survey, completed by local realty firms, are also presented in this assessment. The comments the survey offers represent a current housing viewpoint from professionals with a unique perspective on the county’s market.

Section 5: Household and Housing Projections

Figure E.1 shows the number of projected households that will live in Grundy County by 2020, 2030 and 2040. By 2030, it is projected that Grundy County will grow by 76 households, a 1.5 percent increase.

Figure E.2 shows the total projected number of housing units required in the coming decades to accommodate projected households and maintain the County’s post-2000 average vacancy rate of seven (7) percent. By 2030, the County is projected to need 82 more housing units than in 2010. This increase is attributed to the county’s projected population growth and a decline in the number of households.

However, the projected housing demand in Figure E.2 does not account for the fact that some of the housing available in the county is either unaffordable or are older homes that are not in adequate condition. It also does not account for new housing construction. Therefore, caution must be exercised when relying entirely on the projections exhibited in Figure E.1.

Figure E.1: Projected Number of Households, Grundy County				
Year	2010	2020	2030	2040
Household Population	12,299	12,306	12,378	12,418
Household Size	2.40	2.39	2.38	2.37
Total	5,125	5,149	5,201	5,240
Change from 2010	-	24	76	115
Percent Change from 2010	-	0.5%	1.5%	2.2%
Change from Previous	-	26	56	42
Percent Change from Previous	-	0.5%	1.0%	0.7%

Figure E.2: Projected Number of Housing Units				
Year	2010	2020	2030	2040
# of Units to be Occupied by Households	5,125	5,149	5,201	5,240
Vacant Units at Given Time (7%)	386	388	391	394
Total	5,510	5,537	5,592	5,634
Change from 2010	-	26	82	124
Percent Change from 2010	-	0.5%	1.5%	2.2%
Change from Previous	-	26	56	42
Percent Change from Previous	-	0.5%	1.0%	0.7%

In any given year, a certain percentage of existing housing units can be expected to be lost due to a variety of reasons such as conversion to commercial use, units merged, damage or condemnation, demolition or disaster, or other causes. Forecasted losses for the county were developed using an average of historic demolition data and projected annual housing loss rate as determined by an Iowa State University study (See Figure 5.11). Additionally, recent data on new housing starts in Grundy County indicate an average of 22 annual housing starts.

As illustrated in Figure E.3, Grundy County is projected to have a shortage of 209 units by 2030 if current trends continue at the same rate.

An affordability analysis indicates that 72.2 percent of Grundy County households can afford to buy a starter home at \$100,000, assuming they pay no more than 30 percent of income for housing. Using the 30% of income affordability standard, 54 percent of County households can afford a move-up home at \$175,000. However, if an affordability standard of 20% of income is used, only 54.1 percent and 32.1 percent of households can buy a starter or move-up home, respectively.

Figure E.3: Projected Housing Demand with Loss/New Construction Trends				
Row		2020	2030	2040
A	Projected Total Unit Demand (Figure 5.6)	5,537	5,592	5,634
B	2010 Housing Unit Count (Figure 4.7)	5,530		
C	Projected # of Units Lost (Figure 5.13)	-146	-433	-698
D	Projected # of Remaining 2010 Units (Rows B-C)	5,384	5,097	4,832
E	Unit Shortage with Loss (Rows A-D)	153	495	802
F	Projected # of New Const. Units (Figure 5.10)	+66	+286	+506
G	Projected # of Total Units (Rows D+F)	5,450	5,383	5,338
H	Unit Shortage w/ Projected New/Loss (Rows A-G)	87	209	296

Section 1: Physical Attributes

Location

Grundy County is located in the northeast quadrant of Iowa covering an area of 502 square miles. US Highway 20 runs east to west through the northern half of the county while State Highway 175 runs east to west through the southern half of the county. State Highway 14 passes through the county from north to south. Figure 1.1 is a map of Grundy County.

Topography

The terrain in Grundy County is generally the undulating topography that characterizes the agricultural areas of northeast Iowa. There are a few areas of steeper than normal slope dispersed throughout the county adjacent to watercourses. The highest point in the county is located in the rural area southwest of Wellsburg near State Highway 175 and lies at approximately 1,152 feet above sea level. The lowest point in the county is located in the northeast corner of the county northeast of Dike lies at approximately 884 feet above sea level.

Historical Development

Grundy County was formed on January 15, 1851 and became self-governing in 1856. It was named after Felix Grundy of Tennessee, a statesman, senator, house representative and Attorney General under President James K. Polk.

The first courthouse was built in 1857. The wooden, two-story building contained a courtroom, but was used for other purposes including housing the office of the county sheriff, treasurer and judge along with a chamber for the jury. The cornerstone for a second courthouse was laid on November 11, 1891. It was listed on the National Register of Historic Places in 1981 as part of the County Courthouses in Iowa Thematic Resource. The courthouse is the second building the county has used for court functions and county administration.

The first courthouse was built in 1857, the year after the county was organized. It was known as the “Old Cheese Box” and was the only octagon shaped courthouse in Iowa. It served as the county courthouse for 40 years and was replaced by the current courthouse in 1891. The Romanesque Revival structure was designed by Kramer & Zoll. The building was built for \$45,532.48.

Transportation Systems

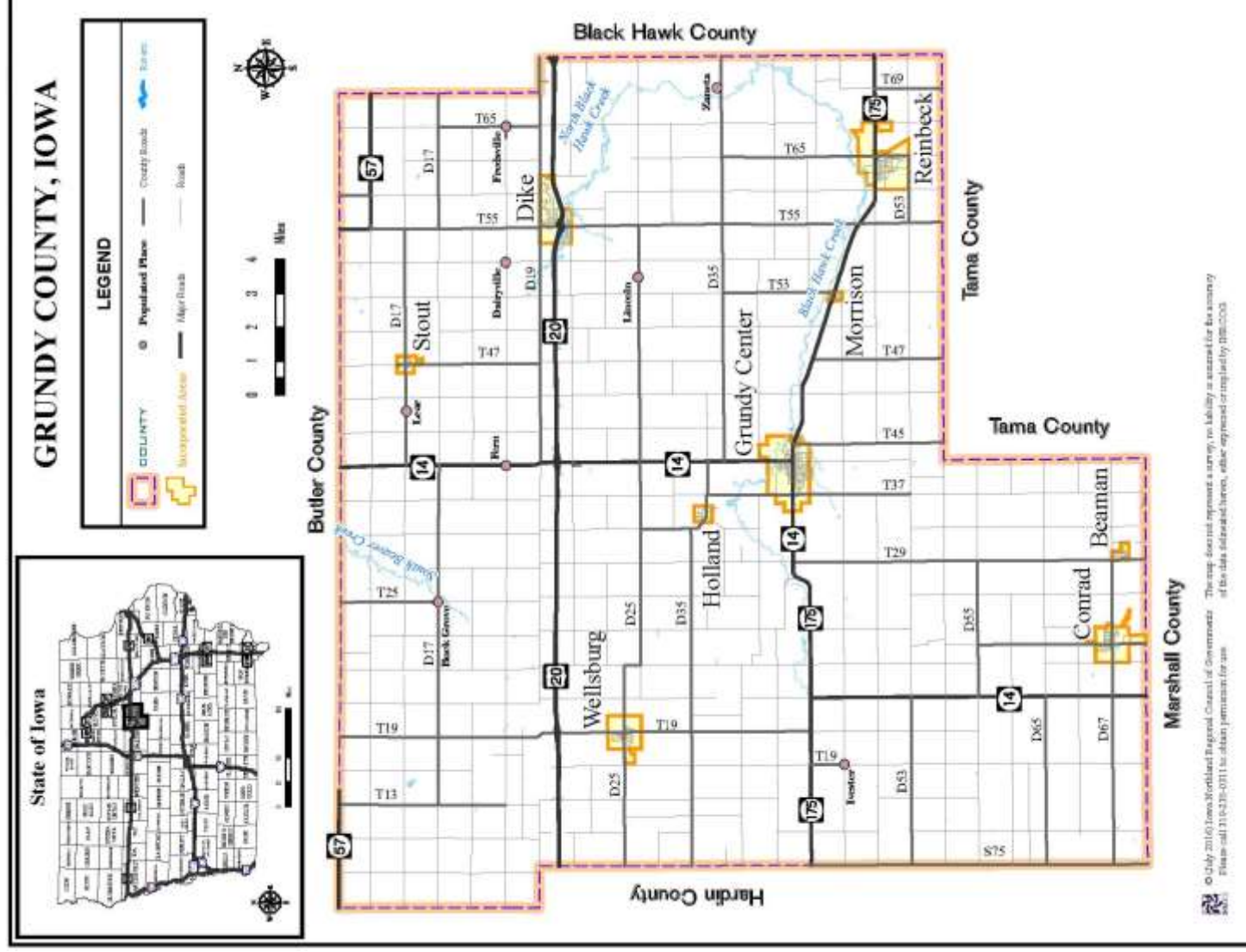
Two major highways serve Grundy County: US Highway 20, which is an east/west route, and State Highway 14, which is a north/south route. Other significant roadways serving Grundy County include State Highway 175 along with county roads D17, D25, D35, D53, D55, D67, T13, T19, T29, T33, T37, T45, T47, T53, T65 and T69.

There are no railroads that run through Grundy County. The Chicago Central and Pacific Railroad, however, runs very close to the Butler-Grundy county line. At its nearest point, the railroad is 3,439 feet (or 0.65 miles) from Grundy County. The Chicago Central and Pacific Railroad operate a total of 558 miles of track in Iowa and employs 226 persons in Iowa. The main products transported on this railroad include coal, farm products, food products, chemicals, and miscellaneous mixed shipments

One small airport, the Grundy Center Municipal Airport, is located in northwest Allison. The airport maintains a grass runway which is approximately 2,250 feet long and 60 feet wide. One aircraft are based at the field, which is an ultralight aircraft.

The closest major airport is the Waterloo Municipal Airport, located approximately 23 miles northeast of Grundy Center, the Grundy County seat. According to the latest statistics, there are 97 aircraft based at the airport and 23,994 aircraft enplaned.

Figure 1.1: Map of Grundy County



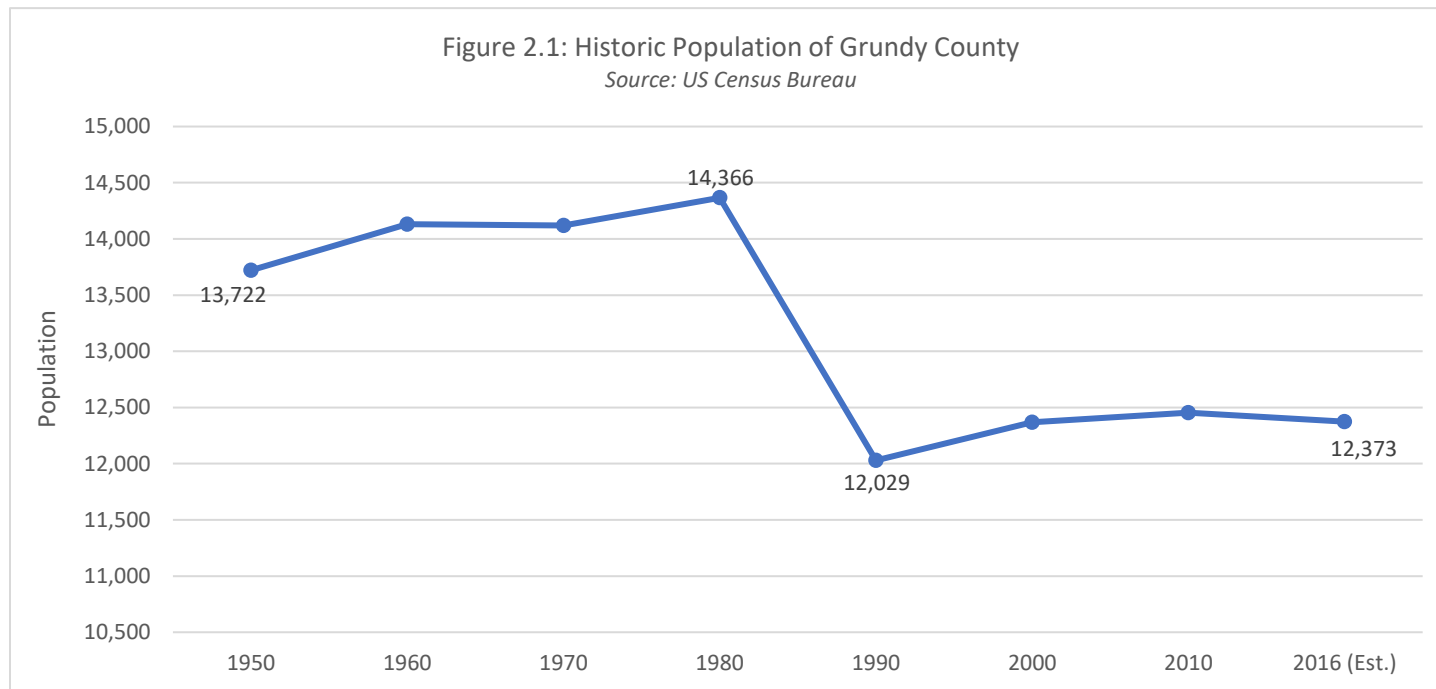
Section 2: Population and Demographics

Historic Population

At the time of the 2010 US Census, Grundy County's population was 12,453 persons. US Census Bureau estimated the county's 2016 population to be 12,373, representing a 0.6% decrease since 2010.

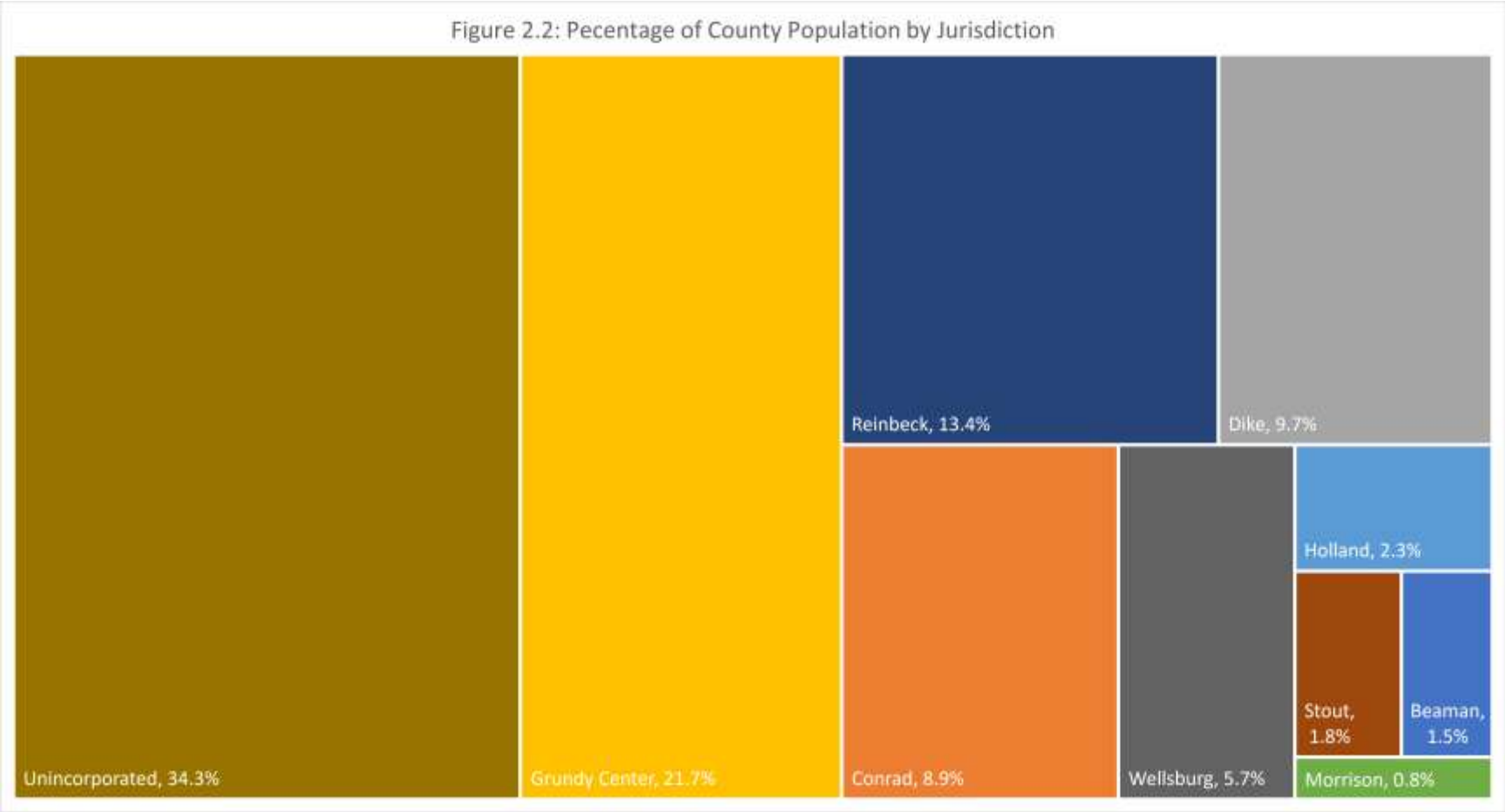
Figure 2.1 displays the population change in the county from 1950 through 2016. The average population over the past seven census compilations (1950-2010) is 13,313 persons. During this timeframe, the population peaked in 1980 at 14,366 and dipped to a low of 12,029 in 1990. The struggling farm economy throughout the Midwest is attributed as the primary reason for the 16.3% drop in population between 1980 and 1990. According to the most recent US Census, the population of Grundy County had increased by 0.7% between the years 2000 and 2010.

Grundy County ranks 64th in total population out of Iowa's 99 counties in 2010. However, the county falls well below the state's mean county population of 29,559. This is due to the state's high concentration of population in urban areas. According to 2016 population estimates, 36.2% of the state's population (1,123,178 persons) live in the state's five largest counties (Polk, Linn, Scott, Johnson, and Black Hawk).



The county’s population is spread among the 9 incorporated cities and unincorporated Grundy County; Figure 2.2 shows the make-up of the county’s population by jurisdiction.

As is evident, the majority of the population lives in one of three jurisdictions: unincorporated Grundy County, Grundy Center and Reinbeck with the population percentages of 34.3%, 21.7% and 13.4%. The other 7 cities, combined, represent 30.6% of the county population.



Population Projection

Population projections are generally based on the assumption that past trends will continue in the future and can be calculated using a mathematical formula.

Two models were used to estimate population projections, Linear and Geometric. Both models are straight-line or averaging methods to predicting population change. Figure 2.3 shows the linear (number) and geometric (percent) change in the population from 1950-2010.

The Linear method uses the actual change in the total number of persons over a predetermined period in the community. From 1950 to 2010 the county averaged a decrease of 212 every 10 years (between Census counts). From 1990 through 2010, the population increased by an average of 212 persons every ten years.

The Geometric method utilizes the percent change in population over that same period. From 1950 to 2010, the county population, on average, decreased by -1.4% every ten years. From 1990 to 2010, the county population increased a total of 1.8%.

Woods and Poole Economics is a firm that specializes in long-term county economic and demographic projections for all U.S counties. Projections factor more than 900 variables.

Figure 2.4 shows the county's projected population of the county using the linear and geometric projections based on time periods of 1950-2010 and 1990-2010 and Woods and Poole data. The average of the projections in Figure 2.4 indicate that the county's population will be an estimated 12,460 persons in 2020 (+0.1% from 2010), 12,533 by 2030 (+0.6% from 2010), and 12,573 by 2040 (+1.0% from 2010).

Figure 2.3: Historic Population Trends			
Year	Census Population	# Change (Linear)	% Change (Geometric)
1950	13,722	-	-
1960	14,132	410	3.0%
1970	14,119	-13	-0.1%
1980	14,366	247	1.7%
1990	12,029	-2,337	-16.3%
2000	12,369	340	2.8%
2010	12,453	84	0.7%
Avg. Change (1950-2010)		-212	-1.4%
Avg. Change (1990-2010)		212	1.8%
Source: State Data Center of Iowa			

Figure 2.4: Population Projections				
Projection Type	2010	2020	2030	2040
Linear				
1950-2010	12,453	12,242	12,030	11,819
1990-2010	12,453	12,665	12,877	13,089
Geometric				
1950-2010	12,453	12,285	12,118	11,954
1990-2010	12,453	12,671	12,893	13,119
Woods & Poole Economics, Inc.				
-	12,457	12,438	12,748	12,886
Average of Three Projections				
-	-	12,460	12,533	12,573
Source: State Data Center of Iowa; US Census Bureau; Woods and Poole Economics				

Age

Following state and national trends, Grundy County has an aging population. Figure 2.5 displays the percentage of the county population by age groups using 2000 and 2010 Census data. As the “baby boomer” generation continues to age, the share of the county’s population of persons age 45 and over continues to increase.

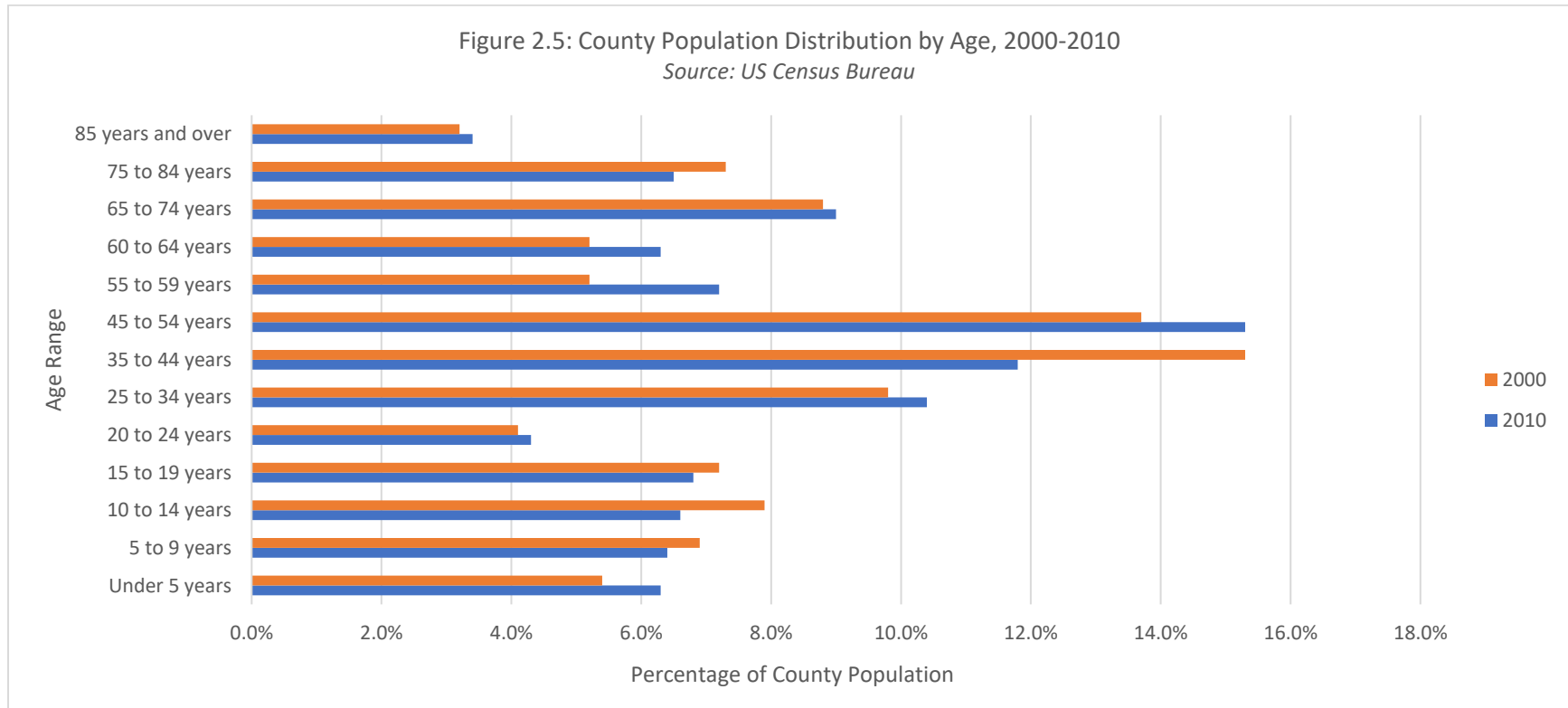


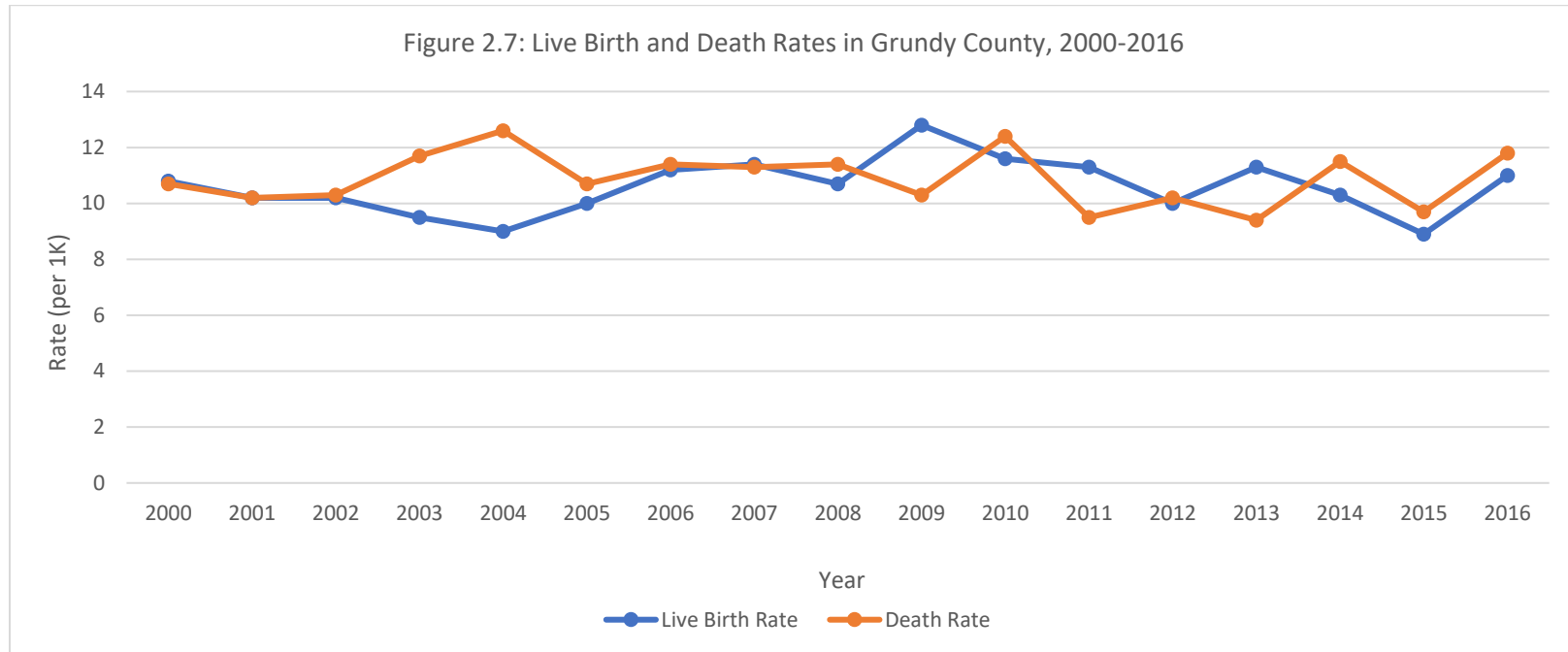
Figure 2.6 provides the breakdown of the population by age group between the years of 2000 and 2010. In terms of percent of population, increases were experienced in the “baby boomer” age range of the county population, with the only increase among age groups being the 45-64 age range (+607).

The table also shows all other age groups experiencing a decrease in persons. The age cohorts that experienced decreases were mostly the county’s younger population. Age groups with the largest decreases were 25-44 (-352), 0-14 (-97), 65+ (-44) and 15-24 (-30).

According to Census data, the County's 2010 median age was 43.0. This is older than the State of Iowa's 2010 median age (38.1) as well as the United States' median age (37.2). As the population continues to age, the county can expect to continue to see an increase of its elderly population.

Figure 2.7 illustrates Grundy County's natural population change by comparing the number of live births and deaths. According to available data from 2000 through 2006, deaths had regularly outpaced deaths in the county from 2000 to 2006. Since 2006, births have started to outpace deaths in the county. In 2016, the county experienced 11 live births and 12 deaths per 1,000 persons.

Figure 2.6: Age Cohorts of Grundy County					
Age Cohort	2000		2010		# Change, 2000-2010
	#	% of Total	#	% of Total	
0-14	2,493	20.2%	2,396	19.2%	-97
15-24	1,405	11.3%	1,375	11.0%	-30
25-44	3,106	25.1%	2,754	22.2%	-352
45-64	2,979	24.1%	3,586	28.8%	607
65+	2,386	19.3%	2,342	18.8%	-44
Total	12,369	100.0%	12,453	100.0%	84
Median Age	40.8		43.0		+2.2 years
Source: US Census Bureau; calculations by INRCOG					



The world has seen a significant drop in the death rate, leading to an increased global population. In the United States, birth rates have dropped due to cultural and economic trends, while death rates have risen, slowing population growth. In Iowa, both figures have held relatively steady, and most population change can be attributed to migration.

Gender

According to Census data, the county's population has slightly more women than men. Figure 2.8 details the gender of Grundy County residents as reported in the 2000 and 2010 Census.

The small variance in sex can be attributed to women's longer life expectancy. Hence, women also make a larger portion of the county's elderly population (65 or greater) than men, as indicated in Figure 2.9.

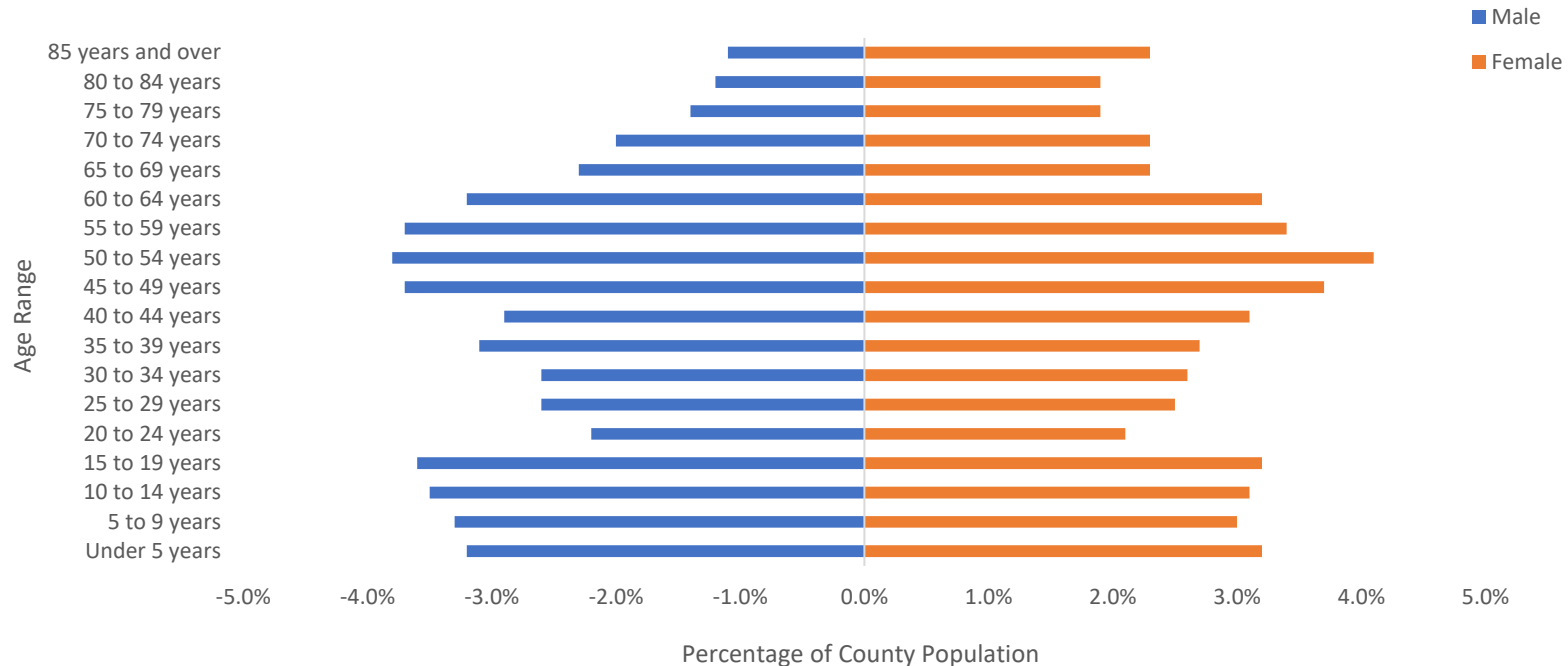
Figure 2.8: Sex of County Residents

Gender	2000		2010	
	#	% of Total	#	% of Total
Female	6,319	51.1%	6,297	50.6%
Male	6,050	48.9%	6,156	49.4%
Total	12,369	100%	12,453	100%

Source: US Census Bureau

Figure 2.9: Grundy County Population Pyramid

Source: US Census Bureau



Race and Ethnicity

Figure 2.10 shows the breakdown of the county population by race in 2000, 2010 and 2016 estimate. Overall, the table indicates that the county is becoming slightly more diverse. White or Caucasian was the predominant category with 98.5% of residents identifying as such in 2010. Also, while not recognized as a race category by the Census Bureau, persons of Hispanic origin numbered 122 persons in 2010 compared to 72 persons in 2000.

Census guidelines define Race as such¹:

White: A person having origins in any of the original peoples of Europe, the Middle East, or North Africa. It includes people who indicate their race as "White" or report entries such as Irish, German, Italian, Lebanese, Arab, Moroccan, or Caucasian.

Black or African American: A person having origins in any of the Black racial groups of Africa. It includes people who indicate their race as "Black, African Am., or Negro"; or report entries such as African American, Kenyan, Nigerian, or Haitian.

American Indian and Alaska Native: A person having origins in any of the original peoples of North and South America (including Central America) and who maintains tribal affiliation or community attachment. This category includes people who indicate their race as "American Indian or Alaska Native" or report entries such as Navajo, Blackfeet, Inupiat, Yup'ik, or Central American Indian groups or South American Indian groups.

Asian: A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam. It includes people who indicate their race as "Asian Indian," "Chinese," "Filipino," "Korean," "Japanese," "Vietnamese," and "Other Asian" or provide other detailed Asian responses.

Native Hawaiian and Other Pacific Islander: A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands. It includes people who indicate their race as "Native Hawaiian," "Guamanian or Chamorro," "Samoan," and "Other Pacific Islander" or provide other detailed Pacific Islander responses.

Two or more races: People may have chosen to provide two or more races either by checking two or more race response check boxes, by providing multiple responses, or by some combination of check boxes and other responses.

¹ Race Definitions, US Census Bureau, www.census.gov/quickfacts/meta/long_RHI225215.htm

Between 2000 and 2016 the county's white population decreased by 73 persons (-0.6%). The County's non-white population increased from 127 to 204 persons from 2000 to 2016. All minority populations, except for "Other Race", experienced growth or remained constant during this same period. While still remaining very homogeneous, Grundy County is becoming more racially diverse which follows state and national trends.

Figure 2.10: Race of County Residents, 2000-2016

Race	2000		2010		2016		% Change, 2000-2016	Net Change, 2000-2016
	#	% of Total	#	% of Total	#	% of Total		
White	12,242	99.0%	12,269	98.5%	12,169	98.4%	-0.6%	-73
Black or African American	10	0.1%	28	0.2%	42	0.3%	320.0%	+32
American Indian & Alaskan Native	3	0.0%	4	0.0%	4	0.0%	33.3%	+1
Asian	36	0.3%	27	0.2%	77	0.6%	113.9%	+41
Native Hawaiian & Pacific Islander	0	0.0%	7	0.1%	0	0.0%	0.0%	0
Other Race	19	0.2%	31	0.2%	8	0.1%	-57.9%	-11
Two or More Races	59	0.5%	87	0.7%	73	0.6%	23.7%	+14
Total	12,369	100%	12,453	100%	12,373	100%	0.03%	+4

Source: 2000 and 2010 US Censuses; 2012-2016 ACS 5-Year Averages

The US Census Bureau collects data on race based on self-identification. The racial categories included in the census questionnaire generally reflect a social definition of race recognized in this country and not an attempt to define race biologically, anthropologically, or genetically. In addition, it is recognized that the category of race includes racial and national origin or sociocultural groups. People may choose to report more than one race to indicate their racial mixture, such as "American Indian" and "White." People who identify their origin as Hispanic, Latino, or Spanish may be of any race². Figure 2.11 shows the ethnicity of county residents.

Figure 2.11: Hispanic and Latino Ethnicity of County Residents, 2000-2016							
Race	2000		2010		2016		% Change, 2000-2016
	#	% of Total	#	% of Total	#	% of Total	
Hispanic or Latino	72	0.6%	122	1.0%	151	1.2%	109.7%
Mexican	31	0.3%	90	0.7%	137	1.1%	341.9%
Puerto Rican	6	0.0%	14	0.1%	14	0.1%	-
Cuban	0	0.0%	0	0.0%			-
Other Hispanic or Latino	35	0.3%	18	0.1%			-
Not Hispanic or Latino	12,297	99.4%	12,331	99.0%	12,222	98.8%	-0.6%
White alone	12,197	98.6%	12,269	98.5%	12,026	97.2%	-1.4%
Black or African American	100	1.4%	28	0.2%	42	0.3%	-
American Indian & Alaskan Native			4	0.0%	4	0.0%	-
Asian			27	0.2%	77	0.6%	-
Native Hawaiian & Pacific Islander			7	0.1%	0	0.0%	-
Other Race			31	0.2%	0	0.0%	-
Two or More Races			87	0.7%	73	0.6%	-
Total Population	12,369	100%	12,453	100%	12,373	100%	0.03%
Source: 2000 and 2010 US Census; 2012-2016 ACS 5-Year Averages							

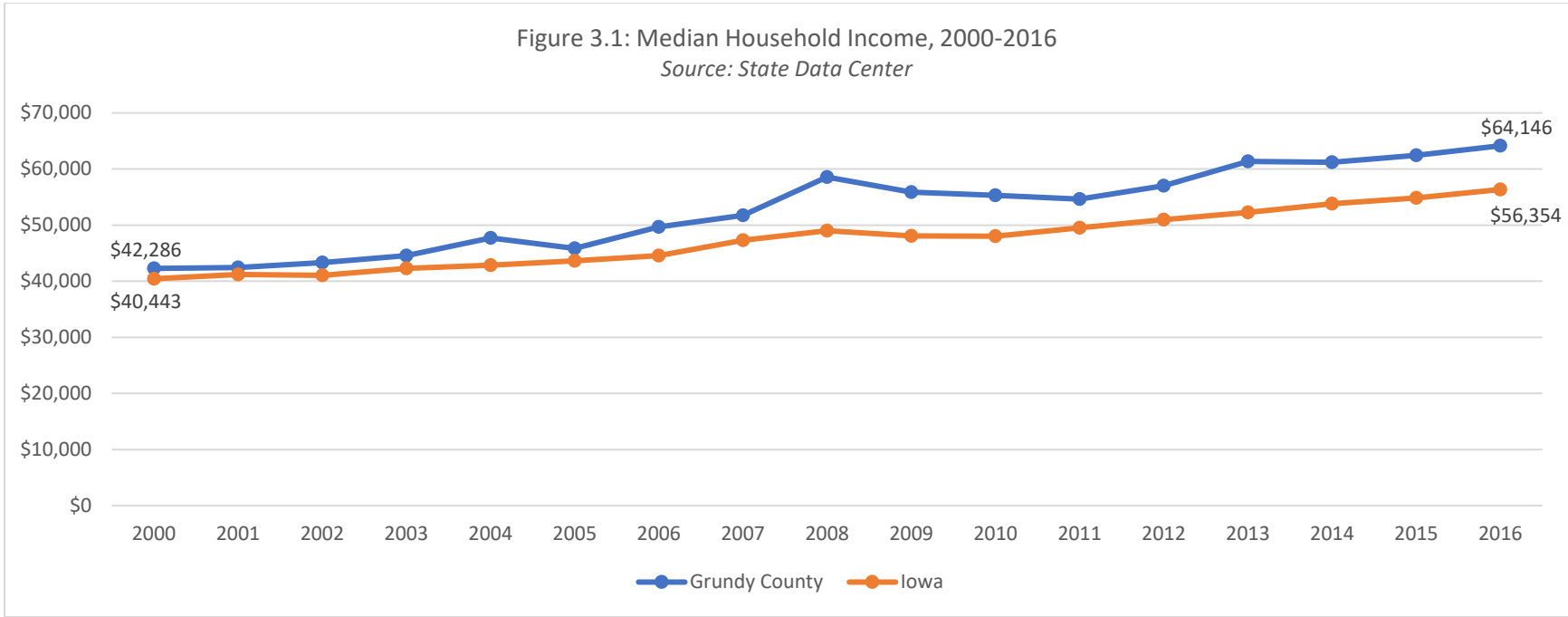
² Race Definitions, US Census Bureau, www.census.gov/quickfacts/meta/long_RHI225215.htm

Section 3: Economic Considerations

Household Income

Grundy County has experienced strong household income growth throughout the county in the past several years, growing at an annual average rate of 3% between 2000 and 2016.

Figure 3.1 shows the median income of Grundy County and the State of Iowa from 2000 to 2016. As shown in the chart below, Grundy County’s economy has grown at a slightly faster pace than the state.



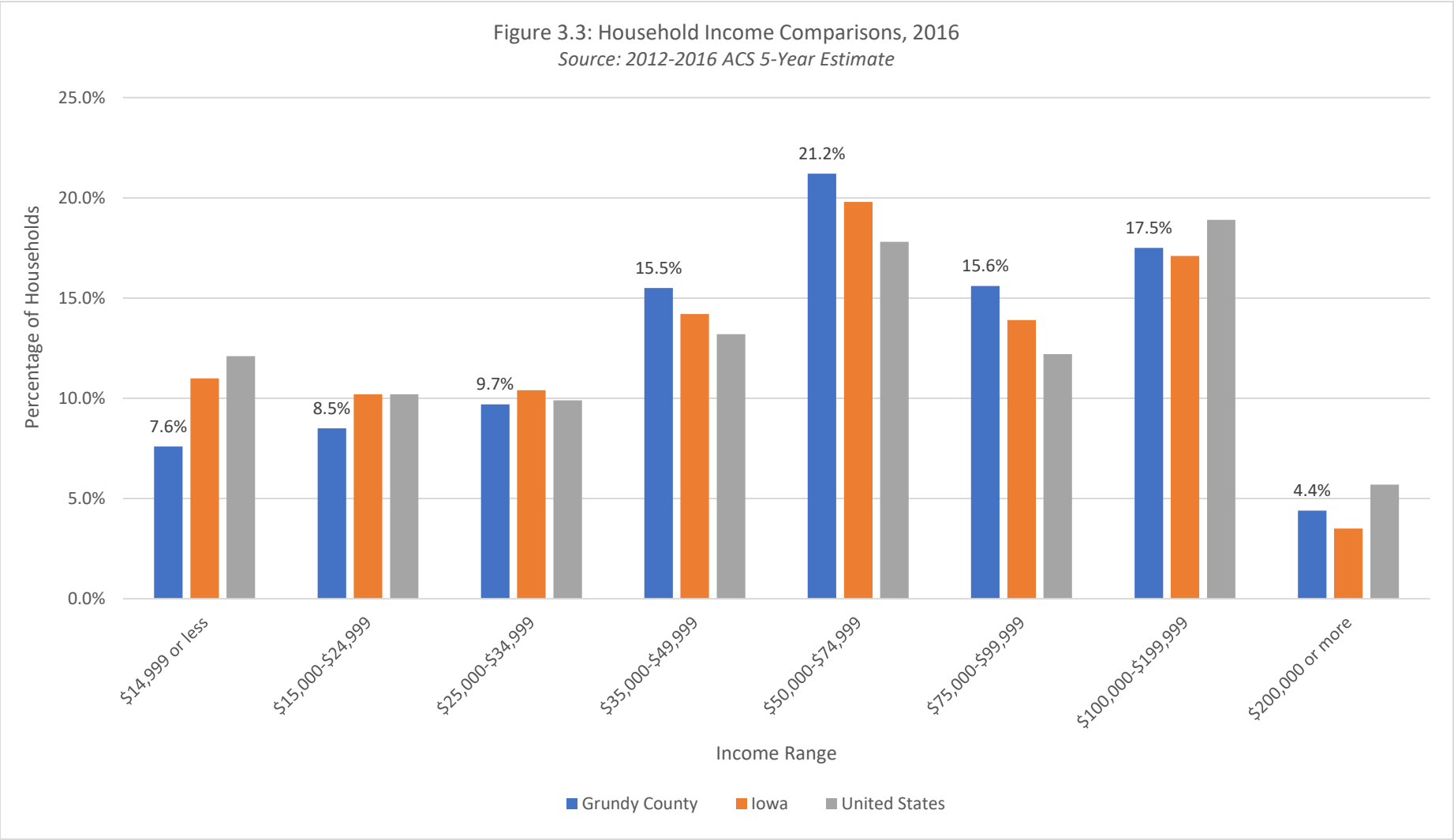
In addition to overall median household income, household income of rental households and owner households for Grundy County vary greatly from one another. According to the 2012-2016 ACS 5-Year Estimate, approximately 20% of occupied households in Grundy County are rentals, with the median household income of renter-occupied units being \$37,781 compared to the owner-occupied units at \$65,998. As is evident, renters have nearly half the annual income as owner-occupied households in Grundy County.

Figure 3.2 compares the county and state median income growth in 5, 10, and 15-year segments. Based on historic income growth patterns from 2000 through 2016, the county can anticipate an annual median income

Figure 3.2: Historic Annual Household Median Income Growth Rate		
Timeframe	Grundy County	Iowa
2002-2016	3.2%	2.5%
2007-2016	2.4%	1.9%
2012-2016	2.5%	2.1%
Source: State Data Center of Iowa		

growth of 3%. Based on this growth prediction, it is projected the county’s median income will be \$71,844 in 2020 and \$81,465 by 2025.

Figure 3.3 shows the percentage of households in Grundy County, the State of Iowa, and the United States by varying income ranges. Data labels are included for Grundy County. In the county, nearly one-fourth (25.8%) of households made less than \$35,000 in 2016. A little over one-third (36.7%) made between \$35,000-\$74,999 and a little over one-third (37.5%) made \$75,000 or more.



Labor Force

Figure 3.4 shows the monthly historic unemployment rate of the County compared to the entire state. Data shows that Grundy County's historic unemployment followed the same trend as the state's but typically at a slightly lower level with the exception of December 2016 and 2017, January 2017 and 2018, and February and March of 2018. Grundy County's unemployment rate has remained under 5% for the last 31 months, with the highest rate since January 2016 being 4.5% in January of 2017.

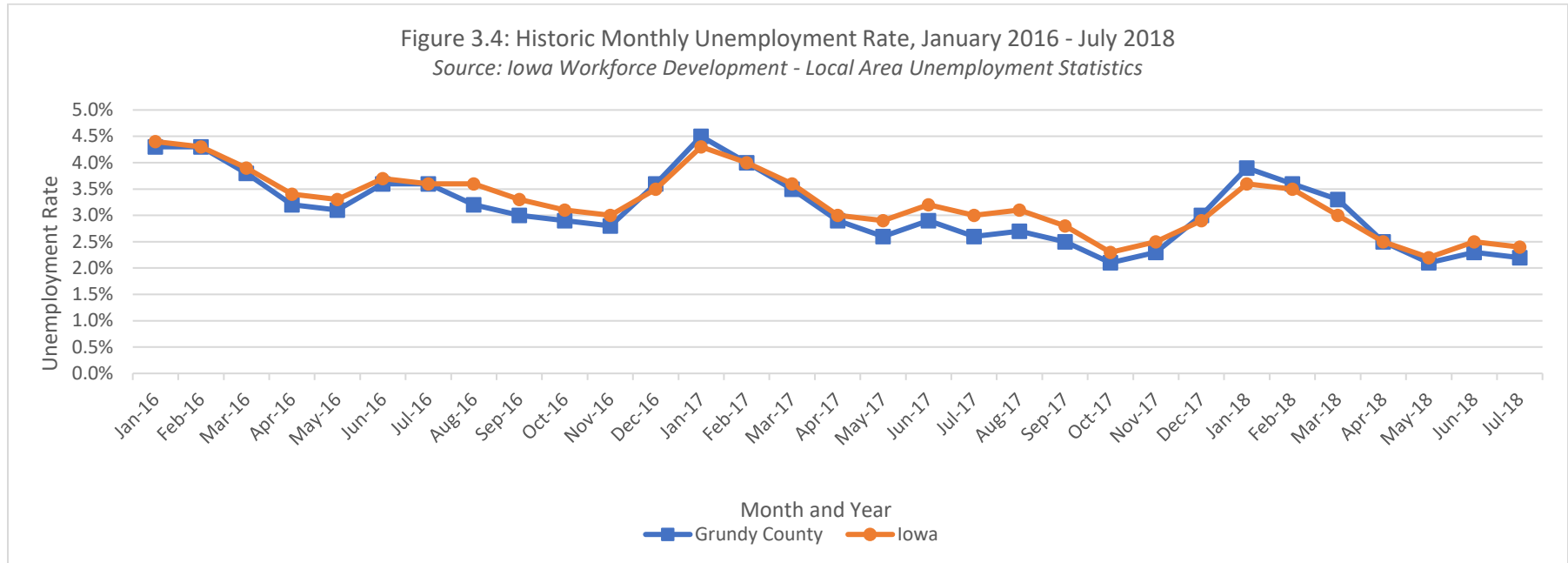


Figure 3.5: Employment Growth Trends and Projections in Grundy County						
		2006	2010	2017	2020 (Projection)	% Change, 2006-2017
Grundy County	Labor Force	6,900	6,800	6,500	6,403	-5.8%
	Employment	6,700	6,400	6,300	6,206	-6.0%
	Unemployment Rate	3.1%	5.7%	3.0%	(X)	-0.1%
Iowa	Labor Force	1,657,600	1,678,300	1,678,500	(X)	1.3%
	Employment	1,596,500	1,577,400	1,626,000	(X)	1.8%
	Unemployment Rate	3.7%	6.0%	3.1%	(X)	-0.6%

Source: Iowa Department of Labor – Labor Force Summary Data Tools
Notes: labor force, employment, and unemployment rates are annual averages

Industry and Job Growth

Figure 3.6 shows the industry makeup of Grundy County's population which participates in the workforce.

The most popular industry for employment Grundy County, as well as in the state, is Educational Services, Health Care and Social Assistance – accounting for 24% of the county's jobs.

Manufacturing is the second largest industry employer in Grundy County, accounting for 15% of the county's jobs.

Figure 3.6: Existing Grundy County Civilian Employment by Industry

Industry	Grundy County		Iowa	Difference of % between Grundy County and Iowa
	# of Persons	% of Employed Population	% of Employed Population	
Educational services, and health care and social assistance	1,489	24.0%	24.4%	-0.4%
Manufacturing	933	15.0%	15.2%	-0.2%
Retail trade	683	11.0%	11.7%	-0.7%
Construction	561	9.0%	6.2%	2.8%
Agriculture, forestry, fishing and hunting, and mining	538	8.7%	3.9%	4.8%
Finance and insurance, and real estate and rental and leasing	375	6.0%	7.6%	-1.6%
Other services, except public administration	360	5.8%	4.2%	1.6%
Arts, entertainment, and recreation, and accommodation and food services	295	4.8%	7.3%	-2.5%
Professional, scientific, and management, and administrative and waste management services	262	4.2%	7.2%	-3.0%
Transportation and warehousing, and utilities	234	3.8%	4.6%	-0.8%
Wholesale trade	212	3.4%	2.9%	0.5%
Public administration	166	2.7%	3.1%	-0.4%
Information	102	1.6%	1.8%	-0.2%
Total # of Civilians Employed Age 16+	6,210	100%	100%	-

Source: 2012-2016 ACS 5-Year Estimates – Selected Economic Characteristics

Iowa Workforce Development (IWD) makes job and industry projections for defined regions within the state. Grundy County is part of IWD Region 7, which also includes the counties of Black Hawk, Bremer, Buchanan, and Butler. In 2015, IWD published expected employment growth of each region throughout the state. Figure 3.7 and Figure 3.8 depict the expected jobs growth, by industry, for Region 7.

Figure 3.7 shows job categories organized by their designated North American Industry Classification (NAIC) code along with the total number of projected jobs, median salary, and the percent of new jobs that industry represents in the region. Figure 3.8 displays a scatter plot of the data from Figure 3.7.

Healthcare Practitioners and Technical Occupations (NAIC Code #29) is expected to see the greatest growth in number of jobs in over the next decade. IWD anticipates 830 new jobs in this sector, representing 9.7% of all projected growth. This job category also is expected to pay a median salary of \$51,794.

In addition, Healthcare support occupations (NAIC #31) is expected to grow by 7.9%, equating to 670 new jobs. However, these jobs will be at a much lower wage than #29, with a 2016 median income of \$26,204. Combined, Healthcare Practitioners and Technical Occupations (#29) and Healthcare Supportive Occupations (#31) will account for 18% of the region's job growth.

Figure 3.7: Anticipated New Jobs in IWD Region 7, 2014-2024				
NAIC	Occupation	# of Jobs	Median Salary (2016)	% of Jobs
29	Healthcare Practitioners and Technical Occupations	830	\$51,794	9.7%
41	Sales and Related Occupations	780	\$23,816	9.1%
53	Transportation and Material Moving Occupations	775	\$34,133	9.1%
25	Education, Training, and Library Occupations	695	\$41,842	8.1%
31	Healthcare Support Occupations	670	\$26,204	7.9%
35	Food Preparation and Serving Related Occupations	665	\$18,514	7.8%
43	Office and Administrative Support Occupations	580	\$31,493	6.8%
47	Construction and Extraction Occupations	545	\$38,173	6.4%
39	Personal Care and Service Occupations	510	\$20,667	6.0%
49	Installation, Maintenance, and Repair Occupations	460	\$40,844	5.4%
13	Business and Financial Operations Occupations	425	\$51,873	5.0%
11	Management Occupations	420	\$74,775	4.9%
37	Building and Grounds Cleaning and Maintenance Occupations	355	\$23,618	4.2%
21	Community and Social Service Occupations	235	\$34,511	2.8%
15	Computer and Mathematical Occupations	230	\$61,650	2.7%
33	Protective Service Occupations	80	\$35,048	0.9%
51	Production Occupations	80	\$34,133	0.9%
27	Arts, Design, Entertainment, Sports, and Media Occupations	75	\$33,036	0.9%
19	Life, Physical, and Social Science Occupations	50	\$49,437	0.6%
23	Legal Occupations	40	\$54,014	0.5%
17	Architecture and Engineering Occupations	20	\$67,008	0.2%
45	Farming, Fishing, and Forestry Occupations	10	\$34,634	0.1%
Total		8,530	-	100%

Source: Iowa Workforce Development

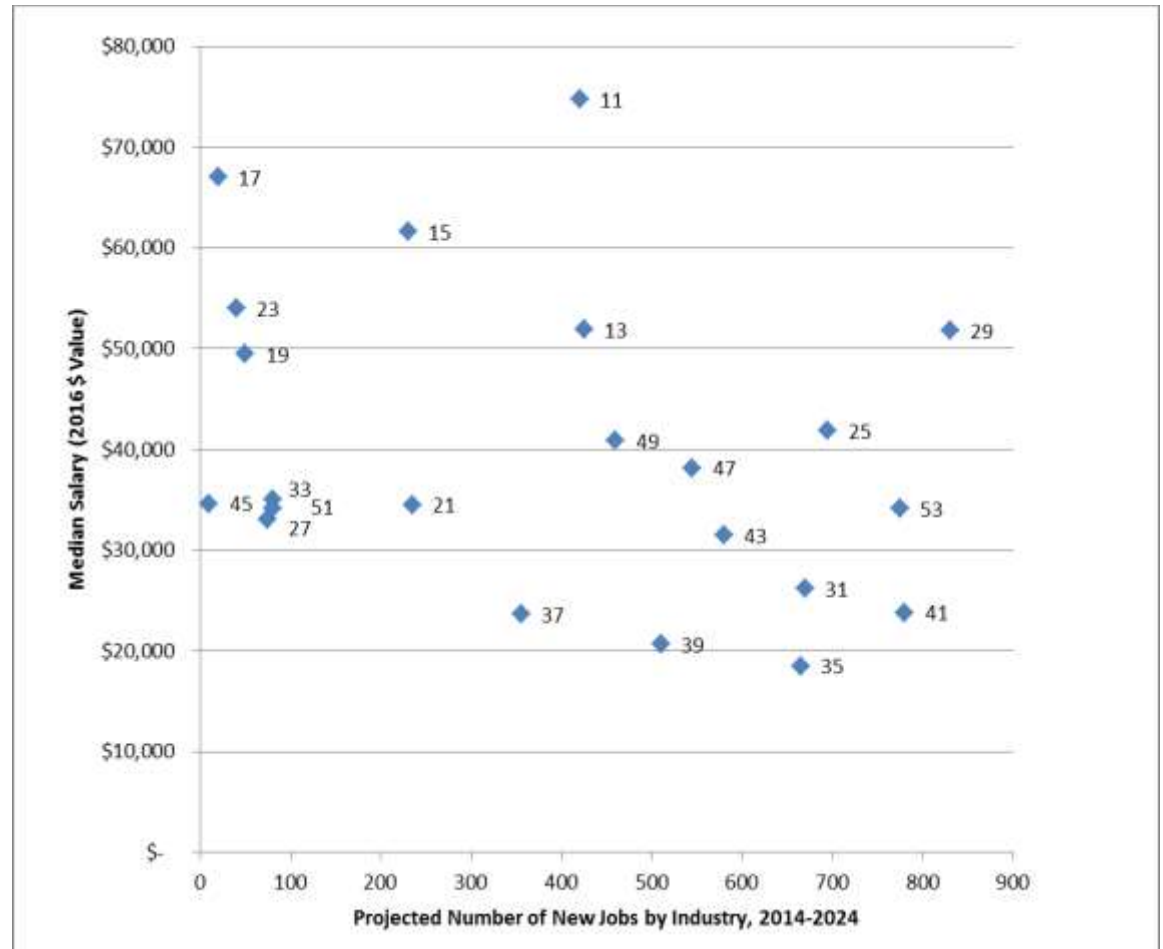
Other areas expected to see the largest growth include Sales and Related Occupations (+9.1%), Transportation and Material Moving Occupations (+9.1%), and Education, Training, and Library Occupations (+8.1%).

Combined, the top five job classifications will account for 44% of the region's job growth.

Overall, Region 7 employment is expected to grow by 7.3% from 2014 to 2024 – equating to 0.7% annual growth rate.

Service jobs (primarily healthcare) are, in general, expected to outperform goods-producing occupations (manufacturing).

Figure 3.8: Scatter Plot of Anticipated New Jobs in IWD Region 7, 2014-2024



Regional Workforce

Iowa Workforce Development (IWD) divides the state into 15 regions. Grundy County is part of Region #7 which also includes the counties of Black Hawk, Bremer and Butler. Figure 3.9 shows a map of the region outlined in red. As stated in Figure 3.9, the average annual average weekly wage was \$793 (\$41,236 annually).

Figure 3.10 shows a map of the region in the State of Iowa as well as an excerpt from the region's 2017 annual profile. The average weekly wage for all industries was \$823 for 2016 (\$42,796 annually). According to the annual profile, the largest private industry was manufacturing, representing 18.5% of the region's total covered employment.

Figure 3.9: Average Weekly Wage for All Industries by County, Annual 2016

Source: Iowa Workforce Development 2017 Annual Profile

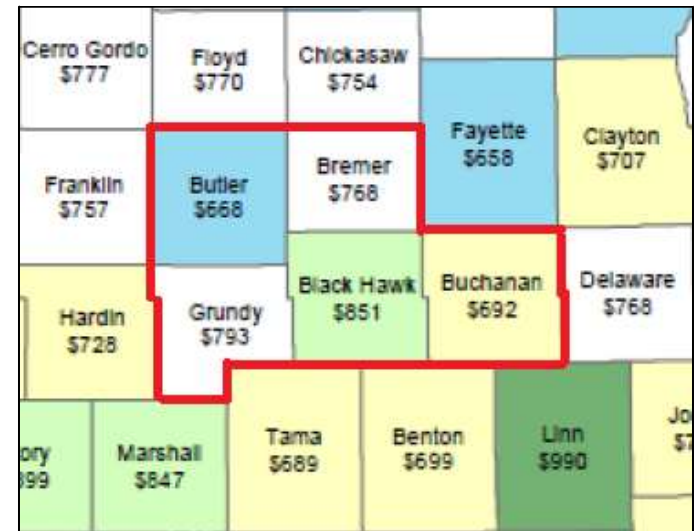
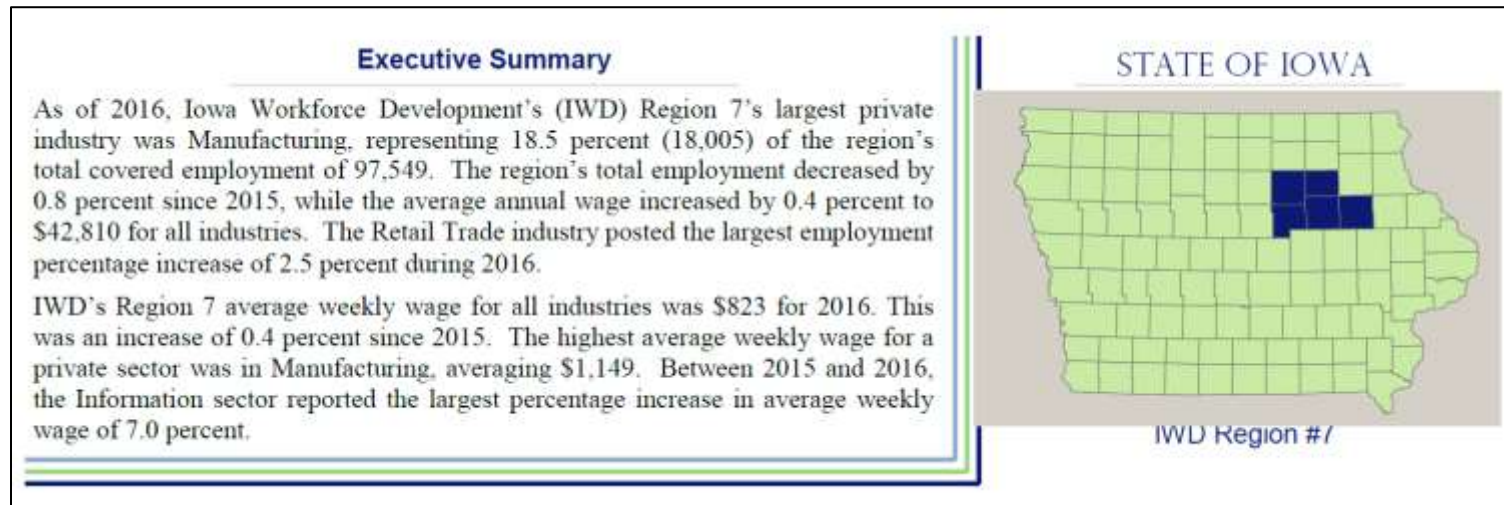


Figure 3.10: IWD Region #7 – 2017 Annual Profile Executive Summary and Map



Commuting Characteristics

Figure 3.12 shows the commuting patterns of employed persons in the county from 2013-2015. An average of the most recent three years of data shows that 1,594 of the county's population lived and worked in Grundy County. An estimated 3,741 laborers live in Grundy County but work outside of the county. For 2,056 persons, their primary place of work is in Grundy County but they live outside of the county. This is an ideal group of potential new residents.

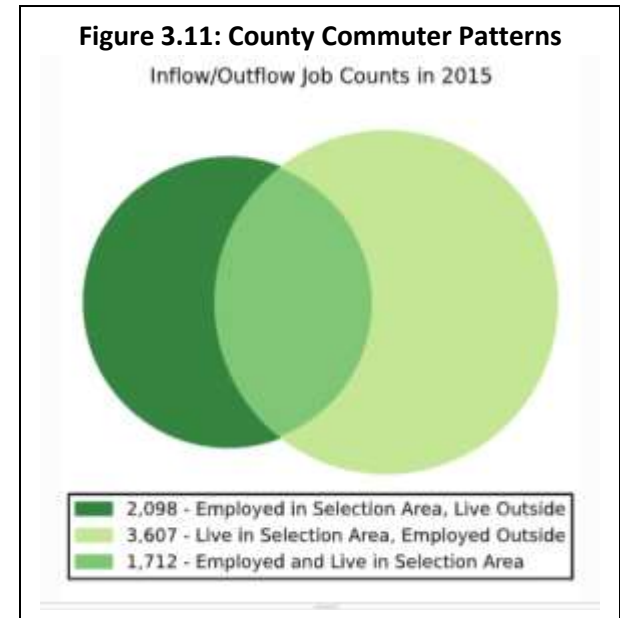


Figure 3.12: Inflow/Outflow Job Counts of Primary Jobs in Grundy County, 2013-2015

	2013		2014		2015		3-Year Average	
	Count	Percent	Count	Percent	Count	Percent	Count	Percent
Employed in Grundy County	3,474	100%	3,668	100%	3,810	100%	3,650	100%
Employed & Living <i>in</i> Grundy County	1,497	43.1%	1,574	42.9%	1,712	44.9%	1,594	43.6%
Employed in Grundy County but Living <i>outside</i> the county	1,977	56.9%	2,094	57.1%	2,098	55.1%	2,056	56.4%
Living in Grundy County	5,324	100%	5,362	100%	5,319	100%	5,335	100%
Living & Employed <i>in</i> Grundy County	1,497	28.1%	1,574	29.4%	1,712	32.2%	1,594	29.9%
Living in Grundy County but Employed <i>outside</i> the county	3,827	71.9%	3,788	70.6%	3,607	67.8%	3,741	70.1%

Source: US Census Bureau – <https://onthemap.ces.census.gov>

Note: Primary Jobs are public and private sector jobs, one job per worker. A primary job is the highest paying job of an individual.

Figure 3.13 shows the location (by county) of jobs of members of the workforce that live in Grundy County. Approximately 32.4% of workers living in Grundy County also work in Grundy County. The other 67.6% commute outside of the county to work. The most popular destinations are Black Hawk County (34.2%), Hardin County (4.4%) and Linn County (3.8%). An additional 22.4% work in other nearby counties, such as Butler, Polk, Tama, Dubuque, Bremer and Marshall counties.

Figure 3.13: Location of Jobs of Workers Living in Grundy County, 2015

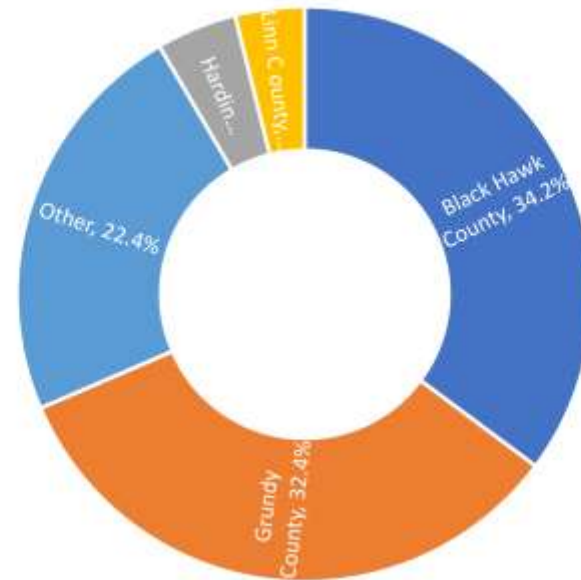
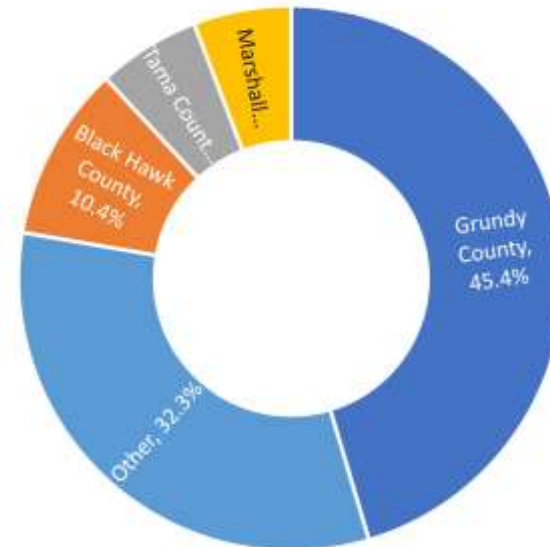


Figure 3.14 displays the county of residence of persons with places of employment inside Grundy County. Of the estimated number of workers that work inside the county on a given day, approximately 45.4% reside in Grundy County. Data shows that 10.4% of workers employed in Grundy County live in Black Hawk County (home of the Cedar Falls/Waterloo metropolitan area). Other popular counties to live in are Tama County (6.1%) and Marshall County (5.8%). An additional 32.3% live in other nearby counties such as Butler, Hardin, Polk, Bremer, Linn and Benton counties.

Figure 3.14: Location of Where Workers Employed in Grundy County Live, 2015



Land Value

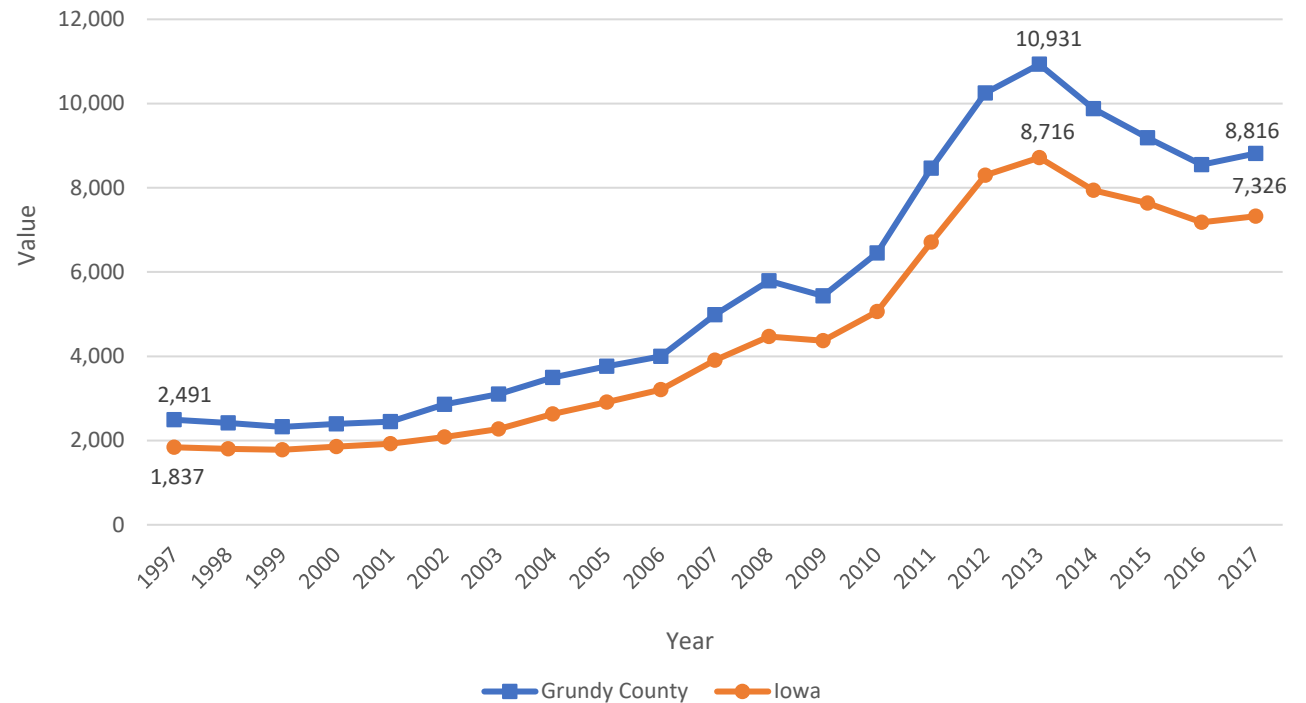
Figure 3.15 displays the historic value of an acre of land in Grundy County as well as the state from 1997 through 2017. In the 1990s land prices remained relatively steady. However, beginning in 2002, land prices in Iowa began to increase dramatically. Record commodity prices (primarily corn and soybeans) contributed to the increased land value given the high-quality soil Iowa possess for crop production. Furthermore, Grundy County is home to some of the richest farmland within the state. In the twelve-year period between 2002 and 2013 the average cost of an acre of land in Grundy County increased by 282% - from \$2,862 per acre in 2002 to \$10,931 per acre in 2013.

Since 2013, land prices in Grundy County and the state have begun to decline. In 2017, the average price for an acre of land in Grundy County was \$8,816. Overall, county land prices have decreased by 19.3% since the county's all-time high in 2013.

The accelerated cost of land over the past 15 years likely deterred green field development as developers must absorb higher up-front costs to acquire land. In addition, it has been observed that many landowners were not interested in selling land because of the increasing value, record farming incomes (though this is not the case in the past couple of years), and ability to charge higher rent. Several communities are landlocked and cannot grow initiating new housing developments.

The dramatically increasing land prices place greater value on maintaining and redeveloping existing housing stock with developed areas of communities as opposed to acquiring land for a new development.

Figure 3.15: Historic Value of an Acre of Farmland, 1997-2017
Source: Iowa State University, Center for Agriculture & Rural Development - Iowa Land Value Survey



Poverty

The US Census Bureau determines the poverty status of non-institutionalized population based on family size and income level. If a family's total annual income is below the threshold level appropriate for that family size, every member of the family is considered to be in poverty. The US Department of Health and Human Services annually determines poverty guidelines by family size based on US Census poverty thresholds³.

Figure 3.16 shows poverty statics for Grundy County and the state. According to the data, it is estimated that 6% of the county's population was below the poverty line in 2016. In the county, persons aged 18-64 had a highest rate of poverty among the age groups examined at 6.5%.

Figure 3.17 shows poverty rates of Grundy County families by Housing Tenure (i.e. renter or owner). Renter households are more than seven times more likely to be in poverty than owner-occupied homes.

Figure 3.16: Individuals and Families Living in Poverty, 2016

	Grundy County		State of Iowa	
	Estimate	MOE	Estimate	MOE
All families	3.3%	+/-1.3%	7.9%	+/-0.2%
With related children under 18 years	5.0%	+/-2.8%	13.3%	+/-0.4%
With female householder, no husband present	23.4%	+/-15.0%	38.0%	+/-1.0%
All people	6.0%	+/- 1.1%	12.3%	+/-0.2%
Under 18	5.1%	+/-2.9%	15.3%	+/-0.5%
18 to 64 years	6.5%	+/-1.1%	12.4%	+/-0.2%
65 years and over	5.2%	+/-1.5%	7.5%	+/-0.2%
<i>Source: American Community Survey, 2012-2016 5-Year Estimates, Poverty Status in Past 12 Months</i>				

Figure 3.17: Grundy County Families in Poverty by Housing Tenure, 2016

Tenure	Count	% of Households
Owner-Occupied	4,833	3.6%
Renter Occupied	764	25.7%
<i>Source: American Community Survey, 2012-2016 5-Year Estimates, Poverty Status in Past 12 Months</i>		

³ Federal Register Annual Update of the HHS Poverty Guidelines, www.federalregister.gov/documents/2016/01/25/2016-01450/annual-update-of-the-hhs-poverty-guidelines

Section 4: Housing Characteristics

Quantity and Type of Housing

As of the 2010 US Census, there were an estimated 5,530 homes in the unincorporated areas of Grundy County and its 9 incorporated cities. Figure 4.1 displays the distribution of the county's housing units by jurisdiction.

Figure 4.2 compares the type of housing construction, by number of units, in Grundy County, the State of Iowa, and the United States. As is evident, the overwhelming majority (87.5%) of the county's housing units are single detached units. This is a much higher rate than state and national averages. Providing the more rural nature of the county and its communities to the nation at large, the higher rate of single unit homes is not surprising. The wide availability of traditional single-family homes is an attractive aspect of the county's housing stock especially as members of the millennial generation become older, start families, and seek single dwelling units.

On the following pages, Figures 4.3 through 4.6 provide a statistical overview of Grundy County's housing stock as determined by the US Census Bureau's most recent American Community Survey (ACS) data. The ACS is a survey conducted by the US Census Bureau. Unlike the 10-year census survey, the ACS is conducted on ongoing basis, with data updated annually, using randomly sampled addresses.

Figure 4.1: Distribution of County Housing Units
Source: US Census Bureau, 2010

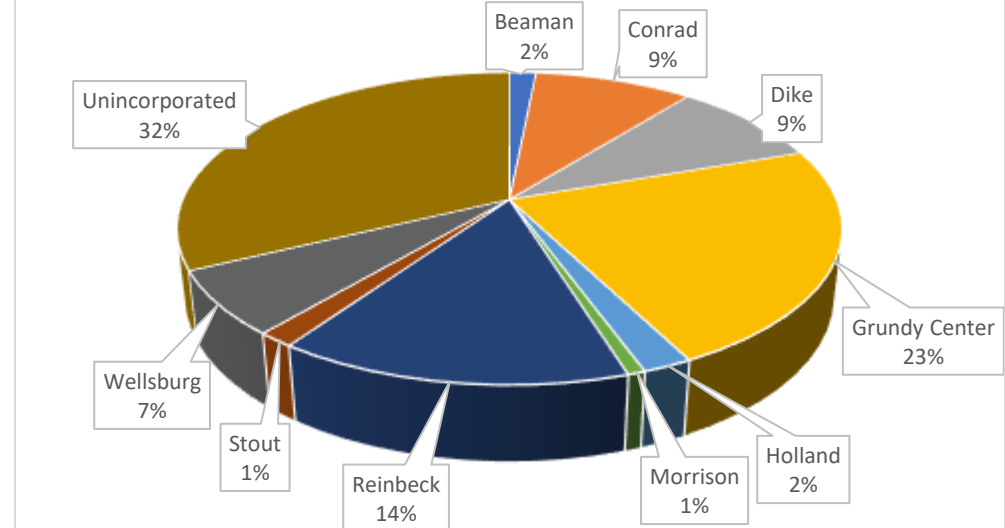


Figure 4.2: Housing Units by Structure, 2016

	Grundy County		Iowa	US
	Number	Percent	Percent	Percent
1-unit, detached	4,852	87.5%	73.6%	61.6%
1-unit, attached	101	1.8%	3.8%	5.8%
2 units	52	0.9%	2.3%	3.7%
3 or 4 units	199	3.6%	3.4%	4.4%
5 to 9 units	112	2.0%	3.8%	4.8%
10 to 19 units	28	0.5%	3.9%	4.5%
20 or more units	54	1.0%	5.4%	8.7%
Mobile Homes	142	2.6%	3.7%	6.3%
Boat, RV, van, etc.	5	0.1%	0.0%	0.1%
Total	5,530	100%	100%	100%

Source: American Community Survey, 2012-2016 5-Year Estimates, Selected Housing Characteristics

American Community Survey Housing Data Summary

Figure 4.3 shows an overview of county rental statistics. Figure 4.4 provides a general overview of housing, including occupancy, type, and tenure.

Figure 4.3: Rental Characteristics, Grundy County				
	Estimate	MOE	Percent	MOE
GROSS RENT				
Occupied units paying rent	835	+/-108	100%	(X)
Less than \$500	222	+/-53	26.6%	+/-5.8
\$500 to \$999	474	+/-86	56.8%	+/-6.9
\$1,000 to \$1,499	98	+/-33	11.7%	+/-3.8
\$1,500 to \$1,999	16	+/-16	1.9%	+/-1.9
\$2,000 to \$2,499	0	+/-15	0.0%	+/-2.4
\$2,500 to \$2,999	0	+/-15	0.0%	+/-2.4
\$3,000 or more	25	+/-26	3.0%	+/-3.0
Median (dollars)	\$638	+/-37	(X)	(X)
No rent paid	196	+/-71	(X)	(X)
GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME				
Occupied units paying rent (excluding units where GRAP cannot be computed)	828	+/-108	100%	(X)
Less than 15.0 percent	239	+/-65	28.9%	+/-6.5
15.0 to 19.9 percent	108	+/-33	13.0%	+/-3.7
20.0 to 24.9 percent	95	+/-38	11.5%	+/-4.4
25.0 to 29.9 percent	79	+/-33	9.5%	+/-3.7
30.0 to 34.9 percent	58	+/-23	7.0%	+/-2.8
35.0 percent or more	249	+/-57	30.1%	+/-6.0
Not computed	203	+/-69	(X)	(X)

Figure 4.4: Housing Characteristics, Grundy County				
	Estimate	MOE	Percent	MOE
HOUSING OCCUPANCY				
Total housing units	5,545	+/-49	100%	(X)
Occupied housing units	5,162	+/-100	93.1%	+/-1.8
Vacant housing units	383	+/-98	6.9%	+/-1.8
Homeowner vacancy rate	0.5%	+/-0.5	(X)	(X)
Rental vacancy rate	2.0%	+/-1.8	(X)	(X)
UNITS IN STRUCTURE				
Total housing units	5,545	+/-49	100%	(X)
1-unit, detached	4,852	+/-98	87.5%	+/-1.5
1-unit, attached	101	+/-27	1.8%	+/-0.5
2 units	52	+/-24	0.9%	+/-0.4
3 or 4 units	199	+/-48	3.6%	+/-0.9
5 to 9 units	112	+/-40	2.0%	+/-0.7
10 to 19 units	28	+/-19	0.5%	+/-0.3
20 or more units	54	+/-25	1.0%	+/-0.4
Mobile home	142	+/-43	2.6%	+/-0.8
BEDROOMS				
Total housing units	5,545	+/-49	100%	(X)
No bedroom	57	+/-32	1.0%	+/-0.6
1 bedroom	265	+/-64	4.8%	+/-1.2
2 bedrooms	1,455	+/-107	26.2%	+/-1.9
3 bedrooms	2,182	+/-150	39.4%	+/-2.7
4 bedrooms	1,316	+/-103	23.7%	+/-1.8
5 or more bedrooms	270	+/-56	4.9%	+/-1.0
HOUSING TENURE				
Occupied housing units	5,162	+/-100	100%	(X)
Owner-occupied	4,131	+/-121	80.0%	+/-2.2
Renter-occupied	1,031	+/-118	20.0%	+/-2.2
YEAR HOUSEHOLDER MOVED INTO UNIT				
Occupied housing units	5,162	+/-100	100%	(X)
Moved in 2015 or later	149	+/-44	2.9%	+/-0.8
Moved in 2010 to 2014	1,279	+/-129	24.8%	+/-2.3
Moved in 2000 to 2009	1,724	+/-119	33.4%	+/-2.3
Moved in 1990 to 1999	870	+/-88	16.9%	+/-1.7
Moved in 1980 to 1989	421	+/-68	8.2%	+/-1.3
Moved in 1979 and earlier	719	+/-82	13.9%	+/-1.6

Figure 4.5 displays data by value of owner-occupied homes. Figure 4.6 provides information about the financial characteristics of homeowners.

The data shown in Figures 4.3-4.6 is discussed in greater detail on the following pages.

Figure 4.5: Home Value Characteristics, Grundy County				
	Estimate	MOE	Percent	MOE
VALUE				
Owner-occupied units	4,131	+/-121	100%	(X)
Less than \$50,000	390	+/-75	9.4%	+/-1.8
\$50,000 to \$99,999	1,173	+/-102	28.4%	+/-2.4
\$100,000 to \$149,999	937	+/-99	22.7%	+/-2.2
\$150,000 to \$199,999	859	+/-97	20.8%	+/-2.4
\$200,000 to \$299,999	528	+/-78	12.8%	+/-1.8
\$300,000 to \$499,999	196	+/-49	4.7%	+/-1.2
\$500,000 to \$999,999	21	+/-13	0.5%	+/-0.3
\$1,000,000 or more	27	+/-20	0.7%	+/-0.5
Median (dollars)	\$127,100	+/-5,717	(X)	(X)

Figure 4.6: Home Ownership Characteristics, Grundy County				
	Estimate	MOE	Percent	MOE
MORTGAGE STATUS				
Owner-occupied units	4,131	+/-121	100%	(X)
Housing units with a mortgage	2,231	+/-142	54.0%	+/-2.8
Housing units without a mortgage	1,900	+/-120	46.0%	+/-2.8
SELECTED MONTHLY OWNER COSTS (SMOC)				
Housing Units with a Mortgage	2,231	+/-142	100%	(X)
Less than \$500	28	+/-14	1.3%	+/-0.6
\$500 to \$999	927	+/-112	41.6%	+/-3.8
\$1,000 to \$1,499	784	+/-78	35.1%	+/-3.4
\$1,500 to \$1,999	315	+/-56	14.1%	+/-2.2
\$2,000 to \$2,499	128	+/-38	5.7%	+/-1.6
\$2,500 to \$2,999	33	+/-24	1.5%	+/-1.1
\$3,000 or more	16	+/-12	0.7%	+/-0.5
Median (dollars)	\$1,085	+/-38	(X)	(X)
Housing Units without a Mortgage	1,900	+/-120	100%	(X)
Less than \$250	163	+/-51	8.6%	+/-2.7
\$250 to \$399	622	+/-82	32.7%	+/-3.8
\$400 to \$599	723	+/-88	38.1%	+/-3.9
\$600 to \$799	275	+/-57	14.5%	+/-2.8
\$800 to \$999	66	+/-30	3.5%	+/-1.6
\$1,000 or more	51	+/-25	2.7%	+/-1.3
Median (dollars)	435	+/-15	(X)	(X)
SELECTED MONTHLY OWNERS COST AS A PERCENTAGE OF HOUSEHOLD INCOME (excluding units unable to calculate)				
Housing Units with a Mortgage	2,227	+/-142	100%	(X)
Less than 20.0 percent	1,362	+/-117	61.2%	+/-3.7
20.0 to 24.9 percent	321	+/-59	14.4%	+/-2.5
25.0 to 29.9 percent	153	+/-52	6.9%	+/-2.2
30.0 to 34.9 percent	162	+/-52	7.3%	+/-2.2
35.0 percent or more	229	+/-42	10.3%	+/-1.9
Housing Units without a Mortgage	1,897	+/-119	100%	(X)
Less than 10.0 percent	865	+/-98	45.6%	+/-4.2
10.0 to 14.9 percent	425	+/-84	22.4%	+/-4.0
15.0 to 19.9 percent	201	+/-50	10.6%	+/-2.6
20.0 to 24.9 percent	145	+/-36	7.6%	+/-1.9
25.0 to 29.9 percent	56	+/-23	3.0%	+/-1.2
30.0 to 34.9 percent	43	+/-20	2.3%	+/-1.1
35.0 percent or more	162	+/-45	8.5%	+/-2.3

Historic Housing Trends

Figure 4.7 shows the number and change in housing units by jurisdiction from 1980 to 2010. Communities with the highest rate of housing growth in the past 30 years are the cities of Dike (40.0%), Stout (16.7%), Conrad (12.6%) and Holland (10.8%). Other cities that saw growth among housing units include Reinbeck (6.8%), Grundy Center (6.0%) and Wellsburg (0.3%).

Beaman and Morrison experienced a decrease in total number of housing units, with a 2.3% and 9.1% decrease, respectively.

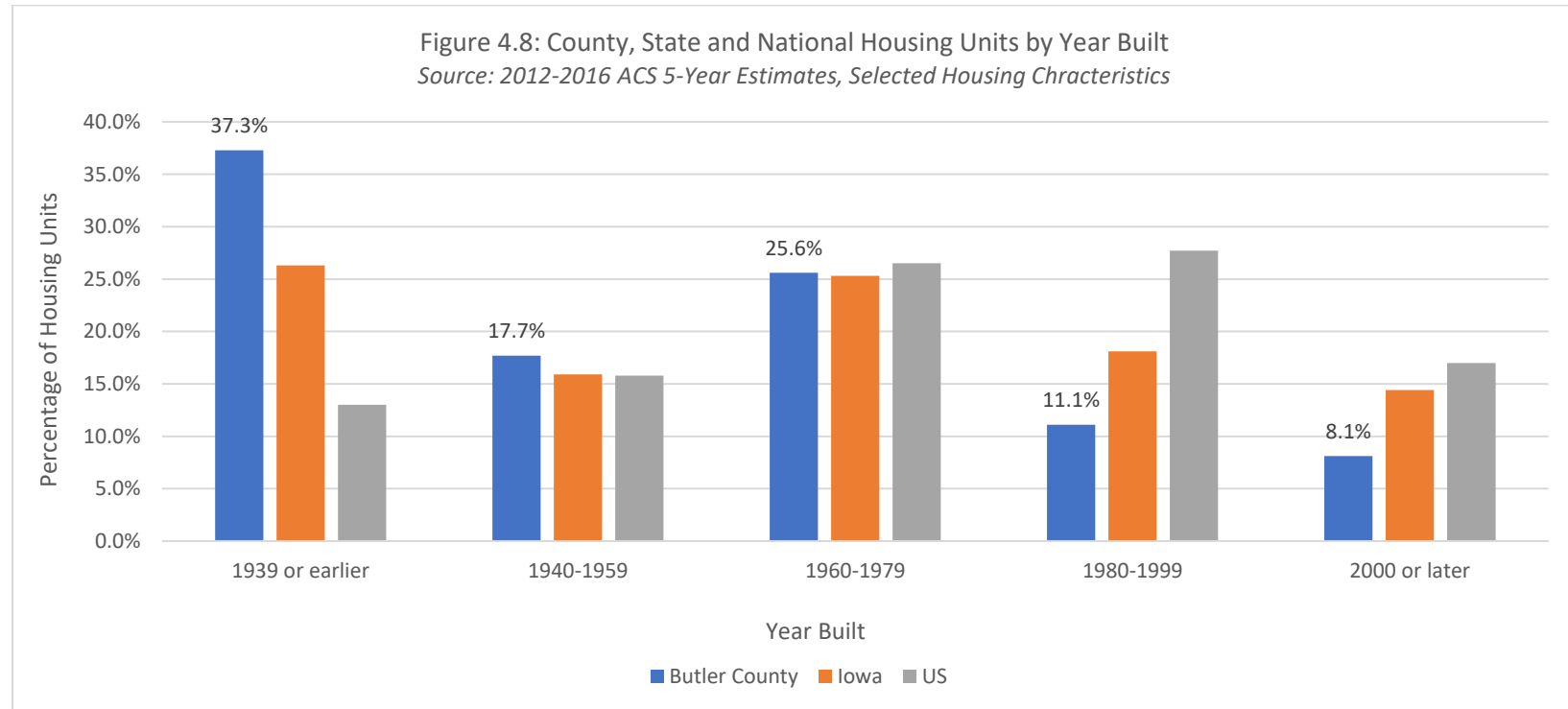
In terms of the total number of units added from 1980 to 2010, the communities of Dike (142 units) and Grundy Center (71 units) added the largest amount of housing units in terms of quantity. Conrad and Reinbeck also added additional housing units, with 55 units added in Conrad and 51 units in Reinbeck from 1980 to 2010.

However, when compared to the rest of the state, the county has experienced a much slower growth rate. Between 1980 and 2010, the number of housing units in the state increased by 19.2%. The county and all of the cities, with the exception Dike, experienced housing growth rates below the state average. Over the 30-year period, the number of housing units in the county increased by 0.9%.

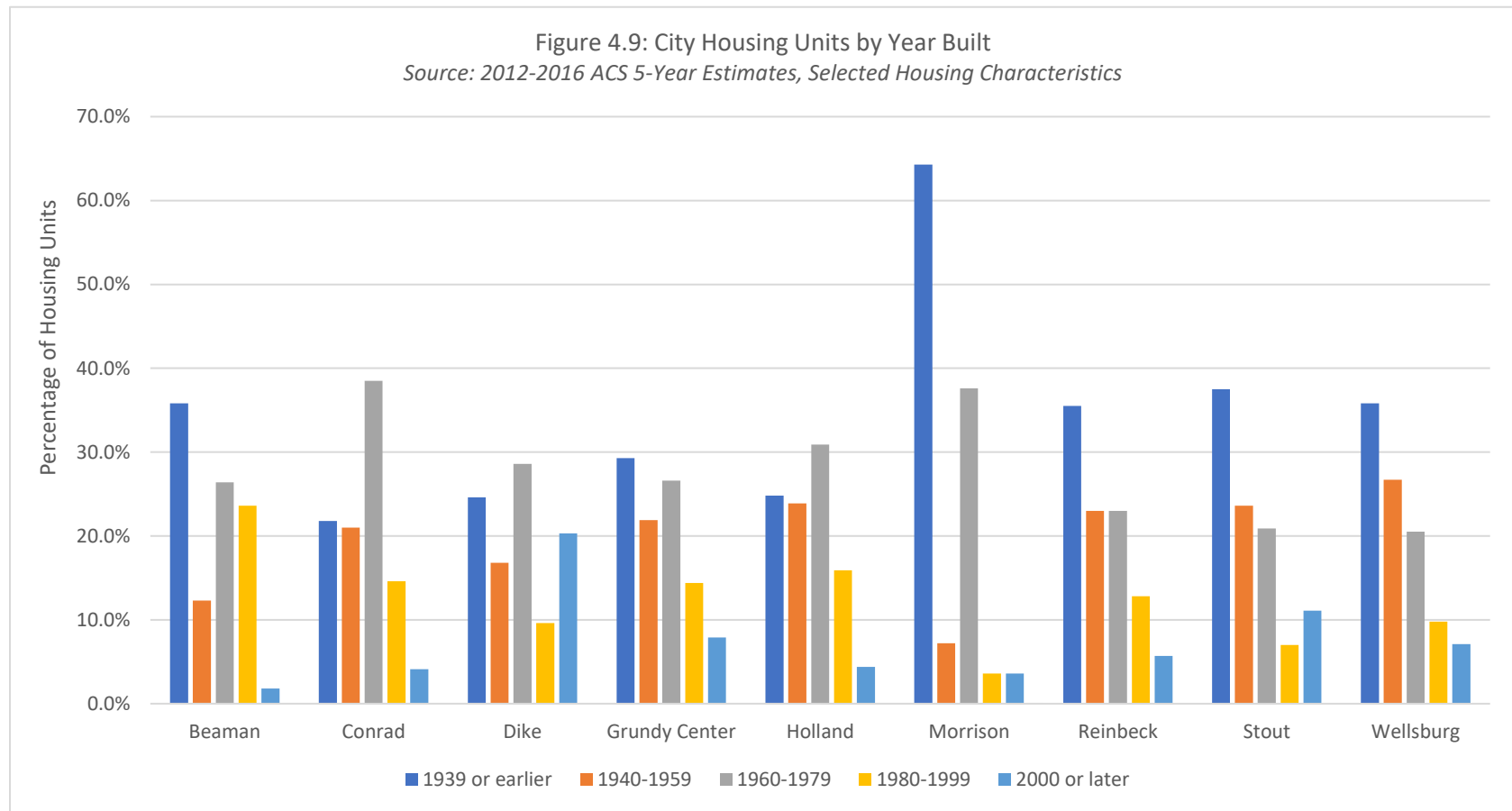
Figure 4.7: Historic Number of Housing Units in Communities						
Community	1980	1990	2000	2010	Net Change 1980-2010	% Change 1980-2010
Beaman	-	87	88	85	-2	-2.3%
Conrad	452	438	483	507	55	12.6%
Dike	-	355	393	497	142	40.0%
Grundy Center	1,185	1,138	1,176	1,256	71	6.0%
Holland	-	102	109	113	11	10.8%
Morrison	-	44	47	40	-4	-9.1%
Reinbeck	751	727	769	802	51	6.8%
Stout	-	72	77	84	12	16.7%
Wellsburg	-	366	363	367	1	0.3%
Grundy County	5,480	5,158	5,304	5,530	50	0.9%
State of Iowa	1,121,314	1,143,669	1,232,511	1,336,417	215,103	19.2%
Source: US Census Bureau; calculations by INRCOG						

Age of Housing Stock

Figure 4.8 compares the age of the county's housing stock (cities and unincorporated area) by era built. The age distribution of the county's houses is older than the state and national stocks. According to ACS data of occupied housing units, 37.3% of Grundy County homes were built before 1940 compared to 26.3% of the homes statewide and 13% nationally. An estimated 80.6% percent of Grundy County homes were built prior to 1980 – this is slightly greater than Iowa's housing stock (67.5%) and much greater than nation's overall housing stock (55.3%).



However, the age of housing stock among some Grundy County cities vary tremendously. Figure 4.9 shows the age of housing units by city.



Communities with the largest portion of older homes (units built in 1939 or earlier) are the cities of Morrison (64.3%), Stout (37.5%), Beaman and Wellsburg (both at 35.8%). Morrison, by far, has the oldest housing stock in the county.

Communities with a largest portion of newer homes (units built in 2000 or later) are the cities of Dike (20.3%), Stout (11.1%) and Grundy Center (7.9%). This is particularly interesting as Stout has the second highest percentage of homes built in 1939 or earlier but also has the second highest percentage of homes built in 2000 or later. However, homes built before 1940 still surpass homes built after 2000 by 26.4%.

Vacancy

"The vacancy rate in housing is similar to the unemployment rate in labor markets. Why isn't 0% unemployment for labor optimal? Some unemployment is optimal because it allows people to change jobs and allows new entrants to enter the labor market without a "double coincidence of wants." Without vacancies, to change jobs you would need to find someone who has the job you want and wants the job you have, and then trade. Those entering the labor market would have to find someone who is leaving the labor market and has an acceptable job, and they in turn must be acceptable to the employer. The matching costs are high with such an arrangement. With some unemployment, costs fall since finding an offsetting match is unnecessary. Housing is no different. Without vacancies, to move from New York to Los Angeles would require finding someone moving in the other direction who has a house you are willing to buy and is also willing to buy your house, a difficult task (rentals would be similar). But with vacancies, the task is much easier⁴." Five percent housing vacancy is often used as a standard of the housing market equilibrium – where the quantity of demand and quantity of supply are equal.

A low vacancy rate can be an indicator of less affordable housing as the limited supply drives up the price. Too low of a vacancy also can discourage persons from relocating to a community because of lack of housing options. Furthermore, low vacancy may prevent an owner of a middle-valued home from upgrading to a higher-value home in town – which would have opened a more-affordable home to the market. Too high of a vacancy rate can flatten home values as supply outweighs demand. Vacant homes with absent property owners may fall into disrepair or lead to building code maintenance issues.

Figure 4.10 shows the estimated housing vacancy rate for each community has determined by the 2012-2016 American Community Survey. As the table shows, the cities of Conrad, Holland, and Stout had the lowest vacancy rates in the county in 2016 (5.1%, 5.3%, and 5.6%, respectively). Communities with the highest vacancy rate (homeowner and renter combined) are Beaman (17%), Wellsburg (10.5%), and Grundy Center (7.7%).

Figure 4.10: Housing Vacancy Rates, 2016

	# of Units	Occupied Units	Vacant Units	Vacancy Rate
Beaman	106	88	18	17.0%
Conrad	486	461	25	5.1%
Dike	570	536	34	6.0%
Grundy Center	1,254	1,157	97	7.7%
Holland	113	107	6	5.3%
Morrison	56	52	4	7.1%
Reinbeck	856	796	60	7.0%
Stout	72	68	4	5.6%
Wellsburg	419	375	44	10.5%
Grundy County	5,545	5,162	383	6.9%
State of Iowa	-	-	-	8.8%
United States	-	-	-	12.2%

Source: 2012-2016 ACS 5-Year Estimates

⁴ The Natural Vacancy Rate of Housing, Economics View, http://economistsview.typepad.com/economistsview/2005/11/the_natural_vac.html

In 2000, the county's housing vacancy rate was 6.0%. Figure 4.11 shows Grundy County's 2010 Census statistics. Overall, the County's vacancy rate was 7.2%, lower than both the state (8.6%) and national rate (11.4%).

When not considering units not available for full-time occupation – specifically seasonal, recreational, or occasionally used homes, the vacancy rate is reduced to 6.5%.

There are two types of vacancy – homeowner vacancies and rental vacancies. Homeowner vacancy rate is the proportion of the homeowner housing inventory which is vacant for sale. It is computed by dividing only the number of vacant units for sale by the sum of owner-occupied units and vacant units that are for sale. Rental vacancies are the proportion of the rental inventory which is vacant for rent. It is computed by dividing the number of vacant units for rent by the sum of the renter-occupied units and the number of vacant units for rent.

Figure 4.12 compares the historic owner and rental vacancy rates from 2000 through 2016 of Grundy County, Iowa and the United States. In 2016, only 0.5% of homeowner housing was vacant, which is lower than the rate of the State of Iowa (1.5%) and the national rate (1.8%). Note that this is not a percentage of all homes for sale – only those which are for sale and vacant. However, it is another indicator that there is limited availability of homeowner properties.

Figure 4.11: Housing Occupancy and Vacancy Comparisons, 2010

	Grundy County		Iowa	US
	Number	Percent	Percent	Percent
Occupied Housing Units	5,131	92.8%	91.4%	88.6%
Vacant Housing Units	399	7.2%	8.6%	11.4%
For rent	55	13.8%	27.7%	27.6%
Rented, not occupied	17	4.3%	1.6%	1.4%
For sale only	81	20.3%	16.0%	12.7%
Sold, not occupied	17	4.3%	4.8%	2.8%
For seasonal, rec. or occasional use	39	9.8%	18.3%	31.0%
All other vacancies	190	47.6%	31.5%	24.4%

Source: 2010 US Census Bureau, General Housing Characteristics

Figure 4.12: Vacancy Rate by Type, 2016

Vacancy Type	Year	Vacancy Rate		
		Grundy County	Iowa	US
Homeowner	2000	1.8%	1.7%	1.7%
	2010	1.9%	2.0%	2.4%
	2016	0.5%	1.5%	1.9%
Rental	2000	5.0%	6.8%	6.8%
	2010	5.7%	6.5%	7.8%
	2016	2.0%	6.1%	6.2%

Source: US Census Bureau – 2010 Census, 2012-2016 ACS 5-Year Estimates

Tenure

Grundy County has as much higher rate of ownership than Iowa and the US in general. Figure 4.13 compares the homeownership and rental rates of the county, state, and nation based on the 2011-2015 American Community Survey data. Nearly 80 percent of Grundy County residences are owner occupied compared to 72 percent and 64 percent at the state and national level, respectively.

Grundy County residents are also more likely to have lived in their home longer than the state and country in general. Figure 4.14 illustrates how long residents have lived in their current dwelling. According to the data, nearly 24 percent of Grundy County households have lived in their home since 1989 or earlier.

In Grundy County 41 percent of county households moved into their home in 1999 or earlier. This is a greater portion of households than the state (35 percent) and nation (32 percent). The county's older, less transient population is likely an attributing factor to the higher rate of homeownership in the county.

Figure 4.13: Housing Tenure Statistics, 2016

	Grundy County		Iowa	US
	Number	Percentage		
Owner Occupied	4,131	80.0%	71.1%	63.6%
Renter Occupied	1,031	20.0%	28.9%	36.4%
Avg. Household Size of Owner-Occupied Units	2.41	(X)	2.51	2.70
Avg. Household Size of Renter-Occupied Units	2.22	(X)	2.19	2.53
<i>Source: American Community Survey, 2012-2016 5-Year Estimates, Selected Housing Characteristics</i>				

Figure 4.14: Year Household Moved into Unit, 2016

	Grundy County		Iowa	US
	Number	Percent	Percent	Percent
2015 or later	149	2.9%	5.0%	5.1%
2010-2014	1,279	24.8%	30.9%	32.5%
2000-2009	1,724	33.4%	31.5%	32.0%
1990-1999	870	16.9%	14.7%	14.9%
1980-1989	421	8.2%	7.5%	7.2%
1979 or earlier	719	13.9%	10.3%	8.3%
<i>Source: American Community Survey, 2012-2016 5-Year Estimates, Selected Housing Characteristics</i>				

Household and Family Size

In recent decades, Grundy County's average household size and average family size have been declining. This follows national and state-wide trends. Figure 4.15 is a graph of the historic household and family size in Grundy County as well as Iowa. The state typically has a slightly higher average household and family size than Grundy County. However, Grundy County and the State of Iowa are both experiencing a declining family and household size trend.

In 1980, the county's average household size was 2.71 persons and the average family size at 3.18 persons. In each Census since, these numbers have declined. At the 2010 Census, the county's average household size was 2.39 persons and the average family size at 2.85 persons.

From 1980 to 2010, the county's average household size decreased at a decennial rate of 4% per decade. This trend is expected to continue down, but at a less aggressive rate. See Figure 5.2 for the county's projected household size.

Reasons for the decline in household size can be attributed to more single and two-person households as well as smaller family sizes.

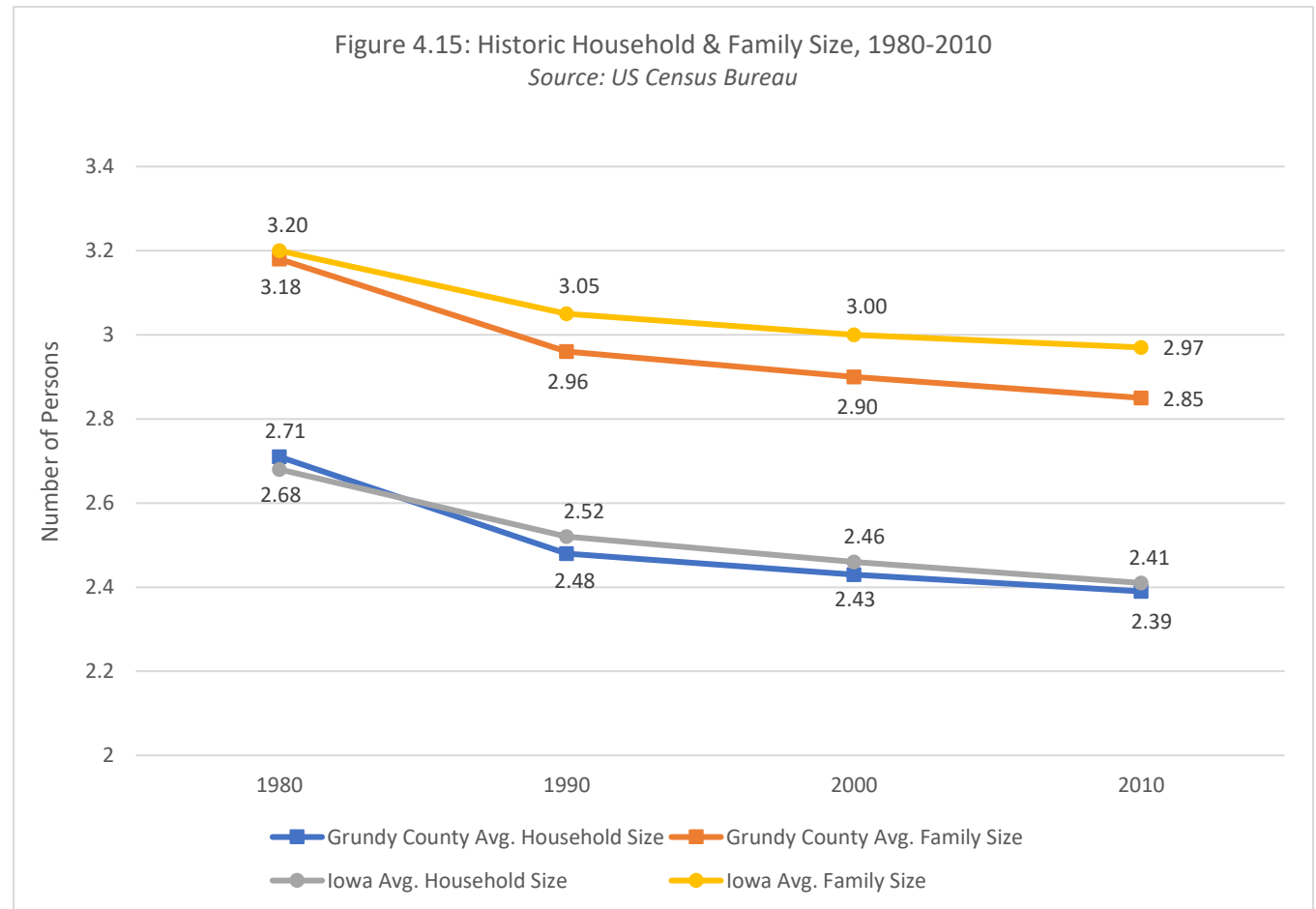


Figure 4.16 shows the average household and family size among the county's jurisdictions in comparison to state and national data. The communities with the smallest household size were Wellsburg (2.12) and Reinbeck (2.20). Communities with the largest household size were Stout (2.80) and Holland (2.64). Overall, Grundy County's average household size (2.40) and family size (2.87) is lower than the state and national averages.

Since 1980, Grundy County has seen an increase in the number of households. With a decreasing household size, the actual number of households in the county has increased at a much higher rate than the county's population change.

Figure 4.17 shows the historic number of households in the county from 1980 through 2016. The number of Grundy County households increased by 2.8% (from 5,158 to 5,304) between 1990 and 2000 and 4.3% between 2000 and 2010. In 2016, the estimated number of households in the County was 5,545 – a 0.3% increase since 2010.

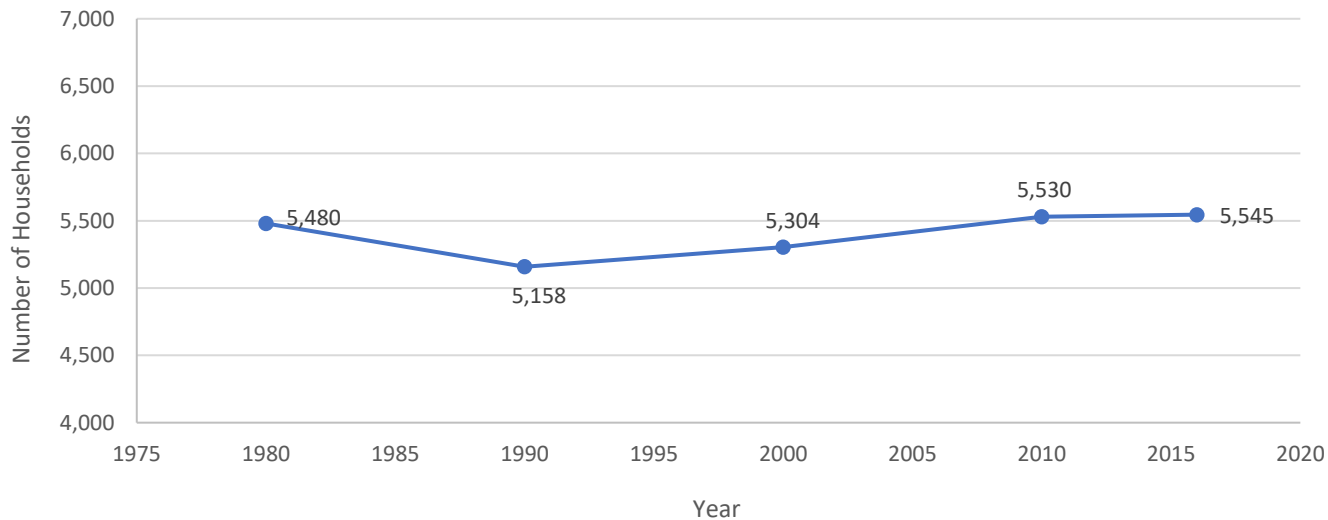
Figure 4.16: Household & Family Size, 2010

Community	Average Household Size	Average Family Size
Beaman	2.45	2.98
Conrad	2.31	2.88
Dike	2.55	2.94
Grundy Center	2.26	2.86
Holland	2.64	3.12
Morrison	2.35	2.88
Reinbeck	2.20	2.72
Stout	2.80	3.14
Wellsburg	2.12	2.72
Grundy County	2.40	2.87
State of Iowa	2.41	2.97
United States	2.58	3.14

Source: US Census Bureau – 2010 Census

Figure 4.17: Historic Number of Households in Grundy County, 1980-2016

Source: US Census Bureau, 2012-2015 ACS 5-Year Estimates



Affordability

Owner-Occupied

In Grundy County, 80% of households own their home. Of those homeowners, 54% have a mortgage. Grundy County has a lower percentage of owner-occupied units with a mortgage than Iowa and the United States, as illustrated in Figure 4.18.

Of those homes with a mortgage, 82.5% spend less than 30% of their household income on housing as shown in Figure 4.19. Statewide, 20.8% of mortgaged households spend more than 30% of their household income on housing. The median housing expenses for homeowners with mortgages in Grundy County is \$1,085, slightly higher (\$5) than the state's median housing expense at \$1,080.

Figure 4.18: Mortgage Status of Owner Occupied Units, 2016

	Grundy County		Iowa	US
	Number	Percent	Percent	Percent
With a Mortgage	2,231	54.0%	60.9%	64.1%
Without a Mortgage	1,900	46.0%	39.1%	35.9%
Total	4,131	100%	100%	100%

Source: American Community Survey, 2012-2016 5-Year Estimates – Selected Housing Characteristics

Figure 4.19: Monthly Owner Costs as Percentage of Household Income in Grundy County, 2016

	Grundy County		Iowa
	Number	Percent	Percent
Housing Units with a Mortgage			
< 20%	1,362	61.2%	53.6%
20-30%	474	21.3%	25.6%
> 30%	391	17.6%	20.8%
<\$999	955	42.9%	35.2%
\$1,000-\$1,499	784	35.1%	35.9%
> \$1,500	492	22.0%	28.8%
Median	\$1,085	-	\$1,180
Housing Units without a Mortgage			
< 20%	1,491	78.6%	77.4%
20-30%	201	10.6%	11.5%
> 30%	205	10.8%	11.1%
<\$399	785	41.3%	40.9%
\$400-799	998	52.6%	51.3%
> \$800	117	6.2%	7.7%
Median	\$435	-	\$441

Source: American Community Survey, 2012-2016 5-Year Estimates

Renter-Occupied

According to the 2012-2016 American Community Survey, 20% (1,031) of Grundy County housing units are occupied by renters.

Rental households spend a higher percentage of their income on housing expenses. As shown in Figure 4.21, 36.6% of renting households earn less than \$35,000 annually compared to 20.8% of homeowners.

Figure 4.20: Rental Housing Statistics of Occupied Units, 2016

	Grundy County		Iowa
Monthly Rent (\$)	Number	Percent	Percent
<20%	347	41.9%	32.1%
20%-29.9%	174	21.0%	23.7%
>30%	307	37.1%	44.1%
<\$500	222	26.6%	19.9%
\$500-\$999	474	56.8%	61.1%
\$1,000-\$1,499	98	11.7%	14.4%
> \$1,500	41	4.9%	4.6%
Median Rent	-	\$638	\$715

Source: American Community Survey, 2012-2016 5-Year Estimate, Selected Housing Characteristics

Figure 4.21: Monthly Owner & Renter-Occupied Housing Costs in Grundy County

	Owner-Occupied	Renter-Occupied	Difference (Owner - Renter Occupied)
Less than \$20,000	7.6%	22.4%	-14.8%
Less than 20 percent	0.8%	0.0%	0.8%
20 to 29 percent	1.7%	2.8%	-1.1%
30 percent or more	5.2%	19.6%	-14.4%
\$20,000 to \$34,999	13.2%	14.2%	-1.0%
Less than 20 percent	5.4%	1.6%	3.8%
20 to 29 percent	3.6%	6.5%	-2.9%
30 percent or more	4.2%	6.0%	-1.8%
\$35,000 to \$49,999	14.7%	17.4%	-2.7%
Less than 20 percent	9.8%	6.6%	3.2%
20 to 29 percent	2.8%	6.6%	-3.8%
30 percent or more	2.2%	4.2%	-2.0%
\$50,000 to \$74,999	23.1%	12.4%	10.7%
Less than 20 percent	16.3%	11.4%	4.9%
20 to 29 percent	5.0%	1.0%	4.0%
30 percent or more	1.7%	0.0%	1.7%
\$75,000 or more	41.2%	14.0%	27.2%
Less than 20 percent	36.8%	14.0%	22.8%
20 to 29 percent	3.3%	0.0%	3.3%
30 percent or more	1.1%	0.0%	1.1%
Zero/Negative Income	0.2%	0.7%	-0.5%
No Cash Rent	(X)	19.0%	(X)
Total % Spending 30% or more	14.4%	29.8%	-15.4%

Source: 2012-2016 ACS 5-year Average – Housing: Financial Characteristics

Lower income rental households (making less than \$20,000 per year) feel the largest impact in regard to the scarcity of affordable housing. Lower income households are less likely to own their own home. A majority of owner-occupied units (64.3%) make more than \$50,000 per year. Overall, 29.8% of renters spend more than 30% of their household income on housing. Data also shows that 25.7% (764 households) of renting households fell below the poverty line as opposed to 3.6% (4,833 households) of owner-occupied units (refer to Figure 3.17).

Affordability Comparison

Figure 4.22 compares the difference in income and housing costs in Grundy County with two nearby counties (Butler and Hardin) as well as Iowa and the United States. In Grundy County, renter-occupied homes have a median household income 42.8% lower than the owner-occupied median income of \$65,998. However, renters spend only 9.8% less on housing than homeowners.

Figure 4.22: Owner and Renter-Occupied Housing Cost Comparisons						
		Grundy County	Butler County	Hardin County	Iowa	US
Owner-Occupied	Median Income	\$65,998	\$60,305	\$59,425	\$66,527	\$70,586
	Median Housing Costs	\$707	\$677	\$646	\$847	\$1,077
	MI/MHC*	93.3	89.1	92.0	78.5	65.5
	Share of Housing Units	80.0% (4,131)	79.6% (5,000)	76.1% (5,398)	71.1%	63.6%
Renter-Occupied	Median Income	\$37,781	\$35,395	\$34,680	\$30,828	\$35,192
	Median Housing Costs	\$638	\$571	\$576	\$715	\$949
	MI/MHC*	59.2	62.0	60.2	43.1	37.1
	Share of Housing Units	20.0% (1,031)	20.4% (1,282)	23.9% (1,695)	28.9%	36.4%
Difference (Owner-Rental)	Median Income	-\$28,217 (-42.8%)	-\$24,910 (-41.3%)	-\$24,745 (-41.6%)	-\$35,699 (-53.7%)	-\$35,394 (-50.1%)
	Median Housing Costs	-\$69 (-9.8%)	-\$106 (-15.7%)	-\$70 (-10.8%)	-\$132 (-15.6%)	-\$128 (-11.9%)
All Units	Median Income	\$61,606	\$52,204	\$51,821	\$54,570	\$55,322
	Median Housing Costs	\$679	\$640	\$622	\$785	\$1,012
	MI/MHC*	90.7	81.6	83.3	69.5	54.7
Source: 2012-2016 ACS 5-year Average – Housing: Financial Characteristics						
Note: *Ratio of Median Income divided by Median Housing Costs						

According to 2016 ACS data, 20% of occupied housing units are rentals in Grundy County. This is lower than the state (28.9%) and national (36.4%) rates but very similar to the nearby counties of Butler (20.4%) and Hardin County (23.9%). Grundy County has a greater difference between owner-occupied and renter-occupied median monthly housing costs (9.8%) than the state (15.6%) and national (11.9%) rates.

The ratio of the income to housing costs (*Median income ÷ Median Housing Costs) (MI/MHI) was calculated for owner-occupied, renter-occupied, as well as all occupied units. A ratio with a lower number indicates a higher cost burden (less affordable) and vice versa (higher number means more affordable). For example, Grundy County's higher ratio of MI/MHI for All Units (90.7) compared to the US ratio (54.7), signals that the cost burden of housing in Grundy County is lower than the national average.

“Talk of housing affordability is plentiful, but a precise definition of housing affordability is, at best, ambiguous. The conventional public policy indicator of housing affordability in the United States is the percent of income spent on housing. Housing expenditures that exceed 30 percent of household income have historically been viewed as an indicator of a housing affordability problem. The conventional 30 percent of household income that a household can devote to housing costs before the household is said to be “burdened” evolved from the United States National Housing Act of 1937...for those households at the bottom rungs of the income ladder, the use of housing costs in excess of 30 percent of their limited incomes as an indicator of a housing affordability problem is as relevant today as it was four decades ago.”⁵

The 30% standard for housing affordability accounts for all housing costs, including the principal, interest, tax, and insurance payment (PITI) as well as utilities.

Figure 4.23 shows the percent of household income spent on housing. In all, it is estimated that 17.6% of households in the county spend 30% or more on housing expenses. As expected, the data shows that lower income households spend a higher percentage of their income on housing compared to those with higher incomes.

Of those Grundy County households spending 30% or greater, the single largest group (8.1% of all households county-wide) make less than \$20,000 per year. Except for those households making less than \$20,000, a majority of households in the remaining income brackets spent less than 30% on housing. Of households making between \$20,000 to \$34,999, 4.6% spend more than 30% of their household income on housing. Across all income brackets, 62% of Grundy County households spend less than 20% of their income on housing. Approximately 16.3% of Grundy County households spend between 20-29% of their household income on housing expenses.

Figure 4.23: Monthly Housing Costs as Percentage of Household Income in Past 12 Months, 2016

	Grundy County	Iowa	USA
	% of Households	% of Households	% of Households
Less than \$20,000	10.6%	14.4%	15.1%
Less than 20 percent	0.6%	0.9%	1.0%
20 to 29 percent	1.9%	2.0%	1.6%
30 percent or more	8.1%	11.6%	12.5%
\$20,000 to \$34,999	13.4%	15.3%	14.7%
Less than 20 percent	4.7%	4.0%	2.9%
20 to 29 percent	4.1%	4.6%	2.9%
30 percent or more	4.6%	6.8%	8.9%
\$35,000 to \$49,999	15.2%	13.9%	13.0%
Less than 20 percent	9.1%	6.4%	4.1%
20 to 29 percent	3.5%	4.6%	3.9%
30 percent or more	2.6%	2.9%	4.9%
\$50,000 to \$74,999	20.9%	19.5%	17.5%
Less than 20 percent	15.3%	12.7%	8.1%
20 to 29 percent	4.2%	5.1%	5.5%
30 percent or more	1.4%	1.8%	3.9%
\$75,000 or more	35.8%	34.1%	36.5%
Less than 20 percent	32.3%	29.0%	25.9%
20 to 29 percent	2.6%	4.4%	7.8%
30 percent or more	0.9%	0.8%	2.7%

Source: 2012-2016 ACS 5-Year Average – Housing: Financial Characteristics

⁵ Schwartz & Black. “Who Can Afford To Live in a Home?” www.census.gov/housing/census/publications/who-can-afford-pdf.

Figure 4.24 is a breakdown of the range of percent of income spent on renter and occupied housing for Grundy County, Iowa and the United States. Renter households in the County are twice as likely to be spending more than 30% of their income on housing as opposed to owners. Compared to state and national data, Grundy County residents pay a lower portion of their income towards housing.

Figure 4.24: Percent of Household Income Spent on Housing in Past 12 Months						
	Grundy County		Iowa		US	
	Renter-Occupied	Owner-Occupied	Renter-Occupied	Owner-Occupied	Renter-Occupied	Owner-Occupied
Less than 20 percent	33.6%	69.1%	29.5%	62.5%	22.9%	53.2%
20 to 29 percent	16.9%	16.4%	21.8%	20.0%	22.4%	21.4%
30 percent or more	29.8%	14.4%	40.4%	17.0%	47.3%	24.7%
No Cash Rent	19.0%	-	6.5%	-	5.2%	-
Source: 2012-2016 American Community Survey – Housing: Financial Characteristics						

Ownership by Age Group

As a particular household ages, the housing demands of that household also change. Typically, younger households are the most likely to rent. As a household progresses to middle-age, the likelihood of owning dramatically increases. Finally, once a household reaches its senior years, renting may become a more popular option for those looking to down-size and reduce the maintenance responsibilities as well as financial commitment of home ownership.

For purposes of this discussion, the US Census Bureau defines a Householder (often referred to as Head of Household) as the person (or one of the people) whose name the housing unit is owned or rented in. If the house is owned or rented jointly by a married couple, the householder may be either the husband or the wife.

Figure 4.25 is a graphic representation of the rental/ownership rates by age groups. In Grundy County in 2010, the age group of households most likely to rent were ages 15-24 (54.5%) followed by ages 85+ (29.5%). For all other age groups, the majority of householders were homeowners rather than renters. The county's statistics follow the rental arc of householder age described above.

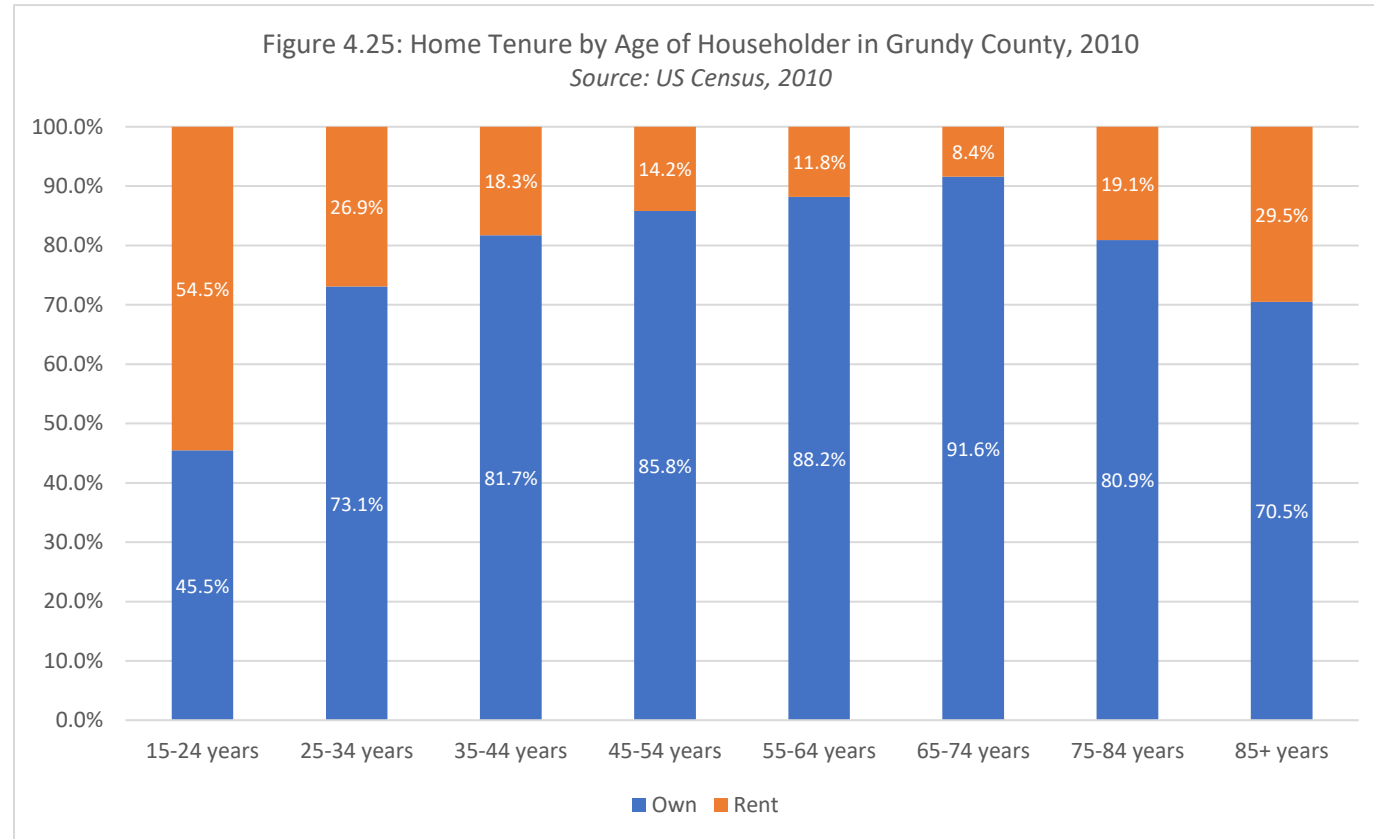


Figure 4.26: Historic Rental Tenure, 2000-2016

	Percent of HH Occupied by Renters		
	2000	2010	2016
Grundy County	20.1%	17.9%	20.0%
Iowa	27.7%	27.9%	28.9%

Since 2000, the percentage of occupied units in the county that are renter-occupied remained steady at 20%. Figure 4.26 shows the recent historic occupancy rates of the Grundy County and Iowa.

Source: 2000 & 2010 US Census; 2012-2016 ACS 5-Year Estimates

In recent years, the housing units the county has added have been more so owner-occupied. Figure 4.27 shows the number and change in owned and rented units in the county from 2000 to 2016. Between 2000 and 2016, the total number of occupied rental units in Grundy County increased from 1,001 to 1,031 units (3%). During this same time, the number of owner-occupied units also increased (3,983 to 4,131 units) by a slightly faster rate of 3.7%.

Figure 4.27: Count of Rental Households in Grundy County, 2000-2016				
Year	2000	2010	2016	% Change, 2000-2016
Number of Renter--Occupied HH	1,001	918	1,031	3.0%
Number of Owner-Occupied HH	3,983	4,213	4,131	3.7%
<i>Source: 2000 & 2010 US Census; 2012-2016 ACS 5-Year Estimates</i>				

On the following page, Figure 4.28 provides greater detail on the owner/renter statistics in the county by age group, the number and percent of households that rent or own in both 2000 and 2010.

The changes experienced between 2000 and 2010 suggest there is an increasing demand for rental housing units among the county's middle-aged to senior age groups. The data suggest that this increasing demand from the 45+ age groups with a traditionally higher rate of home ownership is putting pressure on the availability of rental properties for younger households.

From 2000 to 2010, the following age groups experienced an increase in the proportion of their households living in rental units: 45-54 (1.3%); 55-64 (5.3%); 75-84 (0.9%); and 85+ (2.1%).

Age groups which experienced a decrease in the proportion of their group renting, included: 15-24 (-2.7%); 25-34 (-2.7%); 35-44 (-3.6%); and 65-74 (-0.8%). Grundy County's overall rental rate decreased by -2.2%.

From 2000 to 2010, the number of renting households for age groups 15-44 decreased by 127 households – this was especially evident in the 35-44 age category which experienced a drop of 50 rental units (-24.8%). The number of rental households of those age 45-64 increased by 43 households and 85+ with 14 households.

As the county's population ages, it is anticipated that the demand for rental properties will increase. However, since 2000, the county's number of occupied units as slightly increased. The combined decrease in rental units and increasing demand from older households places pressure on the county's rental supply.

There could be a number of effects under the circumstances where more financially secure, older households seeking rental properties. Including:

- Increasing demand and decreasing supply could drive up the cost of rental housing putting pressure on a group (renters) that already pay a higher percentage of their incomes towards housing.
- Younger Households – especially those under 34 – are the most likely to live in rental properties. An increase in older household occupants could limit availability of rental options and discourage younger households from relocating or staying in the county.

However, with older homeowners moving to rentals, this should increase the availability of homes for sale in the county.

Figure 4.28: Housing Tenure by Age Group, 2000-2010

Age	Tenure	2000			2010			# Change (2010-2000)
		#	% of Age Group	% of Total	#	% of Age Group	% of Total	
15-24	Own	50	28.4%	1.3%	76	45.5%	1.8%	26
	Rent	126	71.6%	12.6%	91	54.5%	9.9%	-35
	Total	176	100%	3.5%	167	100%	3.3%	-9
25-34	Own	394	65.0%	9.9%	461	73.1%	10.9%	67
	Rent	212	35.0%	21.2%	170	26.9%	18.5%	-42
	Total	606	100%	12.2%	631	100%	12.3%	25
35-44	Own	804	79.9%	20.2%	677	81.7%	16.1%	-127
	Rent	202	20.1%	20.2%	152	18.3%	16.6%	-50
	Total	1,006	100%	20.2%	829	100%	16.2%	-177
45-54	Own	790	84.3%	19.8%	888	85.8%	21.1%	98
	Rent	147	15.7%	14.7%	147	14.2%	16.0%	0
	Total	937	100%	18.8%	1,035	100%	20.2%	98
55-64	Own	655	90.0%	16.4%	863	88.2%	20.5%	208
	Rent	73	10.0%	7.3%	116	11.8%	12.6%	43
	Total	728	100%	14.6%	979	100%	19.1%	251
65-74	Own	584	89.4%	14.7%	610	91.6%	14.5%	26
	Rent	69	10.6%	6.9%	56	8.4%	6.1%	-13
	Total	653	100%	13.1%	666	100%	13.0%	13
75-84	Own	522	83.3%	13.1%	444	80.9%	10.5%	-78
	Rent	105	16.7%	10.5%	105	19.1%	11.4%	0
	Total	627	100%	12.6%	549	100%	10.7%	-78
85+	Own	184	73.3%	4.6%	194	70.5%	4.6%	10
	Rent	67	26.7%	6.7%	81	29.5%	8.8%	14
	Total	251	100%	5.0%	275	100%	5.4%	24
Total	Own	3,983	79.9%	79.9%	4,213	82.1%	82.1%	230
	Rent	1,001	20.1%	20.1%	918	17.9%	17.9%	-83
	Total	4,984	100%	100%	5,131	100%	100%	147

Source 2000 and 2010 US Census – Tenure, Household Size, and Age of Householder

Senior Housing

As discussed earlier, Grundy County has an aging population. This is not dissimilar to the country and state in general as the Baby Boomer generation ages. However, as evident in Figure 4.29, Grundy County does have a higher percentage of its population over the age of 65 than the state or national population in general. At 30.2%, the county also has a higher rate of number of households with an individual age 65 or older. As the Baby Boomer generation enters retirement and further ages, demand for senior focused housing options is anticipated to increase.

Figure 4.29: Senior Citizen Statistics				
	Grundy County		Iowa	US
	Number	Percent	Percent	Percent
Population of persons 65 years and over (2016 ACS)	2,443	19.7%	15.8%	14.5%
Households with individuals 65 years and over (2010 Census)	1,547	30.2%	25.5%	24.9%
Households living alone, 65 years and over (2010 Census)	638	48.2%	38.9%	35.2%
Population in Group Quarters (2010 Census)	154	1.2%	3.2%	2.6%
Source: 2010 US Census; 2012-2016 ACS 5-Year Estimates				

There are three primary types of senior housing (typically age 62 and over). These are restricted housing communities, assisted living and nursing homes. Figure 4.30 is inventory of these types of facilities in Grundy County.

In order to accommodate their aging populations, communities may find value in pursuing programs that promote the ability for residents to age-in-place. This can be accomplished through accessibility improvements to existing homes – such as front-door ramp, at-grade showers, and other like improvements. Often these programs are managed by a community action group or an area nonprofit focused on housing.

Another option for communities is to encourage the use of universal design elements (inclusive design) new-construction homes. Universal design considers all the various stages of life an occupant may experience and is designed to maintain functionality even for those persons with limited mobility or function. Some examples of universally designed home considerations include at-grade entrances, bathrooms and bedrooms on the main floor, wide doorways, and strategic placement of light switches and outlets.

Figure 4.30: Grundy County Age Restricted and Assisted Living Facilities

Facility Name	Location	Number of Units/Beds Occupied	Number of Units/Beds Total	Occupancy Rate
Age Restricted Housing Facilities				
Grundy Center Senior Housing	Grundy Center	31	32	97%
Reinbeck Community Homes	Reinbeck	19	20	95%
Westview Estates	Reinbeck	11	31	35%
Total		61	83	73%
Assisted Living				
Oak Estates Assisted Living	Conrad	16	16	100%
The Elms Assisted Living	Reinbeck	12	12	100%
Total		28	28	100%
Nursing Homes/Rehabilitation Centers				
Oakview, Inc. Nursing Home	Conrad	42	46	91%
Grundy Care Center	Grundy Center	32	40	80%
Parkview Manor Nursing Home	Reinbeck	37	40	93%
Total		111	126	88%
<i>Source: Interviews with Facilities; Units and Occupancy as of October 2018</i>				

As shown in Figure 4.30, the occupancy rate of age restricted housing facilities had a total occupancy rate of 73% compared to the higher occupancy rates of assisted living facilities (100%) and nursing homes/rehabilitation centers (88%). A higher occupancy rate is an indicator of demand for this type of living. Furthermore, as discussed in the Ownership by Age Group section, the demand for rental units by the county's aging households is expected to increase. According to Figure 4.30, Grundy County has its highest demand of senior housing focused on assisted living facilities.

Recent Home Sales

For the home sale market, Multiple Listing Service (MLS) data was used to analyze home sales in the county over the past nearly four years; specifically, home sales that took place between January 21, 2015 and October 12, 2018. A summary of the MLS data for each jurisdiction is shown in Figure 4.31.

Overall MLS data on home sales shows that the County's median home sale price in the data frame available was \$115,000 and the median number of days a home was on the market was 48. However, sale price, days on market, and volume of home sales vary greatly by city.

Figure 4.31: Historic Home Sales in Grundy County, 2015-2018

Jurisdiction	Sale Price		Days on Market		Sale Volume			
	Median	Mean	Median	Mean	# of Homes Sales	% of Jurisdiction's Homes*	% of Total County Home Sales	% of Total County Housing Stock**
Beaman	\$178,950	\$178,950	114	114	2	2.2%	0.5%	0.03%
Conrad	\$166,000	\$147,643	91	75	7	1.4%	1.6%	0.1%
Dike	\$215,000	\$224,538	58	105	67	11.8%	15.2%	1.2%
Grundy Center	\$108,000	\$122,957	41	90	187	14.9%	42.3%	3.4%
Holland	\$134,000	\$136,713	15	66	23	20.4%	5.2%	0.4%
Morrison	-	-	-	-	0	0%	0%	0%
Reinbeck	\$95,000	\$114,610	58	106	104	12.1%	23.5%	1.9%
Stout	\$113,900	\$100,317	16	60	6	8.3%	1.4%	0.1%
Wellsburg	\$60,000	\$69,424	109	135	27	6.4%	6.1%	0.5%
Unincorporated	\$162,000	\$165,689	49	81	19	-	4.3%	0.3%
Grundy County	\$115,000	\$136,011	48	97	442	7.99%	100%	8.0%

Source: Multiple Listing Service, January 21, 2015 to October 12, 2018

*Of 1-unit, detached; 1-unit, attached; and 2-unit structures from 2012-2016 ACS; **of 2010 US Census

Homes sold in unincorporated Grundy County drew higher prices, however this may be skewed by the fact that many of these homes were purchased with an acreage with the homeowner having much more land than a typical city lot. Another noteworthy observation is the lack of number of homes sales in the unincorporated area. As shown in Figure 4.1, 32% of the county's homes are in unincorporated Grundy County – however, the unincorporated area accounted for 4.3% of home sales.

The City of Grundy Center has had the most active market, accounting for 42.3% of total home sales despite only possessing 23% of the county's total housing units. Within the city, 14.9% of homes were sold in the past three years which is higher than most communities in the county.

No homes were sold in Morrison between January 2015 and October 2018. Only 2 homes were sold in Beaman during the same time frame, representing only 2.2% of homes in the city. The median number of days on market of home sales for Beaman was 114 days, higher than most communities in Grundy County. Holland had the lowest median days on the market at 15 followed by Stout (16), Grundy Center (41), Grundy County unincorporated (49), Dike and Reinbeck (58), Conrad (91), Wellsburg (109) and Beaman (114).

Realtor Survey

Due to the nature of their work, home realtors have detailed and unique insight and experience with an area's housing. In order to gather a sample of input, an online survey was emailed to a list of realtors with offices or acting listings in Grundy County. The survey consisted of eight questions. In total, eight (8) realtors responded. The survey's results are below.

1. What are the strengths of the housing climate in Grundy County?

- ❖ Respondent #1: Houses are moving fast when coming up for sale. Most have been ones that are move in ready, which helps because it is what buyers are wanting.
- ❖ Respondent #2: Nice area to live in.
- ❖ Respondent #3: [skipped this question]
- ❖ Respondent #4: Lenders.
- ❖ Respondent #5: Moderate-priced homes - particularly 1-story/ranch style. \$100k - \$150k and up to \$180k.
- ❖ Respondent #6: Reasonable taxes, decent infrastructure, availability of services and health care. General lack of crime.
- ❖ Respondent #7: Affordable housing; quick turn-over of market.
- ❖ Respondent #8: Value.

2. What are the weaknesses of the housing climate in Grundy County?

- ❖ Respondent #1: Because houses are moving so fast, it makes it hard to keep the supply up. When it is a seller's market, it's such a good, yet bad thing.
- ❖ Respondent #2: Not enough housing; too expensive to live.
- ❖ Respondent #3: Not enough inventory and not enough of the middle-priced homes.
- ❖ Respondent #4: Lack of inventory; no spec homes, builders not willing to take the risk.
- ❖ Respondent #5: Lack of inventory.
- ❖ Respondent #6: GC zoning and supervisors need to open up the ability to build housing in the county. The current requirement of 35 acres to build a house in the country is silly. We are giving up a lot of tax dollars that could be used to improve county services, roads and infrastructure. The fear of taking valuable farm land out of production and converting to housing needs is silly. Just check the price of corn and beans. We can produce more than is needed for demand.
- ❖ Respondent #7: Affordable housing generally does not conform to the requirements of USDA, FHA, and VA loans. Typically for those price ranges, houses need too many repairs.
- ❖ Respondent #8: Availability.

3. Is there an adequate supply of housing in the desired price ranges that clients are seeking in Grundy County? Are there any communities that are particularly notable? Please explain.
- ❖ Respondent #1: Right now in Grundy Center specifically there has been a need for homes around the \$200,000 plus and because we haven't had them available some people that are looking are moving to different communities. Also in Grundy Center there are typically not a lot of homes under the \$50,000 mark. Each community is a little different.
 - ❖ Respondent #2: Market value of homes are too expensive compared to Reinbeck or Dike.
 - ❖ Respondent #3: No.
 - ❖ Respondent #4: No, Grundy Center and Conrad.
 - ❖ Respondent #5: Shortage of homes in the \$100k - \$180k range. Particularly 1-story homes.
 - ❖ Respondent #6: Need more affordable housing in Grundy Center. Need to get rid of some of the old decaying properties so we have lots to build new home on. Grundy used to have a D & D program for that. Also, need lots to build new homes on. All the existing lots were purchased by one entity and now controlled exclusively by that entity. You pay their price or you don't get a lot.
 - ❖ Respondent #7: Adequate.
 - ❖ Respondent #8: No.
4. Is there an adequate supply of the types of housing that clients are seeking in Grundy County? If not, what type does the demand exceed the supply? Are there any communities that are particularly notable? Please explain.
- ❖ Respondent #1: People are wanting a ranch style house with a 2-car garage. Which are typically hard to find.
 - ❖ Respondent #2: People are looking at lower price tag on a home when purchasing. Most are looking for renting at a lower cost than other surrounding communities. Or low-income house.
 - ❖ Respondent #3: Grundy Center. Need more executive-style homes and need more ranch-style and homes also priced in mid \$100K.
 - ❖ Respondent #4: No – 3- to 4-bedroom ranch with double car attached garage, open floor plan: Grundy Center, Reinbeck & Conrad.
 - ❖ Respondent #5: Need more ranch and 1 story homes on the market.
 - ❖ Respondent #6: Grundy Center needs more affordable housing, both existing and new.
 - ❖ Respondent #7: Adequate.
 - ❖ Respondent #8: No.

5. What price range are the majority of home buyers looking at for housing? Please assign a percentage to each price range.

Average of Percent Assigned by Respondents	
Less than \$49,999	13% (Responses ranged from 0% to 45%)
\$50,000-\$99,999	24% (Responses ranged from 10% to 45%)
\$100,000-\$149,999	30% (Responses ranged from 5% to 50%)
\$150,000-\$199,999	21% (Responses ranged from 5% to 30%)
\$200,000 or greater	11% (Responses ranged from 0% to 25%)

6. What are the reasons that clients are searching for homes in Grundy County? [Factors are weighted by importance so that 10 = most important, and 1 = least important]

Count and Mean of Answers				
Reason	Primary Factor (weight = 10)	Secondary Factor (weight = 5)	Not a Motivating Factor (weight = 1)	Weighted Average
A larger home is desired	5	2	1	7.63
A smaller home is desired	1	4	3	4.13
A client is currently renting, wanting to own	5	2	1	7.63
A client is relocated due to employment	6	1	1	8.25

7. What are the primary factors that prevent would-be home buyers from purchasing a home in Grundy County? [Factors are weighted by importance so that 10 = most important, and 1 = least important]

Count of Answers				
Factor	Major Factor in Limiting Home-Buying (weight = 10)	Minor Factor in Limiting Home-Buying (weight = 5)	Negligible/Not a Factor in Limiting Home-Buying (weight = 1)	Weighted Average
Low credit score	3	1	2	6.2
Lack of homes in desired price the range	8			10
Lack of savings for a down payment	1	6	1	5.1
Lack of access to credit/no credit score	1	4	2	4.6
Lack of homes on the market with modern amenities	3	4	1	6.4
Too much existing debt	1	6		5.7
Lack of stable employment	1	5	1	5.1
Lack of understanding of the home buying process		5	2	3.9
High property taxes		5	2	3.9
Distance from larger cities	1	5	1	5.1

8. Do you have any recommendations on how Grundy County or the cities within the county could better its housing conditions and the housing market?
- ❖ Respondent #1: [skipped this question]
 - ❖ Respondent #2: [skipped this question]
 - ❖ Respondent #3: [skipped this question]
 - ❖ Respondent #4: Create incentives for new construction and development.
 - ❖ Respondent #5: Find some programs to incent \$100k to \$200k homes with builders.
 - ❖ Respondent #6: [skipped this question]
 - ❖ Respondent #7: [skipped this question]
 - ❖ Respondent #8: Tax abatement on new construction.

Section 5: Household and Housing Projections

This section of the plan discussed the projected housing demand for all of Grundy County. Projections of specific cities can be found in their respective profile in Section 6. Note that these projections represent a best estimate based on the historic and projected trends discussed in this study. If variables are adjusted, the projections will adjust. As projected rates and quantities are realized, the projections should be updated. These forecasts should not be strictly interpreted, but rather serve as a reasonably expected guidepost of future needs.

Household Projections

In order to establish future housing projections, a number of factors must be considered.

The first is population. As explained in Section 2: Population Projections, a forecast of Grundy County's future population was calculated using an average of three different population projections. Figure 5.1 shows these projections. A small portion of the county's population will live in Group Quarters, such as group homes, skilled nursing facilities, treatment facilities, correction facilities, or similar institutions. The projected group quarters population increased is weighted higher than the county's overall population rate increases due to the expected increase in persons living in group nursing facilities as the population continue to live longer and the "Baby Boomer" generation ages. The projected population living in group quarters was determined using the historic number of persons living in group quarters in the county from the 1980-2000 Censuses. Subtracting the number of persons living in group quarters from the county's estimated population results in the population of the county's residents requiring housing.

At the time of the 2010 Census, 12,299 of county residents did not live in group quarters. In the coming decades, this number is expected to increase to 12,306 in 2020, 12,378 in 2030, and 12,418 in 2040.

Another important consideration is average household size. Following national trends, Grundy County's average household size and family size have consistently declined over the past several decades, as shown in Figure 4.15 in Section 4. From 1980 to 2010, the county's household size declined at an average rate of - 0.4% per decade. Figure 5.2 shows the County's projected household size. The projection are conservative estimates given the rate change trend experienced in the county from 1980 to 2010.

Figure 5.1: Projected Population to be Housed, Grundy County

Year	2010	2020	2030	2040
Total Population	12,453	12,460	12,533	12,573
Population in Group Quarters	154	154	155	155
Total Population in Housing	12,299	12,306	12,378	12,418

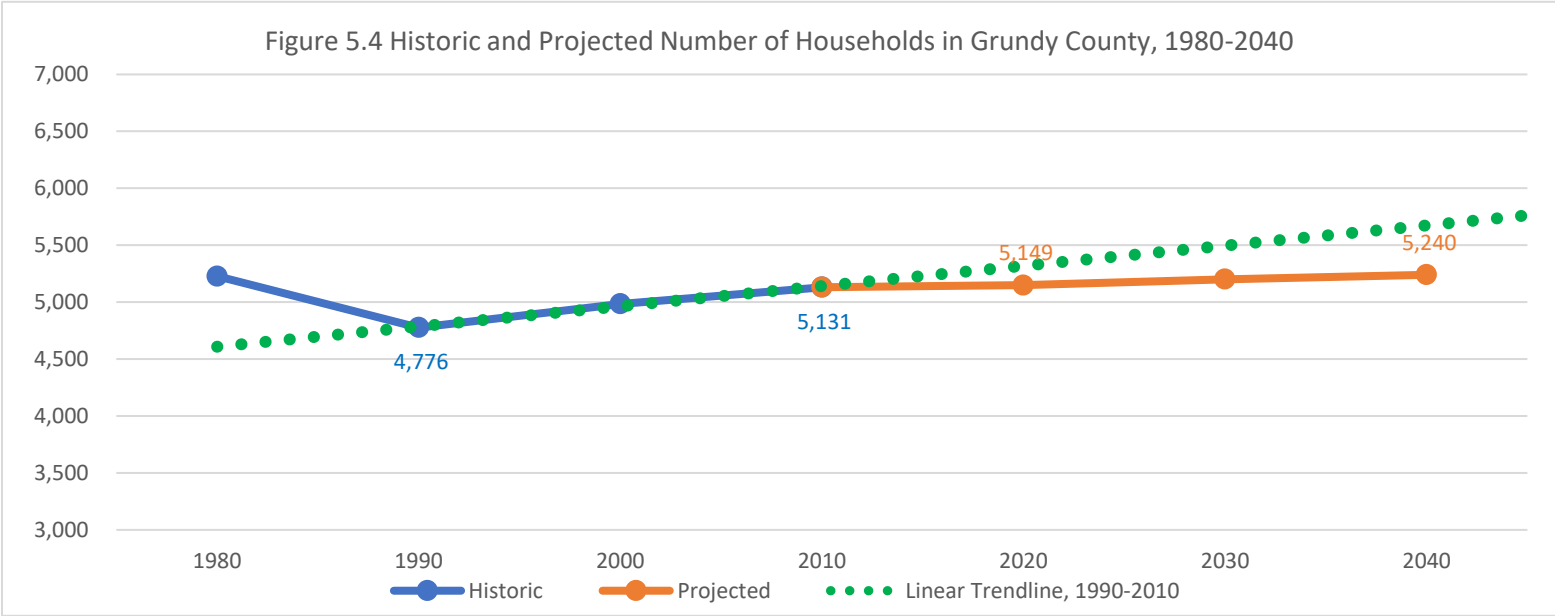
Figure 5.2: Projected Household Size, Grundy County

Year	2010	2020	2030	2040
Average Household Size	2.40	2.39	2.38	2.37

Based on the forecasted assumptions in Figures 5.1 and 5.2, Grundy County will grow by an estimated 76 households by 2030 from their 2010 count. Growth in this forecast scenario is primarily attributed to the county’s projected population increase and a decline in the household size. Figure 5.3 shows the projected number of households through 2040.

Figure 5.3: Projected Number of Households, Grundy County				
Year	2010	2020	2030	2040
Household Population	12,299	12,306	12,378	12,418
Household Size	2.40	2.39	2.38	2.37
Total	5,125	5,149	5,201	5,240
Change from 2010	-	24	76	115
Percent Change from 2010	-	0.5%	1.5%	2.2%
Change from Previous	-	26	56	42
Percent Change from Previous	-	0.5%	1.0%	0.7%

Figure 5.4 displays the historic number of households (solid blue line) in the County since 1980 as well as a linear projection (dotted green line) based on changes from 1980 to 2010 (same data as shown in Figure 4.16). In orange, is the projected number of households as determined by forecasts in Figure 5.3. The dashed green line is the linear trendline based on the rate of change experienced from 1990 to 2010. The projections in Figure 5.3 indicate that the number of households will increase more slowly than the linear trend.



Housing Unit Projections

To maintain a healthy housing market, a percentage of housing units must turn over and become vacant to provide a ready housing supply. Typically, a five (5) percent housing vacancy rate is considered a standard of the housing market equilibrium – where the quantity of demand and quantity of supply are equal.

A low vacancy rate can be an indicator of less affordable housing as the limited supply drives up the price. Too low of a vacancy also can discourage persons from relocating to a community because lack of housing options. It can also prevent a homeowner with a middle-value home from moving up to a higher-value home in town and thus opening up a more-affordable home on the market. Too high of a vacancy rate can flatten home values as supply outweighs demand. Vacant homes with absent property owners may fall into disrepair or lead to building code maintenance issues.

Figure 5.5 shows the historic vacancy rates in Grundy County, Iowa and the United States as determined by US Census data. The average vacancy rate in Grundy County in 2000, 2010 and 2016 was 6.7%. Figure 5.6 shows the projected number of housing units that will be needed to house the forecasted number of households (Figure 5.3) and maintain a housing vacancy rate of 7%. According to the projections, by 2030, it is estimated that the county will need 5,592 housing units by 2030. This is an increase of 82 housing units since 2010.

Figure 5.5: Historic Vacancy Rate			
Year	2000	2010	2016
Grundy County	6.0%	7.2%	6.9%
Iowa	6.8%	8.6%	8.8%
United States	9.0%	11.4%	12.2%

Figure 5.6: Projected Number of Housing Units				
Year	2010	2020	2030	2040
# of Units to be Occupied by Households	5,125	5,149	5,201	5,240
Vacant Units at Given Time (7%)	386	388	391	394
Total	5,510	5,537	5,592	5,634
Change from 2010	-	26	82	124
Percent Change from 2010	-	0.5%	1.5%	2.2%
Change from Previous	-	26	56	42
Percent Change from Previous	-	0.5%	1.0%	0.7%

Figure 5.7 shows the historic number of housing units in the county and the projected number of units based on the data in Figure 5.6. The Figure below illustrates that the county's historic rate (linear trend shown in green) is expected to marginally increase through 2040. The projected number of housing units, however, shows that the number will slightly decrease over the course from 2010 to 2040.

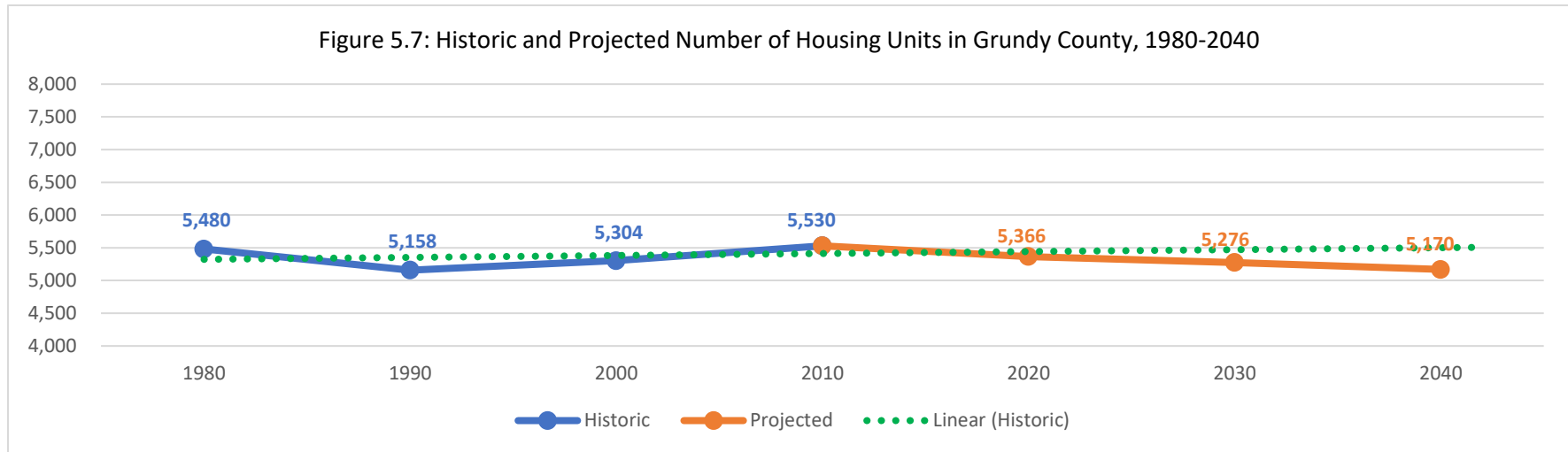
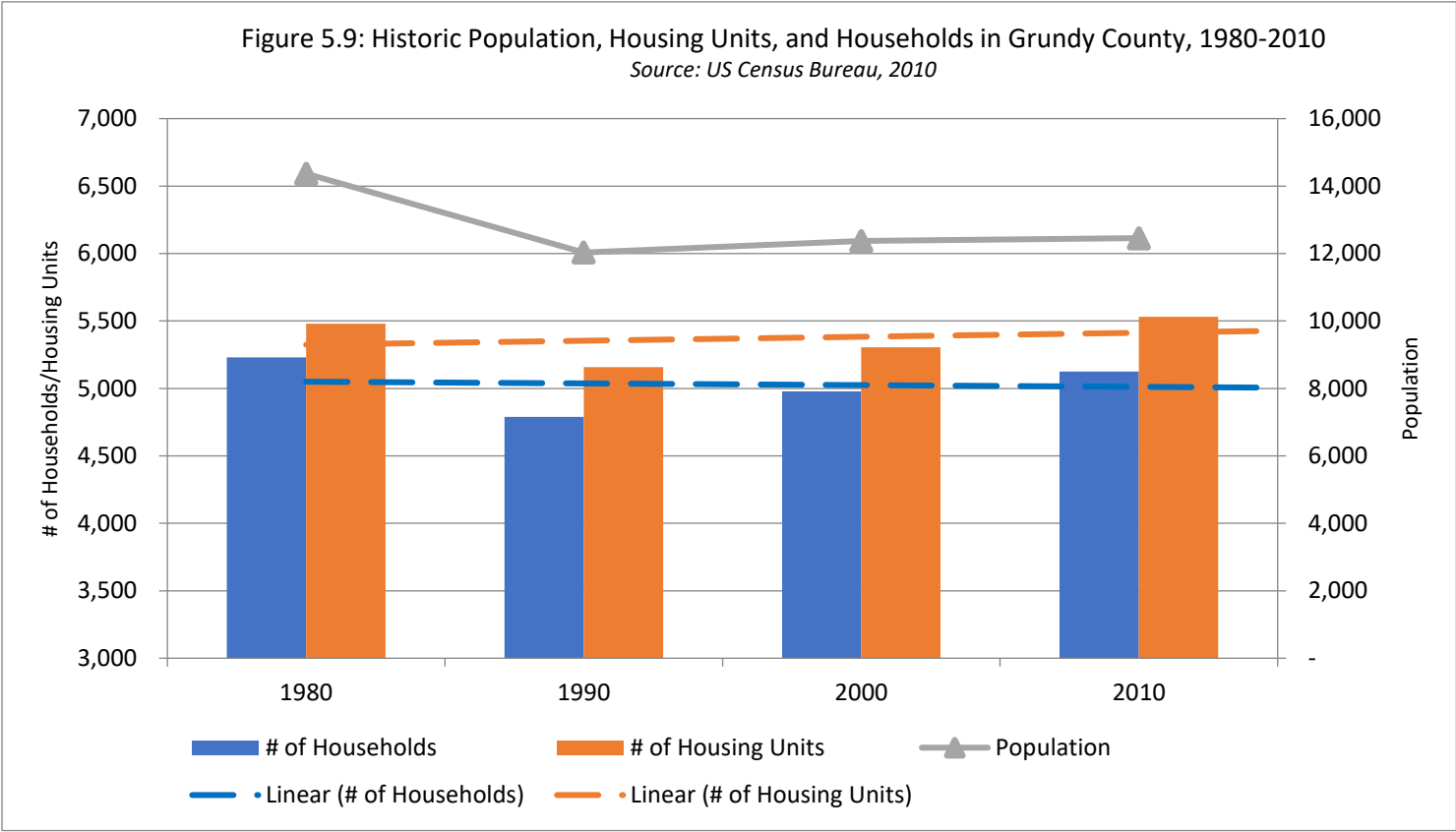


Figure 5.8 shows the historic number of housing units in the county from 1980 to 2010. The county's housing stock increased by 0.9% during this 30-year period. The average percent of the per decade unit increase between 1990 and 2010 is 3.6%. As shown in Figure 5.7, the county's historic rate contrasts from the projected growth rate as the historic rate saw a slight increase in housing units while the projected growth rate is predicting a slight decrease in housing units.

Over the 30-year period, from 1980-2010, the number of housing units in the county increased at an average rate of 2 homes per year. As shown in Figure 5.7, the supply will slightly outweigh the demand of housing units in the county if the population continues to decrease. However, Figure 5.7 does not take into consideration that while the county currently has enough housing units to supply the projected population's demand, not all housing units are in adequate condition. As shown in Figure 4.8, more than one third of the county's housing stock (37.3%) was built in 1939 or earlier. Older homes are, for the most part, less desirable from both a maintenance standpoint along with outdated layouts and features. This is especially true for younger persons and families looking for homes in the county.

Figure 5.8: Historic Number of Housing Units in Grundy County, 1980-2010				
	1980	1990	2000	2010
Grundy County	5,480	5,158	5,304	5,530
% Change from Previous	-	-5.9%	2.8%	4.3%
% Change from 1980	-	-5.9%	-3.2%	0.9%

An alternative way to show the historic trends discussed in the projections above is shown in Figure 5.9, which displays population, housing unit and household data of Grundy County from 1980 through 2010. Figure 5.9 illustrates how despite the decline of population and households over the past 30 years, the housing demand will remain relatively consistent. What will not remain consistent, however, is the condition of the county’s current housing stock. Homes will continue to age, and homes that are not well-kept will continue to dilapidate. Older homes and homes in inadequate condition create an unappealing housing stock and can discourage both locals and newcomers from renting or buying homes in the county.



New Construction Trends

Construction of new housing units will be necessary to replace annual losses but to also provide for new demand.

Figure 5.10 shows the number of new unit construction build starts from 2013 through 2017. During the past five years, Grundy County has experienced an annual average of 22 new housing units. This is primarily made-up of single-family homes as well as some multi-unit structures.

From 2013 to 2017, unincorporated Grundy County generated the highest number of housing units starts, accounting for 36.4% of the county's overall housing unit starts. This is fairly representative as the unincorporated area makes up 44.4% of the county's total population.

Dike had the next highest number of housing unit starts (31.8%) followed by Grundy Center (12.7%). Both Beaman and Holland had an annual average of 0 housing units, with no new housing starts from 2013 to 2017. This is also a fair representation as the higher populated cities saw a higher number of housing unit starts than the lower populated cities.

Figure 5.10: New Housing Unit Starts in Grundy County, 2013-2017								
Jurisdiction	2013	2014	2015	2016	2017	5-Year Totals	Annual Average	10-Year Average
Beaman	0	0	0	0	0	0	0	0
Conrad	1	0	1	2	1	5	1	10
Dike	12	12	7	4	0	35	7	70
Grundy Center	6	1	3	1	3	14	2.8	28
Holland	0	0	0	0	0	0	0	0
Morrison	1	0	1	1	1	4	0.8	8
Reinbeck	0	0	6	1	2	9	1.8	18
Stout	0	0	0	0	1	1	0.2	2
Wellsburg	1	0	1	0	0	2	0.4	4
Unincorporated	14	5	11	4	6	40	8	80
Total	35	18	30	13	14	110	22	220
<i>Source: Grundy County Assessor's Office, 2018</i>								

Housing Loss Trends

Over time, some existing housing units will also be lost due to demolition, deterioration, or otherwise being removed from the housing market by their owners. The 2010 *Iowa Housing Needs Assessment* by Iowa State University estimates an annual loss rate of 1 percent of units for areas like Grundy County (“All Other” Category). The annual percentage loss of housing stock by county projected by the study is shown in Figure 5.11. As stated in the study,

“[Figure 5.11] contains Iowa-specific annual loss factors by tenure and occupancy status, type of structure and major urbanization level....

“The loss factors represent the expected percentage loss during any given year due to conversion, merger, commercial use, damage or condemnation, demolition or disaster, and other causes. The estimates were derived from national rates of loss, with adjustments to reflect the relative age of Iowa’s housing stock. The differences in values across the county types primarily reflect the differing age composition of housing stock in the state’s metropolitan, micropolitan, and all other regions.”

Using the Iowa Housing Needs Assessment projection of an annual housing unit loss of 1 percent of counties like Grundy, it is estimated that Grundy County will lose an estimated 663 units between 2015 and 2030, as shown in Figure 5.13 on the following page.

Figure 5.11: Projected Annual Percentage of Iowa Housing Stock by County Type

Tenure and Occupancy Status	Estimated Percentage of Total Units Lost Per Year			
	Iowa	Metropolitan	Micropolitan	All Other
Owner Occupied	0.83	0.81	0.86	0.85
Single Family	0.70	0.67	0.72	0.74
2 to 4 multi-family	1.61	1.56	1.74	1.65
5+ multi-family	0.77	0.79	0.78	0.68
Mobile home	2.88	2.84	2.91	2.92
Renter Occupied	1.02	0.99	1.10	1.06
Single family	0.76	0.73	0.76	0.78
2 to 4 multi-family	1.57	1.55	1.62	1.56
5+ multi-family	0.83	0.82	0.92	0.79
Mobile home	3.01	2.94	3.09	3.03
Vacant	1.86	1.53	2.04	2.07
Grand Total:	0.95	0.90	1.02	1.00

Source: Annual Percentage loss factors for the 2010 Iowa housing stock by county type, estimated by Iowa State University Department of Economics, as prepared for the Iowa Housing Needs Assessment: Key Issues and Indicators, www.extension.iastate.edu

Grundy County's housing demolition records from 2013 through 2017 (Figure 5.12) show a demolition rate of 14.4 units per year. Based on 2012-2016 American Community Survey housing unit estimates (5,545 units), this 14.4-unit loss equates to approximately 0.3% per year. Based on this most recent 5-year demolition rate, the county will lose an estimated 202 housing units between 2016 and 2030.

Figure 5.13 shows the projected county housing unit losses based on an average of the data in Figures 5.11 and 5.12. According to the average loss of housing units (annual attrition and the historic demolition rate), Grundy County is expected to lose approximately 433 housing units between 2016 and 2030. Readers should note that the historic demolition rate and 1% annual attrition rate were based off the estimated number of housing units from the 2012-2016 American Community Survey.

Figure 5.12: Homes Demolished in Grundy County, 2013-2017								
Jurisdiction	2013	2014	2015	2016	2017	5-Year Totals	Annual Average	10-Year Average
Beaman	0	1	0	0	0	-1	-0.2	-2
Conrad	0	1	0	0	0	-1	-0.2	-2
Dike	0	0	0	0	0	0	0	0
Grundy Center	0	0	3	0	0	-3	-0.6	-6
Holland	0	0	0	0	0	0	0	0
Morrison	0	0	1	0	0	-1	-0.2	-2
Reinbeck	1	0	2	2	1	-6	-1.2	-12
Stout	0	0	0	0	0	0	0	0
Wellsburg	1	0	1	0	0	-2	-0.4	-4
Unincorporated	8	13	18	4	15	-58	-11.6	-116
Total	10	15	25	6	16	-72	-14.4	-144
14.4/5,545* = 0.3%								
Source: Grundy County Assessor's Office, 2018								
*Estimated number of homes from the 2012-2016 American Community Survey								

Figure 5.13: Housing Unit Loss Projections			
	1% Annual Attrition*	Historic Demo Rate**	Average
Year	Net Units Lost	Net Units Lost	
2020	234	58	146
2030	663	202	433
2040	1,049	346	698
Note: *Assumes loss rate by housing type (Figure 5.11); Projections from 2012-2016 American Community Survey housing unit estimate of 5,545			
**Assuming 14.4 annual average of units lost due to demolition from 2012-2016 ACS Housing unit count; Projections from 2016 ACS housing unit count estimate of 5,545			

Housing Demand Based on New Construction and Loss Rates

Based on projected demolition, attrition, and new construction rates discussed, the County is not producing an adequate supply of housing to meet the projected demand. Figure 5.14 shows the projected number of housing units necessary for the county to meet demand while factoring in the projected housing loss and new construction rates described above.

By 2030, the projected housing unit demand in Grundy County is estimated to be 5,592 units (Row A). Using the projected housing loss attrition rates, it is estimated that by 2030, the county will lose 433 housing units that existed in 2010 (Row C) – resulting in only 5,097 remaining units of the county’s 5,530 2010 housing count (Row D).

Based on the recent new unit construction trends (Figure 5.10), Row F shows the projected number of new housing units that will be built. Row H shows the total shortage of housing units that is expected at the loss and new construction rates discussed. It is estimated that, at the current rate, by 2030 Grundy County will be 209 units short of meeting projected housing demand.

Figure 5.14: Projected Housing Demand with Loss/New Construction Trends				
Row		2020	2030	2040
A	Projected Total Unit Demand (Figure 5.6)	5,537	5,592	5,634
B	2010 Housing Unit Count (Figure 4.7)	5,530		
C	Projected # of Units Lost (Figure 5.13)	-146	-433	-698
D	Projected # of Remaining 2010 Units (Rows B-C)	5,384	5,097	4,832
E	Unit Shortage with Loss (Rows A-D)	153	495	802
F	Projected # of New Const. Units (Figure 5.10)	+66	+286	+506
G	Projected # of Total Units (Rows D+F)	5,450	5,383	5,338
H	Unit Shortage w/ Projected New/Loss (Rows A-G)	87	209	296

Owner and Renter-Occupied Housing

Since 2000, the percent of renters of the county's occupied households has averaged 19%. See Figure 4.26 for additional information on historic rental rates in the county.

Figure 5.15 displays the anticipated number of households in the county by expected housing tenure (i.e. rent or own). Assuming the county's rental household rate maintains at 19%, by 2030 there will be demand for an estimated 62 additional owner-occupied units and 15 additional rental units compared to the 2010 count.

Figure 5.15: Projected Number Households by Housing Tenure				
	2010	2020	2030	2040
Total Number of Households (Figure 5.3)	5,125	5,149	5,201	5,240
Owner-Occupied (81%)	4,151	4,171	4,213	4,244
Change from 2010	-	20	62	93
Percent Change from 2010	-	0.5%	1.5%	2.2%
Renter-Occupied (19%)	974	978	988	996
Change from 2010	-	5	15	22
Percent Change from 2010	-	0.5%	1.5%	2.2%

Figure 5.16 is the structure make-up of the county's housing units as of 2016, according to the American Community Survey. See Figure 4.2 for additional information, as well as state and national rates, of housing units by structure. The vast majority (87.5%) of the county's housing units are 1 unit detached structures (i.e. traditional single-family homes). It is anticipated that the county will maintain this character. Reference Figure 4.2 to see how the county's unit by structure compares to state and national averages.

Figure 5.16: Housing Units by Structure in Grundy County, 2016		
	Number	Percent
1-unit, detached	4,852	87.5%
1-unit, attached	101	1.8%
2 units	52	0.9%
3 or 4 units	199	3.6%
5 to 9 units	112	2.0%
10 to 19 units	28	0.5%
20 or more units	54	1.0%
Mobile Homes	142	2.6%
Boat, RV, van, etc.	5	0.1%
Total	5,545	100%
<i>Source: American Community Survey, 2012-2016</i>		

Home Ownership Affordability Analysis

Estimates of housing affordability for sample price ranges for owner-occupied units was developed based on current household income. As previously discussed, spending 30 percent of household income on housing is the standard threshold used to determine if housing is affordable. A household that spends more than 30% of their household income on housing costs is not considered to live in “affordable” housing.

Figure 5.18 shows the number of households in Grundy County by income range. This data is used for projecting number and percent of County households which could afford one of the homes in the scenario under the “Affordability of Grundy County Households” in Figure 5.19. For the purposes of calculations, it was assumed that the count within a given range would be evenly balanced throughout the range.

Figure 5.19 is a home-owner affordability analysis of Grundy County and, based on household income, and percent of households that would be able to purchase the house at an affordable rate – spending either 30% or 20% on housing costs. Three home scenarios are used, with values of \$100,000, \$175,000, and \$250,000. The scenario assumes good credit and a 30-year mortgage at 4.25 annual rate and 10% down. The monthly expense analysis includes estimated mortgage payment as well as property tax, homeowner’s insurance, and monthly utilities.

Variations in total household income and percent of income spent on housing by any given household results in an array of housing types that households are able to afford. The typical Grundy County homeowners spends less than 30% on housing. Of Grundy County households with a mortgage, 61.2% spend less than 20%, 21.3% spend between 20 and 30%, and 17.6% spend more than 30% on their household income on housing. Refer to Figure 4.19 for monthly owner costs as a percentage of household income for Grundy County.

Using 30% of their annual income, an estimated 54% of households in Grundy County can afford a \$175,000 house. However, as noted, the majority of households spend less than 30% of income on housing. Therefore, the number of households able to afford paying 20% of income to housing was also calculated. Under this scenario, 32.4% of households could still afford a \$175,000 house. A majority of county households can afford a home valued at \$100,000 or less at both 20% and 30% rates.

Figure 5.18: Grundy County Household Income, 2016

Annual Income	# of Households	% of Households
Less than \$10,000	160	3.1%
\$10,000 to \$14,999	234	4.5%
\$15,000 to \$24,999	440	8.5%
\$25,000 to \$34,999	501	9.7%
\$35,000 to \$49,999	798	15.5%
\$50,000 to \$74,999	1,093	21.2%
\$75,000 to \$99,999	807	15.6%
\$100,000 to \$149,999	736	14.3%
\$150,000 to \$199,999	167	3.2%
\$200,000 or more	226	4.4%
Total	5,162	100%
Median Household Income		\$61,606
Mean Household Income		\$77,685
<i>Source: 2012-2016 American Community Survey</i>		

Figure 5.19: Grundy County Housing Affordability Based on Household Income

Home Value and Financing Assumptions			
	<u>Starter Home</u>	<u>Move-Up</u>	<u>Executive</u>
Home Value	\$ 100,000	\$175,000	\$250,000
Down Payment (10%)	\$10,000	\$17,500	\$25,000
Loan Principal	\$90,000	\$157,500	\$225,000
Interest Rate	4.25%	4.25%	4.25%
Monthly Payments (30 year)	360	360	360
Monthly Expenses			
Mortgage Payment	\$442.75	\$774.81	\$1,106.86
Homeowners Insurance	\$80.00	\$100.00	\$120.00
Property Tax	\$150.00	\$262.50	\$375.00
Utilities	\$250.00	\$250.00	\$250.00
Total Monthly Expense	\$922.75	\$1,387.31	\$1,851.86
Annual Expense	\$11,073.00	\$16,647.72	\$22,222.32
Affordability to Grundy County Households			
Housing Cost as % of Household Income	<u>30%</u>	<u>30%</u>	<u>30%</u>
Minimum Monthly Household Income	\$3,075.83	\$4,624.37	\$6,172.87
Minimum Annual Household Income	\$36,910.00	\$55,492.40	\$74,074.40
% of County Households Able to Afford	72.2%	54.0%	38.3%
Housing Cost as % of Household Income	<u>20%</u>	<u>20%</u>	<u>20%</u>
Minimum Monthly Household Income	\$4,613.75	\$6,936.55	\$9,259.30
Minimum Annual Household Income	\$55,365.00	\$83,238.60	\$111,111.60
% of County Households Able to Afford	54.1%	32.4%	18.7%

Appendix E: City of Holland

Community Background

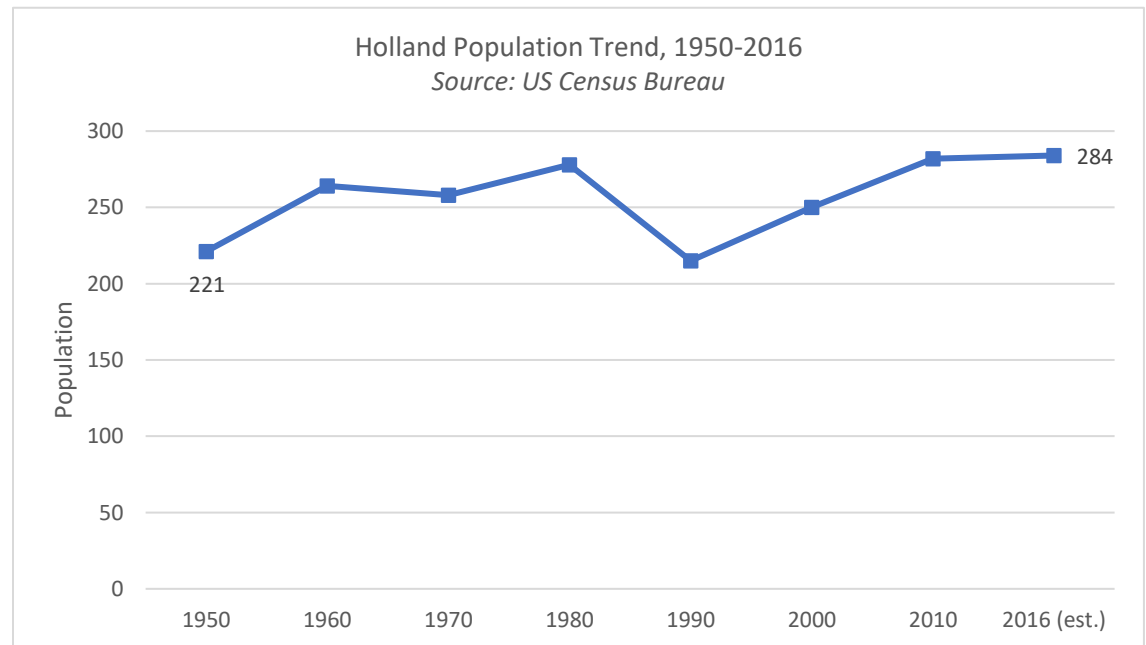
The City of Holland became incorporated on June 29, 1897. The city is located in Colfax township and covers approximately 161 acres of land. Holland is located on the route of County Road D35 and along Holland Creek.

The topography of Holland is characterized as undulating. Much of the community is relatively flat, while other areas, primarily along established waterways, have more extreme slope. The highest point in the community is located in the north-central part of the City and has an elevation of approximately 1,038 ft. above mean sea level. The lowest elevation, which is approximately 982 ft. above sea level, is found in the southwestern part of the community along an unnamed creek. Holland is located in the center of the county and has a Mayor-City Council form of government.

Demographic and Social Characteristics

Holland had a population of 282 at the time of the 2010 US Census. The city represented 2.3% of the county's total 2010 population of 12,453. Figure E.1 shows the historic and projected population trends of the city.

Figure E.1: Population Projections			
Year	Census Population	# Change (Linear)	% Change (Geometric)
1950	221	-	-
1960	264	43	19.5%
1970	258	-6	-2.3%
1980	278	20	7.8%
1990	215	-63	-22.7%
2000	250	35	16.3%
2010	282	32	12.8%
Avg. (1950-2010)		10	5.2%
Projected 2020		292	297
Projected 2030		302	312
Projected 2040		312	327



According to US Census data, the city's population peaked in 2010 with 282 residents. In 2016, the US Census Bureau estimated the city's population to be 284 persons. Since 2000, the city's population has been increasing. Based on population changes from 1950 through 2016, the city should expect to see an upward population trend.

Figures E.2 and E.3 provide an overview of the population characteristics of the city.

In 2010, the city's median age was 35.5, greater than the state-wide (38.1) and national (37.2) median ages. Shown in Figure E.3, the age group 0-19 years old have the highest portion of the city's population followed by ages 20-34. Ages 65+ have the lowest portion of the population. This is very uncommon for a town this size, but nonetheless beneficial to have younger persons staying in the area.

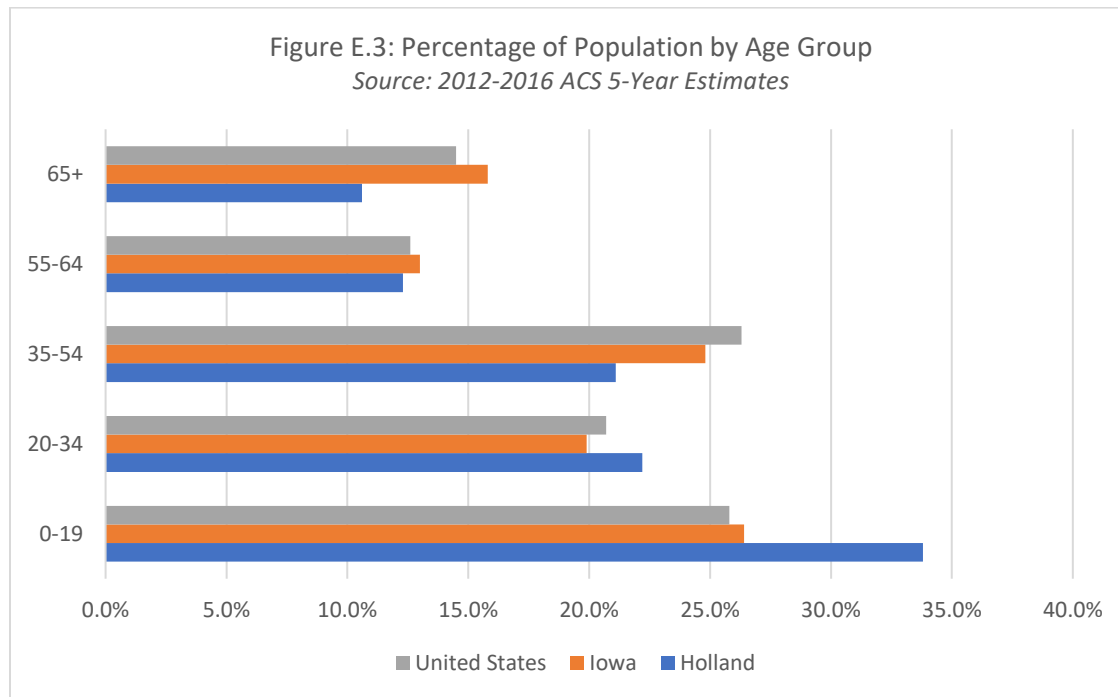


Figure E.2: Population Characteristics		
Population		
Total Population		282
Total Males		145
Total Females		137
Median Age		35.5
Race		
One Race-White		281
One Race-Black or African American		0
Two or More Races		1
Hispanic or Latino (of any race)		0
Households		
Total Population in Group Quarters		0
Total Family Households		77
Total Family Households with Children under 18		36
Households with individuals 65 years and over		31
Average household size		2.64
Average family size		3.12
Source: 2010 US Census		

Housing Data

The following section consists of data primarily gathered by the American Community Survey (ACS). The ACS is a survey conducted by the U.S. Census Bureau. Unlike the 10-year census survey, the ACS survey is conducted on ongoing basis, with data updated annually, of randomly sampled addresses.

Figure E.4 shows the value of homes in the city. Figure E.5 displays the rental costs and characteristics within the city.

Figure E.4: Home Value Characteristics, City of Holland				
	Estimate	MOE	Percent	MOE
VALUE				
Owner-occupied units	94	+/-26	100%	(X)
Less than \$50,000	15	+/-13	16.0%	+/-10.3
\$50,000 to \$99,999	56	+/-17	59.6%	+/-15.8
\$100,000 to \$149,999	13	+/-13	13.8%	+/-11.5
\$150,000 to \$199,999	8	+/-7	8.5%	+/-6.8
\$200,000 to \$299,999	2	+/-3	2.1%	+/-3.1
\$300,000 to \$499,999	0	+/-9	0.0%	+/-19.0
\$500,000 to \$999,999	0	+/-9	0.0%	+/-19.0
\$1,000,000 or more	0	+/-9	0.0%	+/-19.0
Median (dollars)	\$69,700	+/-6,898	(X)	(X)
<i>Source: 2012-2016 ACS 5-Year Estimates – Selected Housing Characteristics</i>				

Figures E.6 and E.7 display general housing characteristics and home ownership characteristic. Figure E.6 indicates that there are 6 vacant housing units. In Holland, as in most rural Iowa communities, the housing stock is predominantly owner-occupied (87.9%) and comprised of single-family detached units (98.2%). An overwhelming majority of the occupied houses (94 of 107) are owner-occupied. In general, the city offers relatively affordable housing options.

According to Figure E.5, gross rent does not exceed 30% of the percentage of household income for 45.5% of renters. For the other 54.5%, however, gross rent exceeds at least 30% or home of the household income. Of those households with a mortgage, an estimated 18.8% have monthly costs greater than 30% of household income. In general, housing costs under 33% of a household's income is considered to be "affordable".

Figure E.5: Rental Characteristics, City of Holland				
	Estimate	MOE	Percent	MOE
GROSS RENT				
Occupied units paying rent	11	+/-10	100%	(X)
Less than \$500	0	+/-9	0.0%	+/-70.1
\$500 to \$999	11	+/-10	100.0%	+/-70.1
\$1,000 to \$1,499	0	+/-9	0.0%	+/-70.1
\$1,500 to \$1,999	0	+/-9	0.0%	+/-70.1
\$2,000 to \$2,499	0	+/-9	0.0%	+/-70.1
\$2,500 to \$2,999	0	+/-9	0.0%	+/-70.1
\$3,000 or more	0	+/-9	0.0%	+/-70.1
Median (dollars)	\$704	+/-130	(X)	(X)
No rent paid	2	+/-3	(X)	(X)
GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME				
Occupied units paying rent (excluding units where GRAP cannot be computed)	11	+/-10	100%	(X)
Less than 15.0 percent	2	+/-3	18.2%	+/-43.6
15.0 to 19.9 percent	1	+/-2	9.1%	+/-23.2
20.0 to 24.9 percent	2	+/-3	18.2%	+/-32.1
25.0 to 29.9 percent	0	+/-9	0.0%	+/-70.1
30.0 to 34.9 percent	6	+/-9	54.5%	+/-54.5
35.0 percent or more	0	+/-9	0.0%	+/-70.1
<i>Source: 2012-2016 ACS 5-Year Estimates – Selected Housing Characteristics</i>				

Figure E.6: Housing Characteristics, City of Holland				
	Estimate	MOE	Percent	MOE
HOUSING OCCUPANCY				
Total housing units	113	+/-26	100%	(X)
Occupied housing units	107	+/-24	94.7%	+/-7.1
Vacant housing units	6	+/-9	5.3%	+/-7.1
Homeowner vacancy rate	0.0%	+/-19.0	(X)	(X)
Rental vacancy rate	0.0%	+/-64.5	(X)	(X)
UNITS IN STRUCTURES				
Total housing units	113	+/-26	100%	(X)
1-unit, detached	111	+/-27	98.2%	+/-2.9
1-unit, attached	0	+/-9	0.0%	+/-16.2
2 units	2	+/-3	1.8%	+/-2.9
3 or 4 units	0	+/-9	0.0%	+/-16.2
5 to 9 units	0	+/-9	0.0%	+/-16.2
10 to 19 units	0	+/-9	0.0%	+/-16.2
20 or more units	0	+/-9	0.0%	+/-16.2
Mobile home	0	+/-9	0.0%	+/-16.2
BEDROOMS				
Total housing units	113	+/-26	100%	(X)
No bedroom	0	+/-9	0.0%	+/-16.2
1 bedroom	0	+/-9	0.0%	+/-16.2
2 bedrooms	27	+/-10	23.9%	+/-8.5
3 bedrooms	65	+/-21	57.5%	+/-10.9
4 bedrooms	21	+/-12	18.6%	+/-8.9
5 or more bedrooms	0	+/-9	0.0%	+/-16.2
HOUSING TENURE				
Occupied housing units	107	+/-24	100%	(X)
Owner-occupied	94	+/-26	87.9%	+/-10.4
Renter-occupied	13	+/-11	12.1%	+/-10.4
YEAR HOUSEHOLDER MOVED INTO UNIT				
Occupied housing units	107	+/-24	100%	(X)
Moved in 2015 or later	3	+/-4	2.8%	+/-3.5
Moved in 2010 to 2014	28	+/-18	26.2%	+/-13.2
Moved in 2000 to 2009	40	+/-15	37.4%	+/-13.2
Moved in 1990 to 1999	18	+/-11	16.8%	+/-9.1
Moved in 1980 to 1989	8	+/-7	7.5%	+/-6.0
Moved in 1979 and earlier	10	+/-8	9.3%	+/-7.2

Figure E.7: Home Ownership Characteristics, City of Holland				
	Estimate	MOE	Percent	MOE
MORTGAGE STATUS				
Owner-occupied units	94	+/-26	100%	(X)
Housing units with a mortgage	69	+/-21	73.4%	+/-11.4
Housing units without a mortgage	25	+/-14	26.6%	+/-11.4
SELECTED MONTHLY OWNER COSTS (SMOC)				
Housing Units with a Mortgage	69	+/-31	73.4%	(X)
Less than \$500	1	+/-2	1.4%	+/-2.7
\$500 to \$999	53	+/-16	76.8%	+/-12.3
\$1,000 to \$1,499	13	+/-10	18.8%	+/-11.9
\$1,500 to \$1,999	2	+/-3	2.9%	+/-4.3
\$2,000 to \$2,499	0	+/-9	0.0%	+/-24.8
\$2,500 to \$2,999	0	+/-9	0.0%	+/-24.8
\$3,000 or more	0	+/-9	0.0%	+/-24.8
Median (dollars)	\$804	+/-58	(X)	(X)
Housing Units without a Mortgage	25	+/-14	26.6%	(X)
Less than \$250	3	+/-8	12.0%	+/-26.3
\$250 to \$399	3	+/-6	12.0%	+/-19.7
\$400 to \$599	17	+/-9	68.0%	+/-31.5
\$600 to \$799	0	+/-9	0.0%	+/-46.5
\$800 to \$999	0	+/-9	0.0%	+/-46.5
\$1,000 or more	2	+/-3	8.0%	+/-13.0
Median (dollars)	\$450	+/-60	(X)	(X)
SELECTED MONTHLY OWNERS COST AS A PERCENTAGE OF HOUSEHOLD INCOME (excluding units unable to calculate)				
Housing Units with a Mortgage	69	+/-21	73.4%	(X)
Less than 20.0 percent	43	+/-16	62.3%	+/-11.9
20.0 to 24.9 percent	3	+/-4	4.3%	+/-5.5
25.0 to 29.9 percent	10	+/-8	14.5%	+/-10.3
30.0 to 34.9 percent	7	+/-7	10.1%	+/-8.7
35.0 percent or more	6	+/-5	8.7%	+/-7.6
Housing Units without a Mortgage	25	+/-14	26.6%	(X)
Less than 10.0 percent	5	+/-6	20.0%	+/-17.7
10.0 to 14.9 percent	7	+/-6	28.0%	+/-17.7
15.0 to 19.9 percent	7	+/-8	28.0%	+/-21.7
20.0 to 24.9 percent	1	+/-3	4.0%	+/-9.6
25.0 to 29.9 percent	3	+/-4	12.0%	+/-13.4
30.0 to 34.9 percent	2	+/-3	8.0%	+/-13.0
35.0 percent or more	0	+/-9	0.0%	+/-46.5
Source: 2012-2016 ACS 5-Year Estimates – Selected Housing Characteristics				

Source: 2012-2016 ACS 5-Year Estimates – Selected Housing Characteristics

Selected Housing Characteristics

Historic Housing Trends

From 1990 through 2010, the number of housing units in the city has increased by 10.8%. Of the nine cities in Grundy County, Holland is one of seven cities which experienced a net gain in housing units between 1990 and 2010. This upward trend coincides with the housing growth experienced in the state (increase of 16.9%) during the same time period.

Table E.8: Historic Number of Housing Units in Holland						
Community	1980	1990	2000	2010	Net Change 1980-2010	% Change 1980-2010
Holland	-	102	109	113	11	10.8%
Grundy County	5,480	5,158	5,304	5,530	372	7.2%
State of Iowa	1,121,314	1,143,669	1,232,511	1,336,417	192,748	16.9%
Source: US Census Bureau, calculated by INRCOG						

Vacancy Rate

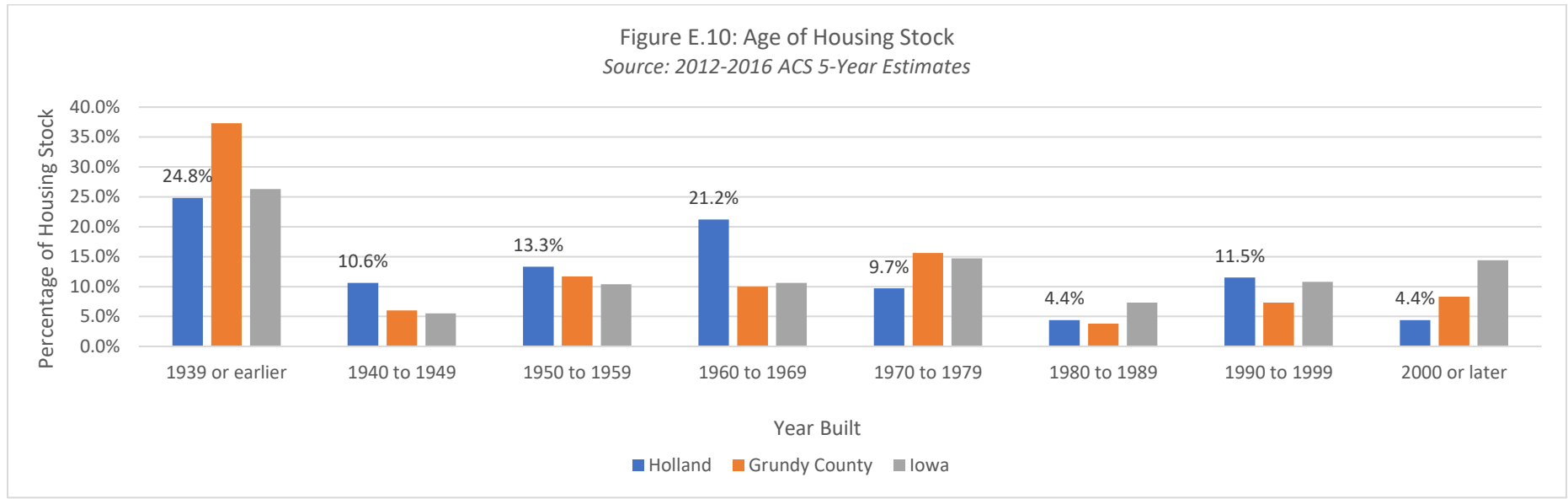
Figure E.9 shows the city's housing vacancy rate from 2010 through 2016. Note, this data is based on rolling five-year extrapolated estimates determined by the American Community Survey – which accounts for the varying number of estimated housing units per year.

Vacancy rate measures the percentage of unoccupied housing units. From 2000 to 2016, the city's vacancy rate is fluctuated anywhere between 2.0% and 8.7%. Typically, 5% is considered a healthy vacancy rate.

Figure E.9: Historic Housing Vacancy Rate Estimates, 2010-2016				
Year	Occupied Housing Units	Vacant Housing Units	Est. Total Housing Units	Vacancy Rate
2016	107	6	113	5.3%
2015	100	2	102	2.0%
2014	99	2	101	2.0%
2013	105	10	115	8.7%
2012	106	9	115	7.8%
2011	104	8	112	7.1%
2010*	107	6	113	5.3%
Source: 2011-2016 ACS 5-Year Averages – Selected Housing Characteristics; *Source: 2010 US Census				

Age of Housing Stock

Figure E.10 below displays the percentage of Holland's housing stock by era when the unit was built.



Like many small cities in Iowa, Holland has an aging housing stock. The majority of the homes in Holland (24.8%) were built in 1939 or earlier. However, this percentage of the city's housing is lower than the percentage of the county and state's housing built in the same build year range. The smallest portion of the housing stock were homes built in 1970 to 1979 and homes built 2000 or later, both sharing 4.4% of the housing stock.

Household Size

Holland's average household size and family size are higher than both the county and state averages.

Table E.11: Household Size		
Community	Average Household Size	Average Family Size
Holland	2.64	3.12
Grundy County	2.40	2.87
State of Iowa	2.41	2.97
Source: 2010 US Census Bureau		

Current Housing Conditions and Trends

Windshield Survey

The quality of a community's housing stock is an important component in understanding its housing needs. If poor-quality housing is widespread in a community, many low- and moderate-income households may have housing-related hardships even if they are not cost burdened. A prevalence of housing with maintenance needs may also indicate an opportunity to meet existing and future demand by rehabilitating vacant units.

Methodology

As part of this study, a windshield survey was conducted in the incorporated Grundy County cities. A windshield survey is an assessment of the external conditions of a building. A residential parcel map for each city was created by only selecting parcels which had a residential "dwelling" value associated with the parcel. The windshield survey assessed residential structures – not dwelling units. For example, a single-family detached house on one parcel and a four-unit apartment building on one parcel would each be evaluated as one structure.

The primary considerations for evaluation are the apparent structural soundness of the unit as well as appearance and unit's functional use as a residential structure. Parcels were valuated and assigned on the designations shown in Figure E.12.

Figure E.12: Windshield Survey Category Condition Criteria

Condition Categories	Description
Good	<ul style="list-style-type: none">• Unit appears well maintained and structurally sound.• The foundation and porch structure appear structurally sound and roof lines are straight. Most siding, gutters, trim, windows and doors should be in good repair with good exterior paint condition.• Minor problems such as small areas of peeling paint and/or other routine maintenance items are allowable under this category.• A moderate amount of moss or mildew on siding or roofs is allowed under this category, if the components with moss and mildew are otherwise sound.
Fair	<ul style="list-style-type: none">• Unit appears structurally sound, but needs some maintenance and repair.• One or two major components needs replacement or major maintenance. For example, the roof may need replacement, or the foundation may be structurally sound but have cracks or settling.• If a home has siding that is worn and unsightly, it can fall in the "fair" category even if it doesn't obviously have heavy damage.• Extensive window/door maintenance needs (e.g. repainting and repairing frames, glazing) can put a home in a "fair" category.
Moderately Deteriorated	<ul style="list-style-type: none">• Unit appears to have been neglected for a long period of time with one or more visible structural defects, such as uneven roof lines, a broken porch, broken windows/doors, or major cracks in the foundation.• The unit is still habitable, but requires major repairs which would be difficult to correct through normal maintenance.
Seriously Deteriorated or Dilapidated	<ul style="list-style-type: none">• A unit suffering from excessive neglect, where the building appears structurally unsound and maintenance is non-existent.• The building is not fit for human habitation in its current condition.• Multiple windows and/or doors may be boarded up.• The building may be considered for demolition or, at minimum, major rehabilitation will be required.

Results

Figure E.13 displays the results of Holland’s windshield survey. Of the structures evaluated, the majority (90%) of residential structures were in good condition while about 8% of the residential structures were in fair condition. Only 2% of homes were considered to be moderately deteriorated while no homes were in a seriously deteriorated condition.

The mean (average) condition of Holland’s housing units was calculated by assigning the following values to the condition categories: Good – 1; Fair – 2; Moderately Deteriorated

– 3; and Seriously Deteriorated or Dilapidated – 4. Based on these weights, the mean score of condition units in Holland is 1.2, meaning that the average condition of homes in Holland are between good and fair condition. The survey was conducted in January and February of 2019.

Figure E.13: Windshield Survey Results, City of Holland		
Condition of Parcels Evaluated	Number Parcels	Percent of Parcels Evaluated
Good	96	79%
Fair	22	18%
Moderately Deteriorated	3	3%
Seriously Deteriorated or Dilapidated	0	0%
Total	121	100%

Current Trends

Recent Development

In recent years, the City of Holland has not experienced any new development in regards to residential and industrial use. The City has, however, experienced a new commercial unit for Freese Tree Removal. The City has also not participated in any residential rehabilitation.

Current Housing Stock

At the first meeting, attendees were asked of their perceived need of housing in their community. A variety of housing types were given, and attendees indicated whether or not the community had a shortage of, sufficient amount, or excess of each type of housing. The results showed that there is a shortage of single-family homes for both homeowners and renters as well as multi-family units (apartments, condos, etc.). There is a sufficient amount of senior housing and low income/subsidized housing, and there are no buildings suitable for upper-story housing to take place in the city. There were no types of housing that were considered to have an excess amount of in Holland.

Housing Strengths and Weaknesses

At the first meeting, attendees were asked what their community’s strengths and weaknesses were in regards to housing. According to the attendees’ input, the City of Holland has a variety of both strengths and weaknesses. Holland’s strengths and weaknesses are shown in the lists below.

Strengths: Very small, quiet bedroom community, low property taxes, close proximity to the Cedar Falls/Waterloo Metropolitan Area.

Weaknesses: Lack of amenities and commercial buildings providing necessities (grocery store, gas station, etc.).

Future Development

Floodplain Considerations

Holland's Flood Insurance Rate Maps (FIRM) were last updated October 19, 2005. Using GIS spatial data from FIRM maps, in combination with property value data from the Grundy County Assessor's office, estimates of value in the floodplain were calculated. Figure E.14 shows the estimated value of land, buildings, and dwellings, within the city, in a floodplain.

Figure E.14: Floodplain Data for Holland						
	Number of Parcels	Land Value	Building Value	Dwelling Value	Total Value	Percent of City Affected
1.0% Annual Floodplain	16	\$210,189	\$0	\$813,120	\$1,023,309	10.78%
0.2% Annual Floodplain	0	\$0	\$0	\$0	\$0	0.0%
<i>Source: Grundy County Assessor's Office, 2016; FEMA Flood Insurance Rate Maps, 2005</i>						

As is evident, about 11% of the city is within a floodplain. The majority of the area in the floodplain is undeveloped land with a handful of residential dwellings. Residential development in and around the floodplain should be avoided. A map showing the parcels affected by the floodplain is included in the back of this appendix.

It should be noted that the current Flood Insurance Rate Maps (FIRMs) are anticipated to be updated within the life of this plan (next 5 years). These updated maps can affect the percentage of parcels and value of property in the floodplain.

Areas for Development

In the past five years (2013-2017), no new homes were built in Holland. This equates to a rate of zero homes per decade.

Infill

The City should encourage new residential developments on vacant residential lots. Construction of "infill" costs less than new developments as the new houses can connect to existing streets and utility services (water/sewer). Unfortunately, no lots are available for infill development.

New Development

In general, the developed portions of the city are surrounded by farm land that extends well within the city limits. Because of this, the city would not need to annex land for a new residential development. One area is available for new development and it is located in the northeast corner of the city.

The following map shows areas for housing development by either infill or new development. It should be noted that some areas may need to be annexed by cities or bought from private owners.

Development Areas

Green: New Development. These areas could potentially be available for new development in regards to housing. As shown, is one area in town that could be used for new development. The City may need to purchase the land from private owners.

Development Areas in Holland



Projected Housing Demand

Using the information, data, and observed trends in the city's profile and throughout the plan, projections for future housing demands were generated. Below is an explanation of the numbers used for the calculations followed by the city's projected housing needs in Figure E.15:

- **Total Population:** See city population projections in Figure E.1.
- **Population in Group Quarters:** Group Quarters include residences such as group homes, skilled nursing facilities, treatment facilities, correction facilities, or similar institutions. The projected population of those living in Group Quarters was calculated using the growth rate from the historic population in the 1980-2000 Censuses.
- **Population in Housing:** The projected total population range minus population in Group Quarters.
- **Household Size:** The projected household size was calculated based on the growth rate from the average household size from the 2000 and 2010 Censuses.
- **Total Projected Households:** The estimated number of households that will require a housing unit. This was calculated by taking the population in housing divided by the average household size.
- **Assumed Vacancy Rate:** The assumed vacancy rate was averaged among the historic vacancy rates from the 2000 and 2010 Censuses along with the 2012-2016 American Community Survey.
- **Total Housing Units:** Total housing needed when considering both projected household demand and vacancy rate. This is the number of projected households plus the number of housing units assumed vacant.

The projected number of households in Holland is expected to increase along with the average household size. Based on projection, it is estimated that the city will be home to 110 households in 2020, 114 in 2030 and 117 in 2040. After accounting for the assumed vacancy rate, Holland will need an estimated 123 housing units by 2040.

Figure E.15: Projected Housing Unit Demand, Holland				
Year	2010	2020	2030	2040
Total Population	282	292-297	302-312	312-327
Population in Group Quarters	0	0	0	0
Population in Housing	282	295	307	320
Household Size	2.64	2.67	2.70	2.73
Total Projected Households	107	110	114	117
Assumed Vacancy Rate (5%)	5	6	6	6
Total Housing Units	112	116	120	123

Now that the expected demand of number of housing units has been established, the next analysis considers recent home building and home loss trends. The forecasted change in units are shown in Figure E.16 and an explanation of the numbers used in the calculation are below. Based on the housing demolition/attrition rate:

- **2010 Housing Unit Count** – Number of Housing Units as determined by the 2010 Census.
- **Unit Loss (Housing Attrition)** – Projected units lost from demolition, based on the city’s demolition rates from 2013 to 2017 (Figure 5.12).
- **Unit Added (new Construction)** – Projected units added from new construction, based on the city’s new housing unit construction start rates from 2013 to 2017 (Figure 5.10).
- **Projected # of Units** – Projected number of units housing units in the community based on unit loss and unit added forecasts.

Based on the considerations discussed, Holland is not constructing new units at a rate fast enough to replace the number of units lost. Furthermore, Holland is not expected to have enough units to provide for the projected housing demand shown in Figure E.15. By 2030, Holland is expected to have 105 housing units, which is short of the 2030 projected housing demand of 120 units.

Holland’s future demand will be on maintaining its existing units and constructing additional units to provide for the projected housing demand shown in Figure E.15. With regard to new construction, Holland should focus on infill building of new homes as deteriorated homes are removed or on vacant lots identified in the windshield survey.

Figure E.16: Projected Housing Unit Losses and New Construction			
Year	2020	2030	2040
2010 Housing Unit Count	113		
Unit Loss (Housing Attrition)	-2	-8	-14
Unit Added (New Construction)	0	0	0
Projected # of Units	111	105	99

City Housing Priorities

Key Issues

Like many lowan communities, Holland faces a variety of key issues in regards to housing, including an aging housing stock, an aging population, and a lack of areas available for new housing developments.

- **Aging housing stock:** Approximately 24.8% of Holland's housing stock was built in 1939 or earlier. These pre-World War II homes represent the largest portion of homes in the community by build year. Many of these older homes continue to deteriorate with an absence of property maintenance due to either the inability of the homeowner or a lack of financial resources to do so.
- **Aging population:** Holland's baby-boomer population is aging, which will result in a change of demand in housing. The elderly population will be looking for housing suitable for them, including independent/assisted living options and smaller, single-family homes that are handicapped accessible for older residents who are looking to downsize.

Housing Needs

At the second meeting, communities were asked to review a variety of housing needs (types of housing, housing programs, education on housing, etc.) and determine whether each specific item was of high, medium, low or no need for the community. The City's results are as follows:

High: Repairs to existing housing (renter and owner-occupied homes, dilapidated housing stock), construction of new housing (for rent and for sale).

Medium: Repairs to existing apartments, improvements for handicapped accessibility, exterior property maintenance and code enforcement, housing suitable for the elderly, housing suitable for special needs (veterans, mental illness, disabilities, domestic violence shelters, substance abuse), lead paint testing and abatement, rental assistance.

Low: Landlord/tenant counseling, assistance purchasing a home.

No Need: Housing development on a greenfield/grayfield/brownfield site, preservation of historic homes, upper-story housing, housing for the homeless.

Housing Goals and Implementation Strategies

1. **Weed out poor landlords.** The City will work towards weeding out poor landlords in an effort to provide safe, sanitary and adequate housing to residents renting from said landlords. The City will do so by working with tenants of said landlords to communicate inadequate housing conditions and by creating new and/or enforcing property maintenance codes and nuisance ordinances. Eliminating poor landlords will improve the general appearance of the homes owned by said landlords and will provide a better quality of life for the tenants.

