

Grundy County, Iowa

2019 Housing Needs Assessment

Adopted by: _____

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Prepared By:



Rural Development

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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

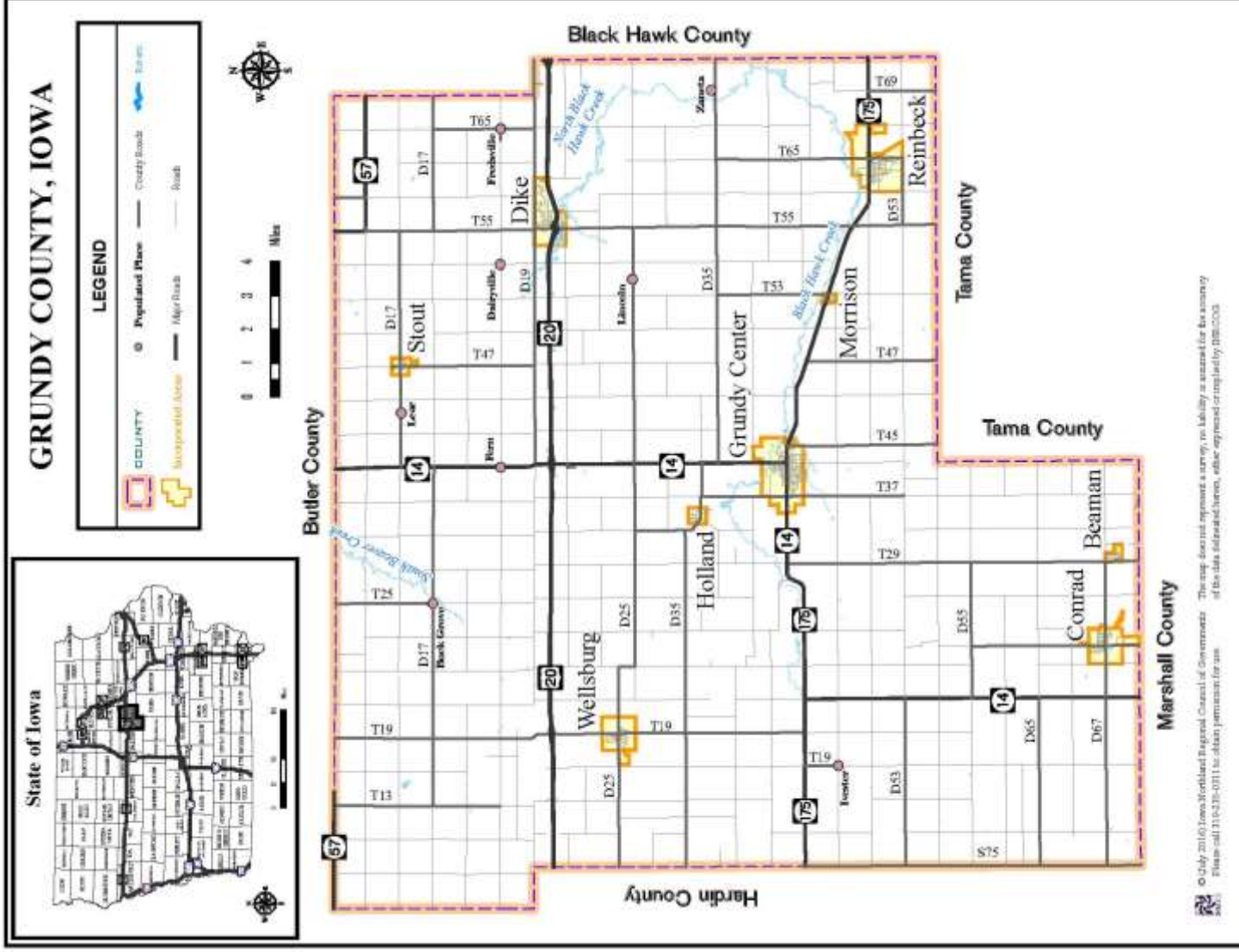
Two major highways serve Grundy County: US Highway 20, which is an east/west route, and State Highway 14, which is a north/south route. Other significant roadways serving Grundy County include State Highway 175 along with county roads D17, D25, D35, D53, D55, D67, T13, T19, T29, T33, T37, T45, T47, T53, 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 1.1.1: Map of Grundy County



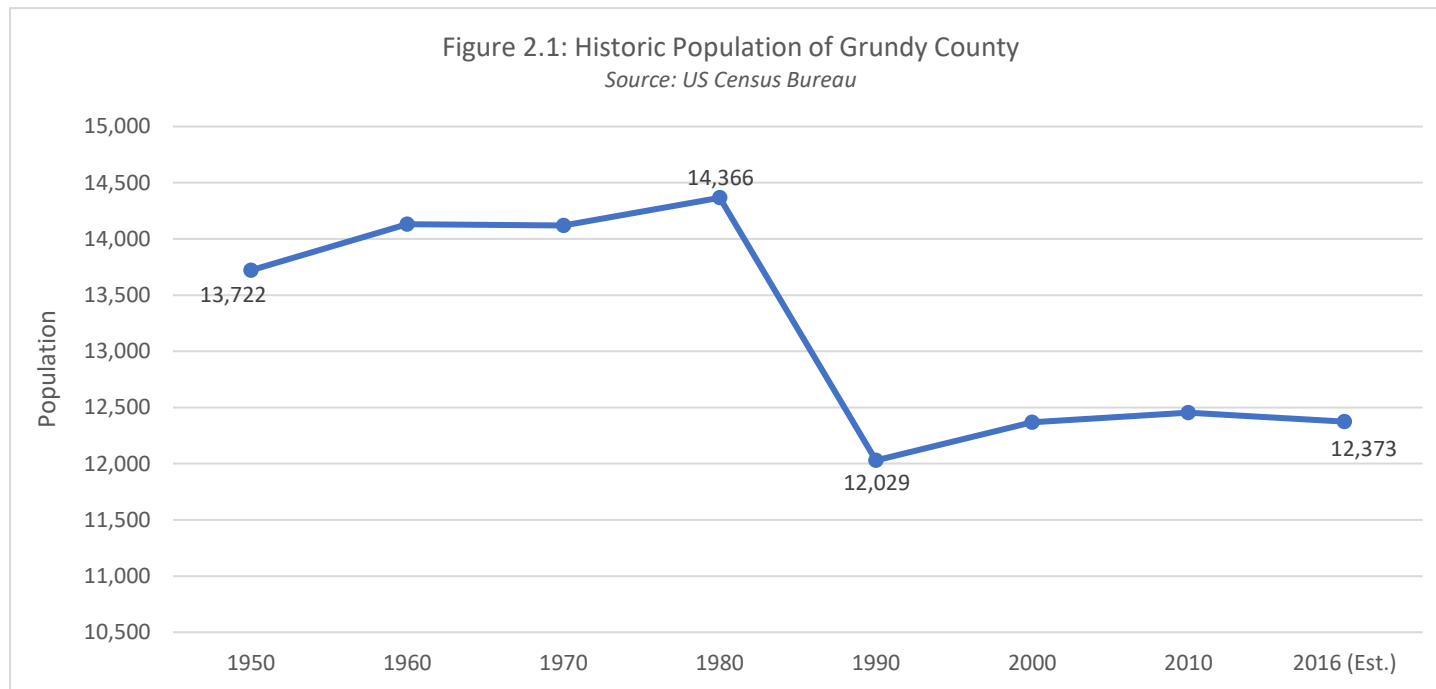
Section 2: Population and Demographics

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.

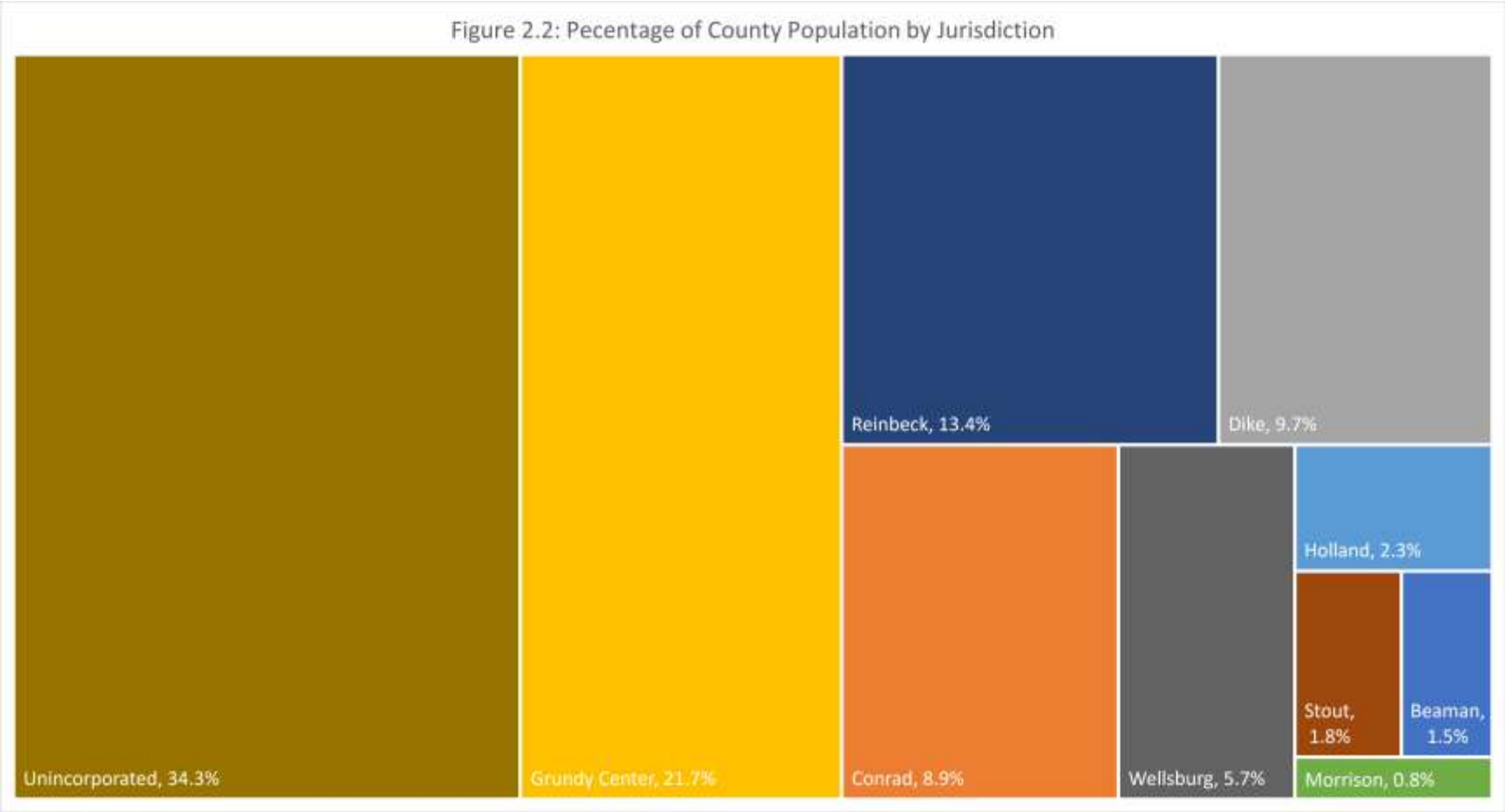
Figure 2.1 displays the population change in the county from 1950 through 2016. The average population over the past seven census compilations (1950-2010) is 13,313 persons. During this timeframe, the population peaked in 1980 at 14,366 and dipped to a low of 12,029 in 1990. The struggling farm economy 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.

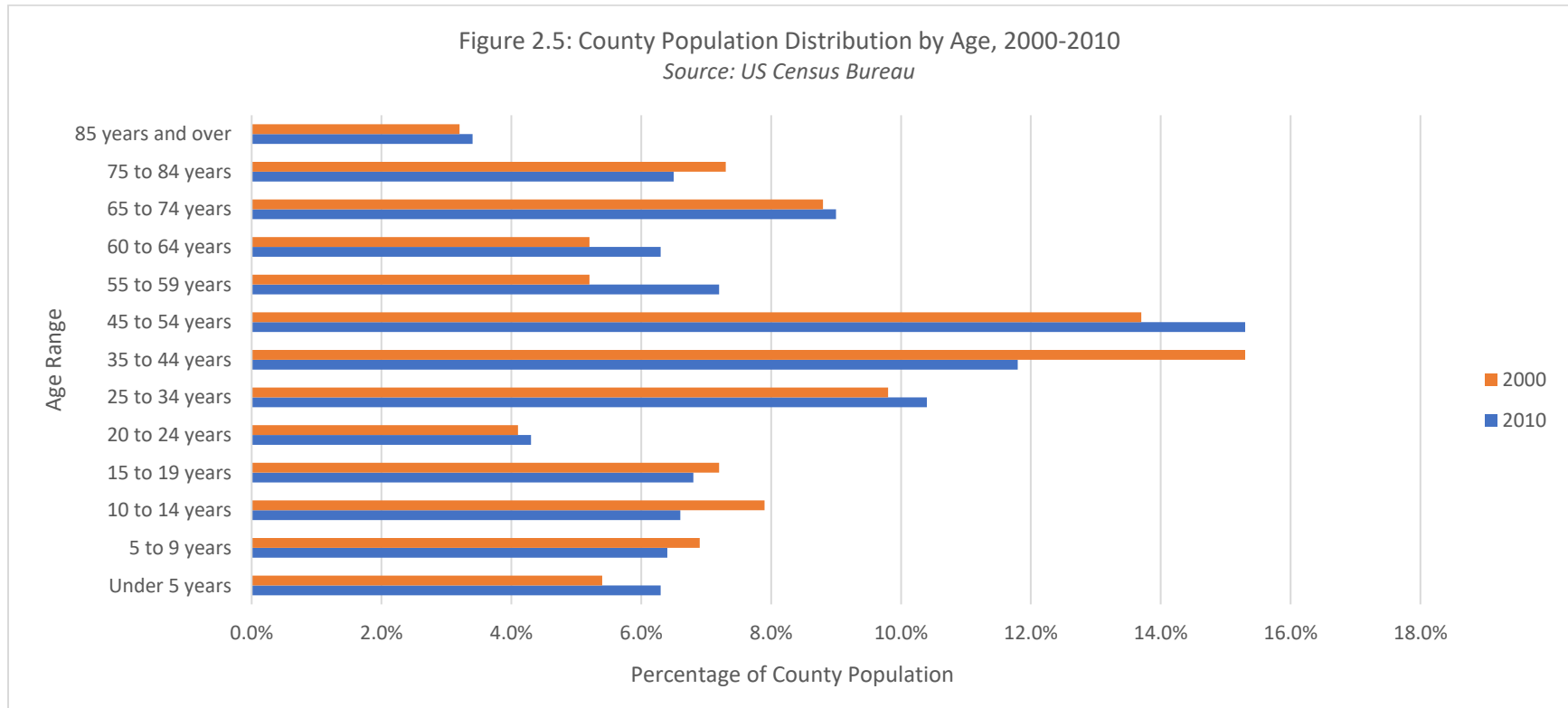


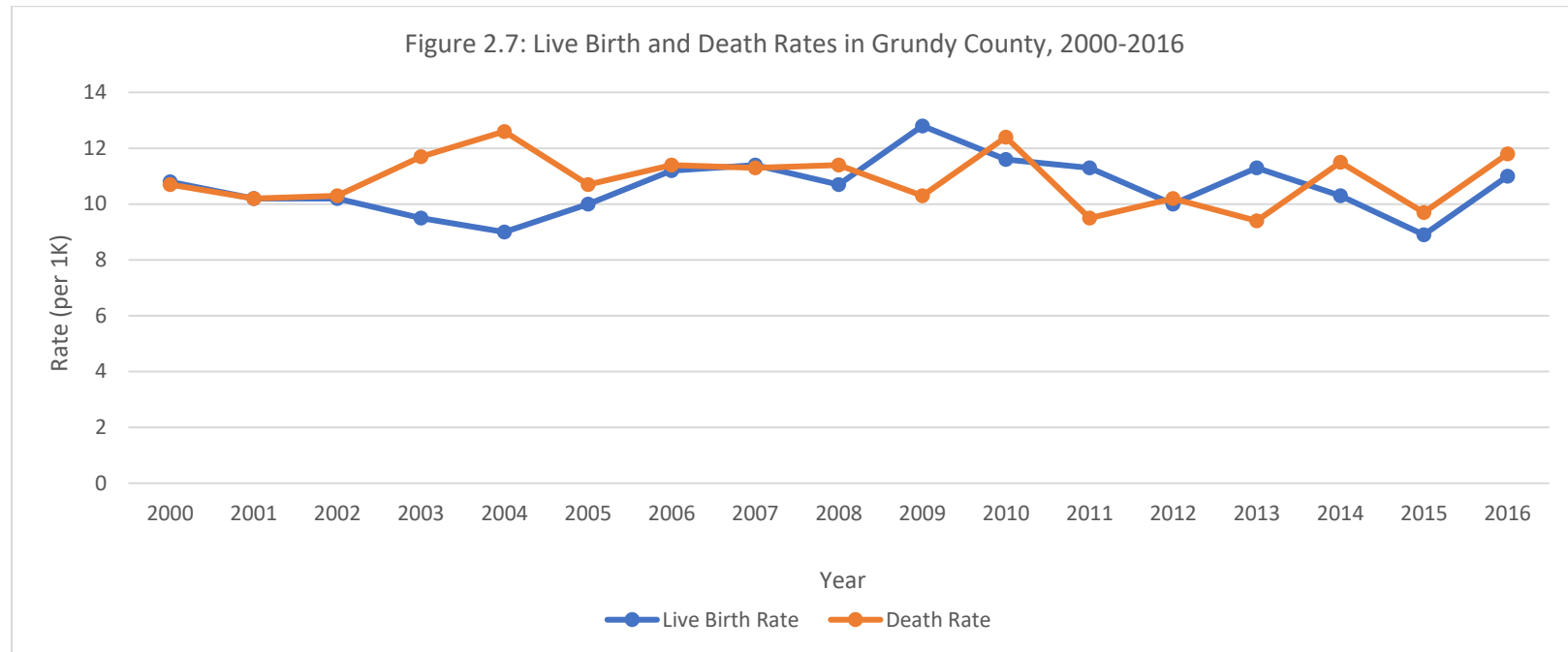
Figure 2.6 provides the breakdown of the population by age group between the years of 2000 and 2010. In terms of percent of population, increases were experienced in the “baby boomer” age range of the county population, with the only increase among age groups being the 45-64 age range (+607).

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.

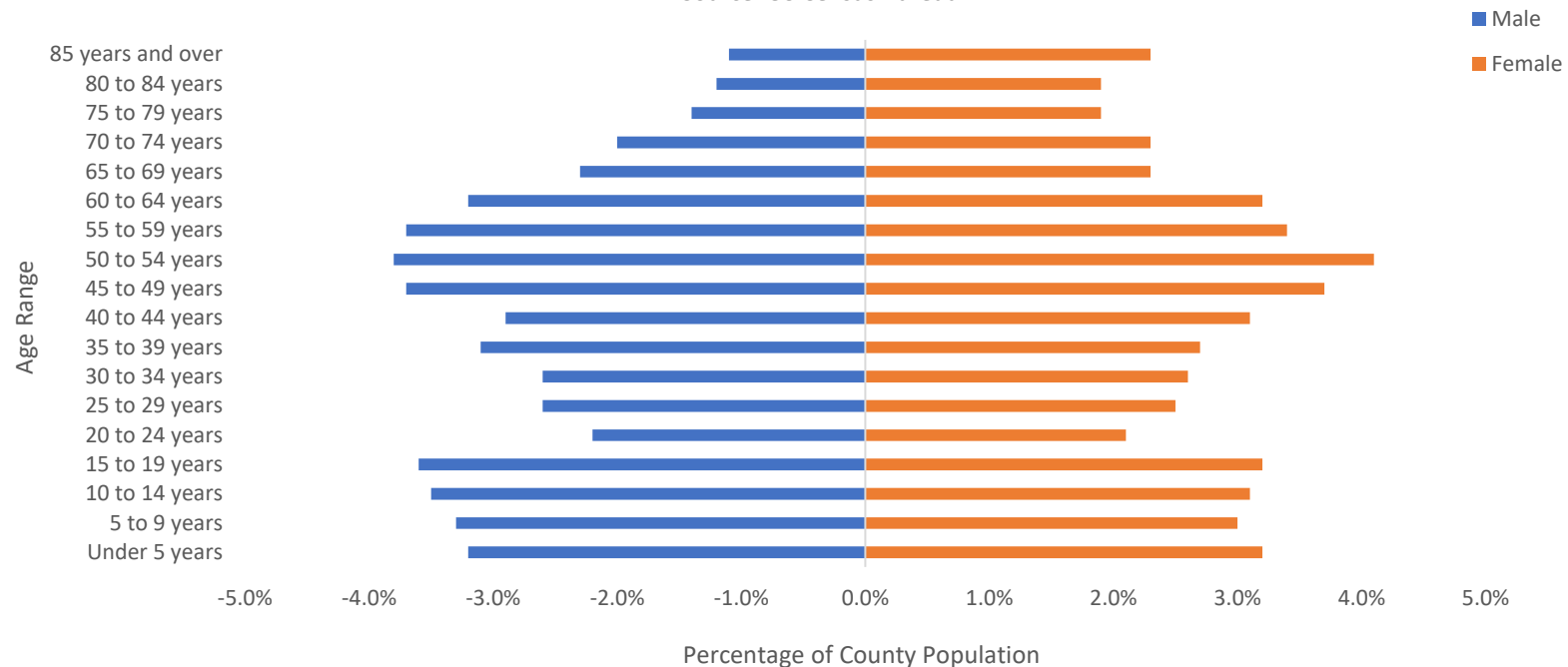
Figure 2.8: Sex of County Residents

| 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 | | | | | | | |

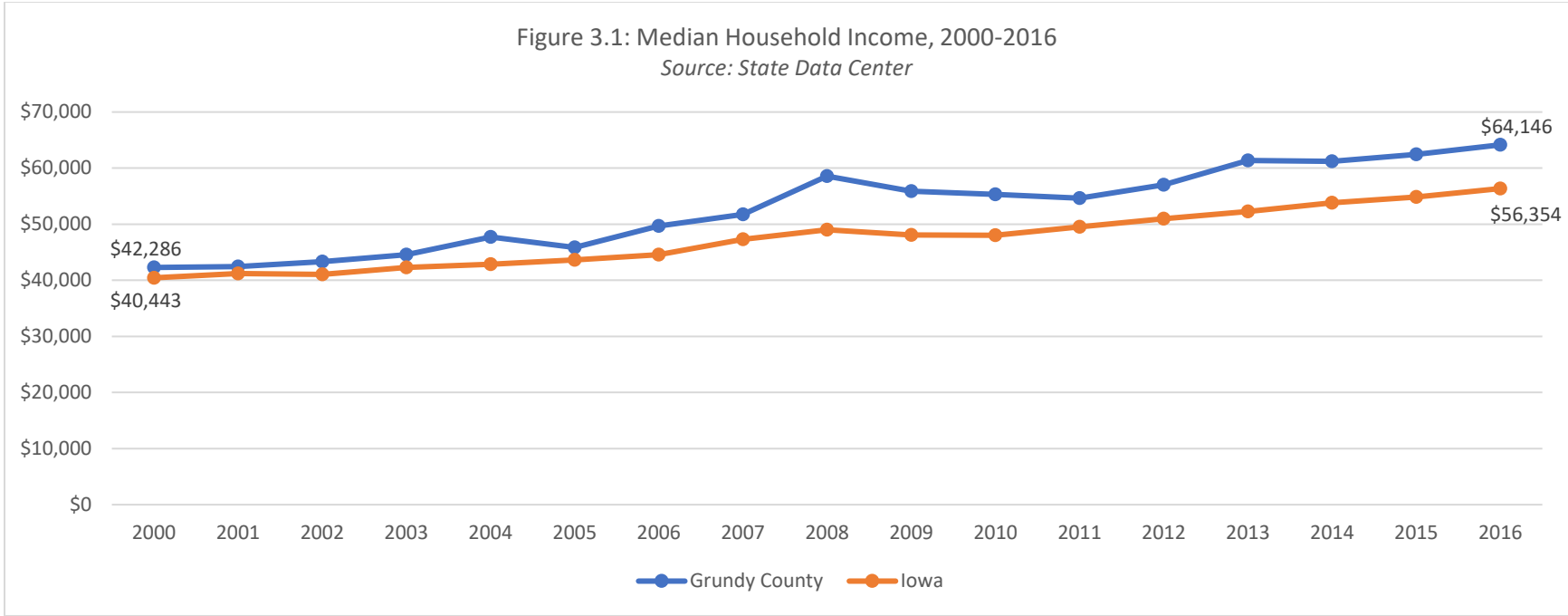
² Race Definitions, US Census Bureau, www.census.gov/quickfacts/meta/long_RHI225215.htm

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.



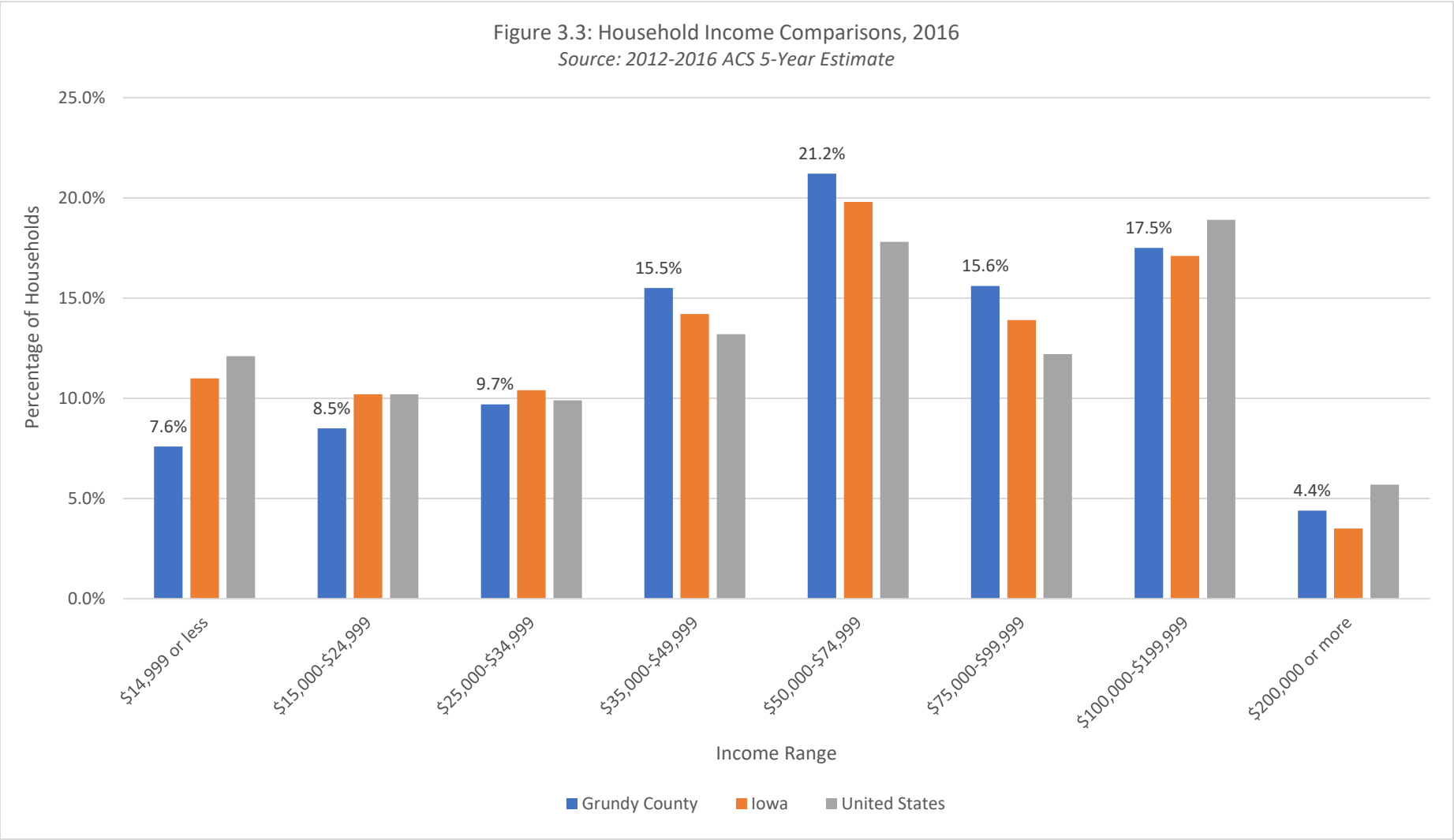
In addition to overall median household income, household income of rental households and owner households for Grundy County vary greatly from one another. According to the 2012-2016 ACS 5-Year Estimate, approximately 20% of occupied households in Grundy County are rentals, with the median household 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 | | |

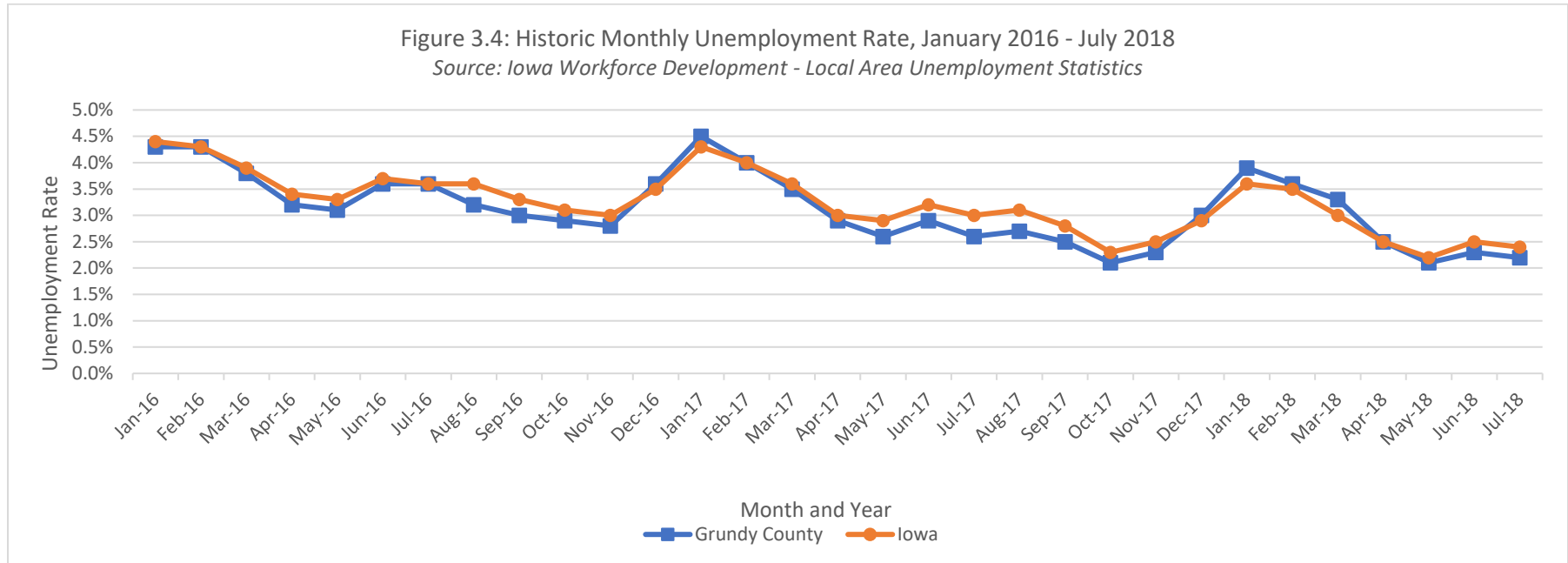
growth of 3%. Based on this growth prediction, it is projected the county’s median income will be \$71,844 in 2020 and \$81,465 by 2025.

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

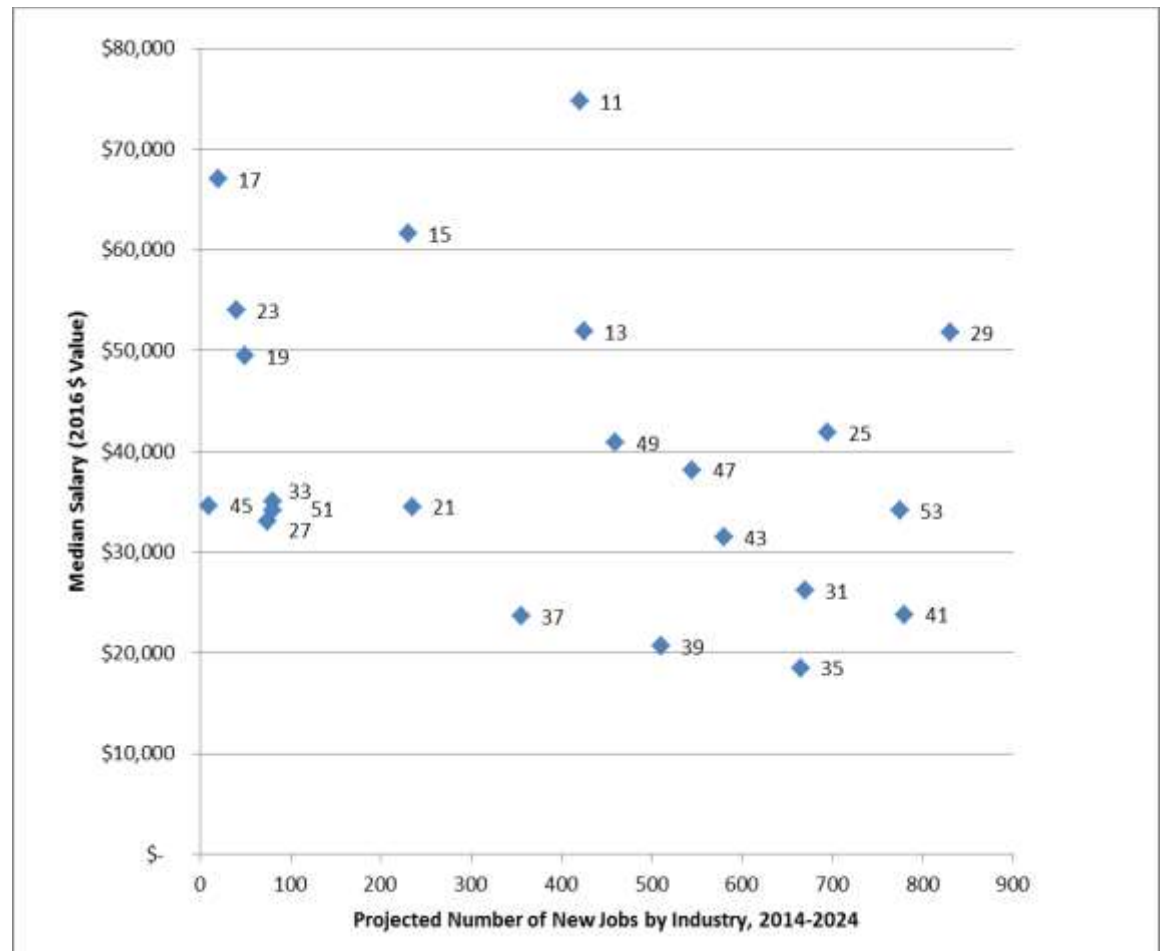
Other areas expected to see the largest growth include Sales and Related Occupations (+9.1%), Transportation and Material Moving Occupations (+9.1%), and Education, Training, and Library Occupations (+8.1%).

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

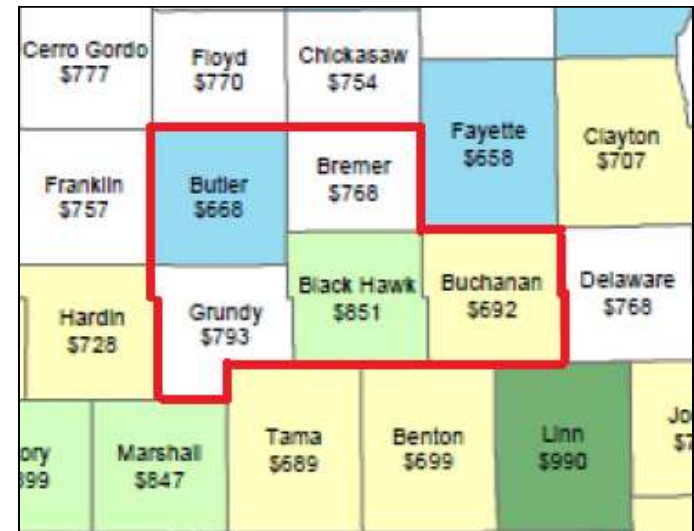
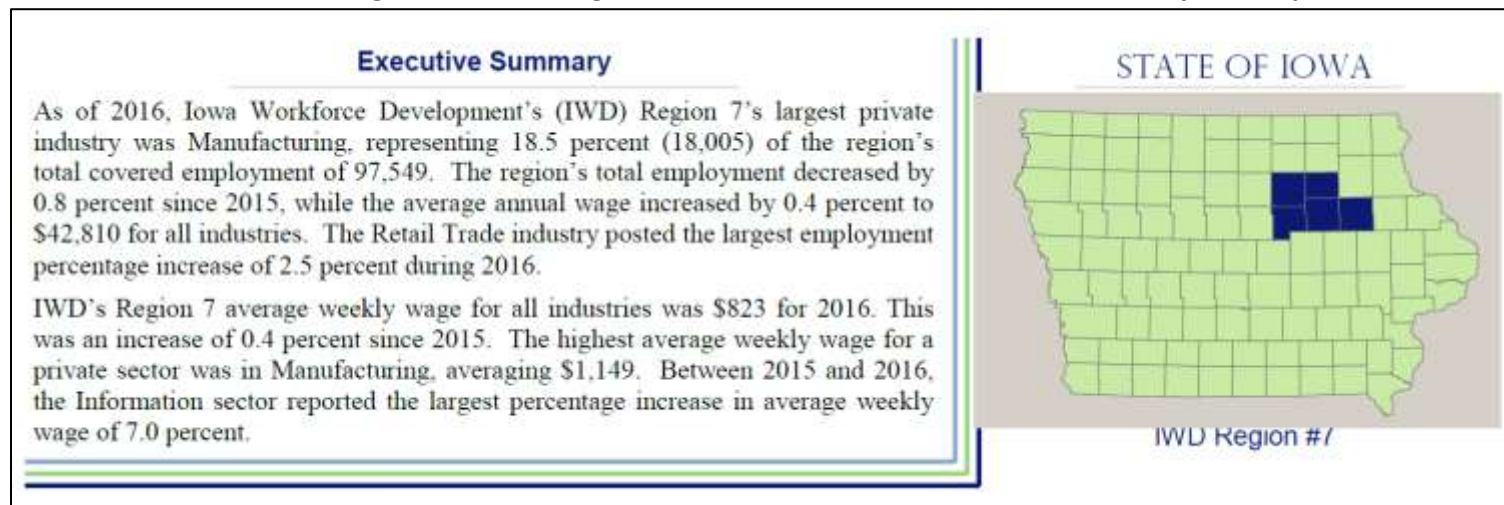


Figure 3.10: IWD Region #7 – 2017 Annual Profile Executive Summary and Map



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.

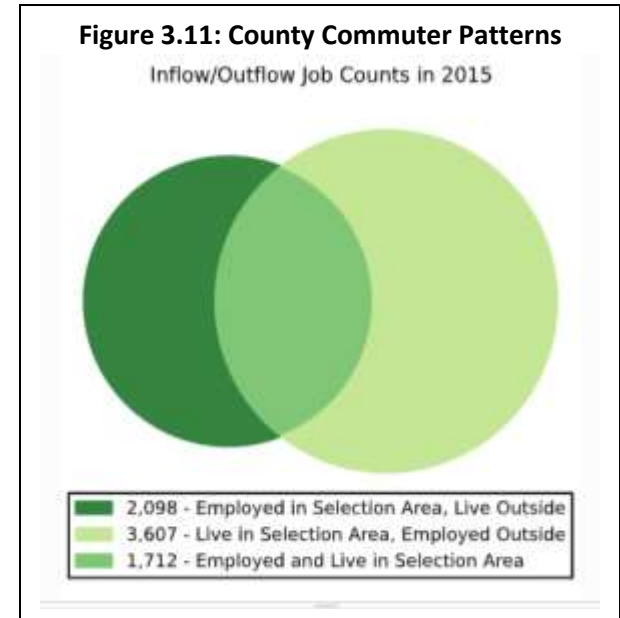


Figure 3.12: Inflow/Outflow Job Counts of Primary Jobs in Grundy County, 2013-2015

| | 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

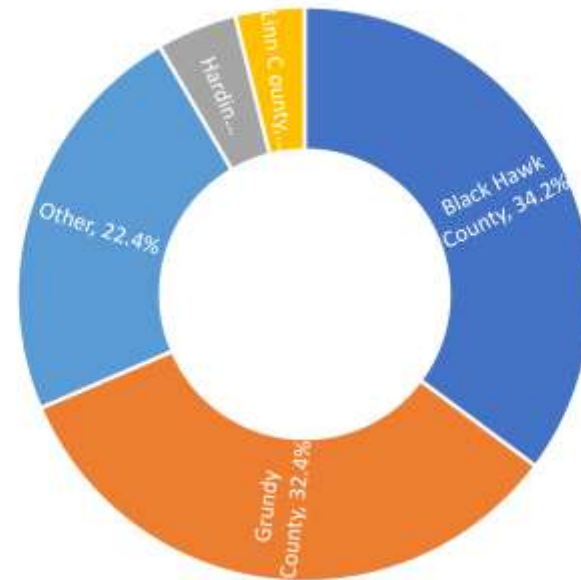
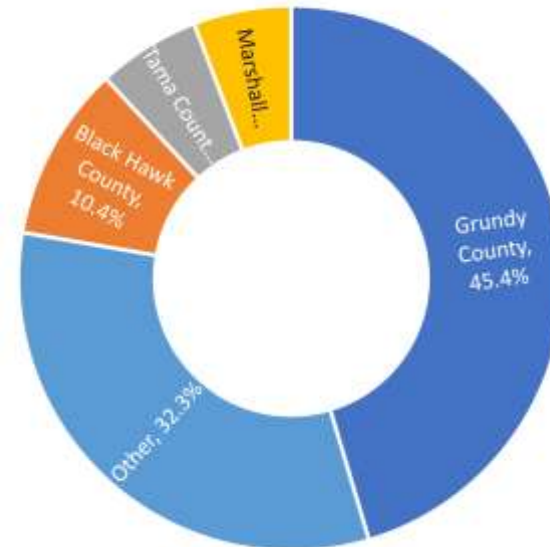


Figure 3.14 displays the county of residence of persons with places of employment inside Grundy County. Of the estimated number of workers that work inside the county on a given day, approximately 45.4% reside in Grundy County. Data shows that 10.4% of workers employed in Grundy County live in Black 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

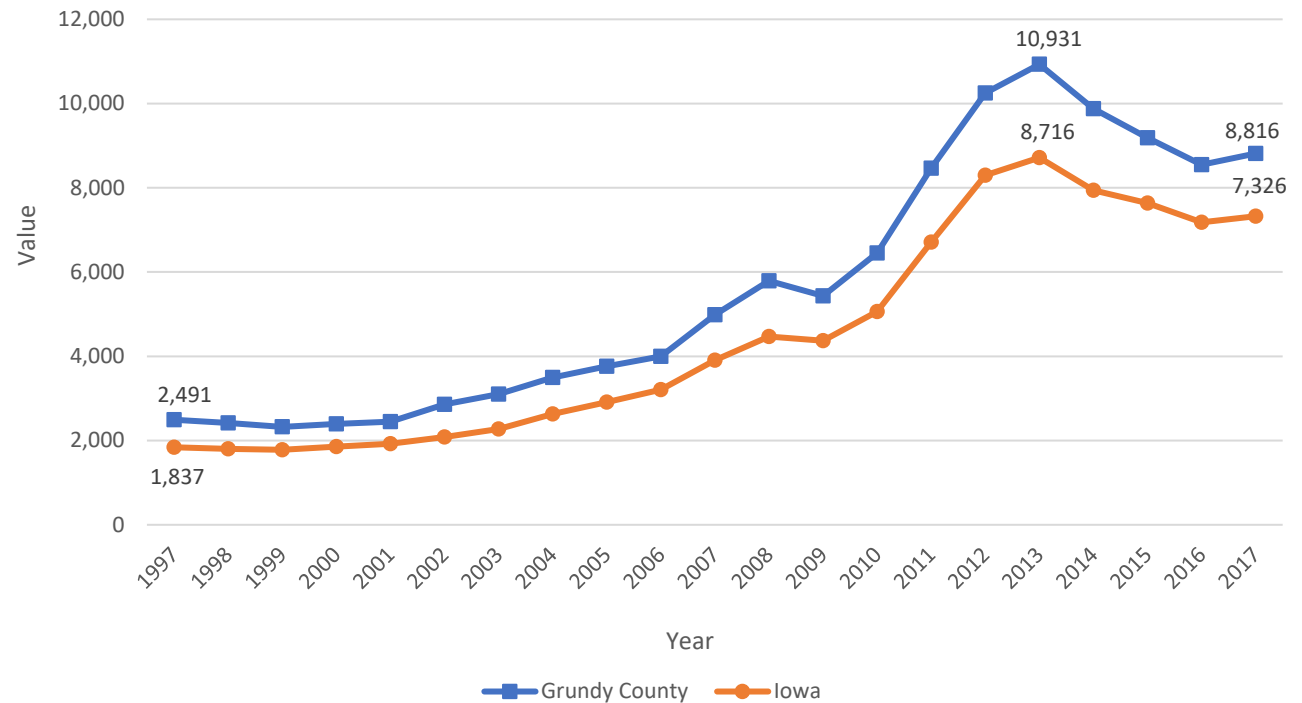
Figure 3.15 displays the historic value of an acre of land in Grundy County as well as the state from 1997 through 2017. In the 1990s land prices remained relatively steady. However, beginning in 2002, land prices in Iowa began to increase dramatically. Record commodity prices (primarily corn and soybeans) 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

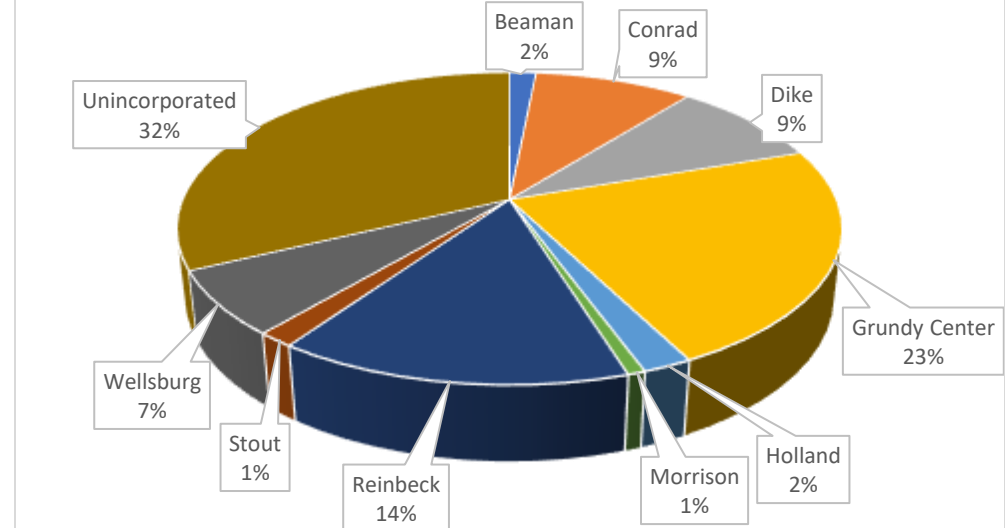


Figure 4.2: Housing Units by Structure, 2016

| | 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.

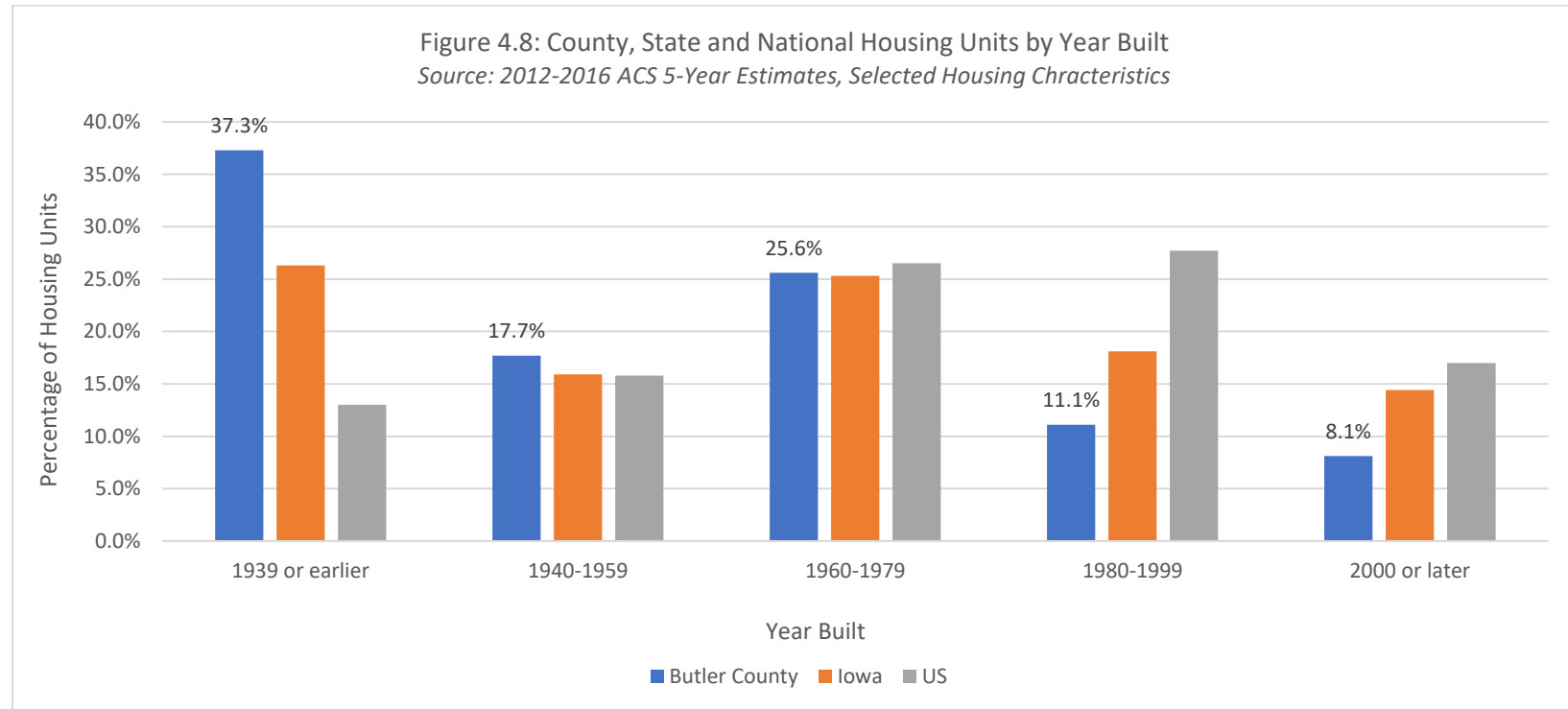
In terms of the total number of units added from 1980 to 2010, the communities of Dike (142 units) and Grundy Center (71 units) added the largest amount of housing units in terms of quantity. Conrad and Reinbeck also added additional housing units, with 55 units added in Conrad and 51 units in Reinbeck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

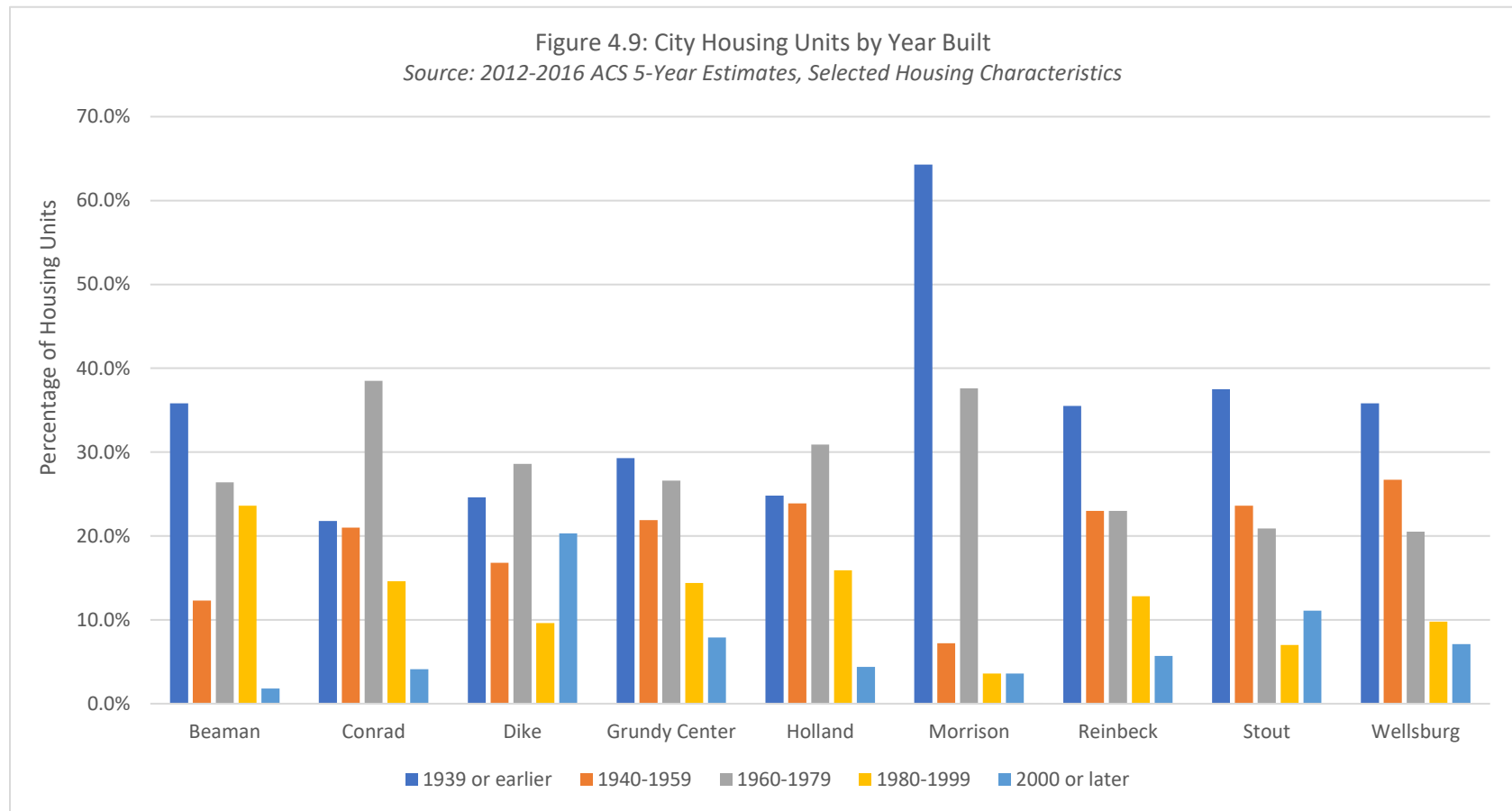
| Figure 4.7: Historic Number of Housing Units in Communities | | | | | | |
|---|------------------|------------------|------------------|------------------|-------------------------|-----------------------|
| Community | 1980 | 1990 | 2000 | 2010 | Net Change 1980-2010 | % Change 1980-2010 |
| Beaman | - | 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.

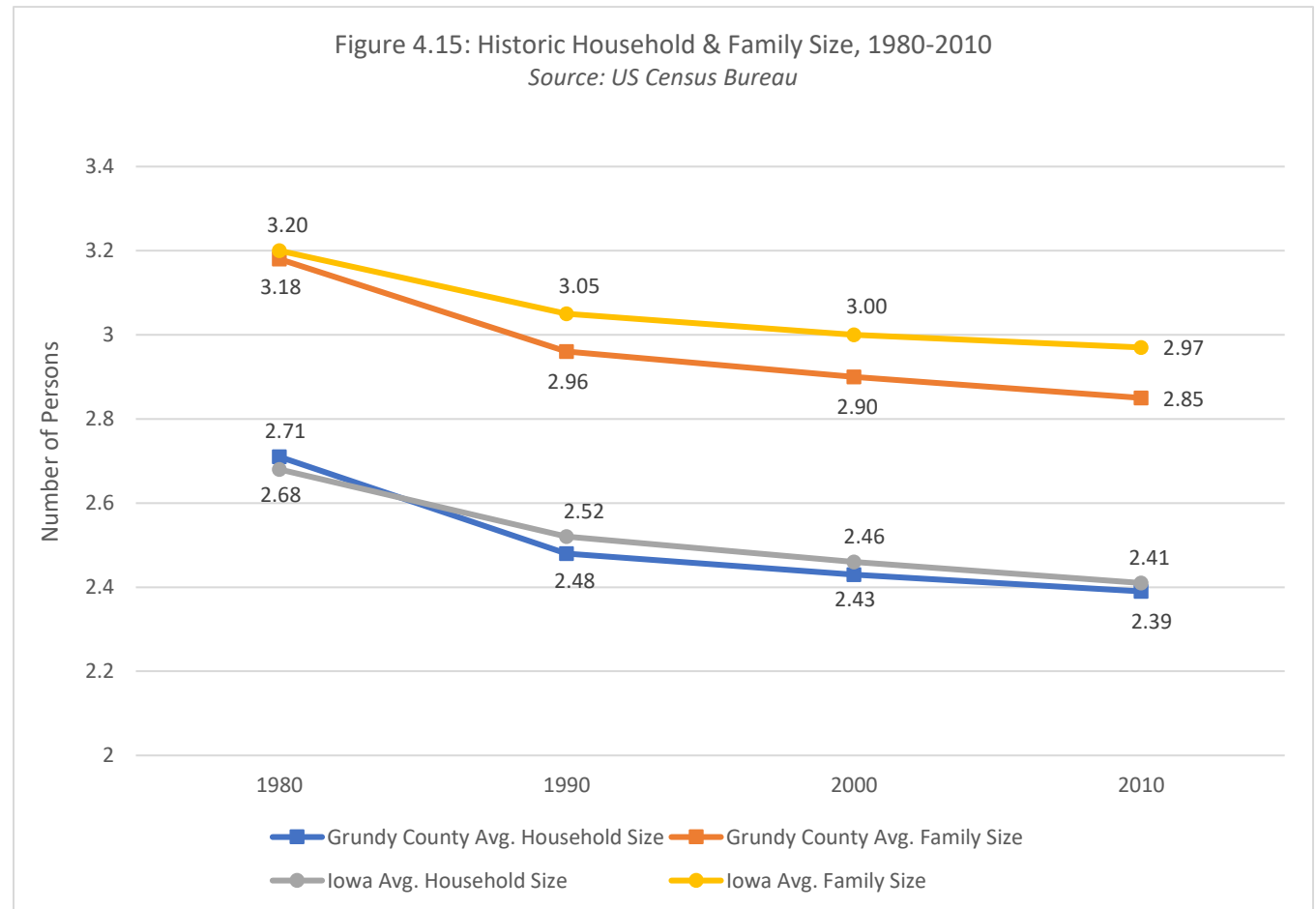


Figure 4.16 shows the average household and family size among the county's jurisdictions in comparison to state and national data. The communities with the smallest household size were Wellsburg (2.12) and Reinbeck (2.20). Communities with the largest household size were Stout (2.80) and Holland (2.64). 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.

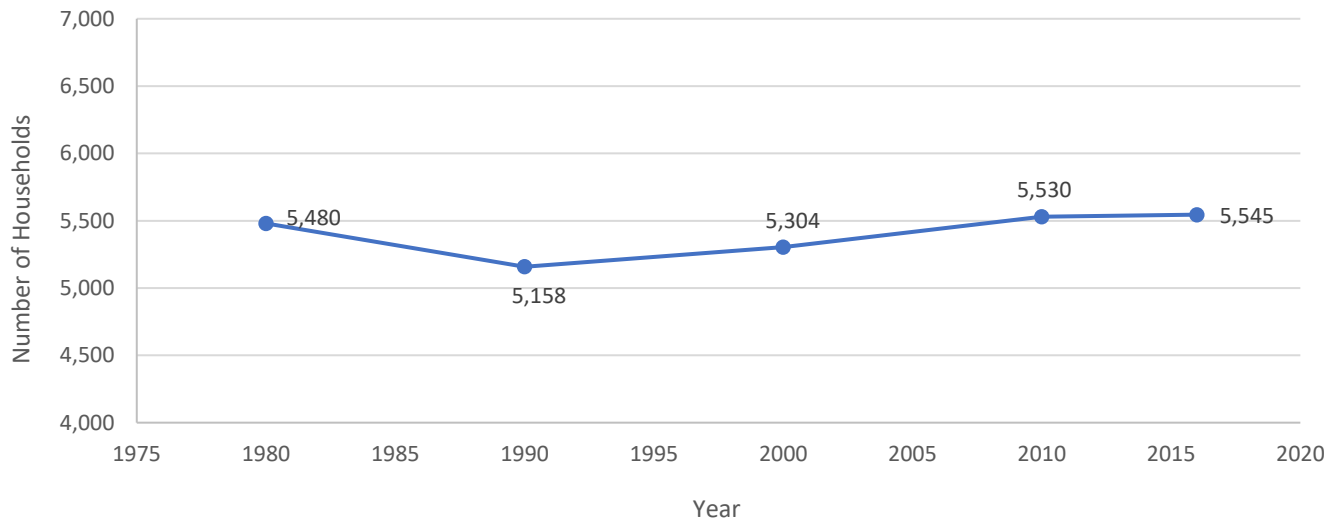
Figure 4.16: Household & Family Size, 2010

| 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% | - |
| <i>Source: 2012-2016 American Community Survey – Housing: Financial Characteristics</i> | | | | | | |

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.

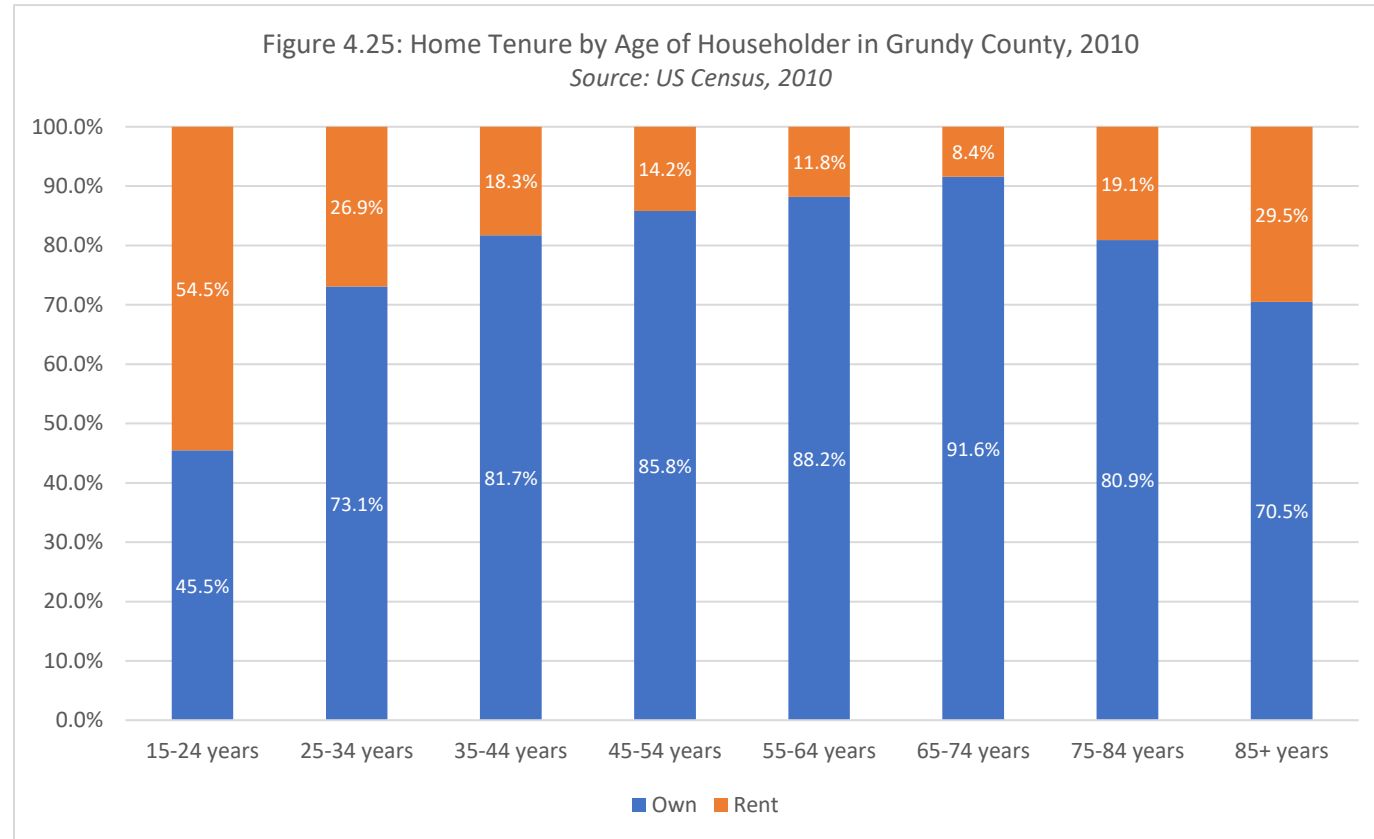


Figure 4.26: Historic Rental Tenure, 2000-2016

| | 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 |

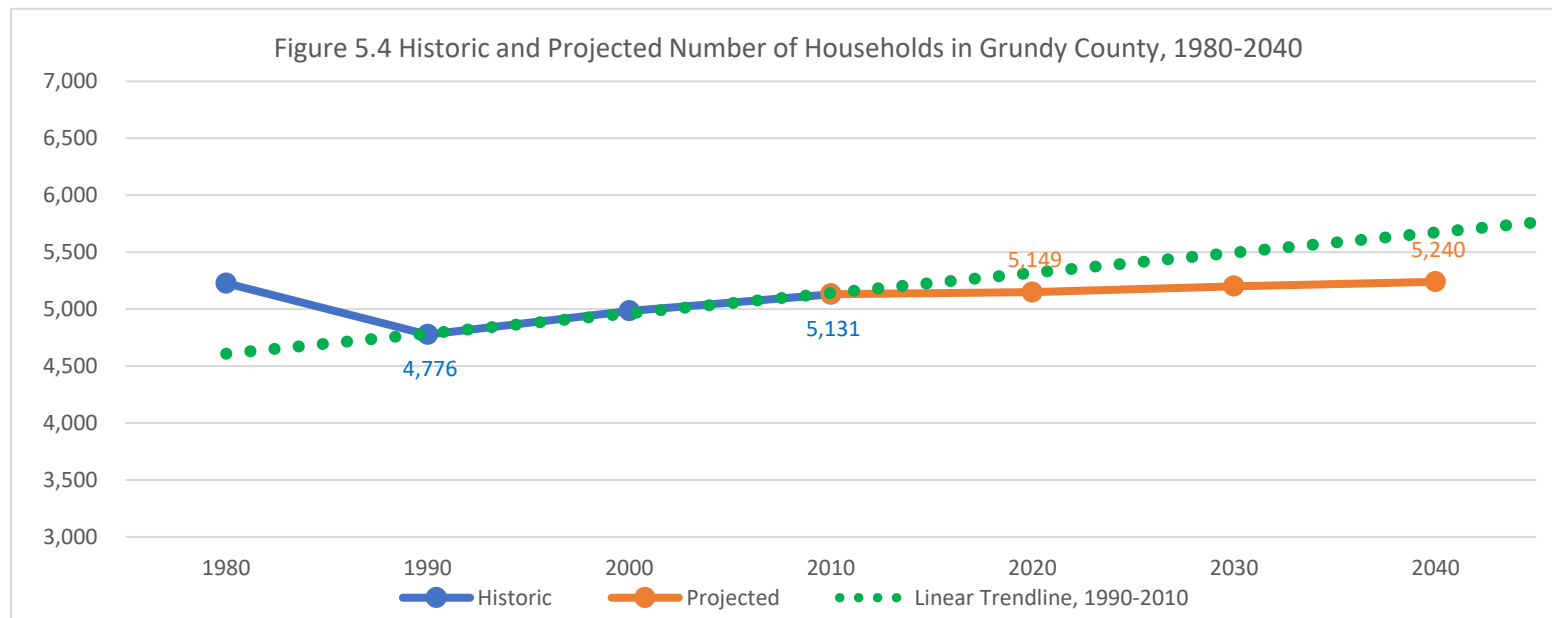
Figure 5.2: Projected Household Size, Grundy County

| 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.

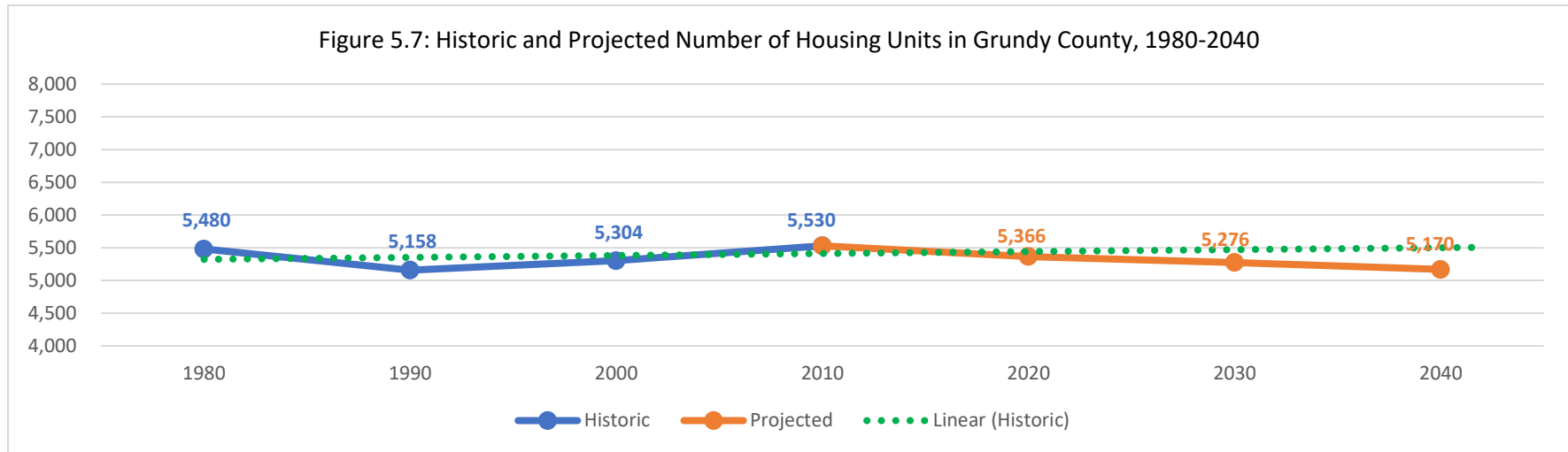
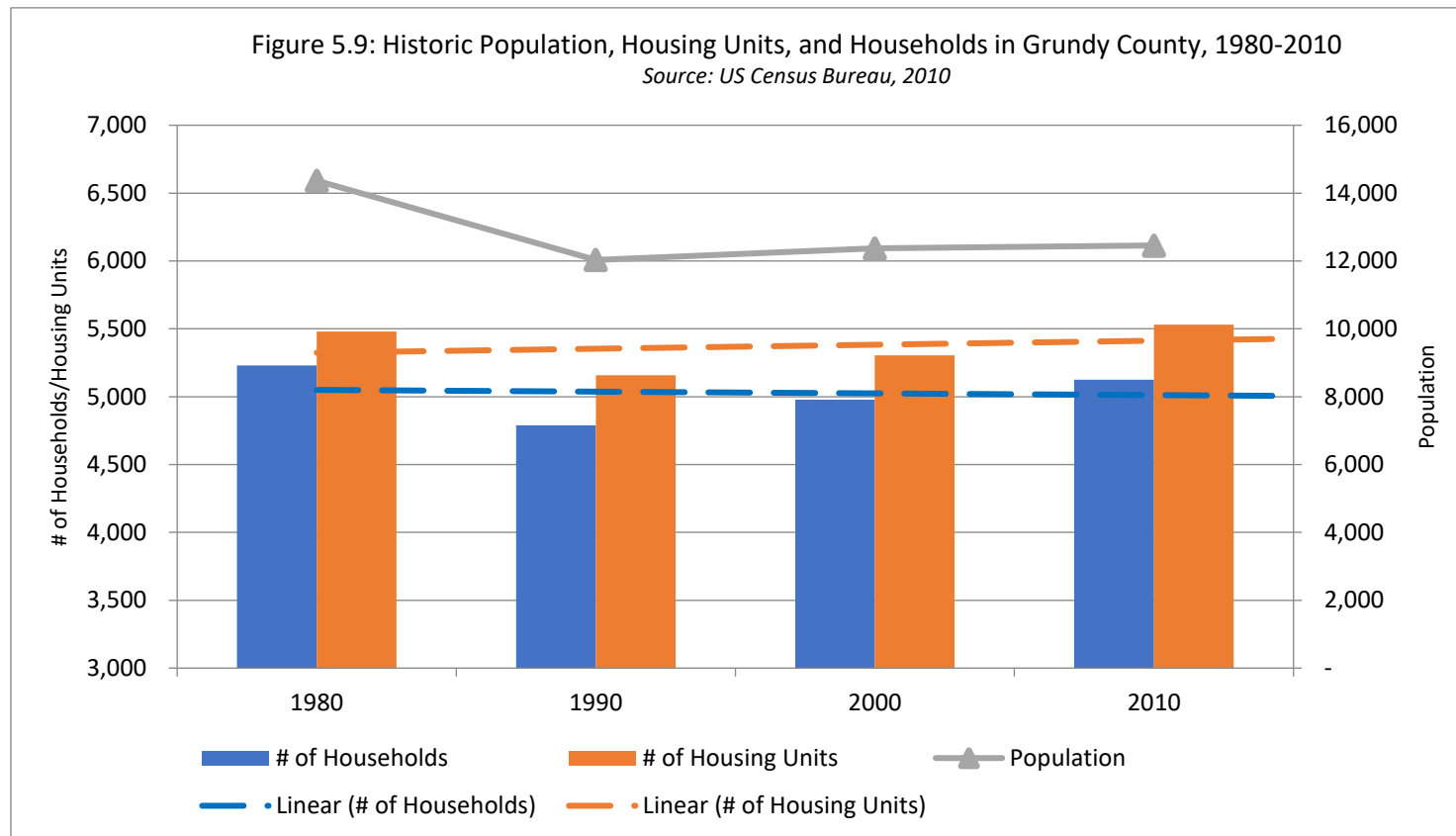


Figure 5.8 shows the historic number of housing units in the county from 1980 to 2010. The county's housing stock increased by 0.9% during this 30-year period. The average percent of the per decade unit increase between 1990 and 2010 is 3.6%. As shown in Figure 5.7, the county's historic rate contrasts 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 G: City of Reinbeck

Community Background

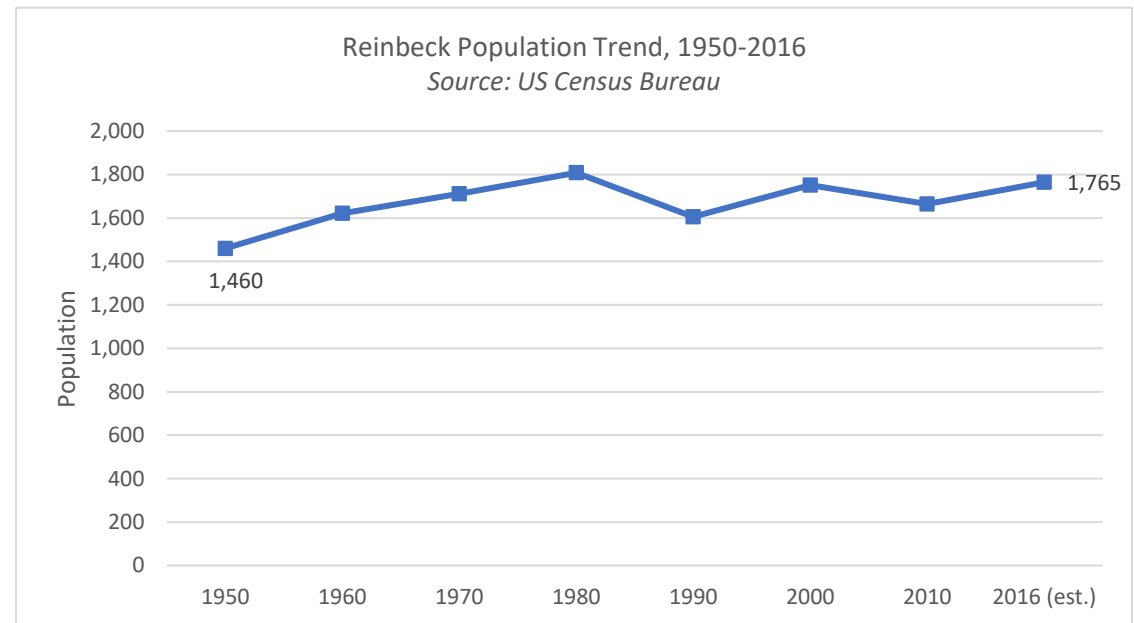
The City of Reinbeck became incorporated on May 13, 1878. The city is located in Black Hawk township and covers approximately 1,165 acres of land. Reinbeck is located on the route of State Highway 175 and County Road D53.

The topography of Reinbeck 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 southern of the City and has an elevation of approximately 1,020 ft. above sea level. The lowest elevation, which is approximately 914 ft. above sea level, is found in the northeastern part of the community. Reinbeck is located in the southeastern part of the county and has a Mayor-City Council form of government.

Demographic and Social Characteristics

Reinbeck had a population of 1,664 at the time of the 2010 US Census. The city represented 13.4% of the county's total 2010 population of 12,453. Figure G.1 shows the historic and projected population trends of the city.

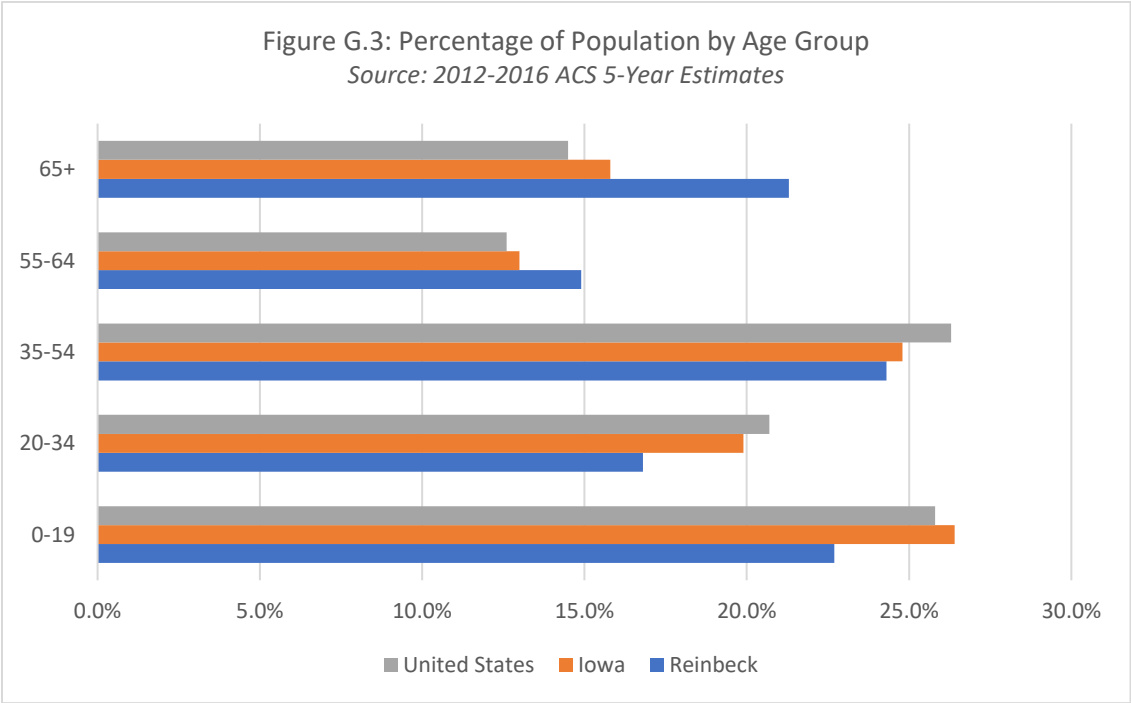
| Figure G.1: Population Projections | | | |
|------------------------------------|-------------------|-------------------|----------------------|
| Year | Census Population | # Change (Linear) | % Change (Geometric) |
| 1950 | 1,460 | - | - |
| 1960 | 1,621 | 161 | 11.0% |
| 1970 | 1,711 | 90 | 5.6% |
| 1980 | 1,808 | 97 | 5.7% |
| 1990 | 1,605 | -203 | -11.2% |
| 2000 | 1,751 | 146 | 9.1% |
| 2010 | 1,664 | -87 | -5.0% |
| Avg. (1950-2010) | | 34 | 2.5% |
| Projected 2020 | | 1,698 | 1,706 |
| Projected 2030 | | 1,732 | 1,748 |
| Projected 2040 | | 1,766 | 1,790 |



According to US Census data, the city’s population peaked in 1980 with 1,808 residents. In 2016, the US Census Bureau estimated the city’s population to be 1,765 persons. Since 2000, the city’s population has been in decline. Based on population changes from 1950 through 2016, however, the city should expect to see an upward population trend.

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

In 2010, the city’s median age was 45.1, greater than the state-wide (38.1) and national (37.2) median ages. Shown in Figure G.3, the age group 35-54 years old have the highest portion of the city’s population followed by ages 0-19. Ages 55-64 have the lowest portion of the population.



| Figure G.2: Population Characteristics | | |
|--|--|-------|
| Population | | |
| Total Population | | 1,664 |
| Total Males | | 807 |
| Total Females | | 857 |
| Median Age | | 45.1 |
| Race | | |
| One Race-White | | 1,643 |
| One Race-Black or African American | | 4 |
| Two or More Races | | 6 |
| Hispanic or Latino (of any race) | | 19 |
| Households | | |
| Total Population in Group Quarters | | 38 |
| Total Family Households | | 468 |
| Total Family Households with Children under 18 | | 178 |
| Households with individuals 65 years and over | | 268 |
| Average household size | | 2.20 |
| Average family size | | 2.72 |
| 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 G.4 shows the value of homes in the city. Figure G.5 displays the rental costs and characteristics within the city.

| Figure G.4: Home Value Characteristics, City of Reinbeck | | | | |
|---|-----------|-----------|---------|--------|
| | Estimate | MOE | Percent | MOE |
| VALUE | | | | |
| Owner-occupied units | 606 | +/-59 | 100% | (X) |
| Less than \$50,000 | 22 | +/-12 | 3.6% | +/-2.0 |
| \$50,000 to \$99,999 | 224 | +/-43 | 37.0% | +/-5.8 |
| \$100,000 to \$149,999 | 183 | +/-46 | 30.2% | +/-6.6 |
| \$150,000 to \$199,999 | 96 | +/-30 | 15.8% | +/-5.1 |
| \$200,000 to \$299,999 | 62 | +/-20 | 10.2% | +/-3.3 |
| \$300,000 to \$499,999 | 13 | +/-8 | 2.1% | +/-1.4 |
| \$500,000 to \$999,999 | 6 | +/-7 | 1.0% | +/-1.1 |
| \$1,000,000 or more | 0 | +/-9 | 0.0% | +/-3.2 |
| Median (dollars) | \$119,800 | +/-12,614 | (X) | (X) |
| Source: 2012-2016 ACS 5-Year Estimates – Selected Housing Characteristics | | | | |

Figures G.6 and G.7 display general housing characteristics and home ownership characteristic. Figure G.6 indicates that there are 60 vacant housing units. In Reinbeck, as in most rural Iowa communities, the housing stock is predominantly owner-occupied (76.1%) and comprised of single-family detached units (82.6%). An overwhelming majority of the occupied houses (606 of 796) are owner-occupied. In general, the city offers relatively affordable housing options. According to Figure G.5, gross rent does not exceed 30% of the percentage of household income for 54.5% of renters. For the other 45.5%, however, gross rent exceeds at least 30% or home of the household income. Of those households with a mortgage, an estimated 14.5% 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 G.5: Rental Characteristics, City of Reinbeck | | | | |
|---|----------|-------|---------|---------|
| | Estimate | MOE | Percent | MOE |
| GROSS RENT | | | | |
| Occupied units paying rent | 179 | +/-41 | 100% | (X) |
| Less than \$500 | 59 | +/-24 | 33.0% | +/-11.3 |
| \$500 to \$999 | 77 | +/-27 | 43.0% | +/-12.0 |
| \$1,000 to \$1,499 | 27 | +/-16 | 15.1% | +/-7.6 |
| \$1,500 to \$1,999 | 16 | +/-16 | 8.9% | +/-8.3 |
| \$2,000 to \$2,499 | 0 | +/-9 | 0.0% | +/-10.6 |
| \$2,500 to \$2,999 | 0 | +/-9 | 0.0% | +/-10.6 |
| \$3,000 or more | 0 | +/-9 | 0.0% | +/-10.6 |
| Median (dollars) | \$625 | +/-37 | (X) | (X) |
| No rent paid | 11 | +/-9 | (X) | (X) |
| GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME | | | | |
| Occupied units paying rent (excluding units where GRAP cannot be computed) | 176 | +/-41 | 100% | (X) |
| Less than 15.0 percent | 24 | +/-13 | 13.6% | +/-7.1 |
| 15.0 to 19.9 percent | 25 | +/-15 | 14.2% | +/-7.8 |
| 20.0 to 24.9 percent | 16 | +/-11 | 9.1% | +/-6.1 |
| 25.0 to 29.9 percent | 31 | +/-19 | 17.6% | +/-9.5 |
| 30.0 to 34.9 percent | 17 | +/-11 | 9.7% | +/-6.1 |
| 35.0 percent or more | 63 | +/-29 | 35.8% | +/-12.8 |
| Source: 2012-2016 ACS 5-Year Estimates – Selected Housing Characteristics | | | | |

| Figure G.6: Housing Characteristics, City of Reinbeck | | | | |
|---|------------|--------------|-------------|------------|
| | Estimate | MOE | Percent | MOE |
| HOUSING OCCUPANCY | | | | |
| Total housing units | 856 | +/-66 | 100% | (X) |
| Occupied housing units | 796 | +/-67 | 93.0% | +/-3.9 |
| Vacant housing units | 60 | +/-34 | 7.0% | +/-3.9 |
| Homeowner vacancy rate | 1.8% | +/-2.1 | (X) | (X) |
| Rental vacancy rate | 0.0% | +/-10.0 | (X) | (X) |
| UNITS IN STRUCTURES | | | | |
| Total housing units | 856 | +/-66 | 100% | (X) |
| 1-unit, detached | 707 | +/-65 | 82.6% | +/-3.7 |
| 1-unit, attached | 13 | +/-10 | 1.5% | +/-1.2 |
| 2 units | 31 | +/-21 | 3.6% | +/-2.4 |
| 3 or 4 units | 41 | +/-15 | 4.8% | +/-1.7 |
| 5 to 9 units | 24 | +/-19 | 2.8% | +/-2.2 |
| 10 to 19 units | 9 | +/-15 | 1.1% | +/-1.8 |
| 20 or more units | 20 | +/-8 | 2.3% | +/-0.9 |
| Mobile home | 11 | +/-17 | 1.3% | +/-2.0 |
| BEDROOMS | | | | |
| Total housing units | 856 | +/-66 | 100% | (X) |
| No bedroom | 4 | +/-6 | 0.5% | +/-0.7 |
| 1 bedroom | 72 | +/-28 | 8.4% | +/-3.2 |
| 2 bedrooms | 275 | +/-49 | 32.1% | +/-5.4 |
| 3 bedrooms | 327 | +/-60 | 38.2% | +/-6.1 |
| 4 bedrooms | 149 | +/-40 | 17.4% | +/-4.7 |
| 5 or more bedrooms | 29 | +/-18 | 3.4% | +/-2.0 |
| HOUSING TENURE | | | | |
| Occupied housing units | 796 | +/-67 | 100% | (X) |
| Owner-occupied | 606 | +/-59 | 76.1% | +/-4.5 |
| Renter-occupied | 190 | +/-41 | 23.9% | +/-4.5 |
| YEAR HOUSEHOLDER MOVED INTO UNIT | | | | |
| Occupied housing units | 796 | +/-67 | 100% | (X) |
| Moved in 2015 or later | 51 | +/-24 | 6.4% | +/-2.9 |
| Moved in 2010 to 2014 | 198 | +/-44 | 24.9% | +/-4.8 |
| Moved in 2000 to 2009 | 219 | +/-43 | 27.5% | +/-4.8 |
| Moved in 1990 to 1999 | 158 | +/-29 | 19.8% | +/-3.6 |
| Moved in 1980 to 1989 | 71 | +/-22 | 8.9% | +/-2.8 |
| Moved in 1979 and earlier | 99 | +/-29 | 12.4% | +/-3.5 |

| Figure G.7: Home Ownership Characteristics, City of Reinbeck | | | | |
|---|------------|--------------|--------------|------------|
| | Estimate | MOE | Percent | MOE |
| MORTGAGE STATUS | | | | |
| Owner-occupied units | 606 | +/-59 | 100% | (X) |
| Housing units with a mortgage | 369 | +/-57 | 60.9% | +/-6.3 |
| Housing units without a mortgage | 237 | +/-40 | 39.1% | +/-6.3 |
| SELECTED MONTHLY OWNER COSTS (SMOC) | | | | |
| Housing Units with a Mortgage | 369 | +/-57 | 60.9% | (X) |
| Less than \$500 | 15 | +/-10 | 4.1% | +/-2.6 |
| \$500 to \$999 | 189 | +/-43 | 51.2% | +/-8.1 |
| \$1,000 to \$1,499 | 113 | +/-33 | 30.6% | +/-7.8 |
| \$1,500 to \$1,999 | 47 | +/-25 | 12.7% | +/-6.4 |
| \$2,000 to \$2,499 | 5 | +/-5 | 1.4% | +/-1.5 |
| \$2,500 to \$2,999 | 0 | +/-9 | 0.0% | +/-5.3 |
| \$3,000 or more | 0 | +/-9 | 0.0% | +/-5.3 |
| Median (dollars) | \$965 | +/-53 | (X) | (X) |
| Housing Units without a Mortgage | 237 | +/-40 | 39.1% | (X) |
| Less than \$250 | 15 | +/-10 | 6.3% | +/-4.5 |
| \$250 to \$399 | 102 | +/-24 | 43.0% | +/-7.7 |
| \$400 to \$599 | 92 | +/-24 | 38.8% | +/-7.2 |
| \$600 to \$799 | 25 | +/-12 | 10.5% | +/-4.8 |
| \$800 to \$999 | 0 | +/-9 | 0.0% | +/-8.1 |
| \$1,000 or more | 3 | +/-4 | 1.3% | +/-1.7 |
| Median (dollars) | \$402 | +/-30 | (X) | (X) |
| SELECTED MONTHLY OWNERS COST AS A PERCENTAGE OF HOUSEHOLD INCOME (excluding units unable to calculate) | | | | |
| Housing Units with a Mortgage | 365 | +/-56 | 60.9% | (X) |
| Less than 20.0 percent | 222 | +/-48 | 60.8% | +/-9.2 |
| 20.0 to 24.9 percent | 75 | +/-36 | 20.5% | +/-8.8 |
| 25.0 to 29.9 percent | 15 | +/-11 | 4.1% | +/-3.0 |
| 30.0 to 34.9 percent | 25 | +/-15 | 6.8% | +/-4.0 |
| 35.0 percent or more | 28 | +/-14 | 7.7% | +/-3.7 |
| Housing Units without a Mortgage | 237 | +/-40 | 39.1% | (X) |
| Less than 10.0 percent | 118 | +/-27 | 49.8% | +/-9.7 |
| 10.0 to 14.9 percent | 42 | +/-18 | 17.7% | +/-6.6 |
| 15.0 to 19.9 percent | 21 | +/-11 | 8.9% | +/-4.7 |
| 20.0 to 24.9 percent | 19 | +/-12 | 8.0% | +/-4.9 |
| 25.0 to 29.9 percent | 3 | +/-4 | 1.3% | +/-1.9 |
| 30.0 to 34.9 percent | 13 | +/-10 | 5.5% | +/-4.2 |
| 35.0 percent or more | 21 | +/-13 | 8.9% | +/-5.4 |
| Source: 2012-2016 ACS 5-Year Estimates – Selected Housing Characteristics | | | | |

Selected Housing Characteristics

From 1980 through 2010, the number of housing units in the city has increased by 6.8%. Of the nine cities in Grundy County, Reinbeck is one of seven cities which experienced a net gain in housing units between 1980 and 2010. This upward trend coincides with the housing growth experienced in the state (increase of 19.2%) during the same time period.

| Table G.8: Historic Number of Housing Units in Reinbeck | | | | | | |
|---|-----------|-----------|-----------|-----------|-------------------------|-----------------------|
| Community | 1980 | 1990 | 2000 | 2010 | Net Change 1980-2010 | % Change 1980-2010 |
| Reinbeck | 751 | 727 | 769 | 802 | 51 | 6.8% |
| 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, calculated by INRCOG

Vacancy Rate

Figure G.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.

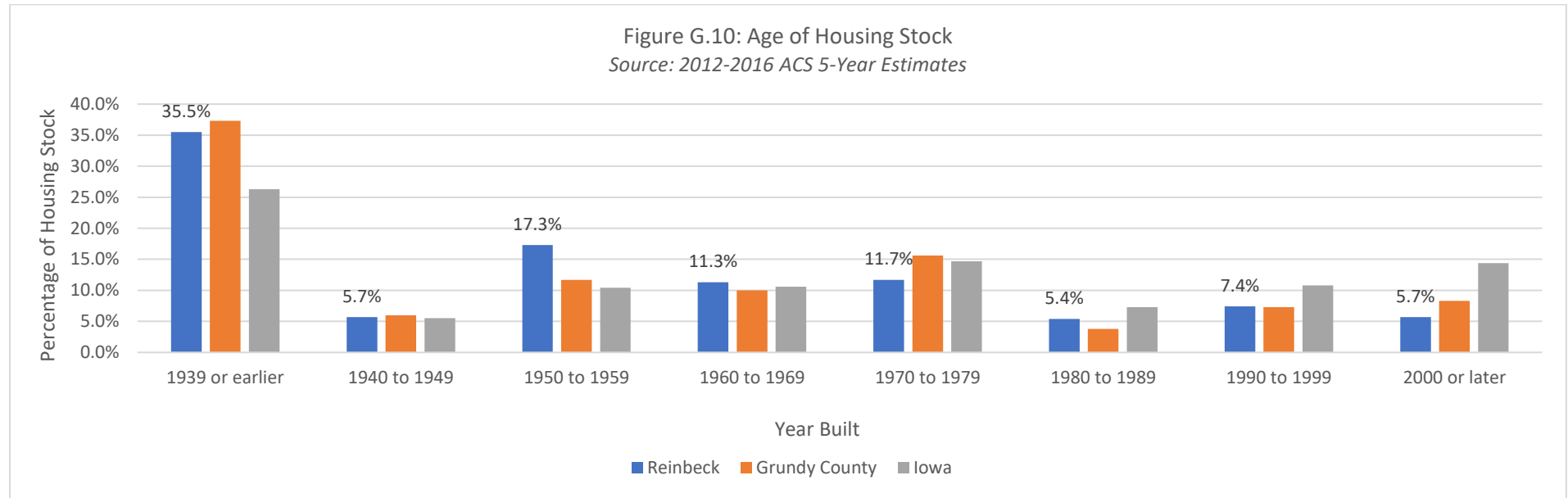
Vacancy rate measures the percentage of unoccupied housing units. From 2000 to 2016, the city's vacancy rate is fluctuated anywhere between 7% and 12.7%. Typically, 5% is considered a healthy vacancy rate.

| Figure G.9: Historic Housing Vacancy Rate Estimates, 2010-2016 | | | | |
|--|---------------------------|-------------------------|-----------------------------|--------------|
| Year | Occupied Housing Units | Vacant Housing Units | Est. Total Housing Units | Vacancy Rate |
| 2016 | 796 | 60 | 856 | 7.0% |
| 2015 | 797 | 93 | 890 | 10.4% |
| 2014 | 806 | 102 | 908 | 11.2% |
| 2013 | 828 | 84 | 912 | 9.2% |
| 2012 | 778 | 113 | 891 | 12.7% |
| 2011 | 777 | 111 | 888 | 12.5% |
| 2010* | 738 | 64 | 802 | 8.0% |

Source: 2011-2016 ACS 5-Year Averages – Selected Housing Characteristics;
*Source: 2010 US Census

Age of Housing Stock

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



Like many small cities in Iowa, Reinbeck has an aging housing stock. The majority of Reinbeck homes (35.5%) were built in 1939 or earlier, lower than the county average but higher than the state average for the percentage of homes built in the same build year range. Homes built in 2000 or later comprise of only 5.7% of Reinbeck homes.

Household Size

Reinbeck's average household size and family size are lower than both the county and the state's averages, with an average household size of 2.20 persons and an average family size of 2.72 persons.

| Table G.11: Household Size | | |
|----------------------------|------------------------|---------------------|
| Community | Average Household Size | Average Family Size |
| Reinbeck | 2.20 | 2.72 |
| 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 G.12.

Figure G.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 G.13 displays the results of Reinbeck’s windshield survey. Of the structures evaluated, the majority (90%) of residential structures were in good condition while about 9% of the residential structures were in fair condition. Only 1% of homes were considered to be moderately deteriorated while no homes were in a seriously deteriorated condition.

The mean (average) condition of Reinbeck’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 Reinbeck is 1.1, meaning that the average condition of homes in Reinbeck are between good and fair condition. The survey was conducted in January and February of 2019.

| Figure G.13: Windshield Survey Results, City of Reinbeck | | |
|--|-------------------|---------------------------------|
| Condition of Parcels Evaluated | Number Parcels | Percent of Parcels Evaluated |
| Good | 639 | 90% |
| Fair | 63 | 9% |
| Moderately Deteriorated | 10 | 1% |
| Seriously Deteriorated or Dilapidated | 0 | 0% |
| Total | 712 | 100% |

Current Trends

Recent Development

In recent years, the City of Reinbeck has experienced new development in the form of market rate housing, planned development, and mixed-use housing. Reinbeck has experienced the development of market rate housing in the form of single-family homes and duplexes along with the Southridge subdivision. Additionally, the City has participated in residential rehabilitation programs of low- to moderate-income homeowners. Reinbeck has not, however, experienced any new or expansion of commercial and industrial units.

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 affordable single-family homes for homeowners, single-family homes for renters, and low income/subsidized housing. There is a sufficient amount of multi-family units, senior housing, and upper-story housing. While there’s a sufficient amount of upper-story housing, the City indicated that upper-story units are in need of rehabilitation as they are in older buildings in the downtown area. There were no types of housing that were considered to have an excess amount of in Reinbeck.

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 Reinbeck has a variety of both strengths and weaknesses. Reinbeck’s strengths and weaknesses are shown in the lists below.

Strengths: Affordable homes sell quickly, majority of housing stock in good condition, low income apartments available, variety of rental options (single-family homes, apartments), older population is moving into the duplexes in the Southridge subdivision which frees up their affordable homes for young persons and families looking for starter homes.

Weaknesses: Lack of affordable single-family homes (Southridge homes are only affordable to upper-income families).

Future Development

Floodplain Considerations

Reinbeck'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 G.14 shows the estimated value of land, buildings, and dwellings, within the city, in a floodplain.

| Figure G.14: Floodplain Data for Reinbeck | | | | | | |
|--|----------------------|------------|-------------------|-------------------|-------------|-----------------------------|
| | Number of Parcels | Land Value | Building Value | Dwelling Value | Total Value | Percent of City Affected |
| 1.0% Annual Floodplain | 19 | \$712,979 | \$83,510 | \$0 | \$796,489 | 0.85% |
| 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, less than 1% of the city is within a floodplain. The majority of the area in the floodplain is undeveloped; however, there are a few commercial or industrial buildings located in the 1.0% Annual Floodplain (100-year flood). 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), 9 new homes were built in Reinbeck. This equates to a rate of 18 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). There is one area available for infill development – the Southridge subdivision.

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. There are two areas available for new development.

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, there are two areas in town that could be used for new development. One area, on the southern edge of town, is an addition to the original Southridge subdivision. For the other area for new development, the City may need to purchase the land from private owners.

Yellow: Infill Development. This area is the existing Southridge subdivision where lots are still available to build on.

Development Areas in Reinbeck



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 G.15:

- **Total Population:** See city population projections in Figure G.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 Reinbeck is expected to increase while the average household size is expected to remain the same. Based on projection, it is estimated that the city will be home to 760 households by 2020, 785 by 2030 and 806 by 2040. After accounting for the assumed vacancy rate, Reinbeck will need an estimated 862 housing units.

| Figure G.15: Projected Housing Unit Demand, Reinbeck | | | | |
|--|-------|-------------|-------------|-------------|
| Year | 2010 | 2020 | 2030 | 2040 |
| Total Population | 1,664 | 1,698-1,706 | 1,732-1,748 | 1,766-1,790 |
| Population in Group Quarters | 38 | 38 | 37 | 37 |
| Population in Housing | 1,626 | 1,664 | 1,703 | 1,741 |
| Household Size | 2.20 | 2.19 | 2.17 | 2.16 |
| Total Projected Households | 739 | 760 | 785 | 806 |
| Assumed Vacancy Rate (7%) | 52 | 53 | 55 | 56 |
| Total Housing Units | 791 | 813 | 840 | 862 |

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 G.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, Reinbeck is constructing new units at a rate fast enough to replace the number of units lost. However, Reinbeck is expected to fall short at providing enough housing units to meet the projected housing demand shown in Figure G.15. By 2030, Reinbeck is expected to have 809 housing units, which is short of the 2030 projected housing demand of 840 housing units.

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

| Figure G.16: Projected Housing Unit Losses and New Construction | | | |
|---|------|------|------|
| Year | 2020 | 2030 | 2040 |
| 2010 Housing Unit Count | 802 | | |
| Unit Loss (Housing Attrition) | -4 | -16 | -28 |
| Unit Added (New Construction) | 5 | 23 | 41 |
| Projected # of Units | 803 | 809 | 815 |

City Housing Priorities

Key Issues

Like many lowan communities, Reinbeck 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 35.5% of Reinbeck'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:** Reinbeck'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.
- **Shortage of affordable housing:** Reinbeck has a shortage of affordable housing for middle class individuals and families. This prevents this population from purchasing a home in the community.

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: Construction of new housing for sale.

Medium: Repairs to renter and owner-occupied homes, improvements for handicapped accessibility, exterior property maintenance and code enforcement, construction of new housing for rent, housing development on a greenfield site, housing suitable for the elderly, housing suitable for special needs (veterans, mental illness, disabilities, domestic violence shelters, substance abuse), emergency shelters for the homeless, lead paint testing and abatement, assistance purchasing a home, rental assistance.

Low: Repairs to existing apartments and the dilapidated housing stock, housing for the homeless (transitional housing, permanent housing, supportive services), landlord/tenant counseling.

No Need: Housing development on a grayfield/brownfield site, preservation of historic homes.

Housing Goals and Implementation Strategies

1. **Accommodate senior housing needs.** The City will accommodate senior housing needs by building more senior duplexes in the Southridge subdivision(s). This will provide smaller, handicapped accessible housing to seniors looking to downsize from their larger single-family homes. This will in turn free up those larger single-family homes for young families to move into.

2. **Support the rehabilitation of existing homes.** The City will continue to use LMI tax increment financing (TIF) to repair low- and moderate-income homes. This will improve the overall condition of homes in the community and provides a better quality of life for low- and moderate-income homeowners.
3. **Provide educational resources to residents.** The City will provide resources that will educate residents on housing availability by including landlord information and available rental units on their city webpage. Other educational resources that would be beneficial to renters is information on the landlord/tenant relationship and rental regulations.
4. **Develop programs and incentives for property owners.** The City will develop programs and/or incentives to encourage property owners to maintain and improve the appearance of their property. Sidewalk improvements is a priority of homeowner property maintenance.
5. **Build partnerships with and entice developers.** The City will work on building partnerships with local developers interested in building in the community and will heighten their interest by marketing the community's expected growth and need for additional housing to supply said growth. By building partnerships and enticing developers, the City will be better able to expand their community and its housing stock.
6. **Construct speculative homes on infill lots.** Once partnerships with developers are established, priority will be given to infill development. There is one lot in town that is vacant that is a great candidate for infill development.
7. **Explore annexation options.** The City will explore potential areas for annexation to meet future development needs. Once potential areas are identified, the City will reach out to landowners and work with them on an agreement that is commensurate for both parties.
8. **Development of new multi-family rental units.** The City will work with developers to construct additional multi-family units in the form of duplexes, condos, townhomes or apartments. These types of housing will be of particular interest to young individuals and families not ready to purchase a home or to the older population who is looking to downsize with less maintenance.
9. **Encourage downtown building owners to offer upper-story housing.** The City will encourage the owners of two-story downtown commercial buildings to offer housing in the upper-story of the building. The City will emphasize on the importance and benefit that upper-story availability brings to the community and the extra income that property owners would receive through the investment. Additionally, the City will encourage downtown property owners to participate in any Community Development Block Grant (CDBG) upper-story housing programs that may be available in the future.

