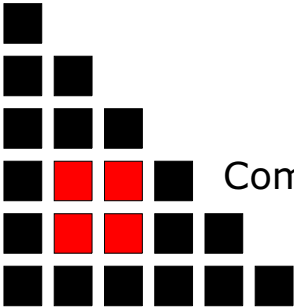


City of Baltic HOUSING STUDY

April 2021

An analysis of the overall housing needs
of the City of Baltic, SD



Community Partners Research, Inc.
Faribault, MN

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Introduction

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

Community Partners Research, Inc., was hired by the City of Baltic to conduct a study of the housing needs and conditions in Baltic.

Goals

The multiple goals of the study include:

- ▶ Provide current demographic data
- ▶ Provide an analysis of the current housing stock and inventory
- ▶ Determine gaps or unmet housing needs
- ▶ Examine future housing trends that the area can expect to address in the coming years
- ▶ Provide a market analysis for housing development
- ▶ Provide housing recommendations and findings

Methodology

A variety of resources were utilized to obtain information for the Housing Study. Community Partners Research, Inc., collected and analyzed data from December 2020 to March 2021. Data sources included:

- U.S. Census Bureau
- American Community Survey
- Applied Geographical Solutions, Inc., a data reporting service
- Esri, Inc., a data reporting service
- Records and data from the City
- Records and data maintained by Minnehaha County
- Interviews with City officials, community leaders, housing stakeholders, etc.

- Area housing agencies
- State and Federal housing agencies
- Rental property owner surveys
- Housing condition survey

Limitations

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

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

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Demographic Data Overview

Sources of Data

The following pages contain demographic data obtained from a variety of local, state and national sources. The 2010 Census provides much of the base data for population and household trends.

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

The frequency of American Community Survey estimates vary depending on the size of the jurisdiction. For most jurisdictions in South Dakota, the 2019 estimates were derived from sampling that was done over a five-year period, between 2015 and 2019.

In addition to the detailed tables in the American Community Survey, the Census Bureau also issues a separate population estimate for cities, towns and counties. However, this is limited to total population, with no additional demographic details. These population estimates are for 2019.

The Governor's Office of Economic Development provides demographic profile information for cities, towns and counties supplied by Applied Geographic Solutions (AGS), a private company.

Prior to using AGS, the State had used a similar provider, Esri, Inc., for demographic data. The analysts have examined both of these sources in some of the tables that follow for current-year estimates and future projections.

Baltic is in Minnehaha County, the largest County in the Sioux Falls Metropolitan Statistical Area (MSA). Comparative information has sometimes been provided for Minnehaha County or for the entire MSA. However, it is important to recognize that Baltic represents only 0.6% of the total population for Minnehaha County, and approximately 0.4% of the total population for the Sioux Falls MSA.

Population Data and Trends

Table 1 Population Trends - 1990 to 2020						
	1990 Census	2000 Census	% Change 1990-2000	2010 Census	% Change 2000-2010	2020 AGS Estimate
Baltic	666	811	21.8%	1,089	34.3%	1,206
Minnehaha Co.	123,809	148,281	19.8%	169,468	14.3%	196,994

Source: U.S. Census; AGS

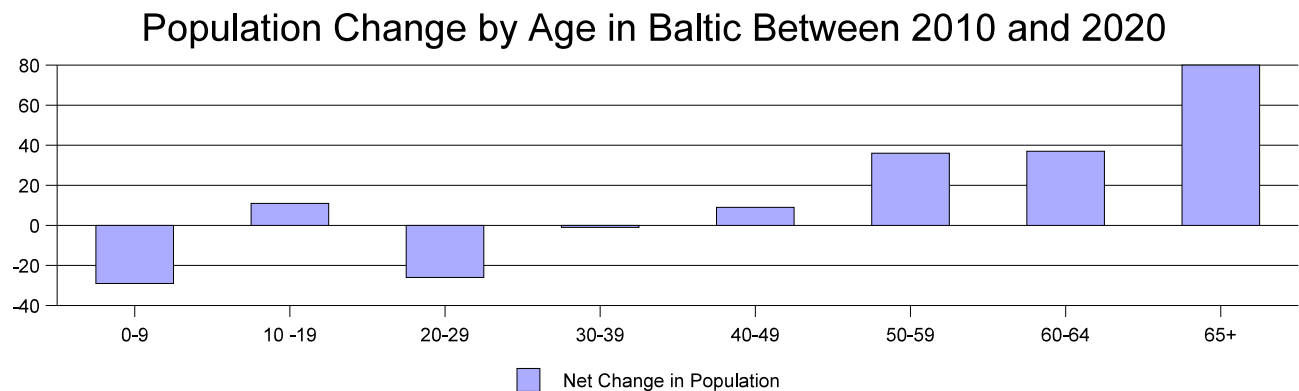
- ▶ There are three recent population estimates available for the City of Baltic. Two of these estimates show the population level in 2020, and one is for 2019. All three of these estimates show a significant recent increase in the number of people living in the City.
- ▶ Applied Geographic Solutions (AGS), a private reporting service, showed the City with 1,206 residents in 2020, an increase of 117 people, or 10.7% from the 2010 Census.
- ▶ Esri, another private data services provider, had a higher estimate. According to Esri, the City had 1,290 residents in 2020, up by 201 people, or 18.5% from the 2010 Census.
- ▶ The Census Bureau also issues an annual population estimate for jurisdictions, although the most recent estimate was for July 1, 2019. According to this source there were 1,178 people living in Baltic, up by 89 people from 2010 to 2019.
- ▶ While some differences exist, all show growth in the City’s population after 2010, continuing a long-term pattern.
- ▶ Minnehaha County has grown very rapidly in recent decades. The population estimate from AGS showed the County adding more than 27,500 people between 2010 and 2020, for an increase of more than 16%. Esri has an even higher estimate, and showed the County adding more than 30,600 people, for an increase of 18%.
- ▶ Baltic does not have any group quarters housing, such as a nursing home.
- ▶ According to AGS, a very large percentage of the City’s residents are White and not of Hispanic/Latino origin.

Population by Age Trends: 2010 to 2020

The 2020 population estimate from Applied Geographic Solutions included information on the age distribution of residents. This information can be compared to the age patterns present at the time of the 2010 Census.

Table 2 Population by Age - 2010 to 2020			
Age	Baltic		
	2010	2020	Change
0-9	220	191	-29
10-19	168	179	11
20-29	139	113	-26
30-39	193	192	-1
40-49	143	152	9
50-59	121	157	36
60-64	38	75	37
65+	67	147	80
Total	1,089	1,206	117

Source: U.S. Census; AGS



The age-based population estimates from Applied Geographic Solutions show some significant changes in the age distribution patterns for the City over the past decade. While limited change often occurred in any defined age group, the City added many older adult residents, presumably as longtime residents aged in place.

Overall, AGS showed an increase of 117 people living in the City. However, in the combined age groups 50 years old and older, the City added more than 150 people. This was partially offset by a net reduction of 36 people age 49 and younger.

The aging of the City's population resulted in fewer children and young adults between 2010 and 2020, in the age ranges below 30 years old.

In the older adult ranges, the largest growth was due to an increase of senior citizens, as the City added 80 people age 65 and older, according to Applied Geographic Solutions.

It is important to note making estimates in a small community can be difficult, and a margin of error would apply. The 2020 Census count, which will be released later in 2021 will establish a new demographic benchmark for cities and towns.

Population Projections

Population projections to the year 2025 for the City of Baltic and Minnehaha County exist from both Applied Geographic Solutions and Esri. These projections have been compared to the respective 2020 estimates.

Table 3 Population Projections Through 2025						
	Applied Geographic Solutions			Esri		
	2020 Estimate	2025 Projection	Change	2020 Estimate	2025 Projection	Change
Baltic	1,206	1,259	53	1,290	1,405	115
Minnehaha Co.	196,994	211,562	14,568	200,078	215,262	15,184

Source: Applied Geographic Solutions; Esri

- ▶ AGS is projecting an increase of 53 residents in Baltic over the next five years, or approximately 10 to 11 people added in an average year. This projection would be very consistent with the recent past, as AGS believes that the City’s population increased by 11 to 12 people per year between 2010 and 2020.
- ▶ Esri is projecting greater population growth for Baltic, with an expected gain of 115 people over the 5-year period. On an average basis, this would be an annual increase of 23 residents in an average year. This projection is also similar to their past estimates, which show the City adding an average of approximately 20 people per year since 2010.
- ▶ Significant population growth would be expected for all of Minnehaha County. The projection from Applied Geographic Solutions anticipates that the County will add more than 2,900 residents per year between 2020 and 2025. Esri has an even higher projection, showing the County adding an average of more than 3,000 people per year over the 5-year projection period.

Household Data and Trends

Table 4 Household Trends - 1990 to 2020						
	1990 Census	2000 Census	% Change 1990-2000	2010 Census	% Change 2000-2010	2020 AGS Estimate
Baltic	231	303	31.2%	389	28.4%	457
Minnehaha Co.	46,805	57,996	23.9%	67,028	15.6%	81,654

Source: U.S. Census; AGS

- ▶ The AGS estimate for Baltic in 2020 was 457 households, up by 68 households when compared to the 2010 Census. Over the 10-year period this represents an annual average increase of nearly 7 households per year.
- ▶ The Esri estimate showed 467 households in Baltic in 2020, up by 78 households from the 2010 Census total, or approximately 8 additional households in an average year.
- ▶ Although there is a small difference between the two recent estimates, both show continued growth in the number of households, a pattern that has been present since at least 1990. In the 1990s, the City added 72 households, and then added 86 households between 2000 and 2010. Over the 30-year time period the City has averaged a gain of between 8 and 9 households per year.
- ▶ For all of Minnehaha County, Applied Geographic Solutions showed very strong household growth, with the County adding more than 14,600 households between 2010 and 2020.
- ▶ The 2020 estimate from Esri is smaller for all of Minnehaha County. According to this source, there were 80,041 households in the County, up by more than 13,000 households from the 2010 Census count.

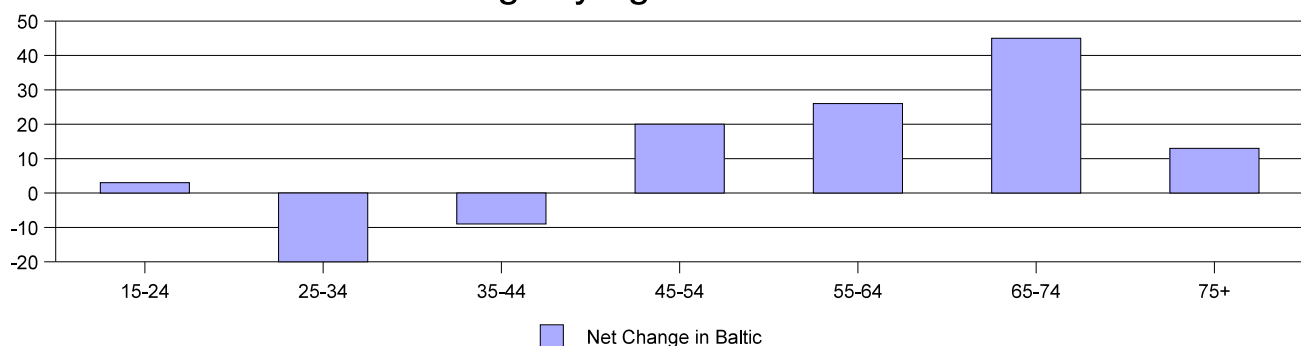
Household by Age Trends: 2010 to 2020

The demographic data profile that is available from AGS does not provide information on households by age. The following table compares households by age from the 2010 Census and 2020 estimates from Esri. This information is for the City of Baltic. Esri’s estimate of the total household count in 2020 is slightly higher than the estimate from AGS.

Table 5 Baltic Households by Age - 2010 to 2020			
Age	2010	2020	Change
15-24	17	20	3
25-34	98	78	-20
35-44	98	89	-9
45-54	69	89	20
55-64	60	86	26
65-74	23	68	45
75+	24	37	13
Total	389	467	78

Source: U.S. Census; Esri

Household Change by Age Between 2010 and 2020



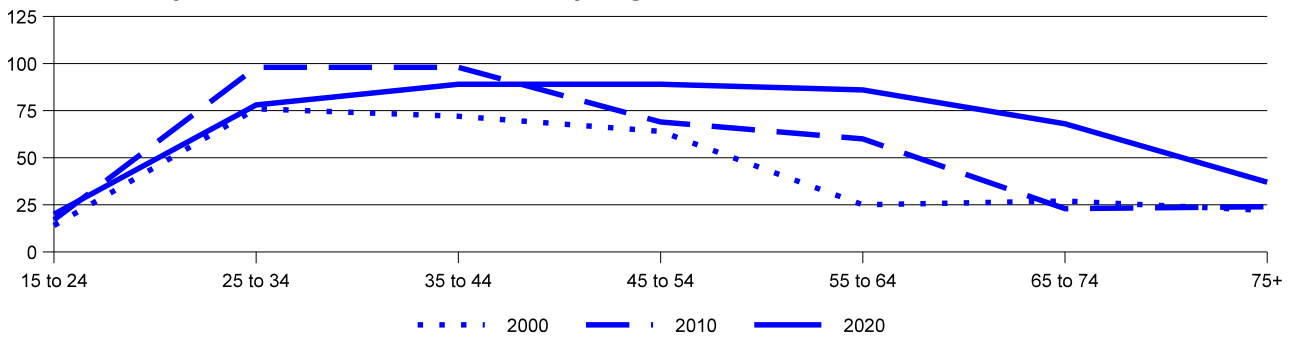
The age-based household estimates provided by Esri show some change in many of the defined ranges from 2010 through 2020 in the City of Baltic. However, in general the City has been aging, with especially strong growth among households age 55 and older.

If grouped into larger aggregated age ranges, there was very limited change in the number of younger adult households. For all households age 54 and younger, the Esri estimates show a net reduction of only six households over the decade.

The growth in the City was largely due to an increasing number of households age 55 and older, probably the result of the aging of longer-term resident households. Overall, there was an increase of 84 households age 55 and older between 2010 and 2020. There was especially strong growth from senior-headed households, between the ages of 65 and 74 years old.

It is possible to track the age progression patterns of households back to the year 2000 to view the changes over time.

City of Baltic Households by Age of Householder: 2000 to 2020



There has been a fairly unique demographic pattern evident in Baltic, with a large number of younger adult households in the community, and a relatively small number of senior citizen households. However, with each passing decade the existing households have aged in place, leading to a growing number of households age 55 and older.

Average Household Size

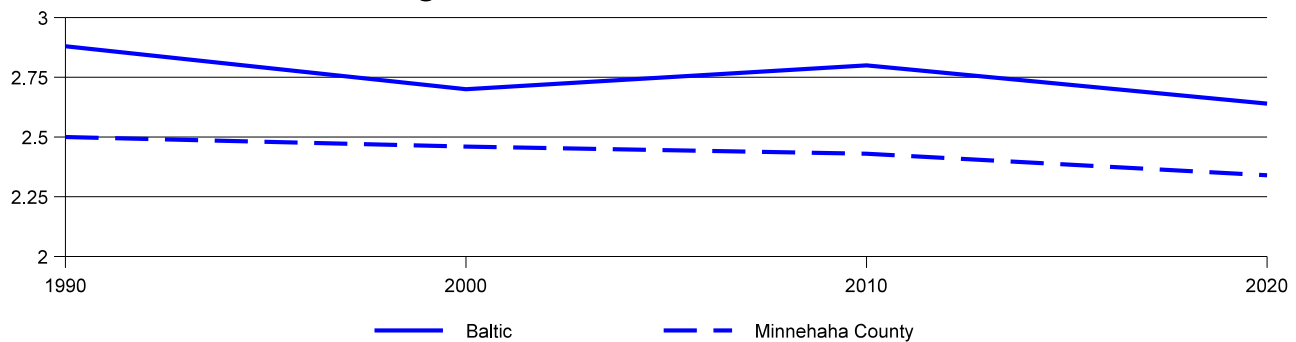
The following table provides decennial Census information on average household size, along with the 2020 estimate from AGS.

Table 6 Average Number of Persons Per Household: 1990 to 2020				
	1990 Census	2000 Census	2010 Census	2020 AGS
Baltic	2.88	2.70	2.80	2.64
Minnehaha Co.	2.50	2.46	2.43	2.34

Source: U.S. Census; AGS

In most jurisdictions there has been a steady decrease in average household size over the past several decades. This has often been caused by household composition changes, such as more single person and single parent families, fewer children per family, and more senior households due to longer life spans. While this pattern of smaller households has been evident in Minnehaha County over the past 30 years, the City of Baltic has maintained a relatively large average household size, even with some fluctuation over the decades.

Average Household Size: 1990 to 2020



The AGS estimate of 2.64 persons per household in Baltic in 2020 is down from 2.80 persons in 2010, but is only slightly below the average in 2000. The City’s relatively large average household size would generally reflect a large number of households with children. An alternate estimate from Esri shows the average household size in 2020 at 2.76 persons, down very little from the level recorded in the 2010 Census.

For Minnehaha County, the AGS estimate of 2.34 persons per household in 2020 is down from the 2.43 persons recorded by the 2010 Census, and continues a gradual decrease in the average number of people per household dating back to at least 1990. Esri showed a larger household size in 2020 with 2.42 persons per household in Minnehaha County.

Household Projections

Household projections for the five-year time period spanning the years 2020 through 2025 are available from AGS and Esri. Household growth directly impacts the demand for housing.

Table 7 Household Projections Through 2025						
	AGS			Esri		
	2020 Estimate	2025 Projection	Change	2020 Estimate	2025 Projection	Change
Baltic	457	462	5	467	509	42
Minnehaha Co.	81,654	85,012	3,358	80,041	86,458	6,417

Source: AGS, Esri

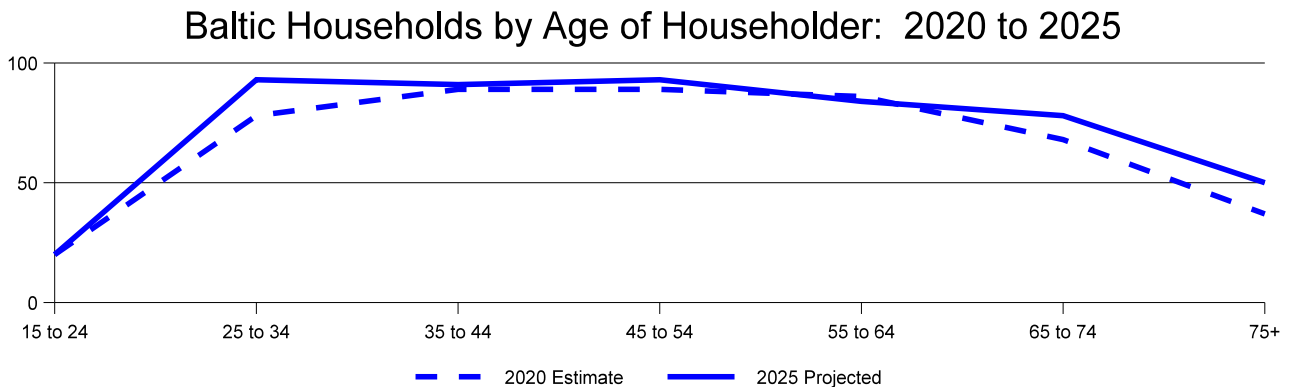
- ▶ AGS is projecting that Baltic will add only five households from 2020 to 2025, or an annual average of one household per year over the 5-year period. In the opinion of the analysts, this projection is overly conservative and does not accurately reflect the City’s growth potential.
- ▶ Esri’s projection for the City of Baltic expects a gain of 42 households, or 8 to 9 households per year over the 5-year projection period. This would be much more consistent with past growth, as Esri believes that the City has been adding approximately 8 households per year since 2010. The projections from Esri are viewed as a more accurate prediction of future changes.
- ▶ The AGS projection for Minnehaha County expects significant growth, adding more than 3,350 households between 2020 and 2025. Esri is showing even greater growth potential for Minnehaha County, with a projected increase of more than 6,400 households over the 5-year period.
- ▶ For the entire Sioux Falls MSA, which includes Minnehaha, Lincoln, McCook and Turner Counties, AGS is forecasting growth of nearly 5,200 total households between 2020 and 2025, or approximately 1,040 households added in an average year. While this is probably an overly conservative projection, it does highlight the tremendous growth potential of the region.
- ▶ Although these recommendations expect growth in Baltic, in the opinion of Community Partners Research, Inc., the City has even greater growth potential. In the recommendations that follow a significantly higher level of new housing unit construction has been identified.

Baltic Household by Age Projections: 2020 to 2025

Esri has also generated age-based projections for households to the year 2025. These projections can be compared to the data contained in the 2020 Esri estimate to examine the change projected over the next five years. Age-based household forecasts are provided for the City of Baltic.

Table 8 Projected Households by Age - 2020 to 2025			
Age Range	2020	2025	Change
15-24	20	20	0
25-34	78	93	15
35-44	89	91	2
45-54	89	93	4
55-64	86	84	-2
65-74	68	78	10
75+	37	50	13
Total	467	509	42

Source: Esri



Esri is projecting growth of 42 households in Baltic from 2020 to 2025, resulting in growth within most of the defined age ranges. Esri does expect some growth to return in the younger adult ranges, especially from households age 25 to 34 years old. Esri is also expecting growth from senior-headed households.

If the age ranges are aggregated into larger groupings, the Esri projections expect a net gain of nearly 20 households age 64 and younger, and a gain of more than 20 households age 65 and older between 2020 and 2025.

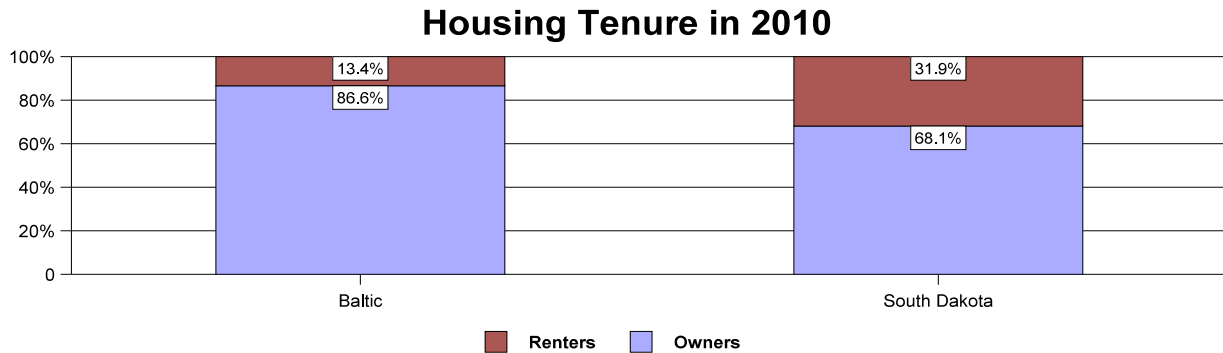
Housing Tenure

There are no reliable intercensal estimates for housing tenure for the City. The following table presents the owner and renter household distribution from the 2010 Census. The release of the 2020 Census data within the next year will re-benchmark housing tenure distribution.

Table 9 Household Tenure - 2010				
	Number of Owners	Percent of all Households	Number of Renters	Percent of all Households
Baltic	337	86.6%	52	13.4%

Source: U.S. Census

At the time of the 2010 Census, the rental rate in the City of Baltic was nearly 87%. The City primarily offers single family housing options for home ownership. The rental rate of only 13.4% in Baltic was well below the Statewide renter rate of nearly 32% in 2010.



2019 Median Income Data

The American Community Survey provides income estimates for cities, towns and counties. The following table provides 2019 American Community survey data for Baltic, Minnehaha County and the State of South Dakota for comparison.

Household income represents all independent households, including people living alone and unrelated individuals together in a housing unit. Families are two or more related individuals living in a household. Generally, family household incomes tend to be much higher than the overall household median, as families have at least two household members, and potentially more income-earners.

Table 10 Median Household Income - 2010 to 2019			
	2010 Median	2019 Median	% Change
Median Household Income			
Baltic	\$56,897	\$77,000	35.3%
Minnehaha County	\$51,799	\$61,772	19.3%
South Dakota	\$46,369	\$58,275	25.7%
Median Family Income			
Baltic	\$59,167	\$81,875	38.4%
Minnehaha County	\$64,645	\$80,213	24.1%
South Dakota	\$58,958	\$75,168	27.5%

Source: American Community Survey

Information contained in the American Community Survey shows very strong median income levels in the City of Baltic. Both the median household income and the median family income in Baltic were above the comparable Statewide medians, and had been increasing at faster rates. The medians for Baltic were also higher than for all of Minnehaha County. It is important to note that a margin of error does apply to American Community Survey estimates, but income levels in the community do appear to be relatively high.

Median income levels for all of Minnehaha County were also relatively high in 2019. The County’s estimated medians were also above the comparable Statewide medians.

Using the commonly accepted standard that up to 30% of gross income can be applied to housing expenses without experiencing a cost burden, a median income household in Baltic could afford approximately \$1,925 per month and a median income family household could afford nearly \$2,050 for ownership or rental housing in 2019.

However, there is a difference between the medians for home owner and renter households. In the City of Baltic, the estimated median income for all home owners in 2019 was \$81,429 compared to a median of only \$24,423 for renters. At 30% of income, a household at the renter median could apply approximately \$611 per month without incurring a housing cost burden.

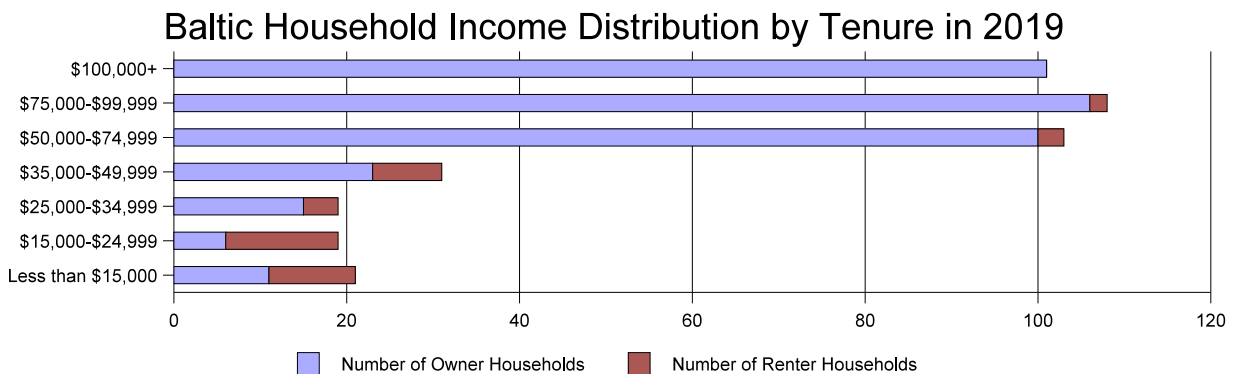
Baltic Income Distribution

The 2019 American Community Survey provides income data within specific income ranges. Based on other data, it appears that the American Community Survey has significantly under estimated the total number of households in the City, but the percentage distribution is assumed to be accurate.

Table 11 City of Baltic Income Distribution by Tenure - 2019			
Household Income	Owner Households	Renter Households	All Households
\$0 - \$14,999	11 / 52.4%	10 / 47.6%	21
\$15,000 - \$24,999	6 / 31.6%	13 / 68.4%	19
\$25,000 - \$34,999	15 / 78.9%	4 / 31.1%	19
\$35,000 - \$49,999	23 / 74.2%	8 / 25.8%	31
\$50,000 - \$74,999	100 / 97.1%	3 / 2.9%	103
\$75,000 - \$99,999	106 / 98.1%	2 / 1.9%	108
\$100,000+	101 / 100%	0 / 0%	101
Total	362	40	402

Source: ACS

In 2019, income levels were widely distributed, but in all of the defined ranges above \$25,000, a majority of households were home owners. However, in the income ranges below \$25,000, most households were renting their housing. For all households with an income below \$25,000 the rental tenure rate was approaching 58%. For all households with an income of \$50,000 or more, the rate of home ownership was above 95%.



2019 Estimated Income and Housing Costs - Renters

The American Community Survey collected information on housing costs. The following table provides data on the number of renter households that are paying different percentages of their income for housing in Baltic. The American Community Survey appears to have underestimated the number of renter households in Baltic, when compared to other data sources, but the percentage for housing costs are viewed as the best available data on this topic.

Table 12 Gross Rent as a Percentage of Income - City of Baltic		
Percent of Income for Housing	Number of Households	Percent
Less than 20%	14	35.0%
20% to 29.9%	3	7.5%
30% to 34.9%	3	7.5%
35% or more	15	37.5%
Not Computed	5	12.5%
Total	40	100%

Source: American Community Survey

Federal standards for rent subsidy programs generally identify 30% of household income as the maximum household contribution. When more than 30% of income is required, this is often called a “rent burden”. When more than 35% is required, this can be considered a “severe rent burden”.

For renter households in Baltic, a relatively high percentage reported a cost burden in 2019. Overall, 45% of all renters reported paying 30% or more of their income for gross rent. Most of these households were actually applying 35% or more of income and were in the severe cost burden category.

The large majority of renter households with a cost burden had an annual income below \$35,000 in 2019.

2019 Estimated Income and Housing Costs - Owners

The American Community Survey provided housing cost estimates for owner-occupants. The following table examines estimates for the number of households in Baltic that are paying different percentages of their gross household income for housing costs. The American Community Survey appears to have underestimated the number of home owners in Baltic, when compared to other estimating sources, but the percentage for housing costs are viewed as the best available data on this topic

Table 13 Baltic Owner Costs as a Percentage of Income: 2019		
Percentage of Income for Housing Costs	Number of Owner Households	Percent of All Owner Households
0% to 19.9%	216	59.7%
20% to 29.9%	91	25.1%
30% or more	55	15.2%
Not Computed	0	0%
Total	362	100%

Source: American Community Survey

Mortgage lending practices generally attempt to keep monthly payments below 30% of household income. A very large majority of owner-occupants in Baltic, which would include households with and without a mortgage, reported paying less than 30% of their income for housing. Only 15.2% of all home owners reported that they paid more than 30% of their income for housing.

Ownership cost burden often tends to be lower due to higher income levels for most home owners. In 2019, the estimated median income for owner-occupants in Baltic was above \$81,000, allowing a significant monthly housing cost contribution before experiencing a cost burden.

Building Permit Trends

Baltic has experienced a significant amount of new housing construction activity in recent years. The following table identifies the units that have been issued a building permit since the year 2010, based on building permit reporting to the U.S. Census Bureau.

Table 14 Baltic Housing Unit Construction Activity: 2010 to 2020			
Year	Single Family Detached	Multifamily	Total Units
2020	16	0	16
2019	8	0	8
2018	3	0	3
2017	13	0	13
2016	10	4	14
2015	11	0	11
2014	4	0	4
2013	2	0	2
2012	2	0	2
2011	2	0	2
2010	4	4	8
TOTAL	75	8	83

Source: City of Baltic; Census Bureau

Over the past 11 years, from 2010 through 2020, there were 83 total housing units constructed in Baltic, based on City reports and Census Bureau data. Of this total, 75 units were in single family detached houses, and 8 units were in two rental 4-plexes.

From 2010 through 2014, the City was averaging 4 to 5 units annually. From 2015 through 2020, this annual average increased to 10 to 11 new units per year.

American Community Survey Housing Data

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

Median Year of Construction - Owner-occupancy Housing

For owner-occupancy units in Baltic, the estimated median year of construction is 1994. Approximately 20% of all owner-occupancy houses in the City were constructed prior to 1970.

Median Year of Construction - Renter-occupancy Housing

For renter-occupancy units in Baltic, the estimated median year of construction is 1993. Fewer than 23% of all renter-occupancy units in the City were constructed prior to 1970.

Mobile Homes

According to the American Community Survey estimates there were 13 mobile homes in the City of Baltic in 2019. All of these were identified as owner-occupancy housing.

However, a visual housing conditions survey in January 2021 found 25 mobile homes in two mobile home parks in Baltic, so the American Community Survey appears to have underestimated the inventory.

Existing Home Sales

This section examines houses that have been sold in Baltic from 2016 through 2019. It is important to note that the number of houses that sell each year can vary and may not be an accurate indicator of overall home values in the City. However, this sample does provide some insight into those units that have turned-over during this time period.

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

The County also sorts the residential sales into different groupings, rejecting certain sales. The primary reason that sales are rejected is because the house was not actively listed for sale in the open market. Only the “good” sales have been used in the analysis that follows.

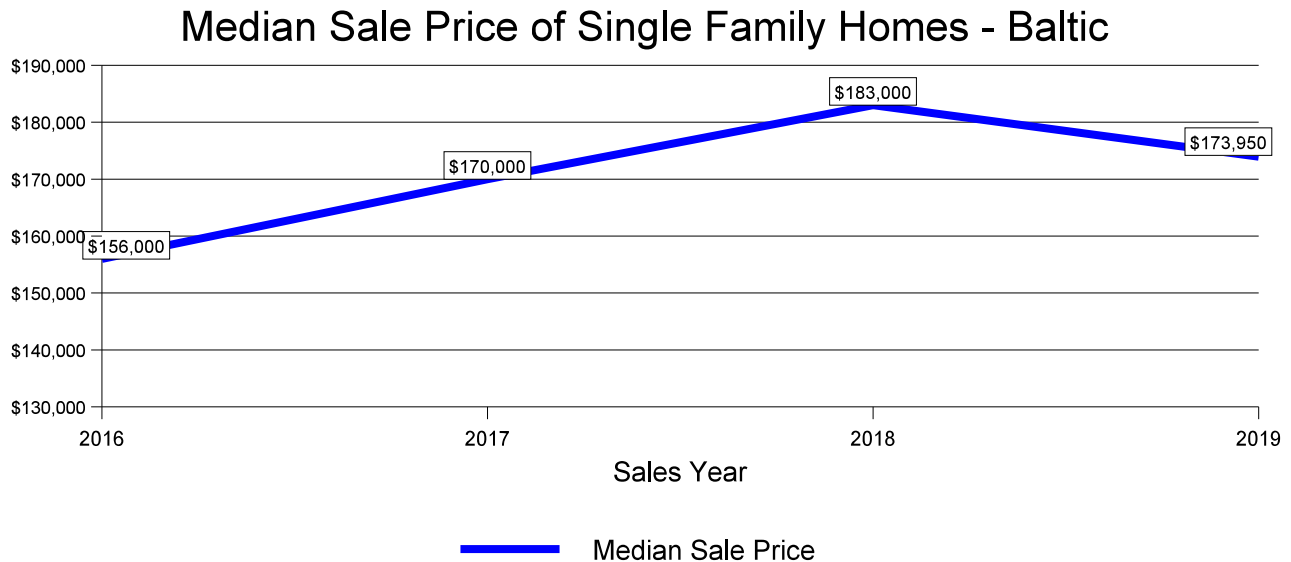
The County’s sale year differs slightly from a calendar year, and begins on November 1st and extends to October 31st. No information was yet available for the 2020 sales year.

Table 15 Median Value of Recent Residential Sales - 2016 to 2019				
Year	Number of Sales	Median Sale Price	Highest Sale	Lowest Sale
2019	20	\$173,950*	\$229,000	\$18,000
2018	32	\$183,000	\$393,000	\$55,000
2017	27	\$170,000	\$297,500	\$42,000
2016	32	\$156,000*	\$286,120	\$84,000

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

* Median calculated from two nearest sales

With a limited number of sales within any 12-month time period, there has been some variation in the annual median price in Baltic since 2016. In 2019, when 20 open market sales were recorded, the median sale price was \$173,950. However, the median had been even higher in 2018, at \$183,000, based on 32 home sales.



In each of the years reviewed at least one home has been sold for \$229,000 or more. In three of the four years at least one sale occurred annually for \$55,000 or less.

An alternate estimate of home values exists in the American Community Survey. In 2019, the estimated median value for all owner-occupied housing in Baltic was \$165,700. This estimate was lower than the median sale price recorded in 2019 of \$173,950.

Baltic Housing Condition

Community Partners Research, Inc. representatives conducted a visual ‘windshield’ survey of single family/duplex houses in one defined neighborhood in the older part of the City of Baltic. Houses that appeared to contain three or more residential units were excluded from the survey.

The neighborhood contains most of the City’s older housing stock. The neighborhood boundaries are as follows:

Neighborhood: North - Lovely Avenue
 South - Morefield Avenue
 East - 3rd Street/4th Street
 West - 1st Street

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

Dilapidated was the lowest rating used. These houses need major renovation to become decent, safe and sanitary housing. Some Dilapidated properties may be abandoned and may be candidates for demolition and clearance.

Major Rehabilitation is defined as a house needing multiple major improvements such as roof, windows, sidings, structural/foundation, etc. Houses in this condition category may or may not be economically feasible to rehabilitate.

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

Sound houses are judged to be in good, ‘move-in’ condition. Sound houses may contain minor code violations and still be considered Sound.

Table 16 Windshield Survey Condition Estimate - 2021					
	Sound	Minor Repair	Major Repair	Dilapidated	Total
Neighborhood	26 / 40.6%	26 / 40.6%	10 / 15.6%	2 / 3.1%	64

Source: Community Partners Research, Inc.

- ▶ In the City’s oldest neighborhood, more than 81% of the houses were rated in the two highest condition categories, with nearly 41% rated as Sound and nearly 41% needing Minor Repair.
- ▶ There were 10 houses rated in the Major Repair category, and 2 houses that were viewed as Dilapidated, and probably beyond repair.

Mobile Home Condition

Community Partners Research, Inc. representatives also viewed and rated 25 mobile homes in two mobile home parks in Baltic. The same rating classifications were used as defined on the previous page.

Table 17 Mobile Home Survey Condition Estimate - 2021					
	Sound	Minor Repair	Major Repair	Dilapidated	Total
Mobile homes	6 / 24.0%	9 / 36.0%	8 / 32.0%	2 / 8.0%	25

Source: Community Partners Research, Inc.

- ▶ Most of the mobile homes in Baltic are generally in good condition. Overall, 60% of the mobile homes were rated in one of the two highest condition categories, with 24% rated as Sound and 36% in the Minor Repair category.
- ▶ There were 8 mobile homes rated as needing Major Repair. Two mobile homes in Baltic are Dilapidated and probably beyond repair.

Rental Housing Data

Census Bureau Rental Inventory

According to the 2010 Census, there were 52 occupied rental units in Baltic and at least 15 unoccupied units, for a total rental inventory of 67 units. Based on occupied housing, the City's rental tenure rate was 13.4%, well below the Statewide rental rate of 31.9% in 2010.

Since the 2010 Census, eight rental units have been constructed in Baltic. Also, some owner-occupied single family homes may have been converted to rental housing or vice versa. We are estimating that in 2021, there are approximately 65 to 70 rental units in Baltic.

Pending Rental Projects

We are not aware of any new projects in the planning phase in 2021 in Baltic. However, several area developers have indicated their interest in constructing rental units in Baltic.

Rental Housing Survey

As part of this housing study, a telephone survey was conducted of multifamily projects in the City of Baltic. The survey was conducted in January 2021.

Emphasis was placed on contacting properties that have four or more units. For the purpose of planning additional projects in the future, multifamily properties represent the best comparison of market potential.

Information was tallied separately for different types of rental housing, including conventional market rate units and subsidized housing. The four rental projects with four or more units in Baltic were all surveyed.

There were 36 rental units contacted in the survey. The units that were successfully contacted include:

- ▶ 28 conventional, market rate units
- ▶ 8 subsidized units for general occupancy

The findings of the survey by unit type are provided below.

Market Rate Summary

Information was obtained from three market rate rental projects. Combined, these projects have 28 conventional rental units. The projects include 16 units in two 8-plexes and three 4-plexes.

Unit Mix

We obtained unit size information on the 28 units from property owners/managers. The bedroom mix breakdown of the 28 units is as follows:

- ▶ One-bedroom - 2 units (7.1%)
- ▶ Two-bedroom - 26 units (92.9%)

No units with three or more bedrooms were surveyed. However, some single family houses in the community that provide rental housing, may have three or more bedrooms, which would accommodate large families.

Occupancy / Vacancy

Within the market rate multifamily segment there were no vacant units in the 28 market rate rental units that were surveyed. The property owners/managers reported excellent occupancy rates and a high demand for rental housing.

Rental Rates

Rental units may include the primary utility payments within the contract rent, or the tenant may be required to pay some utilities separately, in addition to the contract rent.

In the following summary, Community Partners Research, Inc., has estimated the gross rents being charged, inclusive of an estimate for tenant-paid utilities.

The lowest and highest gross rents have been identified, as reported in the telephone survey.

<u>Unit Type</u>	<u>Lowest/Highest Gross Rents</u>
One-bedroom	\$650
Two-bedroom	\$695-\$1,125

The one-bedroom rent is based on only one project.

Tax Credit/Moderate Rent Summary

There were no tax credit/moderate rent projects in Baltic in 2021.

Subsidized Summary

The research completed for this Study identified only one subsidized project in Baltic that provides rental opportunities for lower income households. Marvin Gardens is an eight-unit general occupancy subsidized USDA Rural Development project. The eight units are all two-bedroom.

The tenants in Marvin Gardens have access to project-based rent assistance. Tenants pay 30% of their household income for rent up to the unit's market rent, which is \$580. The manager reported no vacancies at the time of the survey.

Subsidized Housing Gains/Losses

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

The research for this Study identified one project in Baltic that has left its subsidy program in recent years. Balview Apartments with 16 units, has converted from subsidized to conventional market rate housing.

Tenant-Based Housing Choice Vouchers

There are also tenant-based rent assistance Housing Choice Vouchers available for Baltic tenants. The Voucher Program is administered by the Sioux Falls Housing and Redevelopment Commission. Housing Choice Voucher assistance is issued to income-eligible households for use in suitable, private market rental housing units. With the assistance, a household pays approximately 30% to 40% their income for their rent, with the program subsidy paying any additional rent amounts.

The waiting list for the Housing Choice Voucher is approximately 3 years.

Senior Housing with Services Summary

There are no senior with services rental projects in Baltic in 2021.

Table 18 Baltic Multifamily Rental Housing Inventory					
Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Euberg 4-plex	<u>4 - 2 Bedroom</u> 4 Total Units	\$900	No vacancies	General occupancy	The Euberg 4-plex is a market rate project that includes four two-bedroom/one-bath units. The 4-plex was constructed in 2017. The rent is \$900 and tenants also pay heat and electricity. The owner reported no vacancies at the time of the survey.
Vollan 4-plexes	<u>8 - 2 Bedroom</u> 8 Total Units	\$850	No vacancies	General occupancy	The Vollan rentals include two market rate 4-plexes and were constructed in 2009 and 2010. All eight units are two-bedroom/one bath. The rent is \$850 and tenants also pay heat and electricity. The owner reported no vacancies at the time of the survey.
Balview Apartments	<u>2 - 1 Bedroom</u> <u>14 - 2 Bedroom</u> 16 Total Units	\$515 \$545	No vacancies/ waiting list	General occupancy	Balview Apartments is a 16-unit market rate general occupancy project that was constructed in the late 1970s. The project was a USDA Rural Development Project but has converted to market rate. The project has two one-bedroom and 14 two-bedroom units. The rent is \$515 for a one-bedroom unit and \$545 for a two-bedroom unit. Tenants also pay heat and electricity. At the time of the survey, the owner reported no vacancies and a waiting list.
Subsidized					
Marvin Gardens	<u>8 - 2 Bedroom</u> 8 Total Units	\$580 max. 30% of income	No vacancies	General occupancy	Marvin Gardens is an eight-unit General Occupancy USDA Rural Development Project. All of the units are two-bedroom. Tenants with rent assistance pay 30% of their income up to the market rent. The maximum market rent is \$580. The manager reported no vacancies at the time of the survey.

Source: Community Partners Research, Inc.

Net Household Growth in the Sioux Falls MSA

Over the last few decades, the Sioux Falls MSA has grown at a rapid rate. Between the 2010 Census and the 2020 estimate from Applied Geographic Solutions, a substantial number of households were added in Sioux Falls and in many of the smaller cities in Minnehaha and Lincoln Counties. The following table examines growth in numeric and percentage terms. The listed cities have been ordered by the numeric household growth that occurred over the period.

Table 19 Household Growth by Jurisdiction: 2010 to 2020				
City	2010 Census	2020 AGS	Numeric Growth	Percentage Growth
Sioux Falls	61,707	77,737	16,030	26.0%
Harrisburg	1,423	2,356	933	65.6%
Brandon	3,118	3,809	691	22.2%
Tea	1,254	1,884	630	50.2%
Hartford	913	1,299	386	42.3%
Baltic	389	457	68	17.5%
Dell Rapids	1,388	1,443	55	4.0%
Crooks	431	478	47	10.9%
Colton	302	303	1	0.3%
Garretson	449	432	-17	-3.8%
MSA	83,677	108,907	25,293	30.2%

Source: US Census; Applied Geographic Solutions

Between in 2010 and 2020, the MSA added nearly 25,300 households, according to estimates supplied by Applied Geographic Solutions (AGS). More than 63% of this household growth occurred within the City of Sioux Falls.

The remainder of the regions household growth was shared between multiple jurisdictions within the 4-County MSA, but Harrisburg, Brandon, Tea and Hartford captured the largest numeric share of household growth outside of Sioux Falls. Together, these four jurisdictions along with Sioux Falls, accounted for nearly 74% of all household growth in the MSA.

The City of Baltic added 68 households over the decade, according to AGS, representing less than 0.3% of the MSA’s net household gain during this time.

MSA Housing Unit Construction Activity: 2010 to 2019

The U.S. Census Bureau collects building permit issuance information from individual cities, towns and townships. Annual housing construction summary information is available for the combined jurisdictions that form the Sioux Falls MSA. This represents a four-county area of Minnehaha, Lincoln, McCook and Turner Counties.

It is important to note that the Census Bureau's annual totals may differ from other information in this Housing Study, which may be collected directly from individual cities. However, the Census Bureau reports do provide some perspective on housing construction within the larger MSA. Census Bureau annual totals for the City of Baltic are also provided for comparison.

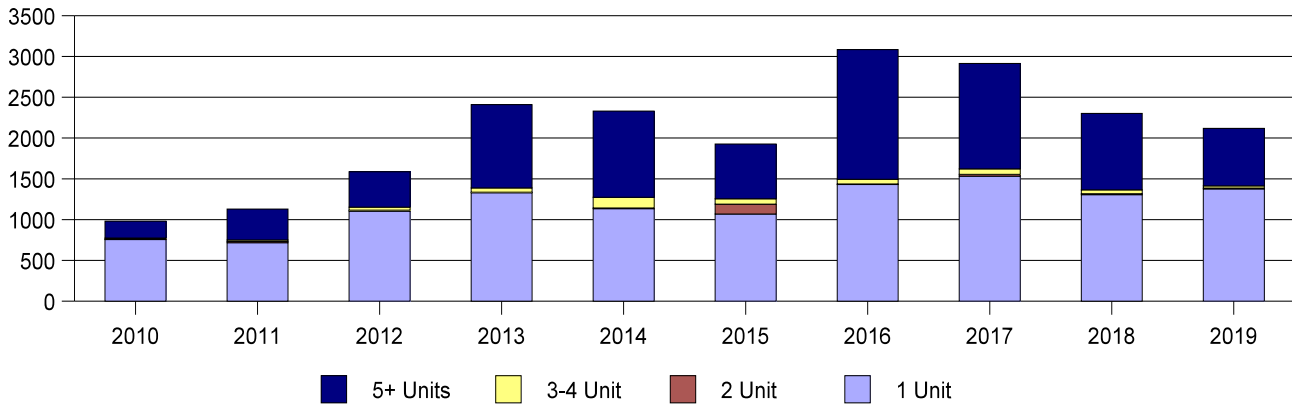
Housing construction activity in Baltic has represented a small share of all activity in the Sioux Falls MSA in recent years. From 2010 through 2019, unit construction in Baltic represented 0.3% of all MSA activity. For single family housing units, Baltic represented nearly 0.5% of all construction in the MSA.

Table 20 Baltic and MSA Housing Unit Construction Activity - 2010 to 2019

Year	City of Baltic					Sioux Falls MSA				
	Single Family	Two Family	3 to 4 Family	Multifamily	Total	Single Family	Two Family	3 to 4 Family	Multifamily	Total
2019	8	0	0	0	8	1,376	10	28	705	2,119
2018	3	0	0	0	3	1,306	12	46	938	2,302
2017	13	0	0	0	13	1,533	22	67	1,292	2,914
2016	10	0	4	0	14	1,431	6	58	1,589	3,084
2015	11	0	0	0	11	1,069	120	67	670	1,926
2014	3	0	0	0	3	1,134	8	131	1,057	2,330
2013	2	0	0	0	2	1,330	6	52	1,021	2,409
2012	2	0	0	0	2	1,104	12	36	435	1,587
2011	2	0	0	0	2	716	16	19	378	1,129
2010	4	0	4	0	8	755	8	111	207	1,081
Total	58	0	8	0	66	11,754	220	615	8,292	20,881

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

MSA Annual Housing Unit Construction: 2010 to 2019

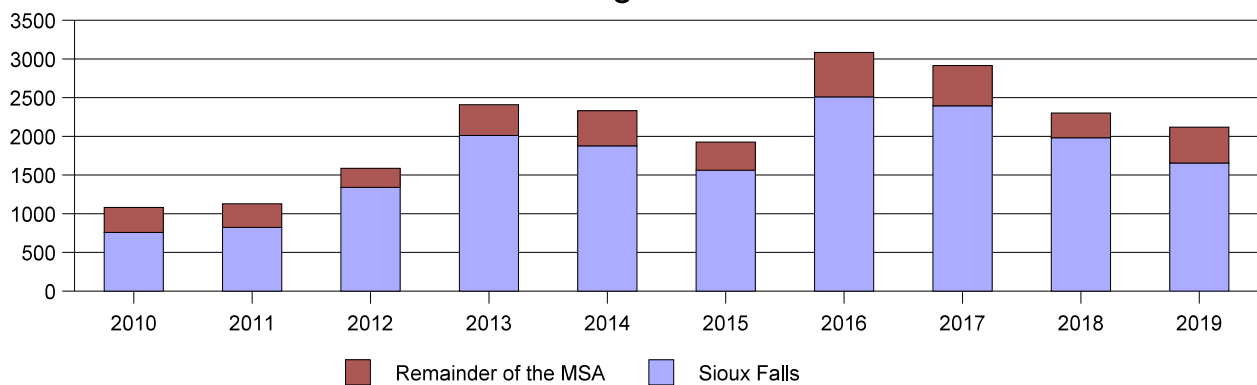


According to Census Bureau reports, the year 2016 represented the highest year for new housing unit production in the MSA over the 10-year period reviewed. The total production in 2017, was only slightly lower, as both years had more than 2,900 total units that were permitted in the entire MSA.

The total unit production identified in 2019 was lower than in the previous three years. Although no reporting was yet available for 2020, it is assumed that the global pandemic had a negative impact on housing starts in the MSA.

As the primary jurisdiction in the MSA, the City of Sioux Falls accounts for a large majority of the units constructed annually. In recent decades, Sioux Falls has typically represented between 70% or more 86% of the annual MSA construction activity, and in most recent years, the City’s share has generally been 80% or higher, according to the Census Bureau.

Sioux Falls/MSA Annual Housing Unit Construction: 2010 to 2019



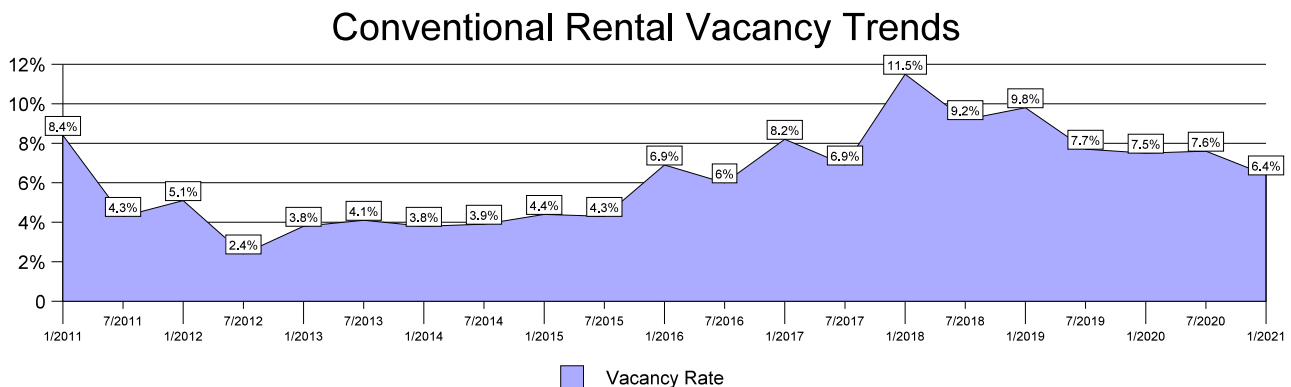
Regional Rental Vacancy Rates

The South Dakota Multi-Housing Association has tracked rental housing vacancy information for the Sioux Falls area for many years through a semiannual survey. This is an excellent source of information that not only provides a current picture of rental housing occupancy, but also a perspective on longer-term trends.

Conventional Market Rate Housing

The most recently completed vacancy survey is from January 2021. This survey found a 6.4% vacancy rate in conventional market rate housing. The survey included more than 14,500 conventional units and found 931 vacancies. Although this was an area-wide survey, including communities that are within a 20-mile radius of Sioux Falls, more than 96% of the reporting units were located within the Sioux Falls zip codes.

The following chart presents the Multi-Housing Association vacancy calculations dating back to the year 2011 to provide a 10-year history for conventional rental housing.



The most recent survey does show a decrease in the conventional rental vacancy rate, but at 6.4% the vacancy rate still remains relatively high. For the period between July 2011 and July 2015, the vacancy rate typically remained below 5%. But starting in January 2016 the vacancy rate moved above 6% in market rate rental housing and has remained at or above 6% since that time.

However, the vacancy rate in conventional housing reached a recent peak in January 2018 at 11.5%. Since that time there has been a general reduction through January 2021.

A general standard for rental housing vacancy is that a rate up to 5% is considered acceptable. A modest level of vacancy is desirable to allow tenant movement in the market by providing choices for prospective renters. It also allows a community the chance to grow, as new households moving into the area can locate a living unit. In Sioux Falls, a vacancy rate above 5% would not be surprising for individual surveys, as large-scale unit construction can occur which can temporarily cause an oversupply of units.

Although the vacancy rates since 2016 have been above the desired level, past history shows that the market has had the ability to “self-correct”. People interviewed in past studies in the area have cited the cyclical nature of rental production in Sioux Falls. As the vacancy rate has risen, construction activity in subsequent years tends to diminish. As vacancy rates begin to fall, it has been typical to see an above-average level of construction.

Based on the building permit reporting presented previously from the Census Bureau, the number of multifamily units permitted in the MSA decreased steadily from 2016 to 2019. After reaching a single year peak of nearly 1,600 multifamily units permitted in 2016, this level did drop to approximately 700 units in 2019.

However, based on information contained in the Multi-Housing report for January 2021, rental production in Sioux Falls increased substantially in 2020, with more than 1,570 multifamily units permitted in Sioux Falls. No Census Bureau totals for the entire MSA are available yet for 2020, but based on the production in Sioux Falls the number of new units more than doubled between 2019 and 2020.

Income-Based Housing Vacancy Rates

The large majority of the units in the Multi-Housing survey are conventional rentals. However, different types of income-restricted housing are also included. These units include moderate rent properties constructed through the federal low income housing tax credit program and federally subsidized low income housing referred to as “HUD units” in the reports.

Since the start of 2019, the vacancy rate in tax credit housing has generally been high, and has remained above 8%. In the most recent survey, tax credit units had a vacancy rate of 9.1%, compared to the conventional housing vacancy rate of 6.4%.

HUD units have tended to maintain a low rate of vacancy over time. In the most recent report, the vacancy rate for HUD units was only 1.3%. With the exception of one survey in January 2020, this very affordable segment has maintained a vacancy rate below 5%.

Presumably, the impact of the global health pandemic has resulted in decreased incomes for some MSA households, which has increased demand for deep subsidy housing. In January 2020 the vacancy rate was 6.6% in HUD units, compared to only 1.3% by January 2021.

Vacancy Rates Outside of Sioux Falls

The Multi-Housing Survey does collect some rental data from units that are outside of the City of Sioux Falls, but within a 20-mile radius. Information is provided by zip code for communities in the Sioux Falls region, including Baltic. However, in the January 2021 survey, only four conventional rental units were reported in Baltic and all were occupied.

Including Harrisburg, Brandon and other outlying areas within a 20-mile radius of Sioux Falls, the January 2021 survey collected information from 890 conventional market rate units, and found a vacancy rate of only 4.6%, lower than the 6.4% rate for the entire Sioux Falls area.

Outside of Sioux Falls, there were tax credit units reported in Brandon, Harrisburg, Hartford and Tea. In total, 483 tax credit units were surveyed in these four cities. There were 33 vacant units in January 2021, for a vacancy rate of 6.8%, below the tax credit vacancy rate of 9.1% for the entire Sioux Falls area.

Only eight "HUD units" were reported in the most recent survey outside of Sioux Falls and all were occupied. These units are in Brandon.

Employment and Local Economic Trends

While many factors influence the need for housing, employment opportunities represent a predominant demand generator. Without jobs and corresponding wages, the means to afford housing is severely limited. Much of the household growth that has occurred in the Sioux Falls MSA in the past decade was the direct result of job opportunities that were available, especially in the City of Sioux Falls. The type of employment, wage level, and working conditions will each influence the kind of housing that is needed and at what level of affordability.

Major employers in Sioux Falls with more than 1,000 employees include:

- ▶ Sanford Health
- ▶ Avera
- ▶ John Morrell & Company
- ▶ Wells Fargo
- ▶ Sioux Falls School District
- ▶ Citibank
- ▶ Hy-Vee Food Stores
- ▶ Sioux Valley Clinic
- ▶ Evangelical Lutheran Good Samaritan Society
- ▶ Midwest Coast Transport
- ▶ WalMart/Sam's Club
- ▶ First PREMIER Bank/PREMIER Finance Bankcard
- ▶ City of Sioux Falls

Source: Governor's Office of Economic Development

Work Force and Unemployment Rates

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

Table 21 Sioux Falls MSA Annual Labor Statistics: 2010 to 2020*						
Year	Labor Force	Employed	Unemployed	Unemployment Rate - MSA	Unemployment Rate - SD	Unemployment Rate - US
2010	133,585	127,238	6,347	4.8%	5.0%	9.6%
2011	134,281	128,513	5,768	4.3%	4.7%	8.9%
2012	136,615	131,430	5,185	3.8%	4.3%	8.1%
2013	138,817	134,408	4,409	3.2%	3.8%	7.4%
2014	141,705	137,621	4,084	2.9%	3.4%	6.2%
2015	144,400	140,650	3,750	2.6%	3.1%	5.3%
2016	146,949	143,305	3,644	2.5%	3.0%	4.9%
2017	150,020	145,981	4,039	2.7%	3.2%	4.4%
2018	152,316	148,354	3,962	2.6%	3.0%	3.9%
2019	155,468	151,110	4,358	2.8%	3.0%	3.7%
2020*	156,430	148,814	7,616	4.9%	4.6%	8.1%

Source: South Dakota Department of Labor

* 2020 is preliminary

The Sioux Falls MSA continues to be strong for labor force and job growth. Over the time period from 2010 through 2020, the size of the resident labor force increased by more than 22,800 people, or an increase of more than 17%. The employed resident work force increased by nearly 21,600 people during this same time, for an increase of nearly 17%.

The MSA’s unemployment rate has generally decreased over this longer time period and by 2019 was at only 2.8%. However, the global pandemic did impact statistics for 2020, although the annual employment rate was still below 5%.

Employment and Wages by Industry

The following table shows the annual employment and average annual wages in 2018. This information is for all of the MSA.

Table 22 MSA Average Annual Wages - 2018		
Industry	2018 Employment	Average Annual Wage
Total All Industry	153,130	\$48,736

Source: South Dakota Department of Labor

The average annual wage for all industry in 2018 was \$48,736 for the Sioux Falls MSA.

Commuting Patterns of Baltic Residents

Information is available on area workers that commute for employment. The best information is from the American Community Survey, and has been examined for the City of Baltic. The first table examines City residents that traveled to work and excludes people that work at home.

Table 23 Commuting Times for Baltic Residents - 2019		
Travel Time	Number	Percent
Less than 10 minutes	53	8.9%
10 to 19 minutes	91	15.3%
20 to 29 minutes	253	42.6%
30 minutes +	197	33.2%
Total	594	100%

Source: American Community Survey

The large majority of Baltic’s residents were driving 20 minutes or more for their primary employment. Fewer than 9% of residents were traveling less than 10 minutes, the time typically required for a locally-based job. Nearly 76% were traveling 20 minutes or more, generally consistent with employment in Sioux Falls.

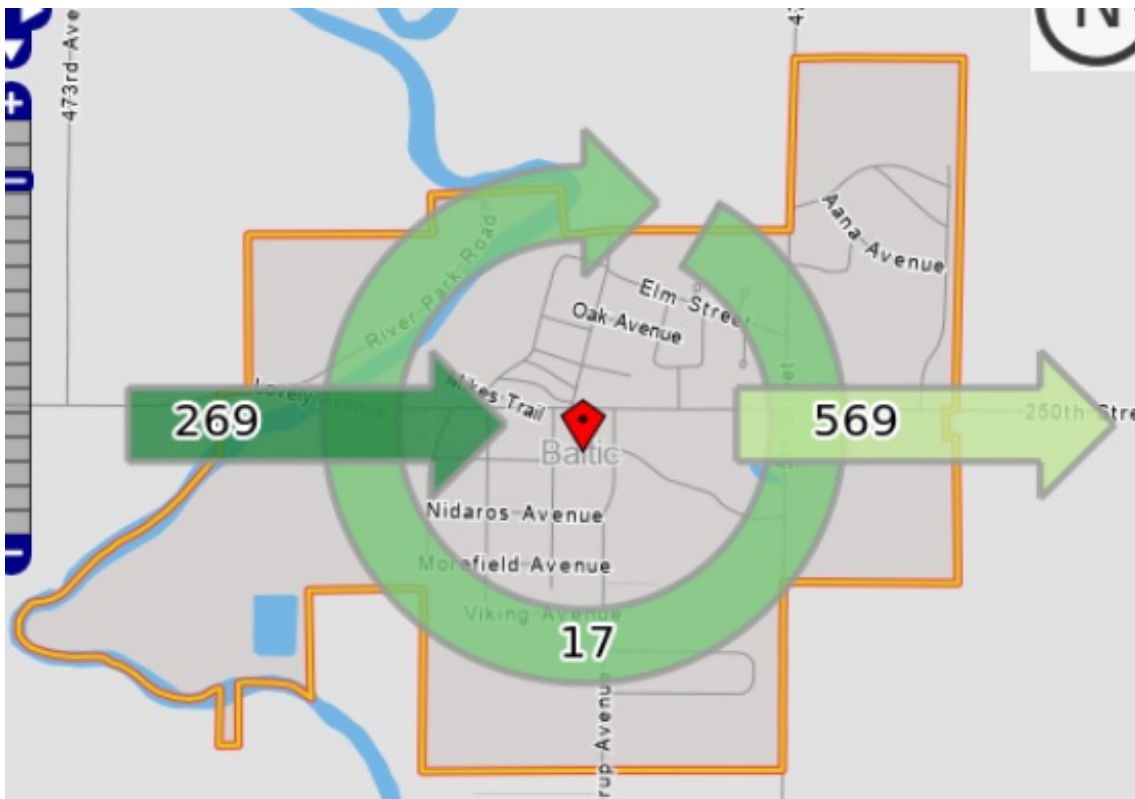
Due to the limited employment within the City, the American Community Survey did not include a travel time estimate for people that worked in Baltic.

Census On the Map

The Census Bureau also produces commuter reports through its Center for Economic Studies division. This information is based on reports for the year 2018 and provides a further breakdown of worker movement.

According to the report for Baltic, there were 286 people that were employed within the City in 2018. Fewer than 10% of these city-based employees also lived in Baltic, with nearly 270 people commuting in for their job. The primary jurisdiction supplying workers to Baltic was Sioux Falls. Some inbound workers were also coming from Brandon, Garretson and Dell Rapids.

On the Map can also be used to track worker outflow patterns from the City. Overall, there were nearly 570 Baltic residents that worked outside the community. The primary identified destination for employment was Sioux Falls. Overall, approximately 58% of Baltic's residents that left the City were commuting to Sioux Falls. Other identified locations included Brandon, Garretson and Sverdrup Township.



Findings on Growth Trends

As part of this Study, Community Partners Research, Inc., has examined growth patterns for the City of Baltic and Minnehaha County over the past few decades. These historic growth trends have then been used as a basis for projecting future demographic changes in the area.

Esri estimates that from 2010 to 2020, Baltic gained 201 people, and Applied Geographic Solutions (AGS) estimates that Baltic gained 117 people. AGS estimates that Minnehaha County gained 27,526 people, while Esri estimates that Minnehaha County gained 30,610 people from 2010 to 2020. This has continued a long-term pattern of population growth that dates back to at least 1990, the demographic time period reviewed in this Study.

AGS estimates that from 2010 to 2020, Baltic gained 68 households, and Esri estimates that the City added 78 households. AGS estimates that Minnehaha County gained 14,626 households and Esri showed the County adding more than 13,000 households from 2010 to 2020.

Findings on Projected Growth

Projections for Baltic and Minnehaha County reflect the patterns of recent decades. AGS projects that from 2020 to 2025, Baltic will gain 53 people and five households. Esri projects that from 2020 to 2025 Baltic will gain 115 people and 42 households.

In the opinion of the analysts, both of the household growth projections for Baltic are probably too low, especially the AGS projection which expects a very limited increase in the number of households.

AGS is forecasting Minnehaha County will gain 14,568 people and 3,358 households. Esri is projecting greater growth potential for Minnehaha County with the expected addition of nearly 15,200 people and more than 6,400 households over the 5-year projection period.

Strengths for Housing Development

The following strengths for Baltic were identified through additional statistical data, interviews and an on-site interview of the local housing stock.

- ▶ **Baltic is located near Sioux Falls, which is a regional center for the area** - Baltic is approximately 15 miles from Sioux Falls. Sioux Falls provides employment opportunities, retail/service options, government services, health and professional services, and cultural amenities to a large surrounding trade area. Many households prefer to live near, but not in a regional center.
- ▶ **Median home price** - Baltic's median priced home, based on 2019 sales activity, is approximately \$173,950. While still lower than the cost of new homes, this relatively high median value helps to close the value gap, which is an incentive for new home construction.
- ▶ **Land for development** - The City has land available for residential development.
- ▶ **Population and household growth for the City** - Since 1990, the City has sustained strong population and household growth and the City is projected to continue to grow in the future.
- ▶ **Sioux Falls MSA market** - The MSA has had substantial population growth, household growth and new housing construction for many years. Baltic continues to capture a portion of this market.
- ▶ **Active housing developers in the City** - Baltic has housing developers that are willing to invest in housing projects in the community. Developers have been active in subdivision development, rental housing, attached ownership housing and single family development.
- ▶ **School system** - The City has an excellent public K-12 school system.
- ▶ **Age and condition of housing stock** - A significant percentage of the housing units in Baltic were constructed over the past 25 years and are in good condition.
- ▶ **Low tax rate** - Historically, Baltic has had low property tax rates in comparison to many of the other cities in the Sioux Falls MSA.

- ▶ **Infrastructure** - The City's public utilities and infrastructure are in good condition and can facilitate future expansion.
- ▶ **Available lots and lot development** - The City currently has available lots for housing. Also, subdivision and lot development is ongoing.
- ▶ **Sioux Falls Growth Pattern** - Many commercial and industrial projects are in the planning or construction phases in Sioux Falls. Growth and development in Sioux Falls benefits residential development in Baltic.
- ▶ **Commuters** - Approximately 270 people are commuting into Baltic daily for employment. These commuters are a potential market for future housing construction.
- ▶ **Housing and Economic Development Agencies** - The City of Baltic has access to housing and economic development agencies that can assist with housing development, housing projects and housing programs.
- ▶ **Housing development** - Over the past 11 years, from 2010 to 2020, 83 housing units have been constructed in Baltic.

Barriers or Limitations to Housing Activities

Our research also identified the following barriers or limitations that hinder or prevent certain housing activities in the City of Baltic.

- ▶ **Proximity to Sioux Falls** - Although it is a strength to be located in close proximity to Sioux Falls, it is also a barrier as Baltic must compete with Sioux Falls, which offers attractive residential opportunities and other amenities and services.
- ▶ **Staff capacity limitations** - Although the City has access to several housing and economic development agencies, it is difficult to develop and implement housing initiatives with limited staff resources.
- ▶ **Limited commercial options** - Baltic currently has limited commercial and retail options.
- ▶ **Lack of medical and senior housing facilities** - The City of Baltic currently does not have a clinic or any senior housing with services projects.
- ▶ **Lack of starter homes** - Baltic has a high median sales price and a high percentage of the houses in Baltic are less than 25 years old, thus, there is a lack of affordable single family homes in the City.

Recommendations, Strategies and Housing Market Opportunities

Based on the research contained in this Study and the housing strengths and barriers identified above, we believe that the following recommendations are realistic options for Baltic. They are based on the following strategies:

- ▶ **Develop life cycle housing** - It is vital for a self-contained community to provide housing opportunities for all ages and household types. These housing opportunities enable a community to thrive, and allow households to live in the community throughout their lives.
- ▶ **Continue to promote new construction** - New construction provides housing opportunities, stimulates the economy and upgrades the community's housing stock. Both new owner-occupied single family homes and rental units are needed to provide households in Baltic with housing options and to assure a healthy housing stock into the future.
- ▶ **Promote home ownership** - Home ownership is the preferred option for most households. Home ownership assists in creating community stability and commitment to the community. There are many younger families that are renting their housing in the Sioux Falls MSA. These households may be interested in home ownership, if an affordable opportunity is available in Baltic.
- ▶ **Prioritize community housing goals** - Many of the recommendations in the Study will require staff-intensive efforts. The City should prioritize its housing goals and establish a plan to achieve its goals.
- ▶ **Preservation, maintenance and improvement of the housing stock that already exists** - While significant housing construction will occur in coming years, housing opportunities will also be provided by the housing stock that is already on the ground. This is especially important for affordable housing opportunities, as it will almost always be less expensive to offer an affordable unit through rehabilitation versus new construction. Units that are lost due to deterioration and obsolescence cannot be replaced for a similar price. Evidence suggests that the majority of the existing stock in the City of Baltic's oldest neighborhood is generally being well maintained, however, some of the older housing needs repair. Emphasis on continued improvement will be important to meet future housing needs.

Summary of Baltic Growth Projections by Age

The Demographic section of this Study presented projection information for Baltic on anticipated changes by age group from 2020 to 2025. This information can be informative in determining new housing that may be needed due to age patterns of the area population. The projections were provided by Esri.

From 2020 to 2025, Baltic is projected to gain 21 households in the 25 to 54 age ranges, and 23 households in the 65 and older age ranges.

The 55 to 64 age range is projected to lose two households. This is the only age range expected to lose households. The 15 to 24 age is forecast to have no change in the number of households.

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

<u>Age Range</u>	<u>Projected Change in Households 2020 to 2025</u>
15 to 24	0
25 to 34	15
35 to 44	2
45 to 54	4
55 to 64	-2
65 to 74	10
75 and older	<u>13</u>
Total	42

Findings on Unit Demand by Type of Housing

Based on the household by age projections presented earlier, the changing age composition of Baltic's population through the five-year projection period will have an impact on demand for housing.

Age 24 and Younger - The projections used for this Study expect no change in the number of households in the 15 to 24 age range through the year 2025. Past tenure patterns indicate that a majority of the households in Baltic will rent their housing. No change in the number of households in this age range should mean that rental demand from younger households will remain stable during the projection period.

25 to 34 Years Old - The projections show a significant increase in this age cohort of 15 households by 2025. Within this age range households often move from rental to ownership housing. An increase in the number of households within this age range will mean additional demand for both first-time home buyer and rental opportunities.

35 to 44 Years Old - This 10-year age cohort has a projected gain of two households between 2020 and 2025 in Baltic. Households within this range often represent both first-time buyers and households looking for trade-up housing, selling their starter home for a more expensive house.

45 to 54 Years Old - This age group represents a smaller segment of the population than the baby boom age group. For Baltic, the projections show a gain of four households in this range. This age group historically has had a high rate of home ownership, and will often look for trade-up housing opportunities. With marginal household gains in this age group, the demand for trade-up housing from this age range will increase slightly.

55 to 64 Years Old - This age range is part of the baby boom generation. The projections show an expected decrease of two additional households in this 10-year age range by the year 2025. This age range has traditionally had a high rate of home ownership in Baltic. Age-appropriate housing, such as town house or twin home units, is often well suited to the life-cycle preferences of this age group, as no maintenance/low maintenance housing has become a popular option for empty-nesters. Some households in this age range are also seeking trade-up housing.

65 to 74 Years Old - Household growth is expected in Baltic within this age range, with the projections showing an increase of 10 households by the year 2025. While this group will begin moving to life-cycle housing options as they age, the younger seniors are still predominantly home owners. Once again, preferences for age-appropriate units should increase from household growth within this age cohort.

75 Years and Older - A relatively strong gain of 13 households is projected among seniors. Seniors in this age range often seek high quality rental housing or senior housing with services options.

These demographic trends will be incorporated into the recommendations that follow later in this section.

Summary of Findings/Recommendations

The findings/recommendations for the City of Baltic have been formulated through the analysis of the information provided in the previous sections and includes a total of 19 recommendations divided into the following five categories:

- ▶ **Rental Housing Development**
- ▶ **Home Ownership**
- ▶ **Single Family New Construction**
- ▶ **Housing Rehabilitation**
- ▶ **Other Housing Initiatives**

The findings/recommendations for each category are as follows:

Findings and Recommendations for the City of Baltic	
Rental Housing Development	
1.	Develop 16 to 20 market rate rental units
2.	Consider the development of 20 to 24 tax credit/moderate rent units
3.	Develop 8 to 10 additional subsidized rental housing units
4.	Develop 12 to 14 senior independent/light services market rate units
5.	Develop a downtown area mixed-use commercial/housing project
6.	Continue to utilize the Housing Choice Voucher Program
Home Ownership	
7.	Utilize and promote all programs that assist with home ownership
8.	Monitor the need to develop a purchase/rehabilitation program
New Construction	
9.	Lot availability and development
10.	Strategies to encourage continued residential lot sales and new home construction in Baltic
11.	Promote townhouse and twin home development
12.	Coordinate with agencies/nonprofits that develop affordable housing

Findings and Recommendations for the City of Baltic	
Housing Rehabilitation	
13.	Promote rental housing rehabilitation programs
14.	Promote owner-occupied housing rehabilitation programs
Other Housing Initiatives	
15.	Acquire and demolish dilapidated structures
16.	Mobile home parks
17.	Create a plan and continue coordination among housing agencies
18.	Strategies for Downtown Redevelopment and Commercial Development
19.	Develop home ownership and new construction marketing programs

Baltic - Recommendations Rental Housing Development

Rental Housing Development

Overview

The City of Baltic has had limited new rental housing construction activity. Many comparable sized communities in South Dakota have had minimal rental construction over the past decade.

From 2010 to 2020, eight rental units were constructed in Baltic. All of the rental units constructed since 2010 are conventional market rate housing. Baltic's share of multi-family rental units constructed in the entire Sioux Falls MSA from 2010 to 2019 is approximately 0.09%.

With the rental housing and owner-occupied construction in Baltic from 2010 to 2020, the City's rental tenure rate has decreased slightly from 2010 to 2020 from 13.4% to approximately 13.0%. This rental tenure rate is very low compared to similar sized cities.

Demand for new rental housing in Baltic is generated from three factors:

- ▶ Growth from new households
- ▶ Replacement of lost units
- ▶ Pent-up demand from existing households

Household projections for Baltic expect significant household growth, although a majority of this growth will result in demand for owner-occupancy housing. From 2020 to 2025, Esri projects that there will be a gain of approximately 42 households in Baltic. Projections for all of Minnehaha County expect a gain of more than 3,350 households.

We are projecting that with new housing construction of all types that are being planned, Baltic will add more than 42 households, and gain a greater share of the household growth in Minnehaha County over the next five years. Therefore, we are projecting that there will be growth-generated demand for 40 rental units over the next five years, and additional demand for owner-occupancy housing which will be discussed later in this section.

Demand created by replacement of lost units is more difficult to determine, but the best available evidence suggests that the City will lose only one to two rental units per year from 2021 to 2025. As a result, approximately five to 10 additional units will be needed over the next five years to replace lost units. In some cases, this unit replacement will be necessary as existing units are removed from the inventory through demolition or conversion. However, in some cases, the unit replacement will be due to single family rental houses converting to owner-occupancy.

Pent-up demand also exists. As part of this study, a rental survey was conducted. There were 36 rental units that were contacted and surveyed. The survey found no vacancies in the general occupancy market rate units and no vacancies in the City’s only subsidized project. Based on no vacancies in existing rental projects and the lack of certain rental unit types, we identified pent-up demand for market rate units, tax credit/moderate rent units, subsidized units and senior independent/light services units in Baltic.

These three demand generators, after factoring current occupancy rates, show a need for 54 to 66 rental units in Baltic over the next five years. Based on the factors stated above, we recommend the development of the following new rental units from 2021 to 2025.

▶ General Occupancy Market Rate	16-20 units
▶ Tax Credit/Moderate Rent	20-24 units
▶ Subsidized	6-8 units
▶ Senior (Independent/Light Services)	<u>12-14 units</u>
Total	54-66 units

The 54 to 66 rental units are projected to be 1.0% to 1.5% of the total rental units that will potentially be constructed in the Sioux Falls MSA from 2021 to 2025.

For 54 to 66 additional rental units to be developed over the next five years, affordable land and infrastructure must be available for multi-family construction. Additionally, the City of Baltic must continue to develop amenities that make Baltic an attractive residential option for households.

1. Develop 16 to 20 general occupancy market rate rental units

Findings: Approximately 87% of the rental housing in the City of Baltic can be classified as general occupancy market rate housing. These units are free of any specific occupancy restrictions such as financial status, age, or student enrollment. Market rate housing does not have any form of rent controls, other than those imposed by the competitive marketplace. Compared to other similar sized cities, Baltic’s percentage of market rate rental housing is low.

The entire rental inventory in the City included approximately 65 to 70 total units in 2020. We believe that approximately 57 to 62 of these units are best described as market rate rental housing.

Of the 28 market rate rental units we surveyed, we found no vacancies. A healthy vacancy range is 3% to 5%. The rental property owners and managers reported high occupancy rates and strong demand for market rate housing.

The gross rent range for the two-bedroom units that were surveyed is \$695 to \$1,125.

From 2010 to the present, eight market rate rental units have been constructed.

Recommendation: As stated earlier in this section, rental housing demand is based on household growth, pent-up demand and replacement of housing units that have been demolished or converted. Based on this combination of demand generators, we believe that it is reasonable to plan for the production of 16 to 20 market rate rental units over the next five years from 2021 to 2025.

Based on our research, there is a need for all sizes of rental units, thus, the new units constructed over the next five years should be one, two and three-bedroom units. All of the rental units constructed from 2010 to 2020 were two-bedroom units.

Townhome style units or high quality apartment buildings are both options in addressing the need for market rate units. The projects, to be successful, should have 'state of the art' amenities. It may be advantageous for new units to be constructed in smaller project phases. This strategy allows the new units to be absorbed into the market. The market rate units constructed since 2010 have been townhome-style units.

There are two market rate rental segments in Baltic. One segment is seeking a high quality unit and can afford a higher rent. The second segment is seeking work force housing and a more modest rent. This segment may not qualify for subsidized or tax credit rental units, but affordability is still an issue.

There is a need to construct both types of market rate rental housing, thus, there is a wide rent range in the following table reflecting the two segments. To construct the workforce housing and charge affordable rents, land donations, financial assistance, tax increment financing, tax abatement and other resources may be needed.

There are developers that may have an interest in developing market rate rental housing in Baltic.

We recommend the development of 16 to 20 rental units over the next five years, with a unit mix and rent levels as follows:

**Recommended unit mix, sizes and rents for the
Baltic Market Rate Housing Units:**

<u>Unit Type</u>	<u>No. of Units</u>	<u>Size/Sq. Ft.</u>	<u>Rent</u>
One Bedroom	3-4	650 - 800	\$800 - \$1,100
Two Bedroom	10-12	850 - 1,050	\$900 - \$1,350
Three Bedroom	3-4	1,100 - 1,250	\$1,100 - \$1,500
Total	16-20		

Note: The recommended rents are gross rents including all utilities. The rents are quoted in 2021 dollars.

If possible, it would be advantageous to keep the rent structure at or below the rent limits for the Housing Choice Voucher Program. This would allow renter households to participate in the Housing Voucher Program and expand the number of households that could afford the proposed rents. In 2021, the rent limits that apply to the Voucher Program are:

- ▶ 1 bedroom - \$750
- ▶ 2 bedroom - \$910
- ▶ 3 bedroom - \$1,205

2. Consider the development of 20 to 24 tax credit/moderate rent housing units

Findings: Currently, Baltic does not have any tax credit projects. We have identified an unmet need for affordable/moderate rent units. Federal low income housing tax credits are the most available development financing resource that is available for affordable rental housing development. Over the past two decades, many affordable rental projects in the Sioux Falls MSA have utilized tax credits.

Tax credit rental housing cannot serve all renter households. There are occupancy restrictions concerning household composition. There are also income limits that apply to all tax credit-assisted units. Households earning more than 60% of the HUD median income level, as adjusted by family size, cannot reside in a tax credit unit.

Since nearly all tax credit units have a more moderate gross rent, there is also a lower effective income limit, as households below 30% of the HUD median may not be able to afford the monthly rent. This lower limit can be eliminated if the household has a rent assistance Housing Choice Voucher or some form of project-based rent assistance. A Housing Choice Voucher enables rental households to pay approximately 30% of their income for rent.

Tax credit assistance has been widely used to construct new rental units in Sioux Falls. Tax credit units have also been constructed outside Sioux Falls, including projects in Hartford, Brandon, Tea, and Harrisburg.

Most of the renter households currently residing in Baltic are in the moderate to lower income ranges. Although some of Baltic's renter households have a very low income, and could not afford a moderate rent unit without rent assistance, a significant percentage of all renters have an annual income between \$20,000 and \$45,000. These basic income ranges are typically targeted by tax credit projects.

Demand for tax credit rental housing will be generated from projected Baltic household growth and from households in Minnehaha County and the Sioux Falls MSA that would look to move into a newly constructed affordable unit. There is also pent-up demand that currently exists for moderate income rental housing in Baltic.

Recommendation: We recommend the development of 20 to 24 tax credit units in Baltic over the next five years based on the following:

- ▶ Currently, there are no tax credit rental projects and only eight subsidized rental units in Baltic.
- ▶ There were no vacant units at the time of the rental survey in any of Baltic's rental projects and the managers reported that the units are usually fully occupied and there is a high demand for rental units.
- ▶ Baltic is projected to add a significant number of new renter households from 2021 to 2025. Past history indicates that most of these will be in a moderate to lower income range.
- ▶ Approximately 50% of all renter households are within the income range from approximately \$20,000 to \$40,000. These households will generally be income-qualified for a moderate rent tax credit unit. Some of these moderate income renter households cannot afford a market rate unit, but also do not qualify to live in a subsidized unit.

- ▶ Approximately 45% of the renter households in Baltic are paying more than 30% of their income for rent. A majority of these households are actually paying over 35% of their income for rent.
- ▶ Baltic is experiencing commercial growth and adding employees. Some of these employees have moderate incomes and a tax credit rental project would address their housing needs.
- ▶ Over the past several decades, Baltic has experienced significant population and household growth and this growth is projected to continue into the future.
- ▶ Only 13% of Baltic Housing Stock is rental housing, thus, Baltic has a shortage of rental housing.
- ▶ The Sioux Falls area is experiencing substantial commercial and industrial growth. This growth is creating jobs and a demand for housing. Baltic is located within a short commuting distance of this growth and has the opportunity to address some of the demand for housing.

The 20 to 24 tax credit/moderate income units should be primarily two and three-bedroom units and serve families. It should be noted that if a local developer received financial assistance such as tax increment financing, tax abatement and /or land at a reduced price, rental units could potentially be developed with a rent that serves a higher percentage of low and moderate income households.

The State of South Dakota awards tax credits based on a point system. Therefore, it may be necessary for the City to work with a developer to successfully develop a competitive tax credit project.

3. Develop 8 to 10 additional subsidized rental housing units

Findings: The term subsidized rental housing, as used in this Study, refers to rental units that have been constructed to serve low and moderate income people. In nearly all cases, subsidized housing has utilized federal resources that provide a “deep subsidy”, allowing very low income people access to housing at an affordable price.

The research completed for this Study found only one project, Marvin Gardens, that offers subsidized housing with rent based on income. Marvin Gardens has eight two-bedroom units. This project reported full occupancy at the time of the rental survey.

There was another federally subsidized project in Baltic but its subsidy contract ended. Balview Apartments with 16 units converted to conventional market rate housing. Even though this project now provides market rate housing, the rent structure still remains low, with one-bedroom rents at \$515 per month and two-bedroom rents at \$545, including utilities.

There are additional “deep subsidy” resources available to Baltic residents through the tenant-based Housing Choice Voucher Program, however, the Voucher Program has a long waiting list. The Vouchers allow tenants to pay approximately 30% of income for housing in suitable private-market rental units. The Voucher Program for the MSA is administered by the Sioux Falls Housing and Redevelopment Commission.

Approximately 13% (eight units) of the City of Baltic’s rental housing stock is in the subsidized category, which is low in comparison to similar sized community.

The 2019 American Community survey estimated that approximately 45% of all renters in the City were paying 30% or more of their income for rent. The large majority of these households were actually paying 35% or more of their income for housing. Most of the households with a severe rent burden had low annual incomes, and would be under the income limits for subsidized housing.

Recommendation: Based on the cost burden data contained in the American Community Survey, the minimal number of subsidized rental units in the City, and the loss of 16 subsidized units due to conversion, we recommend that the City expand the supply of deep subsidy rental housing for lower income renters. Over the next five years, we recommend that the City attempt to construct eight to 10 units that achieve a rent level that would be affordable to very low income households earning less than \$25,000 per year. No subsidized units have been constructed in Baltic since the late 1970s.

This recommendation represents a modest goal, since more low income households in the City have a cost burden. However, over the past few decades, very few federal subsidy sources have been available for the construction of “deep subsidy” rental housing. The actual number of units that can be developed will be dependent upon access to financial resources.

In the opinion of the analysts, the highest priority would be to create general occupancy units for families and younger households.

Another important community strategy will be to prevent the future loss of the only remaining project-based subsidized housing, Marvin Gardens. It may be appropriate for public or nonprofit housing agencies to become involved in attempts to preserve subsidized housing resources. In some cases, private developers have utilized housing tax credits for preservation and rehabilitation of older subsidized projects that were at risk of being lost.

Expanded promotion of Housing Choice Vouchers may also be appropriate. Although Vouchers are tenant-based, and may not remain in the City if the tenant moves, the Voucher can eliminate a severe rent burden by allowing the household to apply only 30% of income for gross rent. However, the Voucher Program has a waiting list of approximately three years.

4. Develop 12 to 14 senior independent/light services market rate units

Findings: Senior housing that provides some level of services for residents can exist in a wide range of different options. Under South Dakota law, the Department of Health is required to license the more service-intensive forms of senior housing, including Skilled Nursing Facilities and Assisted Living Centers. Lower-service forms of senior housing, referred to as Residential Living Centers by the State, are required to register with the Department of Health, but are not licensed and subject to the more stringent requirements, such as inspections, that apply to more service-intensive housing.

Currently, there are no senior with services housing projects in Baltic.

In 2020, there were approximately 105 households age 65 or older in Baltic. It is projected that there will be an additional 23 households age 65 and older in Baltic by the year 2025.

We are estimating that 5% to 6% of senior households age 65 and older in Baltic would move into a senior independent/light services rental project. Also, the project will attract tenants from the area surrounding Baltic and other Minnehaha County jurisdictions.

Recommendation: It is our opinion that currently Baltic does not have an adequate senior population or services to support an assisted living project or a nursing home. However, we are recommending a 12 to 14-unit independent/light services senior project in Baltic. The project should be designed to allow seniors to live in a unit independently. The senior project could be a one-level apartment building or town home-style units.

The project's amenities and features should include:

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

Unit features should include:

- ▶ 12 to 14 units
 - ▶ 2 to 3 one-bedroom
 - ▶ 10 to 11 two-bedroom
- ▶ Floor plans that promote accessibility
- ▶ Fully equipped kitchen
- ▶ Large storage area
- ▶ Ample closet space
- ▶ Laundry hookups
- ▶ Open floor plan
- ▶ Private patio
- ▶ Individually controlled heat and AC
- ▶ Raised outlets, lever door handles, lowered kitchen cabinets
- ▶ Expansive windows

Optional services that could be provided by community organizations or agencies could include:

- ▶ Noon meal
- ▶ Weekly housekeeping
- ▶ Home healthcare
- ▶ Social activities

Tax increment financing, tax abatement, land donations, low interest loans and/or other subsidies and incentives could be utilized to make the project financially feasible.

It is estimated that 50% of the units will be occupied when the project opens and one to two additional units will be rented each following month for an absorption period of five to six months.

The location of the project should be close to services as the project will be occupied by seniors. A high amenity location would be ideal for a senior project. If possible, the project should have land available for future project phases.

5. Develop a Downtown Area Commercial/Housing Project

Findings: A mixed-use rental housing/commercial project in the downtown area would complement the City's ongoing efforts to maintain a vibrant downtown. New mixed-use projects have been developed in several cities comparable to the size of Baltic. Some of these projects were developed because of market demand while others were developed to enhance the commercial district, to introduce a new product to the market or to serve as a catalyst for downtown redevelopment.

Recommendation: We recommend the development of a mixed-use building in Baltic's downtown commercial area. There are several potential sites for a mixed-use project.

Prior to construction, a portion of the commercial space should be leased to an anchor tenant who would complement existing businesses and attract people to the commercial area. Also, there should be sensitivity to the timing of the project and type of commercial tenants the project will have, to assure the project is an asset to the commercial area.

The rental units should be primarily market rate units, but could be mixed income with some moderate income units. The units should be primarily one and two-bedroom units. Please note that these units are not in addition to the units recommended in the first four recommendations of this section. If a mixed use building was constructed, the number of units recommended previously should be reduced.

Ideally, a private developer would construct and own the building. The City may have a role in the project by providing tax increment financing, tax abatement or other local funds and/or land at a reduced price.

6. Continue to Utilize the Housing Choice Voucher Program

Findings: The Housing Choice Voucher Program provides portable, tenant-based rent assistance to lower income renter households. The program requires participating households to contribute approximately 30% of their adjusted income for rent, with the rent subsidy payment making up the difference. Tenants may lease any suitable rental unit in the community, provided that it passes a Housing Quality Standards inspection, and has a reasonable gross rent when compared to prevailing rents in the community.

Although the federal government provides almost no funding for subsidized housing construction, it has provided new Housing Choice Voucher allocations over the last two decades.

Because of the flexibility offered through the program, eligible households often prefer the portable rent assistance to other forms of subsidized housing that are project-based, and can only be accessed by living in a specific rental development.

Currently, approximately 45% of Baltic households are paying more than 30% of their income for rent.

The Housing Choice Voucher Program is administered in Baltic by the Sioux Falls Housing and Redevelopment Commission. Currently, there is approximately a three-year wait for a Housing Choice Voucher.

Recommendation: From a practical standpoint, the Housing Choice Voucher Program is the single best way that Baltic can provide affordable housing for low income households. Although current funding is limited, we recommend that low/moderate income renter households that are paying more than 30% of their income for rent, apply for a Housing Choice Voucher.

Baltic - Home Ownership Recommendations

Home Ownership Recommendations

Findings: Expanding home ownership opportunities is one of the primary goals for most cities. High rates of home ownership promote stable communities and strengthen the local tax base.

The median owner-occupied home value of existing homes in Baltic based on 2019 sales is estimated to be \$173,950. With approximately 50% of the homes in Baltic valued less than \$173,950, Baltic has a limited market for first-time home buyers and households seeking moderately priced homes.

Our analysis of Baltic demographic trends shows projected strong population growth from 2020 to 2025 in the 55 and older age ranges with a gain of approximately 23 households. While most households in these age ranges already own their housing, this group represents a strong potential market for 'trade-up' housing. Increasingly, the older age ranges within this group look for lower maintenance housing options, such as twin homes or town house developments.

The number of Baltic households in the 25 to 54 age ranges is also expected to increase from 2020 to 2025. While most of these households already own their housing, those households that have not been able to achieve the goal of home ownership, may need the assistance of special programs to help them purchase their first home.

Additionally, there are a significant number of households in Minnehaha County and the Sioux Falls MSA that are seeking home ownership opportunities. To assist in promoting the goal of home ownership, the following activities are recommended.

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

Findings: We believe that affordable home ownership is one of the issues facing Baltic in the future. Home ownership is generally the preferred housing option for most households. There are a number of strategies and programs that can be used to promote home ownership.

First-time home buyer assistance, down payment assistance, low interest loans and home ownership counseling and training programs can help to address affordable housing issues. Baltic has a limited supply of houses that are price-eligible for these assistance programs. The home value estimates used in this study indicate that some of the existing stock currently is valued under the purchase price limits for the first-time home buyer assistance programs.

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

Recommendation: The City of Baltic and local financial institutions should continue to work with regional housing agencies and the South Dakota Housing Development Authority to utilize all available home ownership assistance programs. Private and nonprofit agencies should also be encouraged to provide home ownership opportunities.

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

8. Monitor the need to develop a Purchase/Rehabilitation Program

Findings: Baltic has a limited stock of older, lower valued homes, many of which need repairs. Our analysis of recent sales activity indicates that a limited number of the homes in Baltic are valued less than \$100,000. As some lower valued homes come up for sale, they may not be attractive options for potential home buyers because of the amount of repair work that is required.

Some communities with a stock of older homes that need rehabilitation have developed a purchase/rehabilitation program. Under a purchase/rehabilitation program, the City or a housing agency purchases an existing home that needs rehabilitation, rehabilitates the home, sells the home to a low/moderate income family and provides a mortgage with no down payment, no interest and a monthly payment that is affordable for the family.

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

Recommendation: We recommend that Baltic monitor the need to develop and implement a purchase/rehab program in the future, as the private sector is currently addressing this housing need. Attitudinal surveys that we have conducted in other cities have found that purchase/rehabilitation programs are appealing to people who are currently renting their housing. In some similar sized communities, a large majority of survey respondents who were renters indicated an interest in buying a home in need of repair if rehabilitation assistance was available.

Although we are not recommending the development and implementation of a purchase/rehabilitation program, we encourage households to work with area housing agencies and financial institutions to obtain rehabilitation assistance in conjunction with first-time home buyer programs. Also, USDA Rural Development provides purchase/rehabilitation loans to low and moderate income buyers.

Baltic - New Housing Construction

New Housing Construction

Findings: The City of Baltic has experienced significant single family owner-occupied housing construction. Based on city records, from 2010 to 2020, 75 single family structures have been constructed in the City of Baltic, which is an average of six to seven housing units per year. From the five-year period from 2010 to 2014, an average of approximately three single family homes were constructed annually. Over the past six years, from 2015 to 2020, an average of 10 homes has been constructed per year.

The attractiveness of the area, the City’s amenities, and its proximity to Sioux Falls should result in the continued construction of new homes annually. However, there must continue to be attractive residential lot options available for new home construction.

Overall household projections for Baltic indicate good demand for owner-occupied housing construction. Baltic is projected to gain 23 households in the 65 and older age ranges from 2020 to 2025. Households in these age ranges tend to be predominantly home owners, and form a market for higher priced, trade-up housing and low maintenance housing such as town homes, twin homes and villas. The 25 to 54 year old ranges are expected to gain 21 households through 2025. Many of the households in these age ranges are first-time home buyers, trade-up buyers and new home builders and buyers.

It is our opinion that if the City, local housing and economic development agencies, developers and home builders are proactive, 16 to 19 owner-occupied housing units should be constructed in Baltic annually over the next five years from 2021 to 2025 to address demand. This is a total of 80 to 95 homes. Our projection for single family housing starts includes homes built in new subdivisions and on infill lots, and includes single family attached housing units, such as twin homes and town houses.

The breakdown of our projection of 16 to 19 new owner-occupied housing units annually over the next five years is as follows:

▶ Higher & medium price homes	6-7 homes
▶ Affordable homes	5-6 homes
▶ Homes on infill lots	1 home
▶ Twin homes/town homes/villas	<u>4-5 units</u>
Total	16-19 homes/units

In addition to the demand for new owner-occupancy housing construction from projected household growth in Baltic, new housing will be generated from housing construction demand in the Sioux Falls MSA.

Over the past six years from 2015 to 2020, approximately 8,065 single family housing units were constructed in the Sioux Falls MSA. Of this total, 61 single family housing units were constructed in Baltic. The 61 units are approximately 0.8% of the units constructed in the MSA over the past six years. In 2020, 16 single family housing units were constructed in Baltic, which is 1.2% of the MSA total for the year.

If approximately 1,350 single family housing units continue to be constructed annually in the MSA, the estimate of 16 to 19 units constructed annually in Baltic over the next five years will be approximately 1.2% to 1.4% of the total units constructed in the MSA.

9. Lot availability and development

Findings: As part of this Study, we attempted to identify the inventory of available residential lots for single family housing construction in the City of Baltic. Currently, there are approximately 13 lots available in the Baltic Heights (Nielson) Subdivision. The City's other newer subdivision, Valley View Meadow Addition, has no remaining lots.

In addition to the Baltic Heights (Nielson) lots, there are also several miscellaneous infill lots scattered around the City that we did not attempt to count. We also do not know the availability of some of these infill lots.

Additionally, the development of two subdivisions, Grant Park and Phillips Crossing, are in the planning phase. There will be a total of approximately 130 residential lots in the two subdivisions. The two subdivisions will include lots for several types of housing units including:

- ▶ First-time home buyer homes
- ▶ Medium-priced homes
- ▶ Executive homes
- ▶ Villas

Recommendation: We use a standard that a 2 ½ year supply of lots should be available in the marketplace based on annual lot usage. With projections that 16 to 19 new owner-occupied housing units will be constructed per year, the City should have approximately 40 to 48 residential lots available to meet the expected demand. Part of this demand would be for attached unit construction.

With only 13 lots available in the Baltic Heights (Nielson) Subdivision plus in-fill lots, the City currently does not have an adequate number of lots to meet near-term construction demand. However, if the Grant Park and Phillips Subdivisions with 130 lots are developed, there will be an ample supply of lots to meet demand.

Also, the new subdivisions will provide residential lots for a variety of housing styles and prices. It does appear that there could be a future shortage of lots for lower priced housing options such as modular homes and governor’s homes. The City and developers should assure that lots are available for these housing options.

10. Strategies to encourage continued residential lot sales and new home construction in Baltic

Findings: Over the past 11 years, Baltic has averaged approximately seven new single family housing units annually. However, in 2020 there were 16 new houses built, well above the longer-term average. To continue new single family housing construction at its current rate and to increase new construction, we recommend several strategies.

Recommendation: We recommend that the City of Baltic, developers, builders, realtors and other housing stakeholders continue to coordinate efforts to promote lot development, lot sales and housing development.

Our recommendations to continue to promote lots sales and housing development include:

- ▶ ***Continue the momentum*** - In 2020, 16 owner-occupied units were constructed in Baltic. The City has a working formula for new home construction and the City should maintain its momentum by assuring that there are an adequate number of developers, builders, lots, etc. in the City.

- ▶ ***Competitive pricing*** - There are lots available in communities throughout the region. To continue to attract new home construction in Baltic, lots should remain competitively priced in comparison to other options in the area.
- ▶ ***User-Friendly*** - The lot purchase and home building process must be 'user friendly.' This includes the construction of spec homes, builders that are readily available to build custom homes and city regulations that are fair and reasonable. The entire process must be as 'user friendly' as possible to encourage home construction.
- ▶ ***Long-term planning*** - The City of Baltic and Baltic developers should continue long-term development planning to assure lots are available to meet demand for all types and pricing of new housing.
- ▶ ***Promote spec home construction*** - Spec houses attract a buyer that is not interested in going through the home building process, but instead wants a turnkey unit. A spec home can also serve as a model, allowing potential home buyers to examine specific floor plans and features in the home before committing to buy.
- ▶ ***Lot availability for twin home/town home/villa development*** - It is our opinion that there will be a demand for twin homes/town homes/villas over the next five years. Lots should be available for a twin home/town home/villa development.
- ▶ ***Range of house prices*** - Lots should be available to as wide a range of home sizes and prices as possible, without compromising the subdivisions. This broadens the lot buyer market. Also, smaller infill lots with fewer amenities could be marketed for affordable homes.
- ▶ ***Marketing*** - The City of Baltic will need to continue a comprehensive marketing strategy to sell available lots. All stakeholders including developers, realtors, financial institutions, builders, employers, etc. should to be included in marketing strategies. In addition to marketing the lots, the City of Baltic and its amenities should be marketed.

- ▶ ***Develop exclusive builder(s) relationship*** - Several lots could be sold to a builder or builders. Momentum can be created when a builder has access to several lots. This allows for marketing opportunities and efficiencies in the home building process. The subdivision owners, however, should assure that the builder is obligated to construct a minimum number of homes within a defined time period. Builders are more willing to enter a market when the lots are attractive and affordable.
- ▶ ***Covenants*** - New subdivisions in Baltic may have covenants that assure quality development. The covenants should assure that they protect the integrity of the subdivision, but are not a barrier to new construction and do not prevent the target markets from constructing homes.
- ▶ ***Lot Availability for affordable homes*** - Lots should be available for affordable homes including modular homes and Governor's Homes that provide affordable ownership options for moderate income households.
- ▶ ***Incentives*** - Many cities throughout South Dakota are offering incentives to construct new homes, including reduced lot prices, reduced water and sewer hookup fees, tax abatements, cash incentives, etc. It does not appear that incentives are needed in Baltic to promote new construction at this time. However, incentives may be needed if new construction slows in the future.
- ▶ ***Infill lot Home Development*** - Infill lots in existing neighborhoods are often affordable and have existing City services.
- ▶ ***Housing Programs*** - The South Dakota Housing Development Authority, USDA Rural Development and other housing agencies may have housing programs available to assist developers, builders and home buyers.

11. Promote town house/twin home/villa development

Findings: Based on building permit records, Baltic has experienced no owner-occupied attached housing development from 2010 to 2020. Many communities over the past decade have seen attached housing take an increasingly large share of new construction. In cities the size of Baltic, 20% to 25% of the housing starts are typically owner-occupancy twin homes/town houses.

Attached housing provides desirable alternatives for empty nesters and seniors to move out of their single family homes, thus, making traditional single family homes available for families. It is estimated that in the 65 and older age ranges there were 105 households in Baltic in 2020. These age ranges are projected to increase by 23 households from 2020 to 2025. The Sioux Falls MSA is also projected to have large increases in these age ranges. It is important for the City to offer a range of life-cycle housing options as many of these households will be seeking to downsize into low maintenance housing options. There are also young families seeking affordable twin homes/town homes.

Recommendation: It is our projection that approximately four to five of Baltic's new owner single family units per year should be twin homes or town houses over the next five years, which is a total of 20 to 25 units during the five-year period. This is approximately 25% of the total projected single family owner-occupied housing construction in Baltic over the next five years.

This recommendation is based on the availability of twin home/town house/villa lots in Baltic.

For a twin home/town house/villa development to be successful, the following should be considered:

- ▶ Senior friendly home designs
- ▶ Maintenance, lawn care, snow removal, etc. all covered by an Association
- ▶ Cluster development of a significant number of homes which provides security
- ▶ Homes at a price that is acceptable to the market

The public sector's role in any owner-occupancy attached housing development may be limited, as the private sector can often meet this housing need if a demand exists. The City's role should include assuring that adequate land is available for development and that zoning allows for attached housing development.

12. Coordinate with agencies/nonprofits that develop affordable housing

Findings: With the difficulty of producing new housing units that are affordable to lower income people, it is important to take advantage of opportunities presented by housing agencies, nonprofit groups and organizations. Inter-Lakes Community Action Partnership has a Mutual Self Help Program. Households that participate in this program assist each other with constructing affordable new homes.

Also, Sioux Falls Habitat for Humanity is willing to work with community groups to construct homes. Other local and regional housing agencies and nonprofits may also have the capacity to construct affordable housing in Baltic. These sources can help generate new homes for moderate income families in Baltic.

Recommendation: We recommend that the City coordinate with housing agencies and nonprofit organizations that help to produce housing units for moderate income ownership. The City may be able to contribute to the project through land donations, tax increment financing, grant writing, or project coordination activities.

Baltic - Housing Rehabilitation

Housing Rehabilitation

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

Housing options for households will largely be met by the existing, more affordable housing stock. As this existing stock ages, more maintenance and repair are required. Without rehabilitation assistance, the affordable stock will shrink, creating an even more difficult affordability situation.

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

13. Promote rental housing rehabilitation programs

Findings: Based on the U.S. Census and building permit data, the City of Baltic has approximately 65 to 70 rental units in 2021. This represents approximately 14% of the total housing units in Baltic. This is a much smaller percentage of rental housing than is typically in a city the size of Baltic. These rental units are in multi-family projects, duplexes, single family homes and mobile homes. Although many of the rental units are in good condition, some of the rental structures and units are more than 30 years old and need improvements.

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

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

Potential funding sources include USDA Rural Development, the Federal Home Loan Bank, the South Dakota Housing Development Authority, and local funds.

14. Promote owner-occupied housing rehabilitation programs

Findings: The existing housing stock in Baltic will continue to be a major attraction for families that are seeking housing in the area. Investment in owner-occupied housing rehabilitation activities will be critical to offering affordable housing opportunities.

In 2021, Community Partners Research, Inc., conducted a housing condition survey and rated 64 single family homes in the City’s oldest neighborhood. The survey found that 26 homes needed minor repairs and 10 homes needed major repairs. Without rehabilitation assistance, there is the potential that the affordable housing stock will shrink in Baltic.

Inter-Lakes Community Action Partnership currently has several housing programs to assist area households with the rehabilitation of their homes, including the Weatherization Program, the Self Help Rehabilitation Program and programs utilizing HOME and other funds.

Recommendation: We recommend that Baltic and area housing agencies to seek local, state and federal funds to assist in financing housing rehabilitation. USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank are potential funding sources. Baltic should coordinate with the Inter-Lake’s Community Action Partnership to assure Baltic households have access to housing rehabilitation funds.

Baltic - Other Housing Initiatives

15. Acquire and demolish dilapidated structures

Findings: The 2021 housing condition survey of the City’s oldest neighborhood identified only two homes that are dilapidated and too deteriorated to rehabilitate. The survey also identified 10 homes as needing major repair. Several of these homes may be too dilapidated to rehabilitate upon a more detailed inspection. There also may be homes in other Baltic neighborhoods that are dilapidated and beyond repair.

Recommendation: We recommend that Baltic demolish severely dilapidated structures. The City is enhanced when blighted and dilapidated structures are removed. Also, some of the cleared lots can possibly be utilized for the construction of new affordable housing units.

We also recommend that the City of Baltic maintain an inventory of structures that may be candidates for future acquisition. An inventory of in-fill lots for future development should also be maintained.

16. Mobile home parks

Findings: In January 2021, Community Partners Research, Inc., conducted a condition survey of the mobile homes in Baltic. The mobile homes are located in mobile home parks on 4th Street and on Lovely Street.

The 2021 condition survey identified 25 mobile homes in the City, which included nine mobile homes that need minor repair, eight mobile homes that need major repair and two mobile homes that are dilapidated and beyond repair. Six mobile homes are sound and require no repairs.

Recommendation: It is our understanding, based on information provided by the City of Baltic, that an individual has purchased both of the existing mobile home parks in the City. The plan is to remove all of the mobile homes in both parks.

The re-use of the vacated land parcels was not known at the time of the research for this Study. However, these parcels are prime locations for future housing and/or commercial development.

17. Create a plan and continue coordination among housing agencies

Findings: Baltic needs staff resources to plan and implement many of the housing recommendations advanced in this Study. Baltic has access to Inter-Lakes Community Action Partnership, the South Eastern Council of Governments, Sioux Falls Habitat for Humanity, the South Eastern Development Foundation, the Sioux Falls Housing and Redevelopment Commission, USDA Rural Development, the South Dakota Housing Development Authority, the Minnehaha County Economic Development Association and Dakota Resources. These agencies all have experience with housing and community development programs.

Recommendation: Baltic is fortunate to have access to several agencies that can address housing needs. It is our recommendation that the City continue to work with the housing and economic development agencies to prioritize the recommendations of this Study and to develop a plan to comprehensively address the City's housing needs. The plan should include strategies, time lines and the responsibilities of each agency. While there has traditionally been a degree of staff interaction between these agencies, it will be important that a coordinated approach be used to prioritize and assign responsibility for housing programs. This approach will reduce duplication, provide coordination and cooperation among agencies and will effectively utilize scarce resources.

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

18. Strategies for downtown redevelopment and commercial development

Findings: The City of Baltic's downtown has buildings that have been renovated and have high quality commercial space. There are also buildings that are in need of rehabilitation. There are also parcels available adjacent to downtown for commercial development. This recommendation provides an outline of actions that could be taken to continue to redevelop the downtown, to maximize the usage of downtown buildings and to promote new downtown buildings and businesses in the downtown area.

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

Recommendation: We are recommending the initiation or continuation of the following actions for downtown Baltic:

- ▶ Interview downtown area property owners to develop a database and to determine their future plans (expanding, selling, renovations, etc.)
- ▶ Develop an overall plan for the downtown area (potential new buildings and businesses, address parking needs, develop an overall theme, art and cultural opportunities, etc.)
- ▶ Develop a mini-plan for each downtown area property and each downtown block. This may include:
 - ▶ Commercial building rehab and renovations
 - ▶ Facade work
 - ▶ Building demolition
 - ▶ New construction
 - ▶ Recruiting new businesses
- ▶ Identify funding sources
 - ▶ Property owner funds
 - ▶ City of Baltic
 - ▶ Federal Home Loan Bank
 - ▶ Special tax districts
 - ▶ Tax increment financing
 - ▶ Tax abatement
 - ▶ Funds from South Dakota State Agencies
- ▶ Work with stakeholders to identify roles, secure funding, develop and implement programs and projects
 - ▶ Property owners
 - ▶ City of Baltic
 - ▶ Minnehaha County Economic Development Association
 - ▶ South Eastern Council of Governments
 - ▶ Future Baltic development corporation

19. Develop home ownership and new construction marketing programs

Findings: Cities that invest in marketing have an advantage. Opportunities to buy or construct a home are sometimes limited because of the lack of information and awareness of financing and incentive programs, homes and lots on the market, local builders, etc. This is especially evident for new households moving into the area. The home buying/home building process can be very intimidating for first-time buyers and builders. It is important for the home buying or home building process to be user-friendly.

Recommendation: The City of Baltic has been active in promoting and marketing housing and we recommend the initiation or continuation of the following:

- ▶ Determine the City's strengths and competitive advantages and heavily promote them
- ▶ Continue to create marketing materials that can be distributed regionally (including internet, TV, radio, etc.)
- ▶ Work closely with employers (Baltic and the Sioux Falls MSA) to provide employees (especially new employees) with housing opportunities in Baltic
- ▶ Work with housing agencies to provide down payment assistance, low interest loans, home owner education and home owner counseling programs
- ▶ Consider an annual Housing Fair that provides information on lots, builders, finance programs, etc. Developers, builders, lenders, realtors, public agencies and local businesses could participate
- ▶ Work with developers and builders to make lot development and the construction of new homes as user-friendly as possible
- ▶ Continue to work on the creation of jobs and the development of retail, service and recreational opportunities that make the City a "full service" community
- ▶ Continue to provide attractive lots at an affordable price for a variety of home sizes, styles and price ranges
- ▶ Preserve the quality of existing neighborhoods through the rehabilitation of substandard housing and the demolition of dilapidated structures that are beyond repair
- ▶ Develop new housing choices that serve life-cycle housing needs, such as new rental housing, twin homes, senior housing, etc.
- ▶ Review the City's policies and fees to assure that they are user-friendly, fair and receptive for developers, builders and households
- ▶ Develop a coordinated housing plan with the private sector and area housing agencies

Housing Agencies and Resources

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

InterLakes Community Action Partnership

505 North Western Avenue
Sioux Falls, SD 57104
(605) 334-2808
Contact: Dana Whitehouse

South Eastern Development Foundation

500 North Western Avenue, Suite 100
Sioux Falls, SD 57104
(605) 367-5390
Contact: Lynne Keller Forbes, Executive Director

South Eastern Council of Governments

500 North Western Avenue, Suite 100
Sioux Falls, SD 57104
(605) 367-5390
Contact: Lynne Keller Forbes, Executive Director

Habitat for Humanity Greater Sioux Falls

721 East Amidon Street
Sioux Falls, SD 57117
(605) 274-6280
Contact: Rocky Welker, Director

Minnehaha County Economic Development Association

200 N. Phillips Ave., Ste 101
Sioux Falls, SD 57104
(605) 339-0103
Contact: Jesse Fonkert

Sioux Falls Housing and Redevelopment Commission

630 South Minnesota Avenue
Sioux Falls, SD 57117
(605) 332-0704
Contact: Karl Fulmer, Executive Director

South Dakota Housing Development Authority

221 South Central Avenue

Pierre, SD 57501

(605) 773-3181

Contact: Lorraine Polak, Executive Director