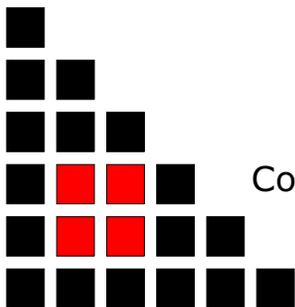


City of Mobridge HOUSING STUDY UPDATE

January 2024

An updated analysis of the overall housing needs
of the City of Mobridge, SD



Community Partners Research, Inc.

Faribault, MN

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Introduction

Overview

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 Mobridge are privately owned and were constructed with private funds. On an increasing scale, however, the public is demanding that public officials impact what happens in this largely private housing market by eliminating blight, protecting individual investments, and generating new housing growth to meet economic development needs.

Community Partners Research, Inc. was originally hired in 2015 by the Mobridge Economic Development Corporation (MEDCO) to conduct a study of the housing needs and conditions in the community. In 2023, an Update to this previous study was initiated.

Methodology

A variety of resources were utilized to obtain information for the updated Housing Study. Community Partners Research, Inc. collected and analyzed data from August 2023 to January 2024. Data sources included:

- U.S. Census Bureau
- Applied Geographic Solutions, Inc., a private data reporting service
- Esri, Inc., a private data reporting service
- Records and data from the City
- Records and data maintained by Walworth County
- Data from the SD Dept. of Labor and Industry
- Data provided by the Multiple Listing Service
- Interviews with elected officials and staff from the City and MEDCO
- Interviews with housing stakeholders
- Area housing agencies
- Rental property owner surveys

Limitations

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

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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.

In May and September of 2023 the Census Bureau released many of the final detailed tables from the 2020 Census. The release dates for this information had been impacted by the global pandemic. The start of the pandemic in 2020 occurred shortly before the initiation of the 2020 Census. In addition to delaying the release schedule, the pandemic also impacted data collection process and there are some questions about the accuracy of 2020 Census data, but in the opinion of the analysts it still represents the best demographic information available.

For some of the detailed demographic variables, such as income and housing cost information, the Census Bureau produces annual estimates through the American Community Survey, an annual sampling of households. Because the American Survey is an estimate, based on sampling data, there is a margin of error that exists for each estimate.

This document does incorporate some information from the American Community Survey. The American Community Survey estimates have an effective date in 2021, so a significant data-lag exists. The estimates were derived from five-year sampling, obtained between 2017 and 2021. Although the American Community Survey estimates have an effective date after 2020, they have not been reconciled with the 2020 Census counts, and in some cases there are differences between these data sources.

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.

Market Area

For some demographic variables a larger Market Area has been analyzed that includes both Walworth and Campbell Counties.

Population Data and Trends

Table 1 Population Trends - 1990 to 2020						
	1990 Census	2000 Census	% Change 1990-2000	2010 Census	% Change 2000-2010	2020 Census
Mobridge	3,768	3,574	-5.1%	3,465	-3.0%	3,261
Walworth Co.	6,087	5,974	-2.0%	5,438	-9.0%	5,315
Market Area	8,052	7,756	-3.7%	6,904	-11.0%	6,692

Source: U.S. Census Bureau

- ▶ The population totals reported in the 2020 U.S. Census have established a new benchmark for the number of people residing in each jurisdiction. The Census had an effective date of April 1, 2020.
- ▶ At the time of the 2020 Census, Mobridge had 3,261 permanent residents. When compared to the 2010 Census, the City had lost 204 people over the decade, for a decrease of 5.9%.
- ▶ The population loss identified in the 2020 Census continued a longer-term pattern for Mobridge, as the City had also lost permanent residents in the 1990s and between 2000 and 2010. The percentage decrease of -5.9% since 2010 was greater than the rate of loss experienced in the previous two decades.
- ▶ As the largest jurisdiction in Walworth County, the loss of population in Mobridge resulted in an overall decrease for the County. The population in 2020, at 5,315 residents, was 123 people lower than the population in 2010. However, excluded Mobridge, the remainder of Walworth County actually added some residents between 2010 and 2020.
- ▶ Walworth County also has a longer-term pattern of population loss, dating back to at least 1990. However, in both the 1990s and the 2010s, the reduction of residents Countywide was the result of the impact of Mobridge. Excluding Mobridge, the remainder of the County added residents in two of the past three decades.
- ▶ Patterns are generally similar for the Market Area, which includes both Walworth and Campbell Counties. The 2020 population of 6,692 people was down by 212 people from 2010. The Market Area has had a decreasing population for the past three decades.

- ▶ Post-Census population estimates are available from Applied Geographic Solutions (AGS) and from Esri. These estimates are for 2023 and were released after 2020 Census data became available. As a result, the estimates were reconciled with the most recent Census counts.
- ▶ The AGS population estimate for Mobridge in 2023 is 3,168 people, down from the 2020 Census count of 3,261 people with a 3-year time difference in the effective dates. If accurate, this estimate shows the City losing an average of 31 people per year since 2020.
- ▶ Esri's population estimate for 2023 shows 3,260 people living in the City, almost identical to the 2020 Census count of 3,261 people, but three years forward in the effective date.
- ▶ The 2023 AGS estimate for Walworth County is 5,226, lower than the 2020 Census count of 5,315 people.
- ▶ The 2023 AGS estimate for the Market Area was 6,587, compared to 6,692 people at the time of the 2020 Census.

Population Characteristics: Race and Ethnic Origin

- ▶ According to the 2020 Census, approximately 69% of the City's residents listed their race as "White", with nearly 23% listed as Native American. More than 7% of residents listed "Two or More Races", which primarily represented both White and Native American.
- ▶ Approximately 2% of the City's residents were of Hispanic/Latino ethnic origin in 2020.

Population Characteristics: Group Quarters

- ▶ At the time of the 2020 Census, there were no residents of Mobridge that were identified as living in "group quarters" housing. In 2010, the Census had counted 104 residents of the City living in a skilled nursing home, but by 2020 it does not appear that this facility was still in operation.

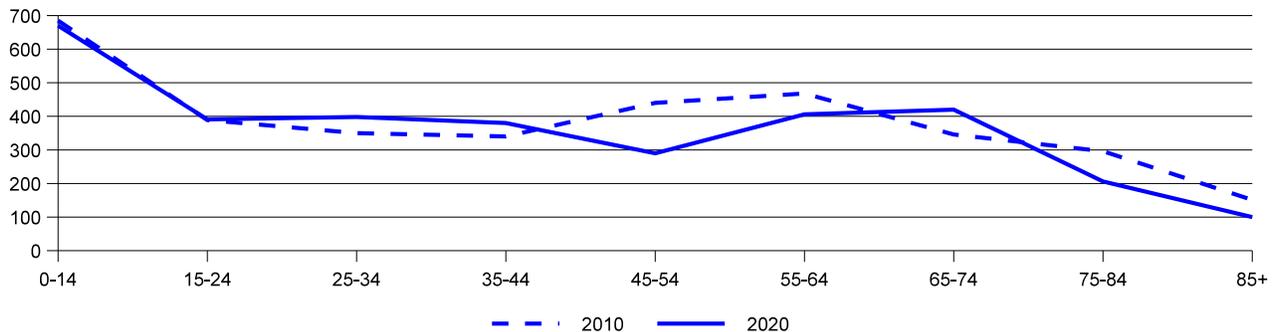
Population by Age Trends: 2010 to 2020

The following table compares population by age changes in Mobridge between 2010 and 2020, using the decennial Census data.

Table 2 Mobridge Population by Age - 2010 to 2020			
Age	2010	2020	Change
0-14	685	670	-15
15-19	211	209	-2
20-24	178	182	4
25-34	350	398	48
35-44	340	380	40
45-54	440	290	-150
55-64	468	406	-62
65-74	346	420	74
75-84	296	206	-90
85+	151	100	-51
Total	3,465	3,261	-204

Source: U.S. Census

Mobridge Population by Age: 2010 and 2020



- ▶ Between 2010 and 2020, the City of Mobridge lost 204 residents, according to the Census.

- ▶ The largest decrease by age range was in the 45 to 54 year old group. This 10-year range had 150 fewer people in 2020. The adjoining age group, between 55 and 64 years old, also decreased in size with 62 fewer people.
- ▶ There was also a large numeric decrease in the older senior ranges, with 90 fewer people in 2020 in the 75 to 84 year old range, and 51 fewer people age 85 and older. At some point between 2010 and 2020, a nursing home in the City was closed. In 2010, there were 104 people living in a nursing home in Mobridge, but no nursing home residents in 2020.
- ▶ The largest numeric increase by age group was in the younger senior range, between 65 and 74 years old. This age range added 74 people between 2010 and 2020.
- ▶ Despite some population growth from younger seniors, overall Mobridge had a fairly large loss of older adults. If all of the age groups 55 and older are combined, the City had 139 fewer people in 2020 than in 2010.
- ▶ Each of the younger adult age groups between 20 and 44 years old increased over the decade. Combined, the City added 92 people in this 25-year range.
- ▶ There was a slight decrease in children and young adults age 19 and younger, but these groups remained relatively stable.

Population Projections from AGS/Esri

Population projections are available from both Applied Geographic Solutions and Esri. The base-year estimates from these sources have been provided, along with projections to 2028. The 2020 Census totals are also presented for comparison.

Table 3 Population Projections Through 2028				
	2020 Census	2023 Estimate	2028 Projection	Change
Mobridge - AGS	3,261	3,168	3,080	-88
Mobridge - Esri	3,261	3,260	3,221	-39
Walworth County - AGS	5,315	5,226	5,214	-12
Market Area - AGS	6,692	6,597	6,473	-124

Source: U.S. Census; AGS; Esri

- ▶ Applied Geographic Solutions is projecting a decrease in the City’s population, with the expected loss of 88 people over the 5-year time period, or an annual average of approximately 18 fewer residents per year. This level of annual loss is generally consistent with recent patterns as Mobridge has lost population growth over the past three decades.
- ▶ Esri is also projecting a loss of residents, but with only 39 fewer people in the City between 2023 and 2028. This would be an average of approximately eight fewer people per year. Between 2010 and 2020, the City’s average annual loss was above 20 people per year.
- ▶ Applied Geographic Solutions is projecting a relatively stable population Countywide, with the expected reduction of only 12 people over the next five years.
- ▶ For the two-county Market Area, AGS is projecting a loss of 124 people between 2023 and 2028. This would primarily be due to a reduction of residents in the Campbell County portion of the Market Area.

Household Data and Trends

Table 4 Household Trends - 1990 to 2020						
	1990 Census	2000 Census	% Change 1990-2000	2010 Census	% Change 2000-2010	2020 Census
Mobridge	1,552	1,545	-0.5%	1,514	-2.0%	1,418
Walworth Co.	2,447	2,506	2.4%	2,392	-4.5%	2,271
Market Area	3,214	3,231	0.5%	3,086	-4.5%	2,911

Source: U.S. Census

- ▶ At the time of the 2020 Census, Mobridge had 1,418 permanent resident households. When compared to 2010, the City had lost 96 households over the decade for a decrease of 6.3%.
- ▶ The household loss for Mobridge over the last decade was a continuation of long-term patterns, as the City has had a decreasing household count since at least 1990. However, the decade-to-decade decrease has been increasing over time. In the 1990s, the City lost seven households, followed by a reduction of 31 households from 2000 to 2010. Between 2010 and 2020, the City lost nearly 100 households, according to the most recent Census.
- ▶ Although the decennial Census is usually viewed as the most reliable demographic data source available, there have been questions raised about the 2020 Census due to the timing of the Covid pandemic. It is possible that the reported loss of permanent resident households in the community may reflect a temporary result of the pandemic.
- ▶ Walworth County had 2,271 permanent households according to the 2020 Census, down by 121 households from 2010. While Mobridge accounted for much of the Countywide loss, the remaining jurisdictions also had a reduction of households over the decade.
- ▶ The two-county Market Area also lost households between 2010 and 2020, as reductions were recorded in both Walworth and Campbell Counties.
- ▶ The AGS estimate showed 1,383 households in Mobridge in 2023, down from 1,418 in the 2020 Census count. Over the 3-year time period AGS is showing an average loss of nearly 12 households per year.

- ▶ The Esri estimate shows 1,419 households in the City in 2023, up by one household from the 2020 Census count. For both population and households, Esri is showing relative stability in Mobridge after 2020.
- ▶ The AGS estimate for Walworth County showed 2,253 households in 2023, down by only 18 households from the 2020 Census count. Outside of Mobridge, AGS is tracking some minor household growth in the remainder of the County.
- ▶ The AGS estimate for the Market Area shows 2,892 households in 2023, compared to 2,911 in 2020.

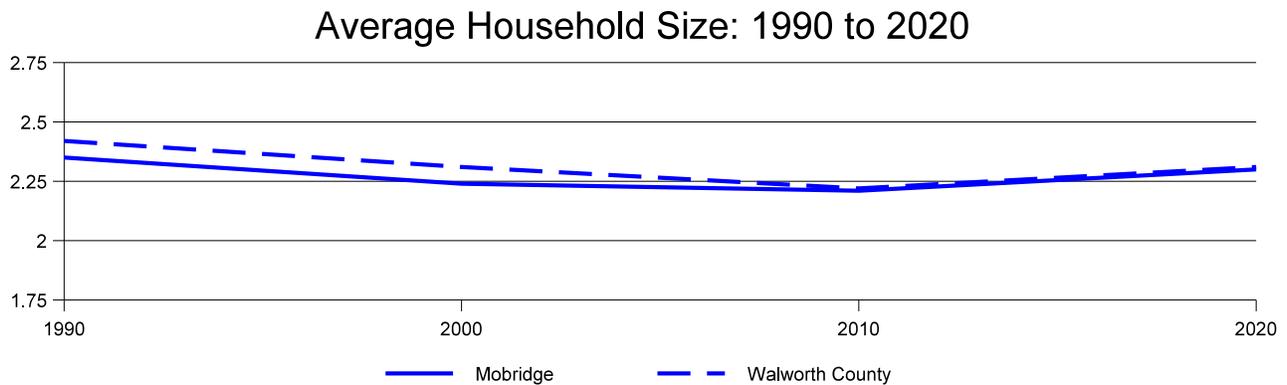
Average Household Size

The following table provides decennial Census information on average household size.

In most jurisdictions in South Dakota 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.

Table 5 Average Number of Persons Per Household: 1990 to 2020				
	1990 Census	2000 Census	2010 Census	2020 Census
Mobridge	2.35	2.24	2.21	2.30
Walworth Co.	2.42	2.31	2.22	2.31
South Dakota	2.59	2.50	2.42	2.44

Source: U.S. Census



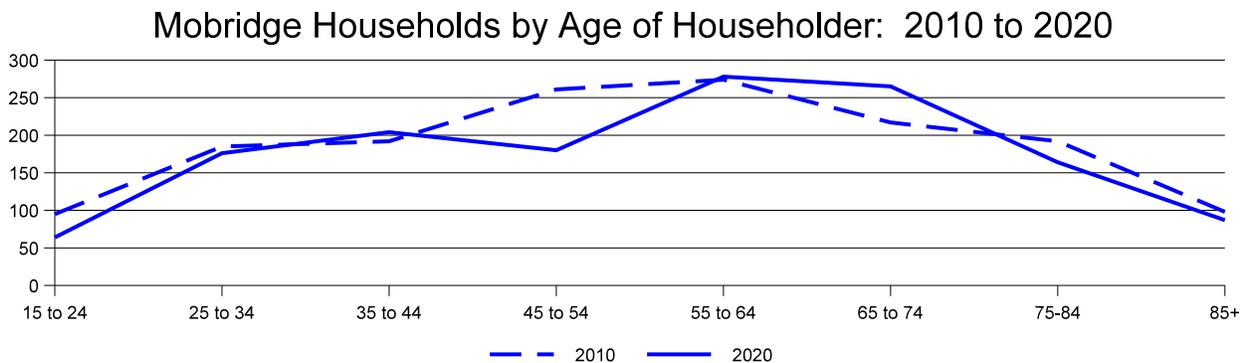
- ▶ Although Mobridge did have a decreasing average household size between 1990 and 2010, this trend reversed over the most recent decade, as the City’s average household had 2.30 persons in 2020, up from 2.21 persons in 2010. Despite this recent increase, the City’s average household size was still below the Statewide average household size of 2.44 persons in 2020.
- ▶ The average household size in Walworth County had also been decreasing from 1990 through 2010, before increasing to 2.31 persons in 2020.

Household by Age Trends: 2010 to 2020

The following table compares households by age using data from the Census for 2010 and 2020.

Table 6 Households by Age - 2010 to 2020						
Age	Mobridge			Walworth County		
	2010	2020	Change	2010	2020	Change
24 and under	95	64	-31	110	87	-23
25-34	185	176	-9	270	254	-16
35-44	192	204	12	288	282	-6
45-54	261	180	-81	431	314	-117
55-64	274	278	4	461	472	11
65-74	217	265	48	370	451	81
75-84	192	164	-28	321	275	-46
85 and older	98	87	-11	141	136	-5
Total	1,514	1,418	-96	2,392	2,271	-121

Source: U.S. Census



- ▶ The household patterns reported in the 2020 Census show the City losing a total of 96 households between 2010 and 2020. As a result, most of the defined age ranges also decreased in size over the decade.
- ▶ The largest numeric decrease occurred among households in the 45 to 54 year old range, with 81 fewer households in 2020.

- ▶ The City also had fewer young adult households, age 34 and younger. Between 2010 and 2020 the City had 40 fewer households in these younger ranges.
- ▶ The City also had a fairly large decrease of older senior citizen households, age 75 and above. There were 39 fewer older senior households in 2020. As stated previously, the City's skilled nursing home was closed between 2010 and 2020, but the closure would not have impacted Census household counts. Nursing home residents were counted as "group quarters" residents in 2010, and not as independent households.
- ▶ The City did have a significant increase on younger senior households, age 65 to 74, with 48 additional households in this range in 2020. The near-senior group also increased slightly in size. If combined, the City added 52 households in the 20-year range between 55 and 74 years old.
- ▶ Due to the strong increase in the younger senior age range, Mobridge did have a net gain of 13 households age 55 and older.
- ▶ In the combined ranges age 54 and younger, the City had a net loss of 109 households between 2010 and 2020.
- ▶ Aging patterns for all of Walworth County showed decreases in most of the defined age ranges. There were only two age groups that increased in size over the prior decade, with 81 households added in the 65 to 74 year old range, and 11 households added in the 55 to 64 year old group.
- ▶ Despite fairly strong growth in the number of younger senior households age 65 to 74, the County had a decrease of 51 older senior households age 75 and above.
- ▶ All of the younger adult ranges decreased in size in Walworth County between 2010 and 2020. Combined, the County had 162 fewer households age 54 and younger by 2020.

Household Projections from AGS/Esri

Household projections are available to the year 2028 from Applied Geographic Solutions and Esri. The base-year estimate from each source has also been provided to track the expected change in households over the 5-year time period. The 2020 Census count is provided for comparison.

In the opinion of Community Partners Research, Inc., the household projections from AGS and Esri are overly conservative, and some growth potential does exist, especially for the City of Mobridge. A projection has also been included based on the research completed for this Update

Table 7 Household Projections Through 2028				
	2020 Census	2023 Estimate	2028 Projection	Change
Mobridge - AGS	1,418	1,383	1,297	-86
Mobridge - Esri	1,418	1,419	1,409	-10
Mobridge - CPR Inc.	1,418	1,420	1,445	25
Walworth Co. - AGS	2,271	2,253	2,185	-68
Market Area - AGS	2,911	2,892	2,767	-125

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

- ▶ Applied Geographic Solutions is projecting that Mobridge will lose 86 households between 2023 and 2028. In the opinion of the analysts, this is an overly conservative forecast when compared to past patterns for the community and is not viewed as reliable.
- ▶ Esri’s estimate shows a stable number of households in the City between 2020 and 2023, but going forward, this source shows the City losing 10 households, or an average two households each year over the 5-year projection period.
- ▶ The analysts believe that the City of Mobridge does have some growth potential, provided housing units are available to allow for households to be added. An annual average increase of five households is viewed as achievable, with a 5-year total of 25 additional households in the City.

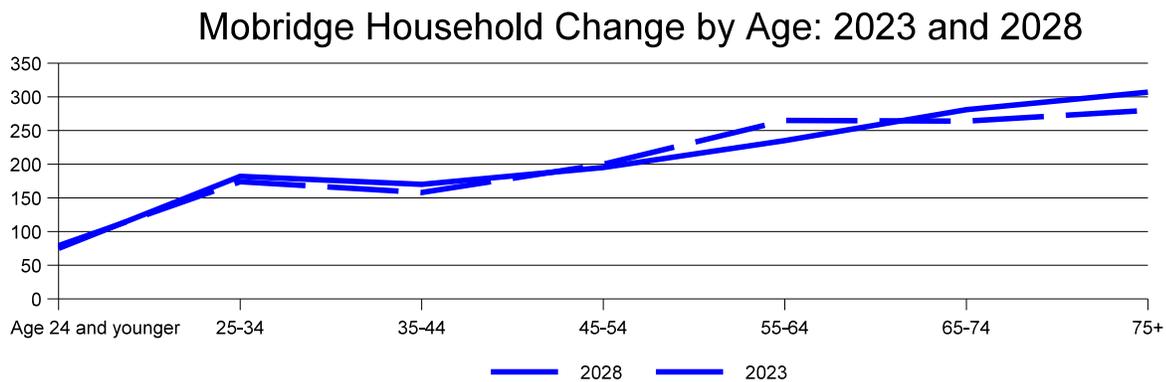
- ▶ Applied Geographic Solutions believes that Walworth County will lose 68 households between 2023 and 2028. Despite their overly conservative forecast for Mobridge, AGS believes that the remainder of the County will add some households outside of Mobridge.
- ▶ AGS is also projecting fewer households in the Market Area by 2028, as both Walworth and Campbell Counties are expected to see fewer households over time.

Projected Households by Age

Esri provides household projection data within defined 10-year age groups, which can be used to anticipate future changes in the demographic composition. However, Esri’s total household projection for 2028 is viewed as somewhat low by the analysts. In the following table, the base Esri information has been adjusted upward to better match expected current and future household levels. These adjustments are less than 3% and have been made by Community Partners Research, Inc.

Table 8 Mobridge Projected Households by Age: 2023 to 2028			
Age Range	2023 Estimate	2028 Projection	Change
15-24	79	75	-4
25-34	174	182	8
35-44	158	170	12
45-54	200	195	-5
55-64	265	235	-30
65-74	264	281	17
75+	280	307	27
Total	1,420	1,445	25

Source: Esri; Community Partners research, Inc.



- ▶ The adjusted age-based projections expect Mobridge to add 25 households between 2023 and 2028. The numeric changes within many of the defined age ranges are relatively limited.

- ▶ By 2028, the largest numeric change within any age range would be expected from older senior households, age 75 and above. The younger senior group, between 65 and 74 years old, is also expected to grow. These projections show an increase of 44 senior-headed households in the City. By 2028, nearly all of the large baby boom generation will be age 65 or older and their impact will be evident in the age patterns for Mobridge.
- ▶ Trailing behind the baby boomers was a smaller demographic cohort, and an expected decrease will occur among households age 55 to 64 years old. This age group will not fully replace the advancing age cohort resulting in fewer near-senior households by 2028.
- ▶ The adjusted projections show limited changes in most of the younger adult ranges age 54 and under. If all of these age ranges are combined, the projections show a net increase of only 11 households over the 5-year time period.

Household Characteristic: Households by Type

The 2020 Census can be compared to statistics from 2010 to examine changes in household composition over the prior decade. The following table looks at household trends within the City of Mobridge.

Table 9 Mobridge Household Composition - 2010 to 2020			
	2010 Census	2020 Census	Change
Family Households			
Married couple with children under 18	211	194	-17
Married couple without children under 18	448	379	-69
Other families with children under 18	157	148	-9
Other families without children under 18	82	103	21
Total Families	898	824	-74
Non-Family Households			
Single Person	529	517	-12
Two or more persons	87	77	-10
Total Non-Families	616	594	-22

Source: U.S. Census

- ▶ Between 2010 and 2020, Mobridge experienced a decrease in the number of both family and non-family households.
- ▶ The largest decrease of any household type occurred from fewer married couples without children. There was also a decrease of married couples with children. Overall, the City had 86 fewer married couple households in 2020 than had been present in 2010.
- ▶ The only household type that increased in size between 2010 and 2020 was non-married family households without children age 18 or younger.
- ▶ There was some decrease in non-family households, with a reduction of people living alone and in households with two or more unrelated people.

Housing Tenure

Housing occupancy tenure information from the 2020 Census can be compared back to 2010 to track housing preference patterns over the prior decade in the City of Mobridge.

Table 10 Mobridge Housing Tenure: 2010 to 2020					
Owners			Renters		
2010	2020	Change	2010	2020	Change
950 / 62.7%	901 / 63.5%	-49	564 / 37.3%	517 / 36.5%	-47

Source: U.S. Census

- ▶ Between 2010 and 2020, Mobridge had a reduction of 49 owner-occupancy households and 47 renter-occupancy households. With reductions in both owners and renters, the tenure distribution percentages experienced only limited change.
- ▶ In 2020, the home ownership rate in Mobridge was 63.5%, compared to 62.7% in 2010. In both years, the City’s home ownership rate was lower than the Statewide average. In 2020, 67% of all households in South Dakota were home owners.

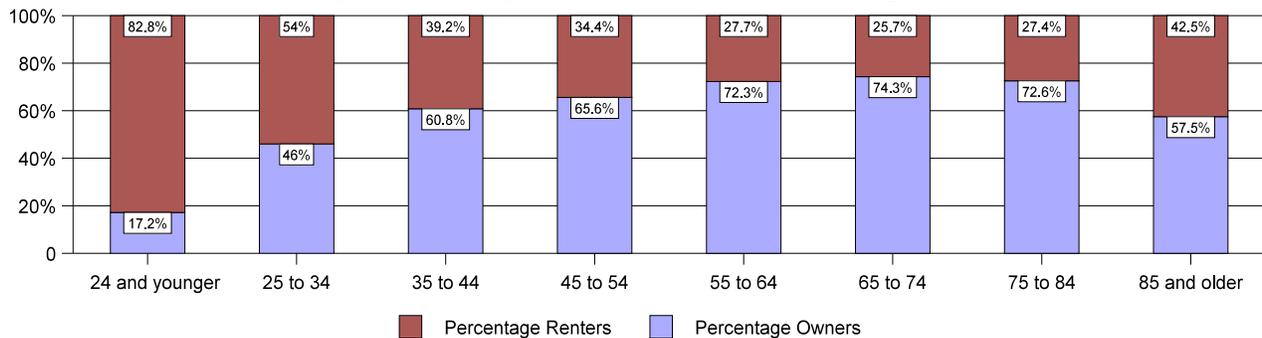
Tenure by Age of Householder

The 2020 Census provided details on the distribution of owner and renter households within defined age ranges. The following table examines the percentages of renters and owners in each age group for Mobridge.

Table 11 Housing Occupancy Tenure by Age of Householder: 2020				
Age	Home Owners		Renters	
	Number	% in age range	Number	% in age range
24 and younger	11	17.2%	53	82.8%
25-34	81	46.0%	95	54.0%
35-44	124	60.8%	80	39.2%
45-54	118	65.6%	62	34.4%
55-64	201	72.3%	77	27.7%
65-74	197	74.3%	68	25.7%
75-84	119	72.6%	45	27.4%
85 and older	50	57.5%	37	42.5%
Total	901	63.5%	517	36.5%

Source: U.S. Census

Mobridge Housing Tenure Patterns by Age in 2020



- ▶ Household tenure by age patterns show a preference for home ownership in each of the defined age ranges 35 years old and older, with a majority of households age 34 and younger renting their housing unit. For each of the defined age ranges between 35 and 84 years old the rate of home ownership was above 60%.

- ▶ The highest rate of home ownership existed in the 65 to 74 year old age range, with an ownership rate of 74.3% in 2020.
- ▶ The lowest ownership rate was among young households age 24 and under, at only 17.2%.

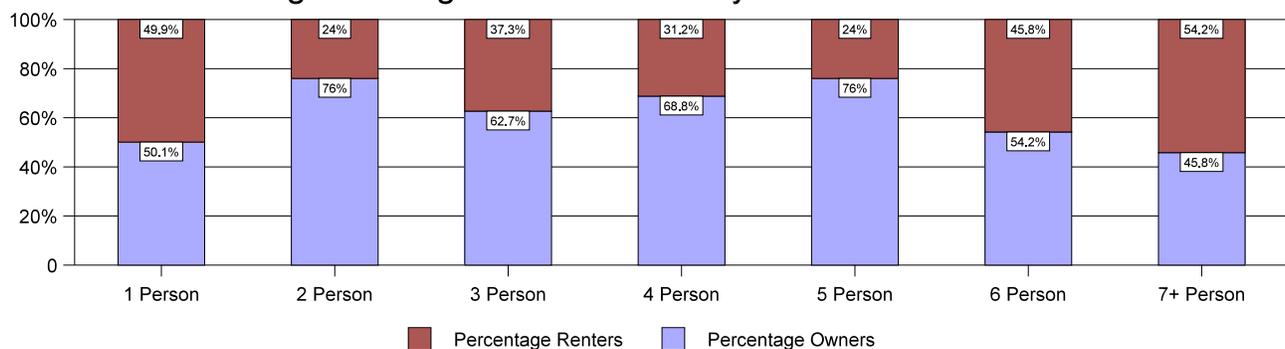
Tenure by Household Size

The Census includes information on housing occupancy tenure by household size. The 2020 data can be compared to the 2010 Census distribution to better understand changing household trends for housing unit demand. The following table provides information for renter and owner households in the City.

Table 12 Mobridge Tenure by Household Size: 2010 to 2020						
Household Size	Home Owners			Renters		
	2010	2020	Change	2010	2020	Change
1-Person	252	259	7	277	258	-19
2-Person	435	374	-61	133	118	-15
3-Person	88	99	11	65	59	-6
4-Person	95	88	-7	49	40	-9
5-Person	55	57	2	23	18	-5
6-Person	20	13	-7	10	11	1
7-Persons+	5	11	6	7	13	6
Total	950	901	-49	564	517	-47

Source: U.S. Census

Mobridge Housing Tenure Patterns by Household Size in 2020



- ▶ Over the past decade, there tended to be limited changes in the distribution of most households by size. However, the City did see decreases in smaller households, with one or two household members. The largest decrease occurred from 76 fewer two person households in 2020. There was also a decrease of 12 one person households.

- ▶ The drop in one person households was due to fewer renters, as the City added a few one person owner households. By 2020, the tenure pattern for people living alone was nearly equally divided, with 50.1% of these households owning their home and 49.9% renting.
- ▶ There was a strong preference for home ownership for most larger household sizes. For households with between two and five household members, the home ownership rate was above 62% in 2020.
- ▶ For households with seven or more members, the rate of rental housing was greater than home ownership.

Tenure by Race

The 2020 Census included information on owner versus renter status by race of the householder.

Table 13 Mobridge Household Tenure by Race - 2020			
	Home Owner	Renter	Total
White	812 / 73.0%	301 / 27.0%	1,113
Native American	53 / 22.9%	178 / 77.1%	231
Two or More Races	33 / 52.4%	30 / 47.6%	63
All Other Races	3 / 27.3%	8 / 72.7%	11
Total	901 / 63.5%	517 / 36.5%	1,418

Source: U.S. Census

- ▶ At the time of the 2020 Census, the home ownership rate for White households was at 73%, higher than the Statewide home ownership rate of 67% for all households.
- ▶ The home ownership rate for Native American households in Mobridge was at 22.9% in 2020, well below the average for White households.
- ▶ Although other racial groups had relatively low rates of home ownership by comparative standards, the ownership rate for households of two or more races was above 52%. The number of households in other racial groups was very small, with only 11 total households.

Median Income Data

Income estimates are available at the city and county level through the Census Bureau’s American Community Survey. There is a data lag for income with the most recent estimates effective for 2021.

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. Family incomes tend to be higher than the overall household median, as families have at least two household members, and potentially more income-earners, while many non-family households have only one household member.

Table 14 Median Income - 2010 to 2021			
	2010 Median	2021 Median	% Change
Households			
Mobridge	\$37,417	\$46,827	25.1%
Walworth County	\$39,517	\$51,746	30.9%
South Dakota	\$46,369	\$63,920	37.9%
Families			
Mobridge	\$52,316	\$59,417	13.6%
Walworth County	\$51,250	\$72,733	41.9%
South Dakota	\$58,958	\$81,756	38.7%

Source: ACS

- ▶ According to the American Community Survey, the median household income for the City of Mobridge was \$46,827 in 2021. The City’s median had increased by more than 25% from 2010, but was still below the comparable medians for Walworth County and the State.
- ▶ The median family income in Mobridge was higher, at \$59,417 in 2021, but had increased by less than 14% from the median in 2010. The City’s median family income was more than \$13,000 below the median for the entire County and more than \$22,000 lower than the State median.
- ▶ Using the commonly accepted standard that up to 30% of gross income can be applied to housing expenses without experiencing a cost burden, the medians in Mobridge yield an amount of \$1,171 for households and \$1,485 for families that could be applied to monthly housing costs.

Household Income Distribution by Tenure: 2021

The American Community Survey contains household income distribution estimates. This information is available by ownership or renter status.

When compared to the 2020 Census, the 2021 American Community Survey estimates for Mobridge over estimated the total number of households. While the estimate for owner-occupancy households was relatively accurate, the ACS over estimated the number of renters living in the City. However, the distribution of households by income is the best available information on this topic.

Table 15 Mobridge Income Distribution by Tenure: 2021			
Household Income	Owner Households	Renter Households	Total Households
\$0 - \$14,999	41 / 4.6%	69 / 12.2%	110 / 7.5%
\$15,000 - \$24,999	58 / 6.5%	135 / 23.9%	193 / 13.2%
\$25,000 - \$34,999	78 / 8.7%	45 / 7.8%	123 / 8.4%
\$35,000 - \$49,999	174 / 19.4%	199 / 35.2%	373 / 25.5%
\$50,000 - \$74,999	187 / 20.9%	59 / 10.4%	246 / 16.8%
\$75,000 - \$99,999	123 / 13.7%	40 / 7.1%	163 / 11.1%
\$100,000+	235 / 26.2%	19 / 3.4%	254 / 17.4%
Total	896 / 100%	566 / 100%	1,462 / 100%

Source: American Community Survey

- ▶ Within the moderate to higher income ranges, there was a greater frequency for home ownership. Nearly 61% of all home owners in Mobridge in 2021 had an annual income of \$50,000 or more.
- ▶ Most renter households had more moderate or lower income levels. In 2021, more than 79% of all renter households in the City had an annual income below \$50,000.
- ▶ For home owners, the estimated median household income in 2021 was \$64,194.
- ▶ For all renter households, the estimated median income level in 2021 was \$36,164.

Renter Housing Cost Burden

The American Community Survey includes information on housing costs for renter households. Generally, it is the goal of housing assistance programs to limit housing costs to no more than 30% of household income. This is especially true for lower income households, with limited amounts of income available for discretionary spending.

When more than 30% is applied, this is often referred to as a “housing cost burden”. When 35% or more of income is required, this may represent a “severe housing cost burden”.

The following table examines the percentage of income required by renter households for monthly housing costs. Since the ACS over estimated the number of renters in 2021, only percentage distributions have been provided.

Table 16 Mobridge Renter Household Cost Burden - 2021	
Percent of Income for Housing	Percent of all Renter Households
Less than 20%	34.1%
20% to 29.9%	17.7%
30% to 34.9%	14.1%
35% or more	25.1%
Not Computed	9.0%
Total	100%

Source: American Community Survey

- ▶ Using a standard at 30% of income, most renter households in Mobridge did not have a cost burden for rental housing in 2021. However, more than 39% of all renters did need to apply 30% or more of their income to housing costs. Most of these households were applying 35% or more of their income to monthly rental costs.
- ▶ The American Community Survey includes an estimate of the median percentage of income applied to rental housing costs in 2021. For renter households in Mobridge, the estimated median was 26.8% of income. This indicates that rental housing was reasonably affordable for most renters.

Owner Housing Cost Burden

The American Community Survey also includes information on housing costs for home owners. The following table examines the percentage of income required by Mobridge owner households for monthly housing costs. Information is provided for owner households with and without a mortgage on their home. Percentages are calculated for each column. Since the American Community Survey under estimated the number of home owners in 2021, percentage distributions have been presented.

Table 17 Mobridge Owner Household Cost Burden - 2021			
Percent of Income for Housing	Households with a Mortgage	Households without a Mortgage	Total
Less than 20%	52.1%	77.8%	64.5%
20% to 29.9%	33.3%	15.7%	24.8%
30% or more	14.7%	6.5%	10.7%
Not Computed	0%	0%	0%
Total	100%	100%	100%

Source: American Community Survey

- ▶ Most owner-occupants, which would include both households with or without a mortgage, reported paying less than 30% of their income for housing. Mortgage lending practices generally attempt to keep monthly payments below this level of household income.
- ▶ Nearly 11% of all home owners reported that they paid 30% or more of their income for housing in 2021.
- ▶ Most of the households with a cost burden had a mortgage on their home. For households without a mortgage, a lower annual income was often the cause of the cost burden, such as a retiree that owned their home but lived on a fixed income.
- ▶ The American Community Survey provides an estimate of the median percentage of income paid by home owners in Mobridge for housing. In 2021, the median required for home ownership was only 14.7%.

Building Permit Trends

Mobridge issues building permits within the City and also for a three-mile area that surrounds the City. Within this permitting area there has been some new housing construction activity in recent years. The following table identifies construction from 2010 to 2023.

Table 18 Mobridge Housing Unit Construction Activity: 2010 to 2023			
Year	Single Family	Two or More Units	Total Units Constructed
2023	0	3	3
2022	2	0	2
2021	1	0	1
2020	2	0	2
2019	5	0	5
2018	5	0	5
2017	0	0	0
2016	5	0	5
2015	2	0	2
2014	3	0	3
2013	2	0	2
2012	4	0	4
2011	1	0	1
2010	7	0	7
Total	39	3	42

Source: City of Mobridge; Census Bureau; Community Partners Research, Inc.

- ▶ Over the 14-year period from 2010 to 2023, there were 42 new housing units added to the City through new construction. Most of these permits were issued for single family houses.
- ▶ The City of Mobridge issues building permits for an extraterritorial jurisdiction that extends approximately three miles beyond the City limits. The permitting totals in the table above include the 3-mile area as well as within the City.

- ▶ Over the entire 14-year time period there were 39 traditional single family houses permitted. On an annual basis this was between two and three houses per year.
- ▶ However, most of the new single family development occurred between 2010 and 2019. From 2020 through 2023, the annual average for new single family houses was between one and two new homes per year. No single family permits were issued in 2023.
- ▶ Only one multifamily structure has been permitted since 2010. In 2023, construction began on a three-unit rental project that utilized a cleared redevelopment parcel near the City's downtown area. Three apartment units will become available for occupancy sometime in 2024.

2020 Census Housing Data

The first housing counts released from the 2020 Census included information on occupancy and vacancy of housing units. The following table compares information from 2010 and 2020 to track changes over the decade as reported by the Census.

Table 19 Housing Units, Occupancy and Vacancy - 2010 to 2020									
	Total Housing Units			Occupied Units			Vacant Units		
	2010	2020	Change	2010	2020	Change	2010	2020	Change
Mobridge	1,727	1,687	-40	1,514	1,418	-96	213	269	56

Source: U.S. Census

- ▶ Comparing the Census housing totals from 2010 and 2020 for Mobridge showed a net loss of 40 housing units over the decade. As reported on a previous page, there were an estimated 34 new houses constructed in the City's permitting area between 2010 and 2019 that should have been included in the 2020 Census count.
- ▶ There was a large increase in vacant/unoccupied housing between 2010 and 2020. In 2020, there were 296 vacant units.
- ▶ There were some details on the vacant housing stock in 2020, including 57 vacant/unoccupied rental units, 44 unoccupied houses that were for sale or sold, 47 units that were used as seasonal/recreational housing, and 119 units simply listed as "other vacant".

Age of Housing - American Community Survey

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 Mobridge, the estimated median year of construction is 1960.

Nearly 50% of all owner-occupancy houses in the City were constructed prior to 1960, and approximately 92% were constructed before 1980.

Median Year of Construction - Renter-occupancy Housing

For renter-occupancy units in Mobridge, the estimated median year of construction is 1970.

Nearly 77% of all renter-occupancy units in the City were constructed prior to 1980.

Existing Home Sales

This section examines houses that have been sold in Mobridge from 2018 through 2022. 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 Walworth 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.

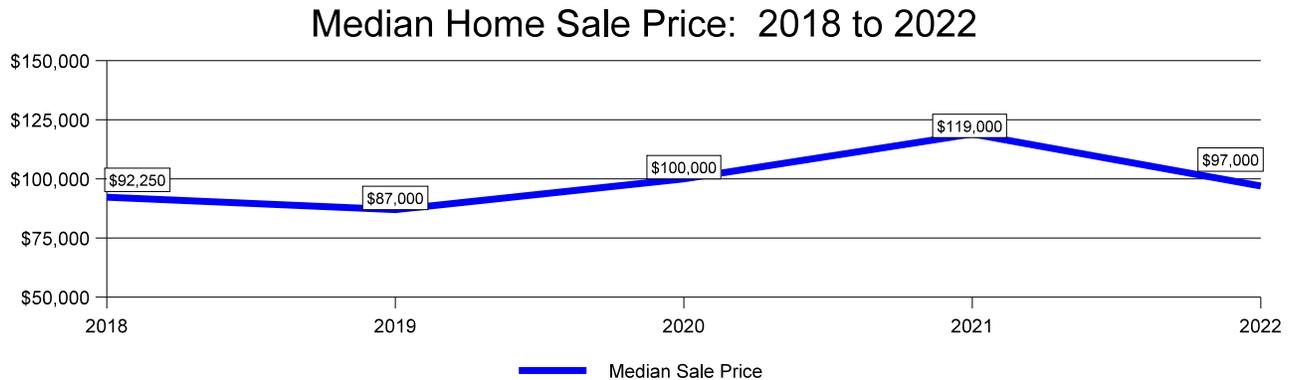
The County’s sale year differs slightly from a calendar year, and begins on November 1st and extends to October 31st. No information was available for the 2023 sales period.

Table 20 Median Value of Recent Residential Sales - 2018 to 2022				
Year	Number of Sales	Median Sale Price	Highest Sale	Lowest Sale
2022	51	\$97,000	\$440,000	\$7,500
2021	71	\$119,000	\$425,000	\$13,500
2020	37	\$100,000	\$245,000	\$6,000
2019	37	\$87,000	\$312,000	\$5,500
2018	52	\$92,250	\$425,000	\$6,500

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

- ▶ Based on sales over the past five years, home values in Mobridge are in a moderate price range. Although the midpoint sale price had climbed to \$119,000 in 2021, in each of the other years the annual median price had been \$100,000 or less. In 2022, the median was \$97,000.

- ▶ There has been a fairly wide variation in the number of good sales in any single year. In both 2019 and 2020, only 37 open market transactions were recorded each year. However, this was followed by 71 sales in 2021, the largest volume for the years reviewed.



- ▶ Throughout the five years reviewed, a number of higher valued home sales have been recorded. In four of the past five years at least one home has been sold annually for \$312,000 or more.
- ▶ A number of lower valued sales have also been recorded, with at least one house selling in Mobridge for less than \$15,000 in each of the past five years.
- ▶ An alternate estimate of home values exists in the American Community Survey. In 2021, the estimated median value for all owner-occupied housing in Mobridge was \$92,800. This estimate was below the median sale price recorded in 2021 of \$119,000, but only slightly less than the midpoint sale in 2022 of \$97,000.

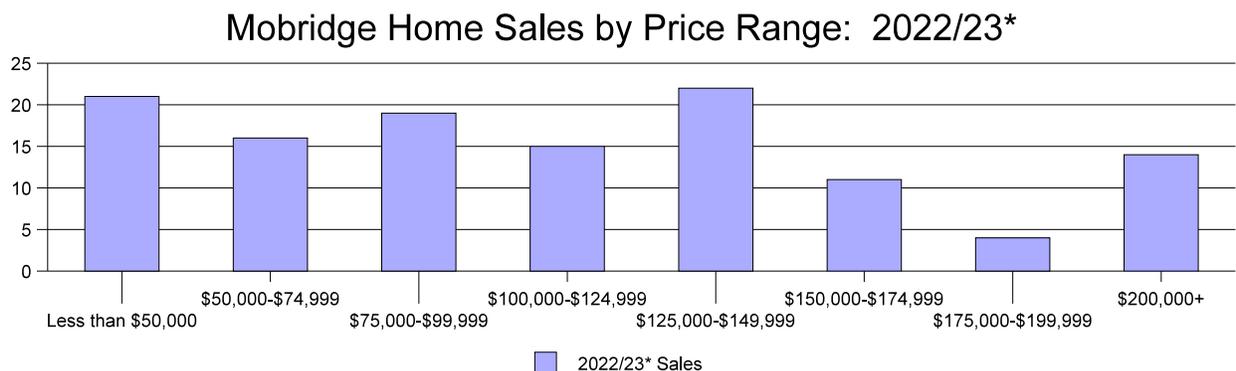
Home Sales by Price Range

The following table looks at single family houses that sold within defined price ranges over a 24-month period for the 2021/22 sales years. There were 122 good “arms length” sales over this period.

Table 21 Mobridge Home Sales by Price Range: 2021/22		
Sale Price	Number of Sales	Percent of Sales
Less than \$50,000	21	17.2%
\$50,000 - \$74,999	16	13.1%
\$75,000 - \$99,999	19	15.6%
\$100,000 - \$124,999	15	12.3%
\$125,000 - \$149,999	22	18.0%
\$150,000 - \$174,999	11	9.0%
\$175,000 - \$199,999	4	3.3%
\$200,000 - \$299,999	8	6.6%
\$300,000+	6	4.9%
Total	122	100%

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

- ▶ While recent home sales in Mobridge were distributed in a wide range of prices, a large majority of homes were sold for less than \$150,000.
- ▶ Overall, fewer than 12% of the sales were for \$200,000 or more.



Rental Housing Data

Census Bureau Rental Inventory

According to the 2020 Census, there were 517 occupied rental units and 57 vacant/unoccupied rental units in Mobridge, for a total estimated rental inventory of 574 units. The City's rental tenure rate was 36.5%, based on renter-occupancy households. For comparison, the Statewide rental tenure rate in 2020 was 33.0%.

At the time of the 2010 Census, there were 564 occupied rental units and 57 unoccupied rental units in Mobridge, for a total estimated rental inventory of 621 units. The City's rental tenure rate in 2010 was 37.3%, above the Statewide rental rate of 31.9%.

Between 2010 and 2020, Mobridge lost 47 renter-occupancy households and 47 rental housing units from the local inventory, based on the reported Census totals.

Rental Construction 2010 to 2019

Based on available building permit reports, there were no multifamily structures constructed in Mobridge between 2010 and 2019.

Rental Construction 2020 to 2023

Since 2020, only one rental project was permitted, with a three-unit apartment building under construction in 2023. Any additional tenure changes after the 2020 Census would probably be due to conversion, as housing units formerly used for owner-occupancy were changed to rental use, or vice versa.

Pending Projects

Our research identified no specific projects planned for construction in 2024, although local developers have been examining the potential for developing small-scale rental projects in Mobridge.

Rental Housing Survey

As part of the research process, a telephone survey was conducted of multifamily projects in Mobridge. Emphasis was placed on contacting properties that have four or more units. However, some information was also collected from property owners/managers that had multiple single family rental units. For the purposes of planning additional projects in the future, multifamily properties represent the best comparison of market potential.

The telephone survey was primarily conducted in September 2023, but some additional information was obtained in January 2024. Information was tallied separately for different types of rental housing, including conventional market rate units, subsidized housing and specialized senior housing offering services.

There were at least 234 rental housing units of all types that were contacted in the survey. The units that were successfully contacted include:

- ▶ 70+ conventional market rate units
- ▶ 110 general occupancy federally subsidized units
- ▶ 32 senior/disabled occupancy federally subsidized units
- ▶ 22 units/rooms of senior housing with services

Based on the rental inventory reported in the 2020 Census, the units contacted in the 2023 rental survey represented approximately 40% or more of all rental options in the City.

The survey was successful in contacting all of the income-based properties in Mobridge and all of the specialized senior rental projects.

The findings of the survey are provided by market segment on the following pages.

Market Rate Summary

Only limited information could be obtained from the conventional market rate sector for the 2023 Update. Some of the larger multifamily projects in the City, including Riverside and Riverview Apartments, could not be contacted despite repeated attempts.

Information was obtained on approximately 70 market rate rental units, with 42 of these in multifamily buildings and the remainder in single family houses owned by two different property owners.

Unit Mix

One of the single family rental property owners did not disclose the actual number of rental houses in Mobridge (20 or more), and did not provide specifics on the bedroom mix. For the 50 units that did provide more detailed information, the following bedroom mix was reported:

- ▶ efficiency - 2 (4% of all units)
- ▶ one-bedroom - 11 (22%)
- ▶ two-bedroom - 31 (62%)
- ▶ three-bedroom - 6 (12%)

The units in multifamily projects in Mobridge are heavily oriented to one and two-bedroom rental options. Many of the single family houses used as rentals may have two or more bedrooms.

Occupancy / Vacancy

At the time of the survey, there were no vacant units reported in the conventional market rate segment and any turnover units were filled quickly, according to the owners/managers that were contacted. Strong demand was reported with frequent phone calls from prospective tenants. Some property owners maintain waiting lists of prospective tenants.

There were some units that were intentionally vacant for renovation and a new 3-unit apartment building was still under construction, but the owner indicated that there was good demand for these units.

Rental Rates

The owner of Mobridge Townhomes, one of the newer market rate projects in the City, did not disclose the contract rent amounts. In the opinion of the analysts, the Mobridge Townhomes would represent one of the best comparable properties for any new development based on amenities and features. The owners of more than 28 single family rental houses provided ranges, as these houses vary depending upon age, condition and amenities.

Preliminary rent information was obtained from a new 3-unit apartment building that started construction in 2023. The two-bedroom units in this project will have an estimated gross rent of approximately \$925 per month including tenant-paid utilities.

Based on the information that was obtained, the following estimates are provided. Community Partners Research, Inc., has attempted to estimate the gross rents being charged, inclusive of an estimate for tenant-paid utilities. The lowest and highest gross rents have been identified.

<u>Unit Type</u>	<u>Lowest/Highest Gross Rents</u>
Efficiency	\$690
One-bedroom	\$700-\$753
Two-bedroom	\$700-\$1200
Three-bedroom	\$1200-\$1400
Four-bedroom	\$1500-\$1600

It is important to recognize that the rental ranges provided above are from a limited number of rental units in the City. All of the three and four-bedroom units reported for rent levels are single family houses where tenants pay all utilities.

The lower end of the range for efficiency, one-bedroom and two-bedroom units, reported above, is within the Payment Standard used for rent assistance Vouchers in Mobridge.

Tax Credit

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

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

Since the tax credit program became available, only one award has been made in Mobridge. In 2008, a renovation/preservation award was made to Whispering Pines Apartments, a USDA Rural Development subsidized project in the City. Whispering Pines has been included in the subsidized housing analysis on the following page.

Subsidized Summary

The research completed for this Update identified five subsidized projects providing rental opportunities for lower income households. These projects have a combined 142 units. Four projects are designated as general occupancy housing, with a combined 110 units, and one project is designated as senior/disabled tenant occupancy, with 32 units.

The subsidized unit inventory in the City is unchanged from the time of the 2015 Housing Study.

All of the five subsidized rental projects in Mobridge have access to some type of project-based rent assistance:

- ▶ **Whispering Meadows** is a 32-unit Rural USDA Development subsidized project that also received later awards of tax credits and HUD HOME funding for renovation/preservation. This project is designated as general occupancy housing.
- ▶ **Brown Palace Apartments** is a mixed-income project that received HUD Mod Rehab funding in the late 1970s for renovation of a former historic hotel that was converted to rental housing. Rent assistance is available for 42 of the building's 55 units, but many of the residents of the 13 market rate units have tenant-based Vouchers. This project is available for general occupancy.
- ▶ **River Ridge Townhomes** - River Ridge Townhomes is a 28-unit HUD Section 8 general occupancy town home project. The 28 units include 22 two-bedroom and six three-bedroom units.
- ▶ **River Ridge Apartments** is a HUD Section 8 project with 32 one-bedroom units that is designated as senior/disabled occupancy housing.
- ▶ **J & K Manor** is an eight-unit HUD Section 8 project. Although all of the units have only one bedroom, this project is designated as general occupancy housing.

Unit Mix

The bedroom mix breakdown for the 142 subsidized housing units in Mobridge is as follows.

- ▶ 86 one-bedroom (60.6%)
- ▶ 50 two-bedroom (35.2%)
- ▶ 6 three-bedroom (4.2%)

Most of the subsidized units in Mobridge have only one bedroom, including 42 units in Brown Palace and 32 units in River Ridge Senior Apartments.

Occupancy / Vacancy - General Occupancy

There are four projects with a combined 110 units that are designated for general occupancy. At the time of the rental survey there were approximately 13 vacant units, for a vacancy rate of 11.8%. Many of the vacant units were waiting for repairs to be made before the units could be leased to new tenants.

Despite the high number of vacancies, many of the projects reported waiting lists and indicated that demand exists for affordable housing.

Occupancy / Vacancy - Senior/Disabled Occupancy

There were 14 open units in River Ridge Senior Apartments at the time of the rental survey, for a vacancy rate of 43.8%. Most of these units were waiting for repairs to be made before they could be leased to new tenants.

Rental Rates

All of the subsidized units in Mobridge can offer project-based rent assistance to eligible tenants allowing rent based on 30% of household income.

Subsidized Housing Gains/Losses

Federal subsidy sources for low income rental housing have been very limited for the past few decades. Many subsidized projects in South Dakota were constructed in the 1960s, 1970s and 1980s. Some of these older projects have completed their compliance requirements and have the opportunity to leave their subsidy program and convert to conventional rental housing.

We are not aware of any subsidized projects that have opted out of their subsidy contract and converted to market rate. We are also not aware of any subsidized projects that have begun the process of opting out of their subsidy contracts.

Tenant-Based Rent Assistance Vouchers

There are also tenant-based rent assistance HUD Housing Choice Vouchers available in the area. The Voucher Program is administered by the Mobridge Housing and Redevelopment Commission (HRC) for an eight-county service area.

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

When contacted in September for the 2023 Update, there were approximately 92 Vouchers in use in the service area, with an estimated 74 of these Vouchers in Mobridge. Since the rent assistance is tenant-based, and moves with the household, the actual number of participating households within the City can vary from month to month. There is also a waiting list maintained for a Voucher.

The Mobridge HRC also administers the project-based rent assistance that is available for the 42 units on the upper floors of the Brown Palace apartments.

Subsidized Housing Total Inventory

When tenant-based rent assistance is combined with the units in the subsidized projects, there are as many as 216 households in Mobridge with access to some form of subsidized housing. This probably represents more than 41% of all renter households that are estimated to be present in the City in 2023.

Cheyenne River Housing Authority

The Cheyenne River Housing Authority provides affordable housing options for more than 650 Tribal member households in the Mobridge region. However, the Housing Authority does not have units within the city limits of Mobridge.

Senior Housing with Services

Unit Inventory

There are two State-licensed senior housing projects with services projects in Walworth County. Prairie Sunset Village is located in Mobridge and Walworth County Care Center is in Selby.

- ▶ **Prairie Sunset Village** in Mobridge is licensed as an Assisted Living Center with 16 studio units and capacity for 16 assisted living residents. There are also six apartment units that provide independent senior housing.
- ▶ **Walworth County Care Center (formerly Good Samaritan)** in Selby is State-licensed as a Skilled Nursing Home with the Selby Good Samaritan Center Nursing Home is located in the City of Selby with 50 beds. There are no specific designations for bed use and most are occupied by people needing long-term care, but some beds are also utilized for shorter-term transitional care stays.

At the time of the 2015 Housing Study there had also been a skilled nursing home in Mobridge, but the Golden Living Center was closed prior to 2020. In 2015, the facility had 65 skilled nursing beds and 44 memory care beds for a total of 109 licensed beds. No further information was obtained on the closure of this facility.

Occupancy / Vacancy

At the time of the survey all of the units in Prairie Sunset Village were occupied and the project reported a waiting list for both assisted living and independent senior units.

The Walworth County Care Center reported a high rate of occupancy. When the Golden Living Center was closed in Mobridge, residents of the facility were relocated to other nursing homes in the region, including some people that moved to Selby at that time.

Rental Rates

The lowest entry rate into an assisted living unit in Prairie Sunset Village is \$2,752 per month. Four of the units are available to lower income seniors receiving State assistance. The lowest entry price for an independent apartment is \$1,826 per month, plus some optional additional services.

Table 22 Mobridge Multifamily Rental Housing Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Brown Palace Apartments	2 - efficiency 10 - 1 bedroom <u>1 - 2 bedroom</u> 13 market rate plus 42 income based units	\$690 \$753 \$992 including utilities	Any vacant units are filled quickly	Mix of tenants	Historic former hotel constructed in 1918 that was converted to rental housing, with HUD Mod Rehab award in the late 1970s/early 1980s for renovation. Due to HUD assistance, 42 units are income-restricted and reported in the subsidized section below, with 13 units on the first floor available as market rate housing - but nearly all tenants have a rent assistance Voucher. Rents listed include utilities. Manager reported good demand for housing and any turnover units fill quickly, although some delays can occur due to repair needs. Tenants include singles, couples and families.
Garden Park Apartments	1 - 1 bedroom <u>7 - 2 bedroom</u> 8 total units	N/A +some utilities	N/A	N/A	Unable to contact in 2023 survey - information provided is from prior survey. Two four-plexes. Tenant-paid utilities vary by building.
Hafner Rentals	1 bedroom 2 bedroom 3 bedroom <u>4 bedroom</u> More than 20 single family houses	\$550 \$650-\$750 \$1050-\$1100 \$1300-\$1400 +utilities	No vacant units	Mix of tenants	Rental company with more than 20 single family houses in Mobridge. Tenant pays all utilities in addition to rent. Houses range in size, age and amenities. Owner reported good demand and that houses are generally full - but repairs may be needed and units may be unoccupied for a short time. 50% or more of the renters have a tenant-based rent assistance Voucher - but program rent limits are too low especially for larger units so fewer Vouchers in use than in the past.
Hamre Rentals	3 - 1 bedroom 1 - 2 bedroom <u>1 - 3 bedroom</u> 5 total units +rental houses	N/A	N/A	N/A	Unable to contact in 2023 - information presented is from prior survey. Rental company with a 5-unit apartment building and rental single family houses in 2015. Tenants pay some utilities in addition to rent. In 2015 some tenants had Housing Choice Voucher rent assistance.
Hoff Rentals	Single family houses and mobile homes	N/A	N/A	N/A	Unable to contact in 2023 - information presented is from prior survey. Rental company with single family houses and mobile homes. In 2015 there were 9 rental units and all tenants had Housing Choice Voucher rent assistance.

Table 22 Mobridge Multifamily Rental Housing Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Jensen Rentals	1 - 1 bedroom 5 - 2 bedroom <u>2 - 3 bedroom</u> 8 single family houses	\$600 \$600-\$1200 \$1000-\$1200 +utilities	No vacant units	Mix of tenants	Rental company with 8 single family houses in Mobridge. Tenant pays all utilities in addition to rent. Houses range in size, age and amenities. Owner reported good demand and that houses are full and awaiting list exists. Renters of higher priced units are often short-term such as people waiting to buy a house, as prevailing rents in the City are under \$1000.
Milliken Apartments	<u>3 - 2 bedroom</u> 3 total units	\$850 +heat, electric	Under construction	Pre-leased to younger tenants	New apartment building that is under construction with initial occupancy in 2024. Three-level building with stairs constructed on a cleared redevelopment site near downtown area. Rent includes water, sewer and garbage with tenant paying remaining utilities. Units will have dishwasher, in-unit laundry and off-street parking. Units have been pre-leased primarily to younger working age tenants.
Milliken Apartments	<u>6 - 2 bedroom</u> 6 total units	\$400 +heat, electric	3 units intentionally vacant	Mostly younger tenants	Two 3-unit apartment buildings probably constructed in the 1950s. Buildings are 3-level with stairs. Rent includes water, sewer and garbage with tenant paying remaining utilities. One building is intentionally vacant to allow for major renovation and the other building will also be done in the future. Good demand for affordable units, primarily from younger tenants.
Mobridge Townhomes	8 - 2 bedroom <u>4 - 3 bedroom</u> 12 total units	N/A +utilities	No vacant units	Mostly seniors	Project originally developed by the Mobridge HRC but sold to private owner in 2022. Tenant pay utilities in addition to rent - current rents not disclosed. Owners reported full occupancy and good demand - most tenants are seniors.
Oahe Estates Mobile Home Park	2 bedroom <u>3 bedroom</u> rental mobile homes	N/A	N/A	N/A	Unable to contact in 2023 - information presented is from prior survey. Mobile home park that has both rental and owned units. In 2015 there were 17 rental mobile homes. Rent-to-own program was being offered in 2015 with a portion of the rent going toward purchase with some participating tenants.

Table 22 Mobridge Multifamily Rental Housing Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Parkview Apartments	<u>8 - 2 bedroom</u> 8 total units	\$650 +heat	No vacant units	Primarily seniors	Two 4-plexes in 2-level walkup buildings. Tenant pays electric heat and electricity in addition to rent. Owner reports no vacant units. Most tenants are seniors.
Riverside & Riverview Apartments 618 7 th Ave W	2 - efficiency 3 - 1 bedroom <u>27 - 2 bedroom</u> 32 total units	N/A	N/A	N/A	Unable to contact in 2023 - information presented is from prior survey. Two 16-unit apartment buildings constructed in the 1970s. Buildings are 3-level building without elevators. Rent includes all utilities except electricity. Some furnished units were available in 2015.
Talk of the Town Apartments	1 - efficiency 1 - 1 bedroom 1 - 2 bedroom <u>1 - 3 bedroom</u> 4 total units	N/A	N/A	N/A	Unable to contact in 2023 - information presented is from prior survey. Commercial building that was converted into four apartments. Tenants pay heat and electricity. In 2015 several tenants had Housing Choice Voucher rent assistance.

Table 22 Mobridge Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized					
Brown Palace Apartments 301 N Main	41 - 1 bedroom <u>1 - 2 bedroom</u> 42 total income based units plus 13 market rate	\$618 \$992	Any vacant units are filled quickly from waiting list	General occupancy	Historic former hotel constructed in 1918 that was converted to rental housing, with HUD Mod Rehab award in the late 1970s/early 1980s for renovation. Due to HUD assistance, 42 units are income-restricted and residents have rent assistance Vouchers. Remaining 13 units are market rate and reported above - but nearly all market rate tenants also have a tenant-based Voucher. Manager reported good demand for housing and any turnover units fill quickly, although some delays can occur due to repair needs. Subsidized units have a high rate of turnover but a short waiting list exists. Tenants include singles, couples and families.
J & K Manor 118 9 th St W	<u>8 - 1 bedroom</u> 8 total units	30% of income	Some open units due to turnover	General occupancy	HUD Section 8 subsidized project designated for general occupancy but most tenants are seniors. Split entry building with stairs. All units have access to project-based rent assistance allowing rent based on 30% of income. Manager reported 3 open units at time of survey due to recent turnover but 2 applications in process. Building is usually at full occupancy and waiting list exists.
River Ridge Senior Apartments 210 3 rd St W	<u>32 - 1 bedroom</u> 32 total units	\$728 30% of income	14 vacant units	Senior/ disabled occupancy	HUD Section 8 subsidized project that was constructed in the 1970s and designated for senior/disabled tenant occupancy. Four-story building with elevator. All units have access to project-based rent assistance allowing rent based on 30% of income, up to a market rent listed. Manager reported 14 vacant units at time of survey - some units need repair before they can be leased.

Table 22 Mobridge Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized					
River Ridge Family Apartments 210 3 rd St W	22 - 2 bedroom <u>6 - 3 bedroom</u> 28 total units	\$760 \$947 30% of income	4 vacant units, waiting list	General occupancy	HUD Section 8 project designated for general occupancy. All units have access to project-based rent assistance allowing rent based on 30% of income, up to maximum rents listed. Two-bedrooms have 1349 sq ft and 3-bedrooms have 1425 sq ft; all units have 1 bathroom. Manager reported 4 vacant units on date of survey with some due to recent evictions - units need repair before they can be leased. Waiting list exists.
Whispering Meadows 1016 5 th Ave W	4 - 1 bedroom <u>28 - 2 bedroom</u> 32 total units	\$702 \$754 30% of income	8 vacant units 1 - 1 bdrm 7 - 2 bdrm	General occupancy	USDA Rural Development subsidized project designated for general occupancy and constructed in the 1970s - renovation in 2006 utilizing tax credit and HOME funds. Four split-entry 8-plexes. All units have access to project-based rent assistance allowing rent based on 30% of income up to maximum rents listed. One-bedrooms have 406 sq ft and 2-bedrooms have 665 sq ft; all units have 1 bathroom. Manager reported 8 vacant units on date of survey with most due to recent evictions - units need repair before they can be leased. Waiting list exists.
Section 8 Housing Choice Vouchers	Approx. 74 Vouchers in Mobridge	30% of income	N/A	N/A	HUD Housing Choice Vouchers provide tenant-based rent assistance that can be used in any suitable rental unit. Tenant rent contribution is based on approx. 30% of income, with the assistance program paying additional subsidy. In Sept. 2023 there were 92 Vouchers in 8 County region with approx. 74 being used in Mobridge. Waiting list exists.

Table 22 Mobridge Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Housing Type	Comments
Senior with Services					
Prairie Sunset Village 1401 10 th Ave W	<u>16 - studio</u> 16 total units with 16 resident ALC license	\$2,752	No vacant units, waiting list	Assisted Living Center	Senior housing project constructed in the 1990s that includes 16 studio units for assisted living and six independent senior units. Licensed as an Assisted Living Center with 16 resident capacity and attached to the hospital by a walkway. Units are studio with kitchenette but no stove. The assisted living units include one care level that includes meals, housekeeping, 24-hour staffing and assistance with daily living. Higher levels of care may require tenant to move. All units were leased on date of survey and waiting list exists. Facility is largely private-pay but 4 units available to lower income seniors with State assistance.
Prairie Sunset Village 1401 10 th Ave W	<u>6 - 1 bedroom</u> 6 total units plus assisted living	\$1,826	No vacant units, waiting list	Senior housing with light services	Senior housing project constructed in the 1990s that includes six independent senior units and 16 studio units for assisted living which are reported separately. Facility is attached to the hospital by a walkway. Units are apartments with kitchens. The independent units include one meal, light housekeeping and emergency call system. Additional meals are available for purchase. All units were leased on date of survey and waiting list exists.
Walworth County Care Center (formerly Good Samaritan)	50 bed license	N/A	High rate of occupancy	Skilled nursing home	Skilled nursing home licensed for 50 beds and located in Selby. No specific set-asides but approx. 46 beds are used for long-term residents and remaining beds by short-term rehab stays. Rooms are semi-private.

Source: Community Partners Research, Inc.

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. The type of employment, wage level, and working conditions will each influence the kind of housing that is needed and at what level of affordability.

Work Force and Unemployment Rates

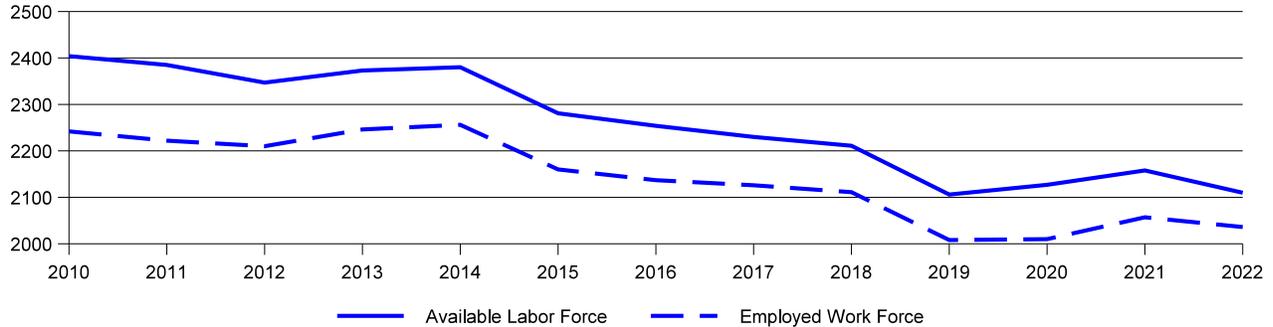
Employment information has been analyzed for Walworth County in this section of the Study. Data in the tables that follow have been obtained from the South Dakota Department of Labor and Regulation.

Table 23 Walworth County Annual Labor Statistics: 2010 to 2022						
Year	Labor Force	Employed	Unemployed	Unemployment Rate - County	Unemployment Rate - SD	Unemployment Rate - US
2010	2,404	2,242	162	6.7%	4.9%	9.6%
2011	2,385	2,222	163	6.8%	4.6%	8.9%
2012	2,347	2,210	137	5.8%	4.1%	8.1%
2013	2,373	2,246	127	5.4%	3.7%	7.4%
2014	2,380	2,256	124	5.2%	3.3%	6.2%
2015	2,281	2,160	121	5.3%	3.0%	5.3%
2016	2,254	2,137	117	5.2%	3.0%	4.9%
2017	2,230	2,126	104	4.7%	3.1%	4.4%
2018	2,211	2,111	100	4.5%	2.8%	3.9%
2019	2,106	2,008	98	4.7%	2.8%	3.7%
2020	2,127	2,010	117	5.5%	4.2%	8.1%
2021	2,158	2,057	101	4.7%	2.6%	5.3%
2022	2,110	2,036	74	3.5%	2.1%	3.7%

Source: South Dakota Department of Labor & Regulation; Community Partners Research, Inc.

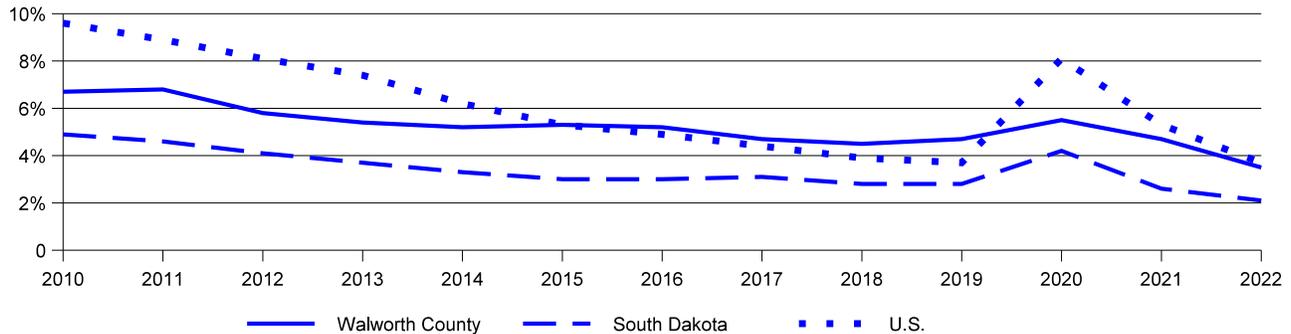
- ▶ Statistics on the available labor force track people by their county of residence. When viewed over the entire 13-year period, the size of the County’s resident labor force has decreased. If 2022 is compared to 2010, there were 294 fewer people in the labor force, a decrease of 12.2%.
- ▶ The number of employed County residents has followed the same basic pattern. From 2010 to 2022, the number of employed residents of Walworth County decreased by 206 people, or -9.2%.

Walworth County Labor Force and Employed Work Force



- ▶ With the labor force decreasing at a slightly faster rate than the employed work force, the County’s unemployment rate dropped over this time period, from 6.7% in 2010 to 3.5% in 2022.

Unemployment Rates



- ▶ There was a limited upward “spike” in the County’s unemployment rate in 2020, presumably due to the global pandemic, but by 2021 the unemployment rate was lower than the pre-pandemic levels.
- ▶ Although the County’s unemployment rate has often been below the national rate, it has been higher than the Statewide rate for all of the years reviewed.
- ▶ The County’s unemployment rate of 3.5% in 2022 was the lowest over the time period reviewed, and the only year since 2010 when the unemployment rate was less than 4%.

Employment and Wages

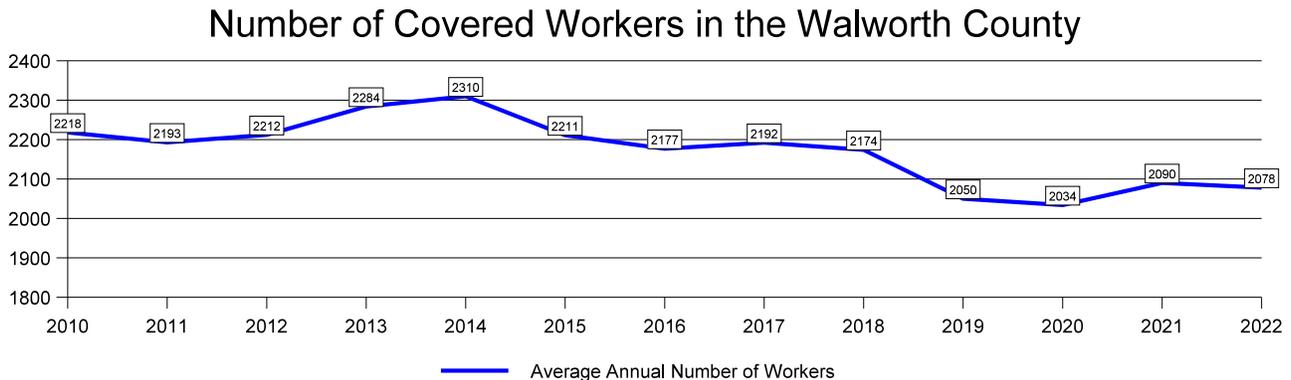
The Quarterly Census of Employment and Wages (QCEW) tracks annual employment and average annual wage data. The QCEW reporting is for unemployment compensation. It is important to note that the reporting does not represent all employment, as some classifications such as self-employed workers are not included. This information is for all of Walworth County and tracks the location of the job.

Table 24 Walworth County Average Employment and Wages - 2022		
Industry	Employment	Average Weekly Wage
Total All Industry	2,078	\$796

Source: South Dakota Department of Labor & Regulation

- ▶ The average weekly wage for all industry in 2022 was \$796 in Walworth County. At full-time employment, this would yield an annual average wage of approximately \$41,392.

Using the QCEW it is possible to examine longer-term patterns in the local employment level. The following chart displays the total number of workers reported in the County from 2010 through 2022.



- ▶ The number of covered workers in Walworth County has moved both upward and downward over the past 13 years, but when viewed over a longer term there has been a downward trend in employment. If 2022 is compared to 2010, there were 140 fewer workers covered by unemployment insurance, or a decrease of -6.2%. The lowest point was reached in 2020, probably due to the Covid pandemic, but there has been some improvement since that time.

Commuting Patterns of Area Workers

Information is available on workers that commute for employment through the 2021 American Community Survey. The following table examines Mobridge residents that traveled to work and excludes people that work at home.

Table 25 Commuting Times for Mobridge Residents - 2017		
Travel Time	Number	Percent
Less than 10 minutes	815	58.4%
10 to 19 minutes	361	25.9%
20 to 29 minutes	77	5.5%
30 minutes +	143	10.2%
Total	1,396	100%

Source: American Community Survey

- ▶ According to the American Community Survey, a large majority of the City’s residents were working locally in 2021, with a travel time that was less than 20 minutes for their primary job. Fewer than 16% of residents were traveling 20 minutes or more to work.

The ACS also included an estimate of travel times for people that worked in Mobridge.

Table 26 Commuting Times for Mobridge-based Jobs - 2021		
Travel Time	Number	Percent
Less than 10 minutes	782	58.0%
10 to 19 minutes	348	25.8%
20 to 29 minutes	81	6.0%
30 minutes +	138	10.2%
Total	1349	100%

Source: American Community Survey

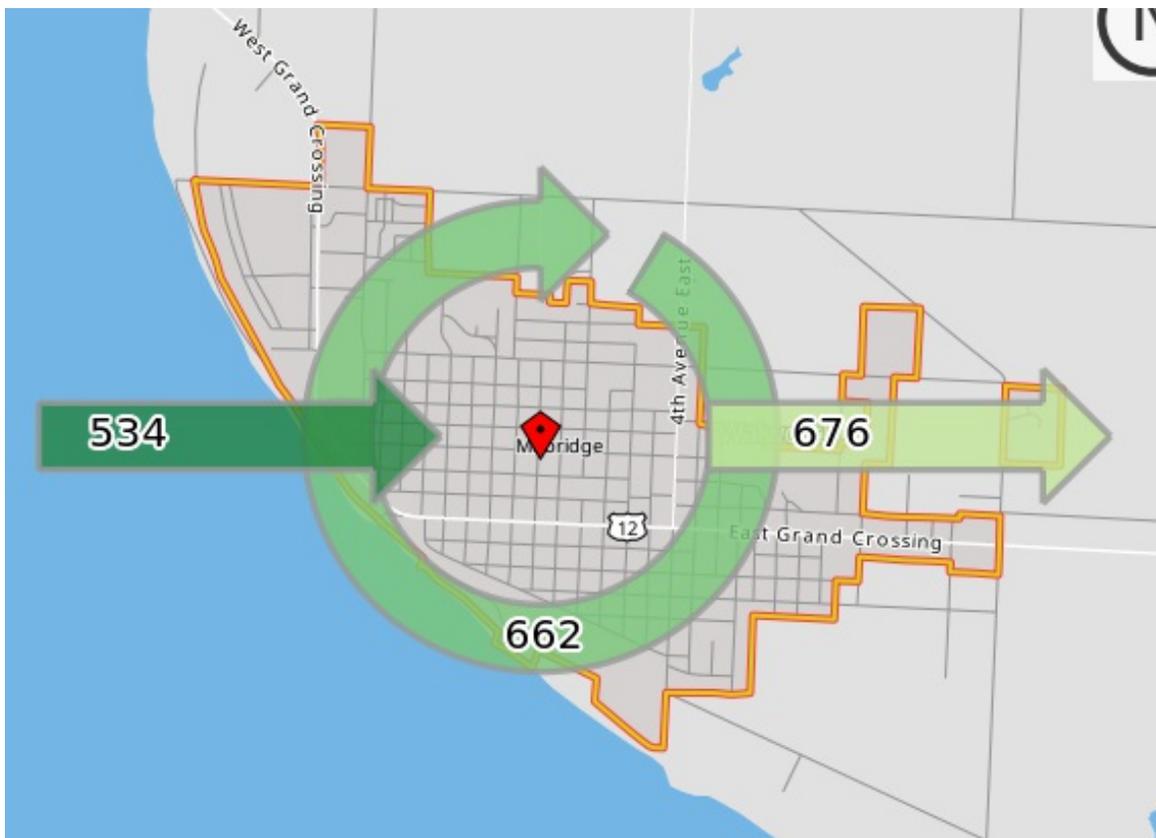
- ▶ A majority of the people that worked in Mobridge lived in or close to the City, as nearly 84% had a travel time of 19 minutes or less. Only 10.2% of the people had a commute time of 30 minutes or more.

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 2020, but provides a further breakdown of worker movement.

According to the report for Mobridge, there were 1,196 people that were employed within the City in 2020. Of these workers, 662 city-based employees also lived in Mobridge. The remaining 534 employees lived outside the City and commuted in for their job. The primary jurisdictions identified as supplying workers to the City were West Walworth UT, East Corson UT, Selby, Aberdeen and East Walworth UT.

On the Map can also be used to track worker outflow patterns from the City. Overall, there were 1,338 Mobridge residents that were employed. Approximately half of these City residents worked outside the community, as 676 people left the City for their job. The remaining 662 City residents worked within their home community. Primary destinations for outbound workers were listed as West Walworth UT, Mclaughlin, Aberdeen and Sioux Falls.



Summary of Findings on Growth Trends

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

Based on the 2020 Census, Mobridge lost both population and households between 2010 and 2020. This was the continuation of a longer-term demographic pattern for the community, as gradual population and household losses have been present for at least the past three decades. However, the reduction of households has been limited, and since 1990 the City has had an average annual loss of between four and five households per year.

One of the contributing factors to demographic losses in Mobridge is the available supply of housing. The 2000 Census had recorded 1,808 total housing units, including both occupied and unoccupied housing. The 2010 Census counted 1,727 total housing units, and the 2020 Census counted 1,687 total units.

Over the 20-year time period from 2000 to 2020, there was a net reduction of 113 total housing units in Mobridge. During this same time, the City had a reduction of 127 permanent households.

Some of the housing that has been lost over time may have been marginal units in poor condition. However, there has not been enough new housing development activity in the City to even replace housing unit losses. Without some future expansion of housing options in Mobridge, the City is likely to see ongoing household losses that are commensurate with the reduction in the usable housing inventory.

Demographic patterns for all of Walworth County are general similar, reflecting the impact that Mobridge has had on Countywide total. The County did achieve some household growth in the 1990s, but has had a reduction of households since the year 2000.

Summary of Findings on Projected Growth

This Update has examined available demographic projections for Mobridge and Walworth County. The primary projection sources are Applied Geographic Solutions (AGS) and Esri.

Both of these sources expect a loss of households in Mobridge over the 5-year projection period. However, in the opinion of the analysts, these forecasts are overly conservative and have not been used in the recommendations that follow.

Community Partners Research, Inc., has generated its own forecast which expects the City of Mobridge to add approximately five households in an average year, or up to 25 households over the 5-year projection period. This growth forecast has been used in the housing unit recommendations presented later in this section.

Some growth could also occur in the remainder of Walworth County, although it is also possible that some households in more rural portions of the County will elect to relocate into Mobridge to access services and amenities. Aging patterns show an increasing number of senior citizens going forward, and these older residents will look for age-appropriate housing options in the future, which will generally be located in the larger cities.

It is important to state that the growth potential for Mobridge is very dependent upon future housing unit creation in the City. As stated on the previous page, the City's total housing inventory has been decreasing for at least the past two decades. The limited new housing development that has been done is insufficient to even replace the unit losses that have been occurring in the older housing stock. Unless the City's housing stock increases in size, it is doubtful that household growth can occur.

According to the 2020 Census, there is some supply of vacant or underutilized housing in Mobridge that potentially could be used to add households in the future. However, the City's existing housing stock contains a large percentage of older units and some of these may be in poor condition. Over the past 14 years the City has averaged fewer than three new housing starts per year, which has not kept pace with the loss of older housing in the community.

Summary of Growth Projections by Age Group

The Demographic section of this Update presented projection information for Mobridge on anticipated household changes by age group from 2023 to 2028. This information can be informative in determining the housing that may be needed due to age patterns of the area’s residents.

The age-based projections generated by Esri were adjusted by Community Partners Research, Inc., to better reflect the City’s growth potential going forward. The adjustments to the 2028 totals were less than 3%.

<u>Age Range</u>	<u>Projected Change in Households 2023 to 2028</u>
24 and younger	-4
25 to 34	8
35 to 44	12
45 to 54	-5
55 to 64	-30
65 to 74	17
75 and older	<u>27</u>
Total change	25

Overall, the adjusted projections expect up to 25 households to be added in Mobridge by 2028. Four specific age groups are expected to see most of the change.

The movement of the large “baby boom” generation through the aging cycle should generate much of the City’s positive change in households over the next five years. The projections show an increase of 27 households age 75 and older between 2023 and 2028, and an increase of 17 households in the 65 to 74 year old range. By 2028, nearly all of the baby boom generation will be age 65 or older.

Trailing behind the baby boomers was a smaller demographic cohort, and these projections expect a decrease of 30 households in the 55 to 64 year old range. The large reduction in this near-senior age group will result in limited numeric growth among older households in Mobridge, with a net increase of only 14 households age 55 and older by the year 2028.

While some of the younger adult age groups are expected to slightly decrease in size, growth is projected in the 20-year age group between 25 to 44 years old. As a result, net growth of 11 households is projected in the younger adult ranges age 54 and under over the 5-year time period.

Findings on Unit Demand by Type of Housing

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

Age 24 and Younger - The projections used for this Study expect a decrease of four households age 24 and younger through the year 2028. Past tenure patterns show a very high rate of renter occupancy among younger households in Mobridge. Some decrease in the number of households in this age range should mean that rental demand from younger households will also decrease slightly during the projection period.

25 to 34 Years Old - The projections also show a possible increase of eight households in this age range by 2028. Within this age range households often begin moving from rental to ownership housing. A slight increase within this age range indicates demand for both first-time home buyer and rental opportunities from this age range will also increase slightly during the projection period.

35 to 44 Years Old - The projections for this 10-year age cohort expect an increase of 12 households through 2028 in Mobridge. The home ownership rate in this age group in 2020 was above 60%. Households within this range often represent both first-time buyers and households looking to trade-up, selling their starter home for a more expensive house. Growth within this younger adult age range will result in increased demand for ownership and also for rental options.

45 to 54 Years Old - The projections show a minor reduction of five households in this age range by 2028. In the past, this age group has had an ownership rate of nearly 66% in Mobridge. Ownership households within this range often represent households looking to trade-up, selling their starter home for a more expensive house. A slight decrease within this age range indicates reduced demand for trade-up housing and rental options during the projection period.

55 to 64 Years Old - By 2028, this age cohort will largely represent the age cohort that trailed behind the baby boom generation. This group was not as large demographically and will not fully replace the advancing baby boomers. The age-based projections for Mobridge expect a significant decrease of 30 households in this age range. This group has traditionally had a higher rate of

home ownership than rental occupancy. Although age-appropriate housing, such as town house or twin home units, should have increasing appeal for this age group, a decrease in both ownership and rental demand should be expected from this age range.

65 to 74 Years Old - A gain of 17 households is expected by the year 2028 in the 65 to 74 age range. While this group will begin moving to life-cycle rental housing options as they age, the younger seniors are still predominantly home owners in Mobridge. Preferences for age-appropriate units should increase from household growth within this age cohort although the expected increase is limited.

75 Years and Older - Strong growth is projected from older seniors, with 27 households added in this age range by 2028. In Mobridge, most older seniors still own their home, but this group may increasingly look for more age-appropriate options. Mobridge does have a limited supply of specialized senior housing with services options and seniors needing care with their housing will increasingly access this housing as they move through the aging cycle.

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

Findings on Housing Unit Demand and Tenure

Calculations for total future housing need are generally based on three demand generators; household growth, replacement of lost housing units, and pent-up, or existing demand for units from households that already exist but are not being served.

Demand from Growth - The household projections used for this Update expect Mobridge to gain 25 households from 2023 to 2028. Household growth in Mobridge will yield some demand for new housing production in Mobridge.

Replacement of Lost Owner-Occupancy Units - It is difficult to quantify the number of units that are lost from the housing stock on an annual basis. Unit losses may be caused by demolition activity, losses to fire or natural disasters, and to causes such as deterioration or obsolescence. In Mobridge, a significant number of dilapidated units have been demolished, and more units will be removed in the future. As a result, we have included an allowance for unit replacement in the recommendations that follow.

Replacement of Lost Renter-Occupancy Units - It is also difficult to accurately quantify the number of units that are lost from the rental housing stock on an annual basis, however, we are projecting that rental units will be removed from the rental inventory over the next several years. As a result, we have included an allowance for unit replacement in the recommendations that follow.

Pent-Up Demand - The third primary demand-generator for new housing is caused by unmet need among existing households, or pent-up demand. Household growth and shifting age patterns have created demand for certain types of age-appropriate housing in Mobridge. We have included our estimates of pent-up demand into the specific recommendations that follow later in this section.

Strengths for Housing Development

The following strengths for the City of Mobridge were identified through statistical data, local interviews, research and on-site review of the local housing stock and strengths identified in the 2015 Mobridge Comprehensive Housing Study.

- ▶ **Mobridge serves as a small regional center** - Mobridge provides employment opportunities, retail/service options, health and professional services, governmental services and recreational facilities for a geographical area that surrounds the City.
- ▶ **State, federal and nonprofit funds** - The City of Mobridge, MEDCO and the Mobridge HRC have leveraged local funds for housing activities over the years with other resources, including state, federal and nonprofit funds.
- ▶ **Affordable priced housing stock** - The City of Mobridge has a stock of affordable, existing houses. Our analysis shows that the City's median home value based on 2021 and 2022 sales is approximately \$108,000. This existing stock, when available for sale, provides an affordable option for home ownership.
- ▶ **Land for development** - Mobridge has land available for both residential and commercial/industrial development. However, some of this land needs to be serviced with infrastructure improvements and/or annexed into the City limits.
- ▶ **Educational system** - Mobridge has an excellent public K-12 school system.
- ▶ **Health facilities** - Mobridge has excellent health facilities including a hospital, medical clinics and a senior assisted living facility. The hospital is currently expanding its facility.
- ▶ **Infrastructure** - Mobridge's water and sewer infrastructure can accommodate future expansion.
- ▶ **Commercial development** - Mobridge's commercial district is adequate to meet most daily needs.

- ▶ **Mobridge Economic Development Corporation (MEDCO) and the Mobridge Housing and Redevelopment Commission (HRC)** - MEDCO and the Mobridge HRC are active in addressing Mobridge and Walworth County's housing needs.
- ▶ **Employers** - Mobridge has several large employers that provide job opportunities for local residents.
- ▶ **Commuters** - Approximately 534 employees are commuting into Mobridge daily for work. These commuters are a potential market for future housing construction.
- ▶ **Desirable location of seniors and retirees** - Mobridge is an attractive community for seniors as a retirement location. As the providers for the area's health, retail and government services, the City has amenities that are attractive for seniors as they age.
- ▶ **Recreational and tourism opportunities** - Mobridge is located on the Missouri River. The area provides excellent fishing, boating, water sports, hunting and other recreational and tourism opportunities.
- ▶ **Household growth** - Based on Community Partners Research, Inc. projections, Mobridge will add households over the next five years.
- ▶ **Small city atmosphere** - Mobridge has the real and perceived amenities of a small city. Small city living is attractive for some households.
- ▶ **Housing developers** - Mobridge has housing developers that are willing to invest in housing projects in the community, if financially feasible.

Barriers or Limitations to Housing Activities

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

- ▶ **Age and condition of the housing stock** - While the existing stock is affordable, some of the City’s housing is in need of improvements to meet expectations of potential buyers.
- ▶ **Value gap deters new owner-occupied construction** - Based on market values from 2021 and 2022 residential sales, we estimate that the median priced home in Mobridge is valued at approximately \$108,000. This is below the comparable cost for new housing construction, which will generally be above \$300,000 for a stick built home with commonly expected amenities. This creates a value gap between new construction and existing homes. This can be a disincentive for any type of speculative building and can also deter customized construction, unless the owner is willing to accept a potential loss on their investment.
- ▶ **Distance from a larger regional center** - Some households need or desire to be close to a regional center, which offers additional health services, retail/commercial opportunities, recreational and cultural options, etc. The nearest regional centers to Mobridge are Aberdeen, which is 100 miles from Mobridge, and Pierre, which is 108 miles from Mobridge.
- ▶ **Low rent structure** - The area’s rent structure is relatively low, which makes it difficult to construct new housing.
- ▶ **Lower paying jobs** - Although Mobridge has job opportunities, some jobs are at the lower end of the pay scale and employees with these jobs have limited housing choices.
- ▶ **Commercial/retail options** - Mobridge has a limited number of commercial and retail opportunities compared to larger regional centers.
- ▶ **Population and household losses** - Over the past 30 years, Mobridge has had population and household losses.
- ▶ **Housing unit losses** - Based on 2010 and 2020 U.S. Census data, Mobridge’s number of housing units has decreased from 2010 to 2020.

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 Mobridge. They are based on the following strategies.

- ▶ **Be realistic in expectations for housing development** - Large-scale residential growth has not occurred in the recent past and is not likely to occur in the near future. The scale of activities proposed for the future should be comparable with the area's potential for growth.
- ▶ **Proactive community involvement** - New home and apartment construction will more likely occur in Mobridge if there is proactive support from the City, local and regional housing and economic development agencies and the South Dakota Housing Development Authority.
- ▶ **Protect the existing housing stock** - The future of Mobridge will be heavily dependent on the City's appeal as a residential location. The condition of the existing housing stock is a major factor in determining the City's long-term viability. The existing housing stock is in fair condition and is a major asset, however, rehabilitation efforts are needed to preserve the housing stock.
- ▶ **Protect the existing assets and resources** - Mobridge has many assets including a K-12 school system, employers, a Downtown Commercial District, health facilities, recreational opportunities, etc. These are strong assets that make Mobridge a desirable community to live in, and are key components to the City's long-term success and viability. These assets must be protected and improved.
- ▶ **Develop a realistic action plan with goals and time lines** - In the past the City has been involved in housing issues. The City should prioritize its housing issues and establish goals and time lines to achieve success in addressing its housing needs.
- ▶ **Access all available resources for housing** - In addition to the local efforts, the City has other resources to draw on including USDA Rural Development, the South Dakota Housing Development Authority, Homes Are Possible, Inc., and Dakota Resources. These resources should continue to be accessed as needed to assist with housing activities.

Summary of Findings/Recommendations

The findings/recommendations for the City of Mobridge have been formulated through the analysis of the information provided in the previous sections and include 24 recommendations. The findings/recommendations have been developed in the following five categories:

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

The findings/recommendations for each category are as follows:

Rental Housing Development

1. Develop 22 to 26 general occupancy market rate rental units
2. Promote the development/conversion of six to eight affordable market rate rental housing units
3. Promote the development of 10 to 12 general occupancy subsidized rental housing units
4. Senior housing with a high level of services recommendation
5. Develop 14 to 16 senior with services units
6. Riverfront Development
7. Continue to utilize the Housing Choice Voucher Program
8. Develop a downtown mixed-use commercial/housing project

Home Ownership

9. Continue to utilize and promote all programs that assist with home ownership
10. Develop a purchase/rehabilitation program

Single Family Housing Development

11. Lot availability and development
12. Strategies to encourage residential lot sales and new home construction in Mobridge
13. Coordinate with economic development agencies, housing agencies and nonprofit groups to construct affordable housing
14. Promote twin home/town home development

Housing Rehabilitation

15. Promote rental housing rehabilitation
16. Promote owner-occupied housing rehabilitation efforts
17. Develop a neighborhood revitalization program
18. Develop a rental inspection and registration program

Other Housing Initiatives

19. Continue to acquire and demolish dilapidated structures
20. Create a plan and a coordinated effort among housing agencies
21. Continue to encourage employer involvement in housing
22. Strategies for downtown redevelopment and commercial development
23. Develop home ownership and new construction marketing programs
24. Consider the implementation of a Time of Sale Mobile Home Program

Mobridge - Rental Housing Development

Rental Housing Development

Overview: In recent decades it has been difficult to produce new rental housing units that are viewed as “affordable” when compared to existing rental housing. A number of factors, including federal tax policy, state property tax rates, high construction costs and a low rent structure, have all contributed to the difficulty in developing rental housing in most South Dakota communities.

From 2000 to 2014, only 12 rental units were constructed in Mobridge. The Mobridge HRC constructed eight two-bedroom rental units in 2004 and four three-bedroom rental units in 2008. Since the 2015 Mobridge Comprehensive Housing Study was completed, only one 3-unit rental project was developed. Also, from 2015 to 2023, some single family homes may have been converted from owner-occupied to rental use and vice versa.

Also, based on the 2020 U.S. Census, the City of Mobridge had approximately 47 fewer rental units in 2020 than were reported in the 2010 U.S. Census.

Demand for new rental housing is typically generated from three factors:

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

Our household projections for Mobridge expect some household growth over the next five years. From 2023 to 2028, Community Partners Research, Inc., is projecting that there will be a gain of approximately 25 households in Mobridge. It is estimated that approximately 45% of the new households will be renter households. Therefore, there will be a demand for approximately 11 additional rental units from household growth.

Demand created by replacement of lost units is more difficult to determine, but the best available evidence suggests that the City will lose as many as four to five units per year. As a result, approximately 20 to 25 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. In other cases, this replacement is appropriate due to the deteriorating condition of older, substandard rental housing that should be removed from the occupied stock. Rental units will also be lost due to rental units converting to owner occupancy.

Pent-up demand also exists. As part of this Update, a rental survey was conducted. The survey found no vacant general occupancy market rate units and a substantial number of vacant subsidized units, however, many of the subsidized units were vacant due to repairs. A high occupancy rate was reported in the senior with services units.

Rental property owners of market rate units reported a very high demand for rental units. Also, employers have reported that new employees have difficulty finding adequate rental housing.

We identified pent-up demand for high quality and affordable market rate rental units, subsidized units, and senior independent living and senior assisted living units. An independent study that was completed separately has also identified the need for some skilled nursing beds in the County.

The three demand generators, after factoring current vacancy rates, show a need for 52 to 62 rental units over the next five years. In addition to this new rental unit recommendation, we have identified a need for additional assisted living and memory care units/beds. However, an independent study should be conducted to determine the number of needed beds. Some skilled nursing beds may also be needed based on a separate study.

Based on the factors stated above, we recommend the development of the following new rental units over the next five years from 2023 to 2028.

▶ General Occupancy Market Rate	22-26 units
▶ Subsidized	10-12 units
▶ Affordable/Conversions	6-8 units
▶ Senior Independent/Light Services	<u>14-16 units</u>
Total	52-62 units

1. Develop 22 to 26 general occupancy market rate rental units

Findings: Approximately 80% of the rental housing in the City of Mobridge 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.

Of the market rate rental units we surveyed, we found no vacancies. The owners and managers of rental properties reported very high occupancy rates and strong demand for rental housing.

There is a variation in rental rates in the market rate segment in the City of Mobridge. The existing rent range, including utilities, is \$700 to \$753 for a one-bedroom unit, \$700 to \$1,200 for a two-bedroom unit, \$1,200 to \$1,400 for three-bedroom houses and up to \$1,600 for a four-bedroom house.

Since the 2015 Mobridge Comprehensive Housing Study from 2015 to 2023, only three market rate rental units have been constructed in the City. Some single family homes may have been converted from owner-occupancy to rental units, or vice versa.

Several employers have reported that employees have difficulty securing a quality rental unit. Also, according to 2010 and 2020 U.S. Census data, there are 47 less rental units in Mobridge in 2020 than in 2010.

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.

Using this combination of demand generators, we believe that it is reasonable to plan for production of between 22 to 26 market rate rental units over the next five years.

In the 2015 Mobridge Housing Study, the construction of 20 to 24 units was recommended, but only three new rental units have been developed and these started construction in 2023.

Based on our research, there is a lack of all sizes of rental units, thus, the new units constructed over the next five years should include one, two and three-bedroom units.

Town home-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.

There are two market rate rental segments in Mobridge. 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 units, but affordability is still an issue.

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

The first option would be to encourage private developers to undertake the construction of market rate rental housing. There may be rental property owners that would have an interest in constructing rental housing in Mobridge, if it was economically feasible. If private developers do not proceed, the Mobridge HRC or MEDCO could potentially utilize essential function bonds, or similar funding sources, to construct market rate units. The Mobridge HRC has previously constructed eight rental town homes in 2004 and four town homes in 2008.

Also, the Mobridge HRC or MEDCO could partner with private developers to construct additional units. To construct workforce housing and charge affordable rents, financial assistance such as land donations, tax increment financing, tax abatement, tax deferrments, or SDHDA Programs such as the DakotaPlex Program, etc., may be needed. It may also be possible to utilize Housing Choice Vouchers if some of the new units meet income requirements and the rents are at or below Fair Market Rents (FMRs). The 2023 FMRs are \$628 for a one-bedroom unit, \$827 for a two-bedroom and \$1,007 for a three-bedroom unit.

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

<u>Unit Type</u>	<u>No. of Units</u>	<u>Size/Sq. Ft.</u>	<u>Rent</u>
One Bedroom	5-6	650 - 800	\$750 - \$950
Two Bedroom	13-15	850 - 1,050	\$850 - \$1,200
Three Bedroom	4-5	1,100 - 1,250	\$1,100 - \$1,400
Total	22-26		

Note: The recommended rents are gross rents including all utilities. The rents are quoted in 2023 dollars.

2. Promote the development/conversion of six to eight affordable market rate rental housing units

Findings: The previous recommendation addressed the market potential to develop high quality rental units in Mobridge. Unfortunately, these units would tend to be beyond the financial capability of many area renters. Many of Mobridge's renter households have an annual income below \$35,000. These households would need a rental unit at \$875 per month or less.

There is evidence that Mobridge has lost rental housing over the years due to redevelopment or due to deterioration and demolition. Part of the need for additional rental units in Mobridge is to provide for unit replacement. Unfortunately, most of the lost units are probably very affordable, and new construction will not replace these units in a similar price range.

There are still some programs for affordable housing creation for moderate income renters. The federal low income housing tax credit program is one available resource. However, competition for tax credits is very difficult, and few awards are made to small cities for small rental projects.

Recommendation: We continue to encourage the City of Mobridge, the Mobridge HRC and MEDCO to promote the development/conversion of more affordable rental units. A goal of six to eight units over the next five years would help to replace affordable housing that has been lost.

It would be difficult to create units through new construction. Instead, it may be more practical to work on building renovation or conversion projects that can create housing. This opportunity may arise in downtown buildings, or through the purchase and rehabilitation of existing single family homes. Several single family homes have been rehabilitated for rental housing by local individuals.

The estimated prevailing rent range for older rental units in Mobridge is typically between \$700 and \$900 per month. Creating some additional units with contract rents below \$875 per month would help to expand the choices available to a majority of the City's renter households.

It is probable that the proposed rent structure for some units could only be obtained with financial commitments from other sources such as tax increment financing or property tax deferment/abatement from the City, and/or other financial resources from funding agencies such as the South Dakota Housing Development Authority.

3. Promote the development of 10 to 12 general occupancy 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 the housing at an affordable price.

The research completed for this Update found five subsidized projects, which have a combined 142 units. Four projects with 110 units offer general occupancy rental housing and one project with 32 units is senior/disabled rental housing. The 142 units represent approximately 20% of the total rental inventory in Mobridge. This is a relatively average percentage of subsidized rental housing compared to other similar sized cities.

The subsidized projects in Mobridge are as follows:

- ▶ **Whispering Meadows** is a 32-unit Rural USDA Development subsidized project that also received later awards of tax credits and HUD HOME funding for renovation/preservation. This project is designated as general occupancy housing.
- ▶ **Brown Palace Apartments** is a mixed-income project that received HUD Mod Rehab funding in the late 1970s for renovation of a former historic hotel that was converted to rental housing. Rent assistance is available for 42 of the building’s 55 units, but many of the residents of the 13 market rate units have tenant-based Vouchers. This project is available for general occupancy.
- ▶ **River Ridge Townhomes** - River Ridge Townhomes is a 28-unit HUD Section 8 general occupancy town home project. The 28 units include 22 two-bedroom and six three-bedroom units.
- ▶ **River Ridge Apartments** is a HUD Section 8 project with 32 one-bedroom units that is designated as senior/disabled occupancy housing.
- ▶ **J & K Manor** is an eight-unit HUD Section 8 project. Although all of the units have only one bedroom this project is designated as general occupancy housing.

A significant number of vacancies were reported when the rental survey was completed, although most were vacant due to needed repairs. Also, project managers and owners reported a demand for affordable rental housing.

There are additional “deep subsidy” resources available to Mobridge residents through the tenant-based Housing Choice Voucher Program. The Vouchers allow tenants to pay 30% of income for housing in suitable private-market rental units. The Voucher Program for Mobridge is administered by the Mobridge HRC. There are 92 Housing Vouchers in use in a multi-county service area. Currently, approximately 74 of these Vouchers are being utilized by Mobridge households.

The 2021 American Community survey estimated that approximately 39% of all renters in the City of Mobridge 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 renter household cost burden data contained in the American Community Survey, the age of the subsidized rental housing in Mobridge, the low median income of Mobridge renter households and the ongoing demand for affordable rental housing, we recommend that the City look to expand the supply of deep subsidy rental housing for lower income renters.

Over the next five years, we would recommend that the City attempt to construct 10 to 12 units that achieve a rent level that would be affordable to very low income households earning less than \$30,000 per year. In the 2015 Mobridge Comprehensive Housing Study, we recommended the construction of 12 to 14 subsidized rental units. No subsidized rental units have been constructed.

This recommendation represents a modest goal, since substantially more low income households exist in the City with 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.

Continued promotion of Housing Choice Vouchers is also 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.

4. Senior housing with a high level of services recommendation

Findings: Senior housing with services defines a wide range of housing types. Skilled nursing homes, assisted living and memory care housing are generally the most service-intensive units. High-service housing provides 24-hour staffing and a high level of assistance with daily living needs of residents.

Lower-service housing, sometimes referred to as congregate senior housing, generally offers the availability of a daily meal, and services such as weekly light housekeeping. There are two state-licensed senior housing projects with services projects in Walworth County. Prairie Sunset Village is located in Mobridge and Walworth County Care Center is in Shelby. The two projects include:

- ▶ **Prairie Sunset Village** in Mobridge is licensed as an Assisted Living Center with 16 studio units and capacity for 16 assisted living residents. There are also six apartment units that provide independent senior housing.
- ▶ **Walworth County Care Center (formerly Good Samaritan)** in Selby is State-licensed as a Skilled Nursing Home with the Selby Good Samaritan Center Nursing Home is located in the City of Selby with 50 beds. There are no specific designations for bed use and most are occupied by people needing long-term care, but some beds are also utilized for shorter-term transitional care stays.

At the time of the 2015 Housing Study there had also been a skilled nursing home in Mobridge, but the Golden Living Center was closed prior to 2020. In 2015, the facility had 65 skilled nursing beds and 44 memory care beds for a total of 109 licensed beds. No further information was obtained on the closure of this facility.

Recommendation: It is our opinion that, with the high occupancy rate in Prairie Sunset Village and the closure of the Golden Living Center, additional assisted living and memory care beds are needed in Mobridge. An independent study conducted separately also identified some need for skilled nursing beds in the County. It is our recommendation that a developer, or existing senior with services facility, planning a specific project should have a project-specific study conducted for a senior facility that offers a high level of services.

However, in the next recommendation, we are recommending the development of an independent/light services senior project.

5. Develop 14 to 16 senior independent/light services market rate units

Findings: To determine the need for additional senior independent/light services market rate units in Mobridge, we have analyzed data for the City of Mobridge and Walworth County.

Based on 2020 U.S. Census data, there were approximately 516 households age 65 or older in Mobridge and 862 households age 65 and older in Walworth County.

Also, some additional senior households would be expected to move into a senior independent/light services project from locations outside of Walworth County.

Recommendation: We are recommending a 14 to 16-unit independent/light services market rate senior project in the City of Mobridge. The project should be designed to allow seniors to live in a unit independently and for seniors who need minimal services. The senior project could be a one-level apartment building or town home-style.

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
- ▶ Spacious corridor with a theme such as a street scape design (apartment design)

Apartment features should include:

- ▶ 14 to 16 units
 - ▶ 5 to 6 one-bedroom
 - ▶ 9 to 10 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 include:

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

Tax increment financing, tax abatement, tax deferments, 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 four to five 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.

6. Riverfront Development

Findings: The City of Mobridge owns land adjacent to the Missouri River. Preliminary site plans have been developed for this property over the years. The plans have included housing, commercial and recreational opportunities. The current plan is to utilize the property for public use and access. To date, there has been no development on the site.

Recommendation: We continue to recommend the consideration of housing development as part of an overall plan for the riverfront project.

A portion of the market rate and/or senior rental units that we have recommended in earlier recommendations could be part of the riverfront development. Also, owner-occupied twin homes/town homes could be included in the development.

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

Additionally, if the site is developed as a destination recreation area, the development could attract seasonal residents, which would create a demand for seasonal housing.

7. 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 from approximately 30% of their adjusted income for rent, with the rent subsidy payment making up the difference. Tenants may lease any suitable rental unit in the community, provided that it passes a Housing Quality Standards inspection, and has a reasonable gross rent when compared to prevailing rents in the community.

Although the federal government provides almost no funding for subsidized housing construction, it has provided new Housing Choice Voucher allocations over the last two decades. Because of the flexibility offered through the program, eligible households often prefer the portable rent assistance to other forms of subsidized housing that are project-based, and can only be accessed by living in a specific rental development.

The Housing Choice Voucher Program is administered in Walworth County by the Mobridge HRC. Currently, there are approximately 92 vouchers in use in the service area, with 74 of these vouchers being utilized by Mobridge households.

Recommendation: The Mobridge HRC should continue to market the Housing Choice Voucher Program to assure that renter households are aware of the Housing Choice Voucher Program and have the opportunity to apply for a Voucher.

Also, the Mobridge HRC should continue to encourage rental property owners to participate in the Housing Voucher Program.

8. Develop a Downtown Mixed-Use Commercial/Housing Project

Findings: A new mixed-use rental housing/commercial project would be an asset to downtown Mobridge. Currently, there are existing housing/commercial projects in the Mobridge downtown area.

New mixed-use projects have been developed in several cities comparable to the size of Mobridge. Some of these projects were developed because of market demand, while others were developed to enhance the downtown, 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 the downtown Mobridge area. Potential sites in the downtown area for a mixed-use project could include vacant lots or the demolition of existing substandard buildings which would provide a cleared space for a new building. Also, as stated in a previous recommendation, the riverfront site would be an ideal location for a mixed-use project.

We recommend commercial space on the first floor and rental units on the second floor. Prior to construction, a portion of the commercial space should be leased to an anchor tenant who would complement existing downtown businesses and attract people to downtown.

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-bedroom and two-bedroom units. Please note that these units are not in addition to the units recommended in the previous 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, tax deferral, or other local funds and land at a reduced price.

Mobridge - Home Ownership

Home Ownership

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 in Mobridge is estimated to be approximately \$108,000 based on sales activity from 2021 and 2022. The home values in Mobridge provide a good opportunity for first time buyers and households seeking moderately priced homes.

Our analysis of demographic patterns in Mobridge shows some future potential for household growth. The number of households in the 25 to 44 age range is projected to increase by up to 20 households over the next five years. Some of these households are first-time home buyers or households looking for trade-up housing.

Strong growth is also projected in the 65 and older age ranges, with a potential increase of up to 44 senior-headed households. Many of these households are seeking low maintenance housing options such as twinhomes or senior housing with services. Some households in these age ranges as well as other age ranges 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.

To assist in promoting the goal of home ownership, the following activities are recommended:

9. Continue to utilize and promote all programs that assist with home ownership

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

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

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

Recommendation: We recommend that the City of Mobridge, MEDCO and the Mobridge HRC should continue to work with area housing agencies, the South Dakota Housing Development Authority, USDA Rural Development and local financial institutions to utilize all available home ownership assistance programs. Private and nonprofit agencies should also be encouraged to provide home ownership opportunities.

The City of Mobridge, MEDCO and the Mobridge HRC should also work with housing agencies to assure that they are receiving their share of resources that are available in the region.

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

10. Develop a Purchase/Rehabilitation Program

Findings: The City of Mobridge has a stock of older, lower valued homes, many of which need repairs. Our analysis of 2021 and 2022 sales activity indicates that approximately 50% of the homes in Mobridge are valued less than \$108,000. 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, a low interest rate and a monthly payment that is affordable for the family.

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

Recommendation: We continue to recommend that the City of Mobridge, the Mobridge HRC and MEDCO work with a housing agency to develop and implement a purchase/rehab program. 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.

A purchase/rehabilitation program achieves several goals. The program encourages home ownership, prevents substandard homes from becoming rental properties and rehabilitates homes that are currently substandard.

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

Also, some private individuals are purchasing homes in Mobridge, and then rehabilitating and selling the homes. There may be an opportunity for local housing agencies to financially assist the private sector with purchasing, rehabilitating and selling homes. This may increase the inventory of substandard homes that economically can be rehabilitated and sold.

Mobridge - Single Family Housing Development

Single Family Housing Development

Findings: Based on City and Census Bureau reports, Mobridge experienced some single family housing development. From 2000 to 2014, approximately 60 single family owner-occupied units were constructed in Mobridge. This is an average of four owner-occupied units constructed annually.

From 2015 to 2023, 22 owner-occupancy homes were permitted by the City of Mobridge, which is an average of two to three annually. In the 2015 Mobridge Comprehensive Housing Study, we projected that six to nine owner-occupied housing units would be constructed annually from 2015 to 2020. Over this 5-year period there was an annual average of approximately four houses per year, but construction activity was then lower after 2020.

It is our opinion that if the City, housing and economic development agencies, private contractors, developers and builders are proactive, 20 to 25 homes can be constructed or moved into the Mobridge area from 2023 to 2028. However, additional residential lots will need to be developed.

The breakdown of our projection of 20 to 25 new owner-occupancy housing units over the next five years is as follows:

▶ Higher and medium-priced homes (over \$350,000)	11-12
▶ Affordable homes (under \$350,000)	5-7
▶ Twin homes/town homes	4-6
	<u> </u>
Total	20-25

11. Lot availability and development

Findings: As part of this Update, we attempted to identify the inventory of available residential lots for single family housing construction in the City of Mobridge. Based on the research and interviews, there are approximately 15 lots available in the City of Mobridge.

There are also developers that have the capacity to develop lots and vacant land is potentially available.

There are also miscellaneous infill lots scattered around the city that we did not attempt to count. We do not know the availability of some of these infill lots. Also, additional dilapidated houses will be acquired and demolished over the next five years. Some of the cleared lots may be sites for new construction.

Recommendation: With projections that 20 to 25 new owner-occupied housing units will be constructed over the next five years, Mobridge should have approximately 30 to 35 available residential lots to meet expected demand over the five-year projection period and to assure that there is an inventory of residential lots for several years beyond the projection period.

With approximately 15 lots available in the City's subdivisions and with a few miscellaneous infill lots available, Mobridge will need additional lots if the new housing construction that is projected comes to fruition. Therefore, we are recommending the development of 16 to 20 residential lots to address demand over the next five years and also to provide some additional lot options for the years beyond the five-year projection period.

Future lots/subdivision development should include the following:

- ▶ The lots must be as aesthetically acceptable as possible and include high quality amenities.
- ▶ Land should be available for future lot development phases, if possible.
- ▶ The subdivision(s) should have covenants that assure high quality development. However, the covenants should not be so restrictive that they eliminate the target market's ability to construct a home.
- ▶ The subdivision(s) should accommodate a variety of home designs and home prices.
- ▶ Employers should be involved in promoting and publicizing the subdivision(s).
- ▶ To be successful, the homes must be available to households with as wide an income range as possible.
- ▶ Successful subdivisions will need the cooperation of financial institutions, funding agencies, employers, developers, builders, the Mobridge HRC, MEDCO, the City of Mobridge and SDHDA. Financial assistance such as tax increment financing, tax deferral/abatement, and state and federal funding may be necessary to make the development of lots feasible.
- ▶ The lots should expand the market by providing an attractive, affordable product.

- ▶ Some lots should be available for twin home/town home development.
- ▶ The development process should be as user-friendly and streamlined as possible.

12. Strategies to encourage residential lot sales and new home construction in Mobridge

Findings: To construct 20 to 25 homes over the next five years, we are recommending several strategies to stimulate housing development.

Recommendation: We recommend that the City of Mobridge, MEDCO, employers, private developers and builders coordinate efforts to promote lot sales and housing development in Mobridge. Our recommendations to promote lot sales and housing development include:

- ▶ ***Competitive pricing*** - The current lot prices in Mobridge are competitive. To encourage new home construction, lots must continue to be competitively priced.
- ▶ ***Plan for long-term absorption*** - The research completed for this Study expects limited annual absorption of lots in Mobridge. We are projecting the construction of four to five new units per year. It is therefore necessary to view the construction of homes on the developed lots as a long-term plan.
- ▶ ***Generate activity*** - To stimulate new construction, proactive efforts, such as the sale of some lots at discounted prices, reduction of hookup and permit fees or other incentives could be provided if the buyer agrees to build a home of a certain quality and style within a stipulated time frame. This creates momentum for more houses to be built.
- ▶ ***Consider developing an exclusive builder(s) relationship*** - A block of 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 constructing a minimum number of homes per year. Builders are more willing to enter a market when the lots are attractive and very affordable. A block of lots available to an exclusive builder or developer should be explored, even if price concessions are required.

- ▶ ***User-Friendly*** - The lot purchase and homebuilding process must be 'user-friendly.' This includes the availability of buildable lots, builders are readily available to build custom homes, information on quality homes that could be moved into the City and City regulations that are fair and reasonable.
- ▶ ***Spec home development*** - Spec houses can 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. In an attempt to spur spec home construction, some communities have formed partnerships with private home builders to share the financial risks. For example, some developers have been willing to defer the payment for the lot until the spec home is sold. Another builder incentive is to waive any water/sewer hookup fees and building permit fees until the home is sold. A more aggressive approach is to become directly involved in helping cover the payments on a home builder's construction loan, if the house does not sell within a reasonable period of time. A community risk pool would need to be established for this type of activity. These types of approaches would somewhat reduce the builder's risk, by lowering the upfront development costs.
- ▶ ***Range of house prices*** - Lots should be available to as wide a range of home sizes and prices as possible, without compromising the subdivision(s). This broadens the lot buyer market.
- ▶ ***Incentives*** - Many cities throughout South Dakota are offering incentives to construct homes including reduced lot prices, reduced water and sewer hookup fees, tax abatement, tax deferral, cash incentives, etc. Incentives should be considered to promote new home construction.
- ▶ ***Lot availability for twin home/town home development*** - It is our opinion that there will be a demand for twin homes/town homes over the next five years. Lots should be available for twin home/town home lot development.
- ▶ ***Marketing*** - The City of Mobridge, MEDCO, employers, builders and developers should create a comprehensive marketing strategy to sell the available lots. In addition to marketing the lots, the City of Mobridge and its amenities should continue to be promoted.
- ▶ ***Covenants*** - Subdivisions often 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.

- ▶ ***Lot availability for affordable homes*** - Lots should be available for affordable ownership options, including modular homes and Governors Homes.

13. Coordinate with economic development agencies, housing agencies and nonprofit groups to construct affordable housing

Findings: There are several housing agencies and nonprofit groups that have the capacity to construct new housing in Mobridge, including MEDCO, the Mobridge HRC, HAPI, Inc., and Grow South Dakota.

In the past, the City of Mobridge partnered with HAPI, Inc. to move four Governors Homes into the City of Mobridge utilizing Neighborhood Stabilization Funds. There are some infill lots available in Mobridge for affordable housing.

Recommendation: We continue to encourage the City of Mobridge to actively work with economic development and housing agencies, nonprofit groups and the private sector to develop affordable housing.

Governors Homes and modular homes continue to be an affordable housing option that should be encouraged and supported.

14. Promote twin home/town home development

Findings: Attached housing provides desirable alternatives for empty nesters and seniors to move out of their single family homes, thus, making homes available for families. It is important for the community to offer a range of life-cycle housing options. In many cities the size of Mobridge, approximately 20% to 25% of the new ownership housing constructed are twin homes/town homes. In Mobridge, since the 2015 Mobridge Comprehensive Housing Study, no new ownership housing has been twin homes/town homes.

In 2020, based on 2020 U.S. Census data, Mobridge had 516 households and Walworth County had 862 households in the 65 and older age ranges. The significant number of empty-nester and senior households should result in demand for attached single family units. It is likely that demand for attached housing units will also be dependent on the product's ability to gain additional market acceptance among the households in the prime target market, and among other households.

Recommendation: It is our projection that approximately four to six new owner-occupied twin homes or town homes could be constructed in Mobridge over the next five years. Our projection is based on the availability of ideal locations for twin home/town home development as well as high quality design and workmanship.

We recommend that for twin home/town home 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 homes, which provides security
- ▶ Homes at a price that is acceptable to the market

The City of Mobridge's role could include assuring that adequate land is available for development and that zoning allows for attached housing construction. The City and MEDCO's role could be to assist with identifying and acquiring sites.

It may be advantageous to meet with a group of empty nesters and seniors who are interested in purchasing a twin home to solicit their ideas.

Mobridge - Housing Rehabilitation

Housing Rehabilitation

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

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

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

15. Promote rental housing rehabilitation

Findings: Based on the 2020 U.S. Census data, the City of Mobridge had approximately 574 rental units in 2020. This is a loss of 47 rental units from 2010 to 2020. The rental units are in multi-family projects, small rental buildings, duplexes, single family homes, mixed-use buildings and mobile homes. Many of the City's rental structures could benefit from rehabilitation as 50% of the rental units are more than 50 years old and some of these units are in poor condition.

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

Recommendation: We continue to recommend that the City of Mobridge work with housing agencies to seek funds that allow for program design flexibility that make a rental rehabilitation program workable. Potential funding sources may include USDA Rural Development, HAPI, Inc., Grow South Dakota, the South Dakota Housing Development Authority and the Federal Home Loan Bank.

Some communities have also established rental housing inspection and registration programs that require periodic inspections to assure that housing meets applicable codes and standards.

16. Promote owner-occupied housing rehabilitation efforts

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

Nearly 50% of the owner-occupied housing units in Mobridge were constructed prior to 1960 and 92% were constructed prior to 1980. Some of these older homes are in substandard condition. Without rehabilitation assistance, the affordable housing stock will shrink in Mobridge.

Recommendation: We continue to recommend that the City of Mobridge, MEDCO and the Mobridge HRC seek local, state and federal funds to assist in financing housing rehabilitation. USDA Rural Development, the South Dakota Housing Development Authority, the Federal Home Loan Bank, HAPI, Inc., and Grow South Dakota are potential funding sources.

HAPI, Inc., and Grow South Dakota currently have several housing programs to assist area households with the rehabilitation and weatherization of their homes.

Some programs offer households that meet program requirements, a deferred loan to rehabilitate their homes. Deferred loans do not have to be paid back if the household lives in the rehabilitated home for a stipulated amount of time after the rehabilitation is completed. We encourage Mobridge households to utilize these housing rehabilitation programs.

17. Develop a Neighborhood Revitalization Program

Findings: The City of Mobridge has several neighborhoods that are on the bubble. These neighborhoods have a significant number of homes that need rehabilitation or should be demolished. These neighborhoods also have a significant number of low/moderate income households. The neighborhoods could deteriorate or could be revitalized to continue to be strong vital neighborhoods.

Recommendation: Over the years, the City of Mobridge has been active in housing and neighborhood revitalization projects including housing rehabilitation, the demolition of dilapidated housing, the development of new housing and public facility improvements. We continue to recommend that the City of Mobridge, area housing agencies, and the private housing sector continue these efforts and select a neighborhood and develop and implement a Neighborhood Revitalization Program.

Redevelopment strategies and opportunities should be identified including:

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

The Neighborhood Revitalization Plan should include time lines, responsible City Department or Housing Agency, funding sources, etc. The Program should be evaluated on an ongoing basis as opportunities and potential projects may change priorities. As a neighborhood is revitalized, a new neighborhood can be selected for revitalization.

It must be noted that neighborhood revitalization can result in the loss of affordable housing. Redevelopment projects, infill construction and other affordable housing projects in the community should assure that there are overall net gains in the affordable housing stock.

18. Develop a Rental Inspection and Registration Program

Findings: A Rental Inspection and Registration Program can be a valuable tool in improving the quality of the City's rental housing. Based on U.S. Census data, there are approximately 574 rental units in the City of Mobridge, 50% of which are more than 50 years old. There are also a significant number of single family homes that have converted from owner-occupied to rentals. Neighborhood deterioration, lower property values and unsafe rental units are often prevented when a Rental Housing Inspection and Registration program is successfully implemented. Also, our housing condition survey identified substandard rental units.

The need for an ongoing Rental Inspection and Registration Program includes the following:

Health and Safety

- ▶ There is a need to provide tenants with safe, sanitary, and standard living conditions and to eliminate life threatening hazards.

Age of Housing Stock

- ▶ Most of the existing rental housing stock in Mobridge is more than 50 years old.
- ▶ Older housing needs continued rehabilitation and maintenance.
- ▶ Older housing often has difficulty complying with current codes.

Conversions

- ▶ Some of the rental buildings were originally constructed for other uses, including single family homes converted into multiple units, or commercial buildings converted to residential use. In conversion, owners often do the work themselves and have inadequate or faulty mechanical, electrical, plumbing, and heating systems. Also, constructing an apartment in the basement often results in a lack of natural lighting, ventilation and proper access and egress.

Trends of Conversions

- ▶ Many of Mobridge's buyers want more amenities and conveniences, and less maintenance, thus, they are less likely to purchase older homes. Also, there was an increase in foreclosures during the recession. These issues result in the continuation of converting old homes to rental units and magnify the problem.

Maintenance Efforts

- ▶ A large number of rental property owners are providing standard housing and reinvesting in their rental properties. However, some rental property owners do not maintain their buildings. Ongoing maintenance is necessary for older housing as buildings with continued deferred maintenance become unsafe and substandard.

High Number of Rental Property Owners

- ▶ Mobridge has a significant number of rental property owners. Many of these rental property owners do an excellent job; however, some absentee rental property owners do not reinvest in their properties, and create a need for the program.

Neighborhood Stabilization

- ▶ Rental units need to be maintained to keep the integrity of the neighborhood and stabilize property values. Deferred maintenance, parked junk cars, trash and debris all have a negative impact on residential neighborhoods.

Zoning and Codes

- ▶ Illegal apartments such as inappropriately constructed basement apartments may be unsafe and a violation of zoning regulations.

Coordination

- ▶ A Rental Inspection and Registration Program provides a record of rental units and owners.
- ▶ The program provides a better opportunity for coordination of city programs and codes.

Recommendation: We continue to recommend the development and implementation of the Rental Inspection and Registration Program to assure that all rental units in Mobridge comply with housing laws and codes. The Program assures that Mobridge rental units are safe and sanitary, thus, removing blighted and unsafe conditions.

Mobridge - Other Housing Initiatives

Other Housing Initiatives

19. Continue to acquire and demolish dilapidated structures

Findings: The City of Mobridge has a significant number of houses in its older neighborhoods that are dilapidated and too dilapidated to rehabilitate. There are also single family houses in Mobridge that need major repair and some of these homes may be too dilapidated to rehabilitate. To improve the quality of the housing stock and to maintain the appearance of the City, dilapidated structures should be demolished.

The City of Mobridge and MEDCO have been very active in demolishing dilapidated structures. Many structures have been demolished over the past several years.

Recommendation: The City of Mobridge and MEDCO should continue to work with property owners on an ongoing basis to demolish dilapidated homes. The appearance of the City is enhanced when blighted and dilapidated structures are removed. Also, some of the cleared lots can be utilized for the construction of new affordable housing units.

We recommend that the City of Mobridge and MEDCO work together to demolish dilapidated structures. Also, the City or MEDCO should maintain a lot inventory of structures that may be candidates for future acquisition. Additionally, an inventory of in-fill lots for future development should be maintained.

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

Findings: The City of Mobridge will continue to need staff resources in addition to existing City, MEDCO, Mobridge HRC and Chamber of Commerce staff to plan and implement many of the housing recommendations advanced in this Study. The City of Mobridge has access to HAPI, Inc., Grow South Dakota, the South Dakota Housing Development Authority, USDA Rural Development and Dakota Resources. These agencies all have experience with housing and community development programs.

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

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

21. Continue to encourage employer involvement in housing

Findings: The connection between economic development and housing availability has become an increasingly important issue as low area unemployment rates dictate the need to attract new workers into the community. Housing for new employees is a concern for employers, thus, it may be advantageous for employers to become involved in housing.

Recommendation: We continue to recommend an ongoing effort to involve employers as partners in addressing Mobridge's housing needs. Several funding sources have finance programs that include employers. Additionally, the funding agencies often view funding applications favorably that include employers in the problem solving process.

Employer involvement can include direct assistance to their employees such as a low interest loan, forgivable loan, deferred loan, down payment assistance, a loan guarantee, etc. In many cases, employers do not wish to provide assistance to specific employees, but are willing to contribute to an overall city project such as an affordable lot subdivision or a rental project.

Additionally, employers can continue to support other City projects, such as parks, trails, ball fields, educational facilities, etc., that have a positive impact on housing in Mobridge.

22. Strategies for downtown redevelopment and commercial development

Findings: The City of Mobridge’s downtown has buildings that have been renovated and have high quality commercial space. There are also buildings that need renovation. This recommendation provides an outline of actions that could be taken to complement the ongoing renovation and redevelopment initiatives that are ongoing to renovate the downtown, to maximize the usage of downtown buildings and to promote new downtown businesses.

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 Mobridge:

- ▶ Interview all downtown property owners and tenants to develop a database and to determine their future plans (expanding, selling, renovations, etc.)
- ▶ Develop an overall plan for the downtown (potential new businesses, address parking needs, develop an overall theme, art and cultural opportunities, etc.)
- ▶ Develop a mini-plan for each downtown property and each downtown block. This may include:
 - ▶ Commercial building rehab and renovations
 - ▶ Facade work
 - ▶ Building demolition
 - ▶ New construction
 - ▶ Recruiting new businesses
 - ▶ Housing development
 - ▶ Upper floor renovations
- ▶ Identify funding sources
 - ▶ Property owner funds
 - ▶ City of Mobridge
 - ▶ MEDCO
 - ▶ Federal Home Loan Bank
 - ▶ Special tax districts
 - ▶ Tax increment financing

- ▶ Tax abatement and deferment
- ▶ Mobridge HRC
- ▶ Funds from the South Dakota Housing Development Authority
- ▶ Funds from the Governors Office of Economic Development

- ▶ Work with stakeholders to identify roles, secure funding, develop and implement programs and projects
 - ▶ Property owners
 - ▶ City of Mobridge
 - ▶ MEDCO
 - ▶ Mobridge HRC

23. Develop home ownership and new construction marketing programs

Findings: Cities that invest in marketing have an advantage. As the economy continues to improve, 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, availability of 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 Mobridge, MEDCO, the Chamber of Commerce and the Mobridge HRC have been active in promoting and marketing housing. We recommend the continuation or consideration of the following:

- ▶ Determine the community's strengths and competitive advantages and heavily promote them
- ▶ Continue to create marketing materials that can be distributed regionally (including social media, TV, radio, etc.)
- ▶ Work closely with employers (Mobridge and the entire region) to provide employees with housing opportunities
- ▶ Work with housing agencies to provide down payment assistance, low interest loans, gap financing, home owner education and home owner counseling programs
- ▶ Work with builders and developers to make the construction of new homes and rental units a very user friendly process
- ▶ Develop new home construction and home purchase incentive programs

- ▶ 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
- ▶ 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 with services housing, etc.
- ▶ Review the local 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

24. Consider the implementation of a Time of Sale/Rent Mobile Home Program

Findings: Based on 2020 U.S. Census data, there are approximately 100 occupied mobile homes in Mobridge’s oldest neighborhoods and in the mobile home parks. Some of these mobile homes need repairs or are dilapidated and possibly beyond repair.

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

We continue to recommend that the City of Mobridge consider implementation of a Time of Sale/Rent Inspection Program. This inspection program is designed to provide safe living conditions through the identification and elimination of basic life/safety hazards in older mobile homes. Mobile homes would be subject to inspection prior to their rent or sale. All identified safety hazards must be corrected before the mobile home is sold or rented.

Agencies and Resources

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

Grow South Dakota

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

Homes Are Possible, Inc.

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

South Dakota Housing Development Authority

PO Box 1237
3060 E. Elizabeth Street
Pierre, SD 57501
(605) 773-3181

USDA Rural Development

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

Dakota Resources

25795 475th Ave., Suite 1
Renner, SD 57055
(605) 978-2804