

2017 Buchanan County Housing Needs Assessment: Executive Summary

In 2016, Buchanan County commissioned the Iowa Northland Regional Council of Governments (INRCOG) to develop a county-wide Housing Needs Assessment (HNA). This study utilizes a collection of data from a variety of sources to illustrate historic and the current housing conditions in Buchanan County. Based on this data, historical trends were identified and forecasts developed in order to project the anticipated housing demand of the county.

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

Section 1 includes background on the location and physical attributes of Buchanan County. Sections 2 and 3 of this plan discuss population and demographic information as well as economic considerations. Section 4 provides details the County's housing stock. Next, Section 5 includes projected housing county housing demand. Individual city profiles, in Section 6, provide greater detail and specific goals for each city. Finally, Appendix A is an inventory of federal, state, and local housing funding resources and program providers.

This Executive Summary provides highlights of the findings from Sections 2, 3, 4, and 5. Additional details on each topic can be found in the respected Sections.

Section 2 - Population and Demographics

- **Population Growth** – Between 1990 and 2010, Buchanan County's population increased by 0.6 percent from 20,844 in 1990 to 20,958 in 2010.

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Based on an average of three projection methods, the county's population is projected to grow by an estimated 0.5 percent per decade from 2010 through 2040. The County's population is projected to be approximately 21,074 by 2020, 21,180 by 2030, and 21,291 by 2040.

- **Aging Population** – Following state and national trends, Buchanan County has an aging population. The county's median age has continued to increase in each census since 1990. In 2015, American Community Survey (ACS) calculated the county's median age was 39.7 – older than the State of Iowa's median age of 38.1 and the nation's median age of 37.6
- **Racial Diversity** – Buchanan County is becoming more racial diverse. From 2000 to 2015 the county's white population decreased by 153 persons (-0.7 percent). During this same time, the county's non-white population increased from 236 to 484 (+105 percent). The County remains very homogeneous with more than 97 percent of the population identified as white as of 2015. Future population increases are more likely to come from minority groups.

Section 3 - Economic Considerations

- **Rising Household Incomes**—Between 2001 and 2015, the County’s average household income increased by an average of 2.8 percent per year. In 2015, the County’s median household income was \$55,848 – 2 percent higher than the State-wide median
- **Workforce Commuting** – Of the approximately 6,200 persons employed at a business in Buchanan County in 2014, 49 percent worked in but lived outside of the County. Functioning as a bedroom community – with the Waterloo/Cedar Falls metropolitan area immediately to the west in Cedar Rapids to the south– 68 percent of persons that live in Buchanan County and are employed, actually work outside of the county.
- **Land Value** – From 2002 to 2014, the average value of an acre of agricultural land in Buchanan County increased by 341 percent – from \$2,291 to \$10,113 per acre. Since 2013 to 2016, the county’s average price for land decreased by 21 percent to \$7,913 in 2016.
- **Poverty** – Six (6) percent of Buchanan County families (9% of all persons) fell below the national poverty line in 2014. This is a lower poverty rate than other nonmetro areas in Iowa (8% of families, 12% of persons) as well as the State of Iowa in general (8% of families, 13% of persons)
- **Owner vs Renter Poverty** – Renting households face greater economic hardship. An estimated 26 percent of renter-occupied households in the county fell below the poverty line as opposed to only 4 percent of home owners.

Section 4- Housing Considerations

- **Historic Housing Development** – According to US Census data, the number of housing units in Buchanan County increased by 9 percent from 1980 (8,222) to 2010 (8,968). The greatest percent increases occurred in Fairbank (37%), Hazleton (21%) and Quasqueton (18%).
- **Housing Hubs** – Of the nearly 9,000 estimated housing units in Buchanan County, 36 percent are located in unincorporated Buchanan County, 31 percent in Independence, and 11 percent in Jesup. The other nine cities are home to the remaining 22 percent.
- **Aging Housing Stock** – Buchanan County has higher rate of older homes compared to state and nation rates. Thirty-one (31) percent of the county’s housing stock was built prior to 1939 – compared to 27 percent of the homes statewide and 13 percent nationally. The age of housing stock varies greatly between different communities in Buchanan County
- **Shrinking Household Size** – From 1980 through 2010, the county’s average household size decreased by an average of 0.12 persons per decade from 2.91 to 2.53
- **Vacancy Rate** – The County’s average vacancy rate from 2000 to 2015 was 8.6 percent – however this varied greatly among communities.
- **High Rate of Home Ownership** - Eighty (80) percent of Buchanan County households own their home – a higher than Iowa (72%) and US (64%)
- **Rental, Availability** - Between 2000 and 2010, the total number of occupied rental units in Buchanan County decreased from 1,730 to 1720 (-0.6 percent) while the number of owner-occupied units increased by 238 (3.8 percent).
- **Rental, Affordability** – An estimated 20 percent of Buchanan County’s households are renter occupied. In 2015, 32 percent of the County’s rental households spent more than 30 percent of their income on housing costs as opposed to only 16 percent of owners
- **Rental Households by Age:** The Householder age groups with the highest rate of renting are those ages 15-24 (61 percent), 25-34 (34 percent) and 85+ (30 percent)

Section 5 – Household and Housing Demand

Using historical data and projected trends, forecasts of Buchanan County’s future housing demand were developed. These calculations are discussed in detail in Section 5.

Figure E.1 shows the number of projected households that will live in Buchanan County by 2020, 2030 and 2040. By 2030, it is projected that Buchanan County will have an estimated 667 more households than in 2010 –an eight (8) percent increase.

Figure E.1: Projected Number of Households, Buchanan County

	2010	2020	2030	2040
Household Population	20,615	20,714	20,805	20,896
Household Size	2.53	2.45	2.36	2.26
Total	8,148	8,455	8,816	9,246
Change from 2010	-	306	667	1,098
Percent Change from 2010	-	3.8%	8.2%	13.5%
Change from Previous	-	306	361	430
Percent Change from Previous	-	3.8%	4.3%	4.9%

Figure E.2: Projected Number of Housing Units

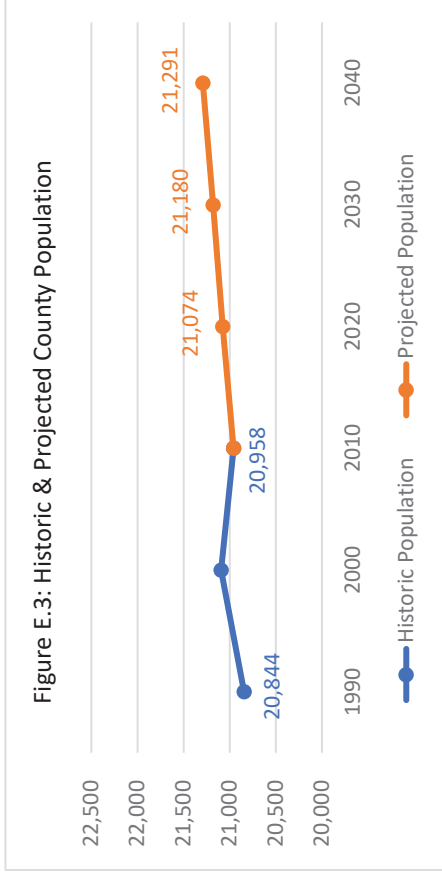
Year	2010	2020	2030	2040
# of Units to be Occupied by Households	8,148	8,455	8,816	9,246
Vacant Units (8%)	652	676	705	740
Total	8,800	9,131	9,521	9,986
Change from 2010	-	332	721	1,186
Percent Change from 2010	-	3.8%	8.2%	13.5%
Change from Previous	-	332	390	464
Percent Change from Previous	-	3.8%	4.3%	4.9%

To maintain a healthy housing market, a small but steady vacancy rate must exist to facilitate turn-over amongst residents and provide readily available housing options for persons looking to relocate. Figure E.2 shows the total projected number of housing units required in the coming decades to accommodate projected households and maintain the County’s post-2000 average vacancy rate of eight (8) percent. By 2030, the County is projected to have a demand for 721 additional housing units from the number the County had had in 2010.

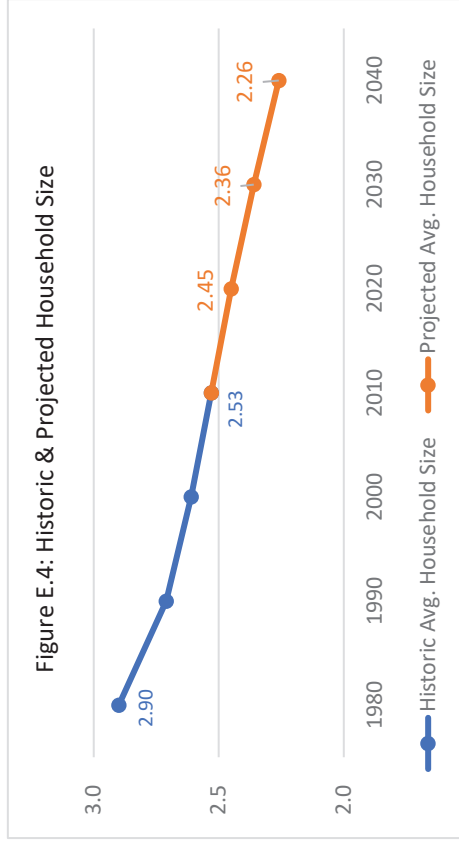
Three of the primary factors contributing to the County's forecasted housing demand include the county's projected population increase, declining household size, and increases in number of total households.

Population Growth

Using an average of three different projection methods, Buchanan County's population is forecasted to increase by approximately 0.5 percent per decade through 2040. Figure E.3 shows recent and projected population trends identified for the county.



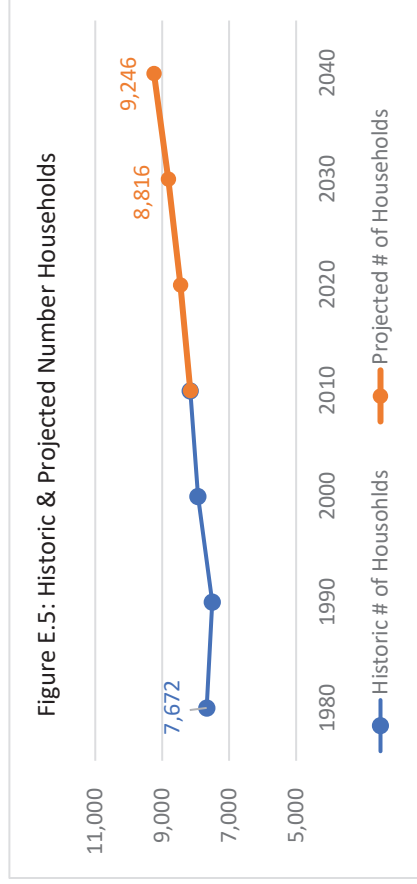
Decreasing Household Size



Since 1980, the county's average household size and family size as been steadily decreased from 2.90 to an estimated 2.53 in 2010 and 2.49 in 2015. This follows state and national trends. The gradual change in household size over time may seem minor. However, it has big implications. For example, 8,000 households at the 1990 average household size of 2.9 would have housed a population of 21,680. However, those same 8,000 units at the in 2010 household size (2.53) would only hold 20,240 – 1,440 fewer persons. An additional 569 housing units would be required for those households.

Increasing Number of Households

A shrinking household size combined with a relatively steady-to-slightly increasing population means that, while the total population is and will increasingly be composed of a greater number of families and households than in previous decades.



An alternative illustration of the historic trends discussed above is shown Figure E.6. In Buchanan County, from 1970 to 2010:

- The Population decreased by 3.2 percent (-804)
- The number of Housing Units increased by 27.1 percent (+1,913)
- The number of Households increased by 28.4 percent (+1,806)

The forecasted demographic changes and increased number of households living in Buchanan County is not the only reason for the increasing housing demand. The county's projected unit shortage is compounded by anticipated losses to the existing housing stock.

In any given year, a certain percentage of existing housing units can be expected to be lost due to a variety of reasons such as conversion to commercial use, units merged, damage or condemnation, demolition or disaster, or other causes. Forecasted losses for the county were developed using an average of historic demolition data and projected annual housing loss rate as determined by an Iowa State University study (See Figure 5.14). Counties like Buchanan face high projected loss rate than the state in general due to the older age of its housing stock.

As illustrated in Figure E.7, from 2015 to 2030, Buchanan County is anticipated to lose 868 of the 8,968 housing units it had as of 2010. Therefore, new housing is not only needed to accommodate the additional households as identified in E.2, but also to replace existing housing units as they are lost. Therefore, utilizing the projected household demand and expected housing attrition, it is forecasted that Buchanan County will be 809 housing units short of its 2030 projected demand.

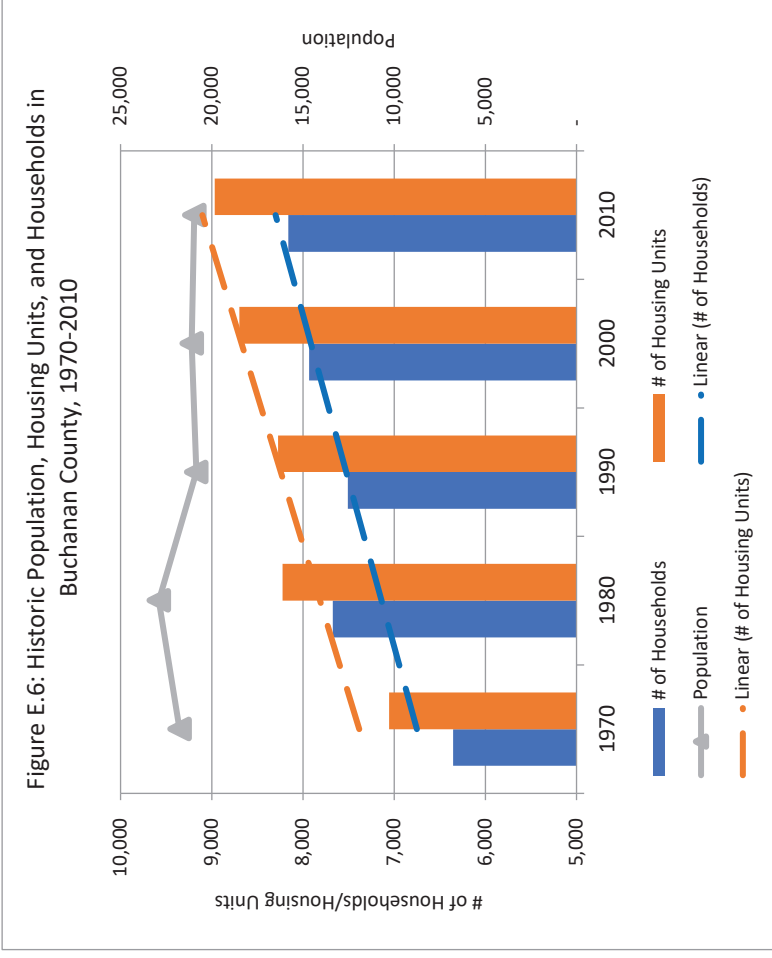


Figure E.7: Projected Housing Loss and Demand for Buchanan County			
	2020	2030	2040
Projected Unit Demand (Figure E.2)	9,131	9,521	9,986
2010 Housing Unit Count (Figure 4.7)	8,968		
Projected # of Net Units Lost (Figure 5.14)	-301	-868	-1,398
Projected # of Remaining 2010 Units	8,667	8,100	7,570
Total Projected Unit Shortage	464	1,421	2,416