BUCHANAN COUNTY, IOWA
HOUSING NEEDS ASSESSMENT
2023 UPDATE

Adopted by the Buchanan County Board of Supervisors on February 27, 2024

BCEDC HNA RESOLUTION

A Resolution of the Buchanan County Economic Development Commission Adopting the Updated Buchanan County Housing Needs Assessment

WHEREAS, the Board of Supervisors of Buchanan County, Iowa authorized the development of a Housing Needs Assessment (HNA) for Buchanan County in 2016, and adopted said completed HNA on 2/20/2018; and

WHEREAS, the Buchanan County Economic Development Commission has received funding through the United States Department of Agriculture Rural Business Development Program to update said HNA; and

WHEREAS, the Buchanan County Economic Development Commission participated in the development of the updated HNA; and

WHEREAS, said updated HNA is a policy document that considers the demographic, economic, housing characteristics, and projections of future housing demands;

NOW THEREFORE BE IT RESOLVED THAT the Board of Directors of the Buchanan County Economic Development Commission approves and adopts the 2023 update to the Buchanan County Housing Needs Assessment.

Passed and adopted this 27th day of February 2024.

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Gerald Dennie, Board Chair

ATTEST:

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Lisa Kremer, Executive Director

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Buchanan County Housing Needs Assessment – 2023 Update

Executive Summary

In October 2022, County stakeholders engaged INRCOG to prepare an update to the 2018 Housing Needs Assessment, with the aim of incorporating the latest data and identifying new challenges and opportunities. Funding for this study was provided by the Buchanan County Economic Development Commission as well as grant funds awarded to Buchanan County by the United States Department of Agriculture (USDA) Rural Business Development Grant (RBDG) program.

The projections in this document, specifically those regarding housing unit demand, 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 on the County's housing stock. Next, Section 5 projects housing supply and demand in the county. 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 respective Sections.

Section 2 – Population and Demographics

- **Slight Population Decline –** Between 1990 and 2020, the population decreased 1.3 percent, an average loss of 93 persons every decade. Based on an average of five projection methods, the county's population will be an estimated 20,565 persons in 2030 (no change from 2020), and 20,503 by 2040 (-0.3 percent from 2020).

- **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 2000. According to the 2020 Census, the county's median age was 39.8. This is older than the State of Iowa's 2020 median age (38.6) as well as the United States' median age (38.8).

- **Racial and Ethnic Diversity –** Buchanan County is becoming more racially and ethnically diverse. Between 2000 and 2020, the county's white population decreased by -1,061 persons (-5 percent), tracking the overall population decline. The County's non-white population more than doubled from 336 in 2000 to 869 in 2020, driven primarily by the growth in populations that identify as "Other Race" or two or more races. During the same period, Hispanic or Latino residents of all races increased from 131 (0.6 percent) to 338 (1.6 percent).

Section 3 – Economic Considerations

- **Rising Household Incomes –** Since 2010, Buchanan County's median household income has consistently been higher than the state's. The County's median household income grew from $61,821 in 2010 to $67,252 in 2020 (9 percent) while the state's median household income grew from $58,146 to $61,836 (6 percent) during the same period. An exception to this trend is median renter income, which declined by 14 percent in Buchanan County during this period.

- **Growing Labor Force** – Buchanan County is part of the Northeast Iowa Local Workforce Development Area (LWDA), whose employment is expected to grow by 28,955 workers from 2020 to 2030 (a 1.1 percent increase). Of concern, several of the most common projected job categories in 2030 pay low to moderate wages. Five of the six most common categories have median annual incomes below $40,000.

- **Workforce Commuting –** Of the workers who are employed in Buchanan County, nearly half (48.9 percent) also live in the County. Another 11.8 percent and 9.1 percent live in Black Hawk and Fayette Counties, respectively. However, nearly 1 in 5 workers who are employed in Buchanan County actually live in non-contiguous counties.

- **Land Value –** From 2005 to 2013 the average cost of an acre of farmland in Buchanan County increased from $4,574 per acre in 2005 to $11,781 per acre in 2013, adjusted to 2021 dollars. After 2013, land prices in Buchanan County and the state declined and then stagnated. In 2020, the average price for an acre of land in Buchanan County was $8,757 in 2021 dollars. In 2021, however, the county's average price for an acre of farmland jumped to $10,930.

- **Poverty –** Buchanan County's overall family poverty rate is 6.1 percent of families, compared to 7.1 percent of families statewide. However, the county's poverty rate for female householders with related children under 5 years is estimated at 82.1 percent, which is significantly higher than the statewide poverty rate of 44.9 percent for similar families. The poverty rate among renter families is 21.3%, nearly six times higher than the poverty rate of owner families.

Section 4 – Housing Characteristics

- **Historic Housing Development –** From 1990 to 2020, Buchanan County's overall housing stock grew by 614 units, a 7.4 percent increase. Communities with the highest rate of housing growth in the past 30 years have been the cities of Jesup (31.2 percent), Fairbank (18.6 percent), Independence (14.3 percent), Brandon (10.1 percent), and Winthrop (9.6 percent).

- **Housing Hubs –** Of the 8,886 housing units in Buchanan County, 32.9 percent are located in the unincorporated areas, 31.9 percent in Independence, and 12.2 percent in Jesup. The other nine cities are home to the remaining 21.9 percent.

- **Aging Housing Stock –** The age distribution of the county's housing units is older than the state and national stocks. An estimated 28 percent of Buchanan County homes were built before 1940 compared to 25 percent of the homes statewide and 12 percent nationally. The age of housing stock varies greatly among different communities in Buchanan County.

- **Shrinking Household Size** – From 1980 through 2020, Buchanan County's average household size decreased from 2.9 to 2.49.

- **Vacancy Rate** – In 2020, the prevalence of vacant units in the county as a whole was 7.7 percent of all housing units – lower than the statewide and nationwide prevalence of 8.8 percent and 9.7 percent, respectively.

- **High Homeownership Rate** – Buchanan County's homeownership rate is 80 percent, compared to 70.4 percent and 63.1 percent at the state and national level, respectively.

- **Housing Affordability** – Relative to Iowa as a whole, housing affordability in Buchanan County tends to be comparable or better. An estimated 20.2 percent of Buchanan County owner households with mortgages pay over 30 percent of income for housing costs (the maximum considered affordable), compared to 19.4 percent statewide. An estimated 35.8 percent of Buchanan County renters pay over 30 percent of income for housing, compared to 42.7 percent statewide. Housing affordability is still a concern for the county's lower-income households.

- **Tenure by Age Group** – The number of renters increased among households with householders aged 55 to 84, while the number of renter households aged 15 to 34 decreased. Increased renting among older households may put pressure on the price and availability of rentals for younger households.

- **Brisk Sales for Starter Homes** – The County's median home sale price from 2019 to 2022 was $142,000, a 27 percent increase from the median sale price from 2014 through 2017. Homes priced between $150,000 and $199,999 sell fastest at a median of 8 days on market. Homes priced between $250,000 and $299,999 have the longest time to sale (median 30 days).

Section 5 – Household & Housing Projections

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 projected households in Buchanan County over the next two decades. By 2040, it is projected that the County will have 184 more households than in 2020, a 2.2 percent increase.

To maintain a healthy housing market, a moderate but steady vacancy rate must exist to provide readily available housing options for persons looking to relocate, while allowing units to be held off the market as needed for renovations. Figure E.2 shows the total projected number of housing units required in the coming decades to accommodate projected households and maintain the 2020 vacancy rate of 7.7 percent. By 2040, the County is projected to have demand for 195 additional units.

Figure E.1: Projected Number of Households, Buchanan County			
Year	2020	2030	2040
Population in Households	20,427	20,365	20,243
Household Size	2.49	2.45	2.42
Total	8,198	8,301	8,382
Change from 2020	-	103	184
Percent Change from 2020	-	1.3%	2.2%

Figure E.2: Projected Need for Housing Units			
Year	2020	2030	2040
# of Units to be Occupied by Households	8,198	8,301	8,382
Vacant Units at Given Time (7.7%)	688	692	699
Total	**8,886**	**8,993**	**9,081**
Change from 2020	-	107	195
Percent Change from 2020	-	1.2%	2.2%

The projected increase in 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 is lost for 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 5.12). Counties like Buchanan face a higher projected loss rate than the state in general due to the older age of their housing stock.

As illustrated in Figure E.3, from 2020 to 2040, Buchanan County is anticipated to lose 1,197 of the 8,886 units it had in 2020. Therefore, new housing is needed not only to accommodate the additional households and vacant units as identified in E.2, but also to replace existing housing units as they are lost. Considering demand for both new households and replacement of lost units, Buchanan County will have a projected shortage of 620 units by 2040.

Figure E.3: Projected Housing Demand with Loss/New Construction Trends			
Row		2030	2040
A	**Projected Total Unit Demand**	**8,993**	**9,081**
B	**2020 Housing Unit Count**	8,886	
C	**Projected # of Units Lost**	-619	-1,197
D	**Projected # of Remaining 2020 Units** (Rows B-C)	8,267	7,689
E	**Unit Shortage with Loss** (Rows A-D)	726	1,392
F	**Projected # of New Const. Units** (Figure 5.10)	386	772
G	**Projected # of Total Units** (Rows D+F)	8,653	8,461
H	**Unit Shortage with Proj. New/Loss** (Rows A-G)	**340**	**620**

Introduction

Buchanan County is located in northeast Iowa, east of the Waterloo/Cedar Falls metropolitan area. With a population of 20,565 in 2020, the county has experienced a modest population decline (1.3%) since 1990. However, County leaders and employers have identified a shortage of safe, affordable housing as a limitation to expanding the workforce for local employers. To identify housing demand and provide guidelines for the county's communities to meet it in a coordinated fashion, Buchanan County and its member cities commissioned a Housing Needs Assessment in 2016. The document was prepared by the Iowa Northland Regional Council of Governments (INRCOG), and the final document was approved by the County and member cities in 2018.

In October 2022, County stakeholders engaged INRCOG to prepare an update to the 2018 Housing Needs Assessment, with the aim of incorporating the latest data and identifying new challenges and opportunities. Funding for this study was provided by the Buchanan County Economic Development Commission as well as grant funds awarded to Buchanan County by the United States Department of Agriculture (USDA) Rural Business Development Grant (RBDG) program.

Three planning meetings were held with participation from unincorporated Buchanan County as well as the incorporated cities within the county. Figure 1 lists the dates, topics, and location of the housing task force meetings.

	Date	Topic(s)	Location
Figure 1: Buchanan County HNA Planning Task Force Dates			
1	August 23, 2022	Community Background; Existing Housing Stock; Historic housing strengths and challenges	American Legion, Hazleton
2	September 27, 2022	Future Housing Needs and Programs	Fontana Park & Interpretive Nature Center, Hazleton
3	February 27, 2024	Review Plan and Finalize Goals and Actions	Quasqueton City Hall

Community task force members representing all 11 cities and unincorporated Buchanan County participated in the three task force meetings. Figure 2 is a list of the Housing Needs Assessment Task Force members.

Figure 2: Task Force Members					
Name	**Representing**	**Name**	**Representing**	**Name**	**Representing**
Dave Young	Aurora	Cole Passick	Hazleton	Joe Miller	Quasqueton
Diana Gates	Aurora	Brad Bleichner	Independence	Anita Arnold	Quasqueton
Guy Stacy	Brandon	Matt Schmitz	Independence	Sara Raue	Quasqueton
Kandi Taser	Brandon	Susi Lampe	Independence	Sue Webster	Rowley
Lisa Kremer	Buchanan County	Chris Even	Jesup	Deb Hemsath	Rowley
Clayton Ohrt	Buchanan County	Koley Mead	Jesup	Rodger Sill	Stanley
Bill Cowell	Fairbank	Mary Ann Dozark	Lamont	Rob Irvine	Stanley
Jason Kayser	Fairbank	Mike Cook	Lamont	Valerie Rownd	Stanley
Brittany Fuller	Fairbank	Paula Harvey	Lamont	Gerald Dennie	Winthrop
Daren Hayzlett	Hazleton	Ben Stanford	Quasqueton	Mary Ryan	Winthrop

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