

*Nebraska Investment Finance Authority  
Housing Study Grant Program.*

# **KNOX COUNTY, NEBRASKA**

**COUNTY-WIDE HOUSING STUDY WITH  
STRATEGIES FOR AFFORDABLE HOUSING.**

## **REVISED EXECUTIVE SUMMARY**



**PREPARED FOR:**  
**Knox County Development Agency,  
Knox County & Communities.**

**PREPARED BY:**  
**HANNA:KEELAN ASSOCIATES, P.C.  
COMMUNITY PLANNING & RESEARCH**

*COMPREHENSIVE PLANS & ZONING \* HOUSING STUDIES \*  
DOWNTOWN, NEIGHBORHOOD & REDEVELOPMENT PLANNING \*  
CONSULTANTS FOR AFFORDABLE HOUSING DEVELOPMENTS\**

*\* Lincoln, Nebraska \* 402.464.5383 \**

**JULY, 2013**

# KNOX COUNTY, NEBRASKA COUNTY-WIDE HOUSING STUDY WITH STRATEGIES FOR AFFORDABLE HOUSING EXECUTIVE SUMMARY.

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## HOUSING STEERING COMMITTEE MEMBERS

Gary Ermels, <i>Crofton</i>	Eric Wynia, <i>Wausa</i>
Ken Gill, <i>Bloomfield</i>	Sheila Keele, <i>Niobrara</i>
Kevin Burns, <i>Bloomfield</i>	Chris Schreier, <i>Verdigre</i>
Hank Raff, <i>Creighton</i>	Allison Bentley, <i>Creighton</i>
Linda Wuebben, <i>Crofton</i>	

Knox County Development Agency (KCDA)  
Matt Cerny, Director

The Knox County, Nebraska County-Wide Housing Study with Strategies for Affordable Housing was funded by a *Housing Study Grant from the Nebraska Investment Finance Authority* and matching funds from the KCDA, Knox County and the Communities.

The County-Wide Housing Study was completed with guidance and direction of the Knox County Development Agency and the Knox County Housing Steering Committee.

The County-Wide Housing Study was completed by Hanna:Keelan Associates, P.C., a professional Community Planning and Research Consulting Firm, based in Lincoln, Nebraska.

## HANNA:KEELAN ASSOCIATES, P.C. COMMUNITY PLANNING & RESEARCH

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## ■ INTRODUCTION ■

This **County-Wide Housing Study with Strategies for Affordable Housing** provides statistical and narrative data identifying a **housing profile and demand analysis** for **Knox County, Nebraska, including each Community and the Balance of County (Rural Knox County)**. The Study describes the past, present and projected demographics, economic and housing conditions in the County, as well as a **“Housing Action Plan,”** identifying recommended housing programs in the Knox County Communities, during the next five years.

This **County-Wide Housing Study** was conducted for the **Knox County Development Agency (KCDA)**, by **Hanna:Keelan Associates, P.C.**, a Nebraska based community planning and research consulting firm, under the guidance and direction of an organized **Housing Steering Committee**, consisting of County residents and representatives, and the **KCDA**. **Members of the KCDA, local elected officials and economic development representatives and the Citizens of Knox County all provided invaluable information.**

Funding for the **County-Wide Housing Study** was provided by a Housing Study Grant from the **NEBRASKA INVESTMENT FINANCE AUTHORITY**, with matching funds from the **KCDA, Knox County and the Communities.**

## ■ PURPOSE OF STUDY ■

The **purpose of this Housing Study** is four-fold: (1) **analyze the recent past and present housing situation in Knox County**, with emphasis on the need for owner and rental housing options for the workforce, elderly and low-income populations; (2) **identify the future target housing needs for Knox County, including the preservation of housing stock through housing rehabilitation programs**; (3) **provide a process for educating and energizing the leadership of Knox County and each Community** to take a more active role in improving and creating new, modern and safe market rate and affordable housing options; and (4) **pursue and maintain an ongoing process of implementing new and appropriate housing programs.**

## **CITIZEN PARTICIPATION - QUALITATIVE INPUT**

This **Housing Study** included the participation of Knox County leadership, including the **KCDA** and local elected officials. A **Housing Steering Committee** directed the Housing Study. Housing Steering Committee meetings allowed Hanna:Keelan to share statistical data and receive informed input from the participants, regarding populations, households, housing needs, opportunities and challenges, as well as local economic issues. The Housing Study process also included local housing **“Listening Sessions”** and the implementation of **three important Housing Surveys.**

**Table 1** identifies **population trends and projections** for Knox County and each Community, from 2000 to 2018. The population of the previous two Decennial Censuses (2000 and 2010) recorded a decrease in population for Knox County. The County's population decreased from 9,374, in 2000, to 8,701, in 2010, a decrease of 673, or 7.1 percent.

Currently (2013), the population for the County is estimated to be 8,624 and is expected to decrease an estimated 1.8 percent, or 153, from 2013 to 2018.

The Communities of Center, Santee and Verdigre are projected to experience a slight increase in population by 2018. This can be attributed to expanding employment opportunities in close proximity to these Communities, combined with available housing opportunities. The remaining Knox County Communities are projected to decrease, slightly, but remain stable during the next five years. **A stable population base contributes to the need for new and improved housing for various forms, types and sectors of the County.**

**TABLE 1  
POPULATION TRENDS AND PROJECTIONS  
KNOX COUNTY & COMMUNITIES, NEBRASKA  
2000-2018**

	<u>2000</u>	<u>2010</u>	<u>2013</u>	<u>2018</u>	<u>% Change 2013-2018</u>
<b>Knox County:</b>	<b>9,374</b>	<b>8,701</b>	<b>8,624</b>	<b>8,471</b>	<b>-1.8%</b>
Center:	90	94	94	96	+2.1%
Bazile Mills:	26	29	29	29	+0.0%
Bloomfield:	1,126	1,028	1,019	1,006	-1.3%
Creighton:	1,270	1,154	1,136	1,103	-2.9%
Crofton:	754	726	720	714	-0.8%
Niobrara:	379	370	368	363	-1.4%
Santee:	302	346	349	355	+1.7%
Verdel:	58	30	30	29	-3.3%
Verdigre:	519	575	579	585	+1.0%
Wausa:	636	634	633	631	-0.3%
Winnetoon:	70	68	67	66	-1.5%
Balance of County:	4,144	3,647	3,600	3,494	-2.9%

Source: 2000, 2010 Census.

Hanna:Keelan Associates, P.C., 2013.

**Knox County, as a whole, is currently (2013) comprised of an estimated 3,629 households, consisting of 2,738 owner households and 891 renter households. By 2018, owner households will account for an estimated 75.2 percent of the households in Knox County, resulting in 2,703 owner and 890 renter households. The Communities of Santee and Verdigre are projected to experience an increase in owner households, by 2018, while the Communities of Bloomfield, Crofton, Niobrara, Verdigre and Wausa are projected to experience an increase in renter households.**

## ■ HOUSING NEEDS & WANTS SURVEY ■

The **Knox County “Housing Needs & Wants Survey”** was distributed to households throughout the Knox County Communities. A total of **336 Surveys** were returned, including 69 from Creighton, 57 from Verdigre, 54 from Bloomfield, 41 from Crofton, 36 from Niobrara, 32 from Wausa, 21 from Rural Knox County, five from Winnetoon, two each from Center and Verdel and one from Bazile Mills. An additional six Survey participants did not identify their place of residence.

**Survey** participants were asked to give their opinion about specific housing types greatly needed throughout the County and each Community. In addition, a component of the **Survey** allowed participants to offer individual comments regarding housing needs. The following summarizes the overall, Knox County results of the **Survey**.

### **KNOX COUNTY SURVEY RESULTS - Top Housing Needs**

- Housing for Middle-Income Families.
- Single Family Housing
- Rental Housing (General).
- Housing Choices for First-Time Homebuyers.
- Two- and Three-Bedroom (Apartment or House).
- Licensed Assisted Living with Specialized Services.

### **Additional Questions**

- 68.4 percent of the Survey respondents supported the County using State or Federal grant funds to conduct an owner housing rehabilitation program.
- 54.8 percent of the Survey respondents supported Knox County using State or Federal grant funds to conduct a rental housing rehabilitation program.
- **79.2 percent of the Survey respondents supported Knox County in establishing a local program that would purchase dilapidated houses, tear down the houses and make the lots available for a family or individual to build a house.**
- **74.1 percent of the Survey respondents supported the County in using grant dollars to purchase, rehab and resell vacant housing in the County.**
- 69.3 percent of the Survey respondents supported Knox County in using State or Federal grant dollars to provide down payment assistance to first-time homebuyers.

## ■ WORKFORCE HOUSING NEEDS SURVEY ■

The **Knox County Development Agency (KCDA)**, in cooperation with major employers in the Knox County area, conducted a **Workforce Housing Needs Survey** to determine the specific renter and owner housing needs of the Area's workforce. A total of **162 Surveys** were returned. This included 34 Surveys from Verdigre, 31 from Santee, 24 from Wausa, 14 from Creighton, 13 from Bloomfield, 10 from Rural Knox County, five from Niobrara, four from Winnetoon and two each from Center, Crofton and Verdel. An additional 21 Surveys came from persons living outside Knox County.

Survey participants were asked to provide information on such subjects as issues and barriers to obtaining affordable housing, place of employment, annual household income and in what Community or region participants would like to become either a homeowner or a renter. The following are highlights that were developed from the **Survey**.

- Employees from the following major employers that participated in the survey; Ohiya Casino, Creighton Public Schools, Alpine Village Nursing Home, Young Williams, Crofton Public Schools and First National Call Center. A total of 21 Survey participants were not a resident of the County.
- Survey participants included 97 homeowners and 65 renters. **36 participants were not satisfied with their current housing situation.** Reasons included the participants current home being too small, in need of substantial updating or being too far away from their place of employment.
- The majority of respondents could afford monthly house payments, not including house insurance and property taxes, of less than \$650. Renters looking to upgrade to a more suitable rental housing unit could afford a monthly rent under \$400.
- **The Communities of Niobrara, Santee and Verdigre, as well as Rural Knox County, were favored by Survey participants as the Communities they would like to purchase a home or rent a housing unit.**

Survey participants were asked to address some of the issues or barriers they experience in obtaining affordable owner or renter housing for their families. The most common barriers identified when obtaining affordable **owner housing** included **the costs of utilities and homeowners insurance, as well as the excessive costs of closing and down payments.** The most common barriers faced when obtaining affordable **rental housing** included **the high cost of rent and utilities and a lack of decent rental units in a prospective renter's price range.**



## ■ COMMUNITY HOUSING “LISTENING SESSIONS” ■

The **comprehensive citizen participation program** included four **Community Housing “Listening Sessions”** in the Communities of Bloomfield, Niobrara, Creighton and Verdigre. Each session received excellent input from those in attendance. The following highlights the consensus priority housing issues or needs, as expressed by those in attendance.

- Knox County Communities lack multifamily/rental housing in good, acceptable condition. Also, many rental units are too expensive, too small or not available. The Community of Niobrara cited receiving daily calls from persons interested in renting a housing unit.
- All four Communities are experiencing a shortage of vacant land for the construction of owner and rental housing. Topographic and manmade barriers, as well as floodplains are the major issues for Communities seeking to annex land for housing development. Communities will need to develop unique methods in acquiring vacant, agricultural land adjacent Corporate Limits. The demolition of dilapidated homes would provide land for new housing development opportunities.
- Listening Session participants expressed the desire for a wide variety of housing types needed in their Community. In Bloomfield, there is a high demand for three-bedroom rentals, duplex housing and retirement housing with specialized services. For the Community of Creighton, participants cited a need for independent senior housing and duplex/townhome developments. In Niobrara, demand is high for middle-income housing, workforce housing, and general rental housing. Verdigre has experienced population growth since the 2000 Census and will need to provide necessary housing for continued growth.
- Housing rehabilitation activities are needed throughout Knox County. A Housing Structural Condition Survey identified 28 homes in Bloomfield, 61 homes in Creighton, 23 homes in Niobrara and seven homes in Verdigre in need of substantial rehabilitation or demolition. Listening Session participants identified the importance of the Northeast Housing Initiative (NEHI) in administering housing rehabilitation activities. NEHI has been active in northeast Nebraska purchasing homes in need of rehabilitation. The Homes are then sold back to prospective buyers. NEHI is currently conducting a housing rehabilitation program in Bloomfield.

## ■ HOUSING GOALS & ACTION STEPS. ■

The following **Knox County “Housing Goals & Action Steps”** reflect citizen input through Surveys, Housing “Listening Sessions” and meetings with the Housing Steering Committee. Knox County Development Agency (KCDA) provided several opportunities for input from various individuals, organizations, groups and Community and County leadership, regarding the existing and future housing needs of the County and each Community. The information obtained through planning research activities greatly assisted in identifying and prioritizing housing needs in Knox County.

**Goal 1: County-Wide Housing Development Initiative.** Implement a **housing development initiative**, for the County and each Community, as a primary economic development activity. **Housing for the local workforce and elderly populations is of greatest need in Knox County.**

- **Action Step 1:** Establish a **County-Wide Employer’s Housing Assistance Program**, encouraging major employers in the County to become directly involved with assisting their employees in obtaining affordable housing. Assistance could include, but not be limited to, locating and negotiating the purchase of a home, to providing funding assistance for the purchase and/or rehabilitation of a house. Funding assistance could be, for example, a \$5,000 to \$10,000 grant and/or low-interest loan to persons and families for closing costs, down payment, etc. **Two or more major employers should consider forming a limited partnership to develop housing projects in Knox County, utilizing all available public and private funding sources.**
- **Action Step 2:** The KCDA should initiate a **Continuum of (Housing) Residential Care Program** in the County, directed at persons and families 62+ years of age. This Program would address several facets of elderly housing and supportive services needs, to coincide with a projected growth in elderly population. Attention should be given to increasing in-home health services and home maintenance, repair and modification of homes for elderly households, as well as providing additional affordable housing units, both owner and rental, both with or without supportive services. **This would include a potential new Assisted Living Facility in the City of Crofton.**
- **Action Step 3:** The KCDA should strive to create **partnerships with housing developers and Local and State funding sources.** Work directly with both public and private sectors to encourage the development of specific housing programs to meet the needs of each Community’s current and future residents, with emphasis on housing for the local workforce, the elderly and special populations.

A **housing education program** could assist local residents to understand and utilize existing affordable housing finance programs. An organized effort of securing and providing funding and sharing financing obligations for housing development, County-wide, between all of the Communities, is encouraged to produce appropriate/ affordable housing stock.



**Goal 2: New Housing Developments** in Knox County Communities should address the needs of both owner and renter households of all age and income sectors, with varied price products.

- **Action Step 1:** Identify lots and tracts of land for future housing development opportunities. **This should include the identification of vacant lots and land for planned residential subdivisions.**

*Several Knox County Communities are experiencing annexation issues and a lack of suitable land for residential development. Many of these constraints are due to topographical and floodplain barriers and property owners unwilling to sell their vacant or agricultural land. It will be important for each Community to develop unique solutions to create residential developments adjacent the Corporate Limits of a Community, in an effort to make vacant land available for expanded residential growth.*

- **Action Step 2:** Build new housing that consists of a mix of owner and rental housing units. Affordable housing for both, middle-income workforce families and households that are cost-burdened is needed throughout the County. Affordable homes, particularly those with three+-bedrooms, are in demand in Knox County Communities.

Special attention should be given the construction of single family housing units for large families. Consider new, modern housing development types, such as a **Credit- or Lease-To-Own Housing Program**. **New housing development in each Knox County Community should include the construction of housing that is accessible for use and visit by persons and families with special needs.**

*Communities in Knox County are experiencing a shortage of quality rental units needed for current and prospective residents. General rental housing, preferably units consisting of two- and three-bedrooms, should be constructed to provide safe, decent and affordable rental housing options. Rental units should be constructed with emphasis on duplex and apartment rental units for local workforce households and the elderly.*

- **Action Step 3:** Employ proper, modern planning practices for the development of housing units in rural subdivisions. **This would include the design of modern infrastructure systems. Input received from the Community Housing Listening Sessions identified a need for establishing housing subdivisions throughout rural Knox County and in each Community.**

**Housing development in the rural areas of Knox County should include additional seasonal housing units, developed adjacent existing subdivisions along the Missouri River and Lewis and Clark Lake area.**

**Goal 3: Rehabilitation/Preservation of Existing Owner and Rental Housing Stock.** Housing rehabilitation programs and activities in Knox County should strive to protect and preserve the existing housing stock of the Community.

- **Action Step 1:** Housing rehabilitation programs, for both owner and rental housing units, should be expanded in Knox County, with emphasis on meeting the housing needs of the elderly, low income families and housing occupied by persons with special needs.

Moderate or substantial rehabilitation of both, owner and renter housing units is greatly needed throughout the County. Many homes are falling into disrepair, with occupants and landlords lacking the necessary funds to improve and/or modernize their homes or apartments. Housing rehabilitation activities stabilizes the population base, improves the quality of life for many families and enhances the attractiveness and marketability of each Community.

- **Action Step 2:** As needed, the County and each Community should establish a policy of condemning and demolishing housing of a dilapidated state, not cost effective to rehabilitate. **The vacated land could be set aside as part of a County-Wide Land Trust/Land Bank program, to be used for future owner and rental housing development needs.**
- **Action Step 3:** Knox County Communities should recognize and make a concentrated effort to preserve housing of historical significance, as an effort to preserve County and Community history.

**Goal 4: Financing Housing Developments in Knox County.** Housing developers should consider both public and private funding sources when constructing new housing stock.

- **Action Step 1:** Housing developers should be encouraged to pursue securing any and all available tools of financing assistance in the development of new housing projects in the County and each Community. This assistance is available from the Nebraska Investment Finance Authority, Nebraska Department of Economic Development, USDA Rural Development, Federal Home Loan Bank and the Department of Housing and Urban Development in the form of grants, tax credits and mortgage insurance programs.
- **Action Step 2:** Knox County Communities should utilize **Tax Increment Financing** to assist developers in financing new housing developments, specifically for land purchase and preparation, as well as public facility and utility requirements.



**Goal 5: Impediments to Fair Housing Choice.** The Communities of Knox County will need to identify and establish a plan to eliminate all barriers and impediments to fair housing choice. Both, the public and private sectors of the County, should play a role in this process. This would include the involvement of City Government, schools, churches and the local private sector.

- **Action Step 1:** Address the primary impediments to fair housing choice in Knox County. For **owners**, this includes **housing prices and the excessive cost of utilities and homeowner's insurance**. For **renters**, impediments include **high rent and utility costs and a lack of available, decent rental units in a renter's price range**.
- **Action Step 2:** Knox County Communities should prepare and approve, by Ordinance, a **Fair Housing Policy**, to insure all current and future residents of the Community do not experience any discrimination in housing choice.
- **Action Step 3:** To ensure a **clean and safe residential environment**, the ongoing maintenance of private residential properties is needed, i.e. trash removal, junk cars, etc. Also, eliminate the parking of vehicles in sidewalk right-of-ways, front-yards and other non-paved residential areas. **Implement annual Community and/or Neighborhood clean-up activities throughout Knox County.**
- **Action Step 4:** Develop housing options for persons of different cultural backgrounds, including housing for the County's Native American population. Houses should be affordable in price for low- to moderate income families.

## ■ HOUSING TARGET DEMAND. ■

**Table 2, Page 11**, identifies the **estimated housing target demand** for **Knox County** and **each Community** by **2018**. Community leadership and local housing stakeholders and providers need to be focused on this housing target demand and achieving reasonable goals that will effectively increase the quantity and quality of housing throughout the County.

The total estimated **housing target demand** in **Knox County**, by **2018**, is **178 housing units, including 140 owner and 38 rental units**, at an estimated development cost of **\$35.9 Million**.

The largest demand for rental units is projected to occur in the Communities of Bloomfield, Creighton and Crofton, with each Community having a target demand for six rental units. The Balance of County has a demand for 97 owner housing units by 2018. This owner housing demand includes seasonal housing in subdivisions along Lewis and Clark Lake.



**TABLE 2**  
**ESTIMATED HOUSING TARGET DEMAND**  
**KNOX COUNTY & COMMUNITIES, NEBRASKA**  
**2018**

	<u>Owner</u>	<u>Renter</u>	<u>Total Target Demand</u>	<u>Est. Required Target Budget (Millions)</u>
<b>Knox County:</b>	<b>140</b>	<b>38</b>	<b>178</b>	<b>\$35.9</b>
Center:	1	2	3	\$0.41
Bazile Mills:	1	1	2	\$0.27
Bloomfield:	8	6	14	\$2.3
Creighton:	11	6	17	\$2.7
Crofton:	6	6	12	\$1.9
Niobrara:	3	3	6	\$1.01
Santee:	2	4	6	\$0.97
Verdel:	1	1	2	\$0.27
Verdigre:	4	4	8	\$1.3
Wausa:	5	4	9	\$1.5
Winnetoon:	1	1	2	\$0.27
Balance of County:	<b>97</b>	<b>0</b>	<b>97**</b>	<b>\$23.0</b>

\*Based upon new households, providing affordable housing for 20% of cost burdened households, replacement of 20% of housing stock experiencing plumbing, overcrowded conditions, absorb housing vacancy deficiency by creating 6% vacancy rate consisting of structurally sound housing units and build for “pent-up” demand, based upon local capacity and availability of land and financial resources.

\*\*Includes Seasonal Housing.

NOTE: New housing in the small Communities should focus on purchase-rehab-resale or re-rent.

Source: Hanna:Keelan Associates, P.C., 2013.



## ■ HOUSING DEMAND BY INCOME SECTOR. ■

Table 3 presents the **estimated household AMI**, per household size for Knox County.

**TABLE 3**

**HOUSEHOLD AREA MEDIAN INCOME (AMI)  
KNOX COUNTY, NEBRASKA  
2013**

	<u>1PHH</u>	<u>2PHH</u>	<u>3PHH</u>	<u>4PHH</u>	<u>5PHH</u>	<u>6PHH</u>	<u>7PHH</u>	<u>8PHH</u>
<b>30% AMI</b>	\$12,000	\$13,700	\$15,400	\$17,100	\$18,500	\$19,850	\$21,250	\$22,600
<b>50% AMI</b>	\$19,950	\$22,800	\$25,650	\$28,500	\$30,800	\$33,100	\$35,350	\$37,650
<b>60% AMI</b>	\$23,940	\$27,360	\$30,780	\$34,200	\$36,960	\$39,720	\$42,420	\$45,180
<b>80% AMI</b>	\$31,950	\$36,500	\$41,050	\$45,600	\$49,250	\$52,900	\$56,550	\$60,200
<b>100%AMI</b>	\$39,900	\$45,600	\$51,300	\$57,000	\$61,600	\$66,200	\$70,700	\$75,300
<b>125%AMI</b>	\$49,875	\$57,000	\$64,125	\$71,250	\$77,000	\$82,750	\$88,375	\$94,125

Source: U.S. Department of Housing and Urban Development.

Hanna:Keelan Associates, P.C., 2013.

**Table 4** identifies the **estimated housing demand by income sector** for Knox County by 2018. Approximately 178 new units should be targeted, consisting of 140 owner units and 38 rental units. New owner units should focus on addressing the needs and demands of individuals and families who have an Area Median Income (AMI) of 61 percent or higher. New rental units should focus on meeting the needs of individuals and families of AMI ranges at each income sector.

A majority of units created in Knox County should address the needs of persons and families between 31 and 125 percent AMI income ranges. Units in the 126+ percent AMI are expected to be constructed, primarily in a planned rural subdivision or along Lewis and Clark Lake.

Knox County Communities should create owner and rental housing units, primarily, in the 31 to 125 percent AMI income range. While engaging in the development and/or rehabilitation of housing for all income ranges, housing stakeholders must be cognizant of the incomes of each Community's population and provide the necessary housing that will provide the most benefit to persons and families in need of safe, affordable housing.

**TABLE 4**

**ESTIMATED YEAR-ROUND HOUSING DEMAND BY INCOME SECTOR  
KNOX COUNTY, NEBRASKA  
2018**

	<u>Income Range</u>					
	<u>0-30%</u>	<u>31-60%</u>	<u>61-80%</u>	<u>81-125%</u>	<u>126%+</u>	
<u>Knox County:</u>	<u>AMI</u>	<u>AMI</u>	<u>AMI</u>	<u>AMI</u>	<u>AMI</u>	<u>Totals</u>
<b>Owner</b>	0	0	12	24	104	<b>140</b>
<b>Rental</b>	6	20	12	0	0	<b>38</b>

Source: Hanna:Keelan Associates, P.C., 2013.



## ■ HOUSING EXPECTATIONS FOR SPECIFIC POPULATION GROUPS ■

**Table 5** identifies **housing target demand** in Knox County, for **specific population groups** by 2018. Target populations include elderly, family and special needs populations, per Area Median Income (AMI). The housing types in Knox County include both owner and rental units of varied bedroom types.

In Knox County, **178 units** will be needed by 2018, consisting of **140 owner** and **38 rental units**. The majority of these owner units should be built for the non-elderly, family households, including housing for **seasonal households**. **An estimated 98 housing units, consisting of 71 owner and 27 rental units should be built for the workforce population in the County.**

**TABLE 5**  
**HOUSING EXPECTATIONS – SPECIFIC POPULATION GROUPS**  
**KNOX COUNTY, NEBRASKA**  
**2018**

<u>HOUSEHOLD AREA MEDIAN INCOME (AMI)</u>						
OWNER UNITS						Workforce Sector 61%+ AMI
			<u>61%-80%</u>	<u>81%-125%</u>	<u>126%+</u>	<u>Totals</u>
Elderly (55+)			3	10	32	45
Family			6	14	72	92
Special <u>Populations<sup>1</sup></u>			<u>3</u>	<u>0</u>	<u>0</u>	<u>3</u>
Subtotals			12	24	104	140
RENTAL UNITS						Workforce Sector 45%+ AMI
	<u>0%-30%</u>	<u>31%-60%</u>	<u>61%-80%</u>	<u>81%-125%</u>	<u>126%+</u>	<u>Totals</u>
Elderly (55+)	1	3	4	0	0	8
Family	4	15	8	0	0	27
Special <u>Populations<sup>1</sup></u>	<u>1</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
Subtotals	6	20	12	0	0	38
Totals	6	20	24	24	104	178

\* Includes Credit- or Lease-to-Own units.

<sup>1</sup> Any person with a special housing need due to a cognitive and/or mobility disability.

Source: Hanna:Keelan Associates, P.C., 2013.

## ■ PROPOSED HOUSING TYPES BY PRICE PRODUCT ■

**Table 6** identifies **proposed housing types by price product** with the given Area Median Income (AMI) for Knox County, by 2018. The owner housing type most needed will be units with both two- and three+-bedroom units, **for both permanent and seasonal residents**, priced at \$239,000+. For rental units, those with two- and three-bedrooms, with a price range between \$301 and \$465, present the greatest need in Knox County.

**Three+-bedroom units at a purchase price of \$79,000+ and an estimated monthly rent cost of \$425+ are the most needed housing types for the workforce population in Knox County.**

**TABLE 6**  
**PROPOSED HOUSING TYPES BY PRICE PRODUCT**  
**KNOX COUNTY, NEBRASKA**  
**2018**

	<u>PRICE – PURCHASE COST (Area Median Income)</u>				
	(61%-80%)	(81%-125%)	(126%+)		Work Force
<b>OWNER</b>	<b>\$79,000-</b>	<b>\$104,000-</b>			<b>(61%+ AMI)</b>
<b>UNITS</b>	<b>\$121,000</b>	<b>\$239,000</b>	<b>\$239,000+</b>	<b>Totals</b>	<b>\$79,000+</b>
2 Bedroom	6	5	0	11	9
3+ Bedroom	6	19	104	129	87
<b>Totals</b>	<b>12</b>	<b>24</b>	<b>104</b>	<b>140</b>	<b>96</b>

	<u>PRICE – PURCHASE COST (Area Median Income)</u>				
	(0%-30%)	(31%-60%)	(61%-80%)		Work Force
<b>RENTAL</b>	<b>\$115-\$355</b>	<b>\$301-\$465</b>	<b>\$370-\$730</b>		<b>(45%+ AMI)</b>
<b>UNITS</b>				<b>Totals</b>	<b>\$425+</b>
2 Bedroom	2	8	6	16	5
3+ Bedroom	4	12	6	22	22
<b>Totals</b>	<b>6</b>	<b>20</b>	<b>12</b>	<b>38</b>	<b>27</b>

Source: Hanna:Keelan Associates, P.C., 2013.

## ■ HOUSING REHABILITATION & DEMOLITION DEMAND. ■

**Table 7** identifies the **target rehabilitation and demolition demand** for the **Communities of Knox County**, by **2018**. A total of 188 units should be targeted for rehabilitation in Knox County at an estimated cost of \$7.07 Million.

An additional 106 units are considered not to be cost effective for rehabilitation and are in need of demolition. The estimated cost of demolition will range, depending on acquisition of the housing unit.

Land being occupied by “bad and unsafe” housing located in Communities should be secured in a single County-Wide “Land Trust” or “Land Bank,” reserved for future housing development. The Knox County Development Agency will need to take a proactive role in housing development and rehabilitation activities in the County.

**TABLE 7**  
**ESTIMATED HOUSING REHABILITATION/DEMOLITION DEMAND**  
**KNOX COUNTY & COMMUNITIES, NEBRASKA**  
**2018**

	<b># Rehabilitated /</b> <b><u>Est. Cost*</u></b>	<b><u>Demolition</u></b>
<b>Knox County:</b>	<b>188 / \$7.07 M</b>	<b>106 / \$1.5 M<sup>1</sup> - \$4.1 M<sup>**</sup></b>
Center:	12 / \$456 K	4
Bazile Mills:	2 / \$70 K	2
Bloomfield:	32 / \$1.2 M	7
Creighton:	48 / \$1.8 M	31
Crofton:	24 / \$9 K	8
Niobrara:	18 / \$675 K	12
Santee:	15 / \$562 K	0
Verdel:	8 / \$304 K	14
Verdigre:	12 / \$460 K	8
Wausa:	12 / \$460 K	14
Winnetoon:	5 / \$190 K	6

\*Based upon field inspections and age of housing.

Rehabilitation/Demolition Demand based on Five-Year Program.

<sup>1</sup> Without Property Purchase.

<sup>\*\*</sup>With Property Purchase.

Source: Hanna:Keelan Associates, P.C., 2013.

## ■ HOUSING LAND USE PROJECTIONS. ■

**Table 8** identifies the estimated **land use projections and housing types for different age sectors** in Knox County, Nebraska, by 2018. An estimated **121 acres of land** will be required to complete the needed housing developments throughout Knox County. This amount of land could vary, based upon lot sizes for rural and seasonal housing.

An estimated 53 units needed for the 55+ age group will require an estimated **35 acres**. An estimated 125 units will need to be developed for non-elderly families, requiring an estimated **86 acres**.

New housing types needed for Knox County and the Communities should primarily include single family, duplex and townhome units.

**TABLE 8**  
**HOUSING LAND USE PROJECTIONS/ PER HOUSING TYPE/ AGE SECTOR**  
**KNOX COUNTY, NEBRASKA**  
**2018**

<u>Age Sector</u>	<u>Type of Unit</u>	<u>#Owner / #Renter</u>	<u>Land Requirements (Acres)</u>
<b>18 to 54 Years**</b>	Single Family Unit	95 / 12*	81.0
	Town Home Unit	0 / 0	0.0
	Duplex Unit	0 / 18	5.0
	Apartment - 3+ Units	0 / 0	0.0
<b>TOTALS</b>		<b>95 / 30</b>	<b>86 Acres</b>
<b>55+ Years</b>	Single Family Unit	37 / 0	30
	Town Home Unit	4 / 0	1.2
	Duplex Unit	4 / 8	3.8
	Apartment - 3+ Units	0 / 0	0.0
<b>TOTALS</b>		<b>45 / 8</b>	<b>35 Acres</b>
<b>TOTAL UNITS / ACRES</b>		<b>140 / 38</b>	<b>121 Acres</b>
*Includes Credit- or Lease-To-Own Units.			
**Including Special Populations.			
Source: Hanna:Keelan Associates, P.C., 2013.			

## ■ AFFORDABLE HOUSING DEVELOPMENT OPTIONS & RESIDENTIAL LAND NEEDS ■

**A total of 178 new housing units have been targeted for Knox County by 2018.** This would include up to **140 owner units** and **38 rental units**. Vacant land will need to be made available in or adjacent Knox County Communities for the suitable development of various, needed housing types.

Identifying locations of new housing development is important for Knox County and each Community. Each Community in Knox County has unique restrictions on where new development can take place, such as river beds, flood plains and topographic issues. **Each Community should review their respective Comprehensive Plans, Future Land Use Maps and both voluntary and involuntary annexation policies, all in an effort to identify land for new housing.**

The Communities of Knox County will need to focus on workforce families needing safe, efficient and affordable housing, including employees living outside of the County and, in some cases, outside of the State of Nebraska. This can be accomplished through joint relationships with major employers of the County in an effort to create decent rental housing units for employees.

**Knox County will need up to 97.5 acres of land to accommodate a projected housing target demand of 178 units.** Communities lacking an adequate supply of vacant land will need to acquire suitable, rural land adjacent the Community for housing development.

**Knox County has an estimated 188 housing structures needing moderate- to substantial rehabilitation and an estimated 106 housing structures for demolition.** The demolition of dilapidated or severely deteriorated housing structures will create additional vacant land for each Community that can be used for the development of new and creative housing concepts. Newly acquired vacant land should be set aside in a **County/Communities Land Trust/Land Bank Program**.

The need for new housing development, along with the rehabilitation of existing housing is important for each Knox County Community. The field analysis completed as part of this **County-Wide Housing Study** included an assessment of the condition of the existing housing stock. All of the Communities in Knox County have “pockets” or areas where houses are in need of moderate- to substantial rehabilitation. Housing that is not cost effective to be rehabilitated should be targeted for demolition and replacement to take advantage of the existing infrastructure for new affordable housing development.



The following affordable housing development options are provided as a courtesy by Mesner Development Company and Dana Point Development Corporation, along with their respective architectural design team.

**Single family homes** are presented as examples of **Credit-**, or **Lease-To-Own**, affordable housing options. This development concept has been successfully implemented in several Nebraska Communities, including Auburn, Nebraska City, O'Neill and York. This housing option is typically funded with Low-Income Housing Tax Credits, awarded by the Nebraska Investment Finance Authority, with the CROWN or Credit-To-Own Program, HOME Funds and/or Nebraska Affordable Housing Trust Funds, available through the Nebraska Department of Economic Development (NDED) and/or Affordable Housing Program funds, provided by the Federal Home Loan Bank. Also included in funding affordable single family homes is conventional financing and Tax Increment Financing.

Although reasonably modest by design, all in an effort to maximize the use of tax dollars, the single family home examples provide all necessary living space for a family of up to five- to six persons. This includes three-bedrooms on the first floor, with the opportunity of an additional bedroom(s) in the basement, one bath, on the upper level, with the potential for another in the lower level, a great or family room, with additional space in the basement for family activities, a kitchen and dining area and, at least, a single stall garage. The square footage of these affordable single family homes typically ranges from 1,100 to 1,300 square feet. These homes are usually constructed on lots of 8,000 to 10,000 square feet, allowing for ample yard space.

**Nebraska Bar-None, or Prairie Gold Homes are available to be used with a CROWN Program.** Photos of a CROWN Credit-To-Own housing development in O'Neill, Nebraska, are provided as an example of a housing type the City can develop over the next five years.

Net monthly rents for affordable single family homes range from \$500 to \$675, based on rental comparables and the level of affordability of the target population in the community being served. Typically, Credit- or Lease-To-Own single family housing programs are affordable to persons/households of 50 to 80 percent of the Area Median Income (AMI). In a lease-to-own type program, a small percentage of the net monthly rent is set-a-side for the eventual use by the tenant as a down payment to eventually purchase a home.



Affordable single family housing options can also be used for **First-Time Homebuyers**, utilizing grant and loan monies available from the NDED. Households of 50 to 80 percent AMI are typically income eligible to participate in a home buyer program. Depending upon whether the home selected for purchase is new construction or an existing house, the cost for the homes, typically, range from \$95,000 to \$130,000. In a First-Time Homebuyers Program, the income eligible household is provided a down-payment assistance ranging from 5 to 20 percent of the purchase price.

**Duplex/triplex rental housing** is a popular affordable housing program in Nebraska for both, older adults, 55+ years of age, singles and couples, and two-, three- and four-person family households. Financing similar to that available for the lease-to-own single family homes is also available for affordable duplex/triplex rental housing. This type of affordable housing can be made available for households ranging from 0 to 80 percent AMI, depending upon the level of funding subsidy. Net monthly rents for duplex/triplex rental housing have traditionally ranged from \$350 to \$575, depending upon the local housing economics of the subject community.

Affordable duplex and triplex rental housing provides an excellent low-density housing option for Nebraska communities, while maintaining a cost containment approach to building living space and maximizing the use of tax dollars. Duplex and triplex rental housing units range from 950 to 1,100 square feet, contain either two- or three-bedrooms, include a kitchen and dining area, a family room, at least one bath and a garage. Basements can be included in the development process, to provide additional living space, if necessary. **Affordable housing programs with supportive services for the subject tenant are the most successful programs.**

The availability and use of tenant- or project-based “Section 8 Rental Assistance” with either single family or duplex/triplex affordable housing options would prove to be an “*economic enhancement*” to any housing program, allowing more households to be income eligible and, thus, allowing more local households access to affordable housing options.

### INDEPENDENT DUPLEX APARTMENT EXAMPLE

The need for additional independent family and/or elderly duplex apartments was discussed at several of the Listening Sessions. Mesner Development Company of Central City, Nebraska, developed a new 18 unit residential development in Holdrege, Nebraska, **Sunrise Lane, LLC**, designated for retirees and the elderly. The Subdivision has nine separate duplexes. Exteriors are constructed entirely of vinyl siding and brick. Sunrise Lane, LLC, is an ideal model of independent living elderly housing for low- to moderate-income households. Duplexes and townhomes of similar construction are also suitable for families of low- to moderate-income.



**Waverly, Nebraska CROWN Homes**  
Courtesy: Dana Point Development Corporation.



## ■ KNOX COUNTY FIVE-YEAR HOUSING ACTION PLAN ■

The greatest challenge for Knox County, during the next five years, will be to develop housing units for low- to moderate-income families, the elderly and special population households, with special attention given to workforce households. Overall, Knox County should strive to build **178 new units; 140 owner units and 38 rental units**, by 2018.

The successful implementation of the “**Knox County Five-Year Housing Action Plan**” will begin with preparation of reasonable, doable housing projects. Such a Plan will address all aspects of housing, including new construction, housing rehabilitation, the removal of “bad” housing, the reuse of infill residential lots, appropriate housing administration and code and zoning enforcement. Also important are the creation of *Housing Partnerships* by the residents and elected officials with other housing developers and providers in the County and each Community. *“The bigger the circle of Partnerships, the better the delivery of housing.”*



## ■ HOUSING PROJECTS ■

The following **Housing Action Plan** presents the “**priority**” housing programs proposed for Knox County during the next five years. Programs include activities associated with the organizational or operational requirements of each Community to insure housing development exists as an ongoing community and economic process, housing units for both elderly and non-elderly households, persons with special needs and the preservation or rehabilitation of the County-Wide housing stock. The **Plan** defines a purpose and estimated cost for each housing program and, where relevant, the estimated cost subsidy.

## KNOX COUNTY “FIVE-YEAR HOUSING ACTION PLAN.”

	<b><u>Organizational/ Operational Programs, Activities.</u></b>	<b><u>Purpose of Activity.</u></b>	<b><u>Total Cost.</u></b>
1.	Maximize the use of <b>Knox County Housing Partners</b> to guide interests in housing development activities in the County and each Community.	Create a non-profit community-based organization that plans and implements affordable housing programs. Such an effort should include the input and possible involvement of existing Housing Partners currently serving Knox County, including, but not limited to, Knox County Development Agency (KCDA), Northeast Nebraska Economic Development District, Northeast Nebraska Community Action Partnership, Northeast Housing Initiative and all Knox County Housing Authorities. The creation of a “stand alone” housing entity, such as a Community Development Corporation should be considered.	Estimated Set-Up & Annual Cost: To Be Determined.
2.	Establish an <b>Employer’s Housing Assistance Program</b> , encouraging major employers in the County to become directly involved with assisting their employees in obtaining affordable housing.	To encourage major employers of Knox County to partner and financially assist in developing housing programs identified in the Housing Action Plan, including first-time homebuyer and down payment assistance programs and collaboration of major employers to complete needed workforce housing projects.	A \$200,000 annual contribution from major employers would be requested.
3.	Initiate a <b>Continuum of (Housing) Residential Care Program</b> in the County, directed at persons and families 62+ years of age.	Housing assistance program provided by the Knox County Housing Partners, to address all facets of <b>elderly housing needs</b> in Knox County, including advocating for the development of all housing types and needed supportive services for elderly households; new construction and home rehabilitation and modification.	A \$60,000 annual contribution from local businesses and housing providers/stakeholders would be requested.
4.	Create a <b>Knox County Land Trust/Land Bank Program</b> .	Secure land for future housing developments throughout Knox County.	Estimated Annual Budget: \$190,000.



	<b><u>Organizational/ Operational Programs, Activities.</u></b>	<b><u>Purpose of Activity.</u></b>	<b><u>Total Cost.</u></b>
5.	<b>County-Wide Housing Investment Club.</b>	With the guidance of the KCDA, organize local funding and housing stakeholders to create a bank of funds to invest in needed gap financing for local housing developments.	\$130,000 Annually.
6.	Plan and implement an annual <b>Knox County Housing Summit.</b>	The Knox County Housing Partners, with the assistance of local funding and housing stakeholders, would conduct an annual presentation of housing accomplishments and opportunities in Knox County.	Estimated Annual Cost: \$6,000.



	<b><u>Housing for Elderly/Senior Populations.</u></b>	<b><u>Purpose of Activity.</u></b>	<b><u>Total Cost.</u></b>	<b><u>Required Cost Subsidy.</u></b>
7.	<b>Elderly Rental Housing Program, 8 Units:</b> - Bloomfield, Crofton & Verdigre: 2 each - Creighton & Wausa: 1 each  2 bedroom Duplex or Triplex units, standard amenities.	To meet the rental housing needs of low- to moderate- mixed-income elderly households 0% to 80% AMI).	\$1,160,000.	40% or \$464,000.
8.	<b>Knox County Elderly Homeownership Initiative, 45 Units:</b> - Bloomfield: 2 - Creighton: 3 - Crofton, Niobrara, Verdigre & Wausa: 1 each - Rural Knox County: 36  2 and 3 bedroom units, standard amenities, complete accessibility design.	To meet the needs of Moderate-income elderly households (61%+ AMI). Units in Rural Knox County can include seasonal housing.	\$9,000,000.	25% or \$2,250,000.
9.	<b>Housing Rehabilitation/Modification Program, 60 Units,</b> - Bloomfield:10 - Creighton: 18 - Crofton: 9 - Wausa: 7 - Verdigre: 6 - Remaining Communities & Rural County: 2 Units each.  Standard amenities, complete visitability, accessibility design.	To meet the needs of very-low- to moderate-income (0% to 80% AMI), <b><i>Elderly and Special Population Households</i></b> , Households with a Person(s) with a Disability.	\$1,275,000.	90% or \$1,147,500.

	<u>Housing for Families.</u>	<u>Purpose of Activity.</u>	<u>Total Cost.</u>	<u>Required Cost Subsidy.</u>
10.	<b>Single Family Rental, CROWN Rent-To-Own Program, 12 Units:</b> - Bloomfield: 4 - Creighton: 4 - Niobrara: 2 - Verdigre: 2  3+ bedroom houses, standard amenities.	To meet the affordable housing needs of moderate-income households (51% to 80% AMI).	\$2,370,000.	75% or \$1,777,500.
11.	<b>General Rental Housing Program, 27 Units:</b> - Creighton, Bloomfield, Crofton & Santee: 4 each - Niobrara & Wausa: 2 - Center & Verdigre: 2 - Remaining Communities: 1 each.  2 and 3 bedroom units, standard amenities.	Construct duplexes to meet the affordable rental housing needs of low- to moderate-income workforce households (51% to 125% AMI).	\$3,818,500.	40% or \$1,527,400.
12.	<b>Family Homeownership Initiative, 92 Units:</b> - Creighton: 7 - Bloomfield: 4 - Crofton: 5 - Wausa: 4 - Verdigre: 3 - Niobrara & Santee: 2 - Remaining Communities: 1 each. - Rural County: 61  3+ bedroom units, standard amenities.	Construct and/or rehab for resale single family units to meet the affordable housing needs of low- to upper-income family households (51%+ AMI). Units constructed in Rural Knox County can include seasonal housing.	\$14,670,200.	35% or \$5,134,600.

	<u>Housing for Families.</u>	<u>Purpose of Activity.</u>	<u>Total Cost.</u>	<u>Required Cost Subsidy.</u>
13.	<b>Owner/Rental Housing Initiative for Special Populations, 6 Units:</b> - Bloomfield: 3 Units. - Creighton: 3 Units. 2 and 3 bedroom, standard amenities, complete visitability, accessibility design.	To meet the affordable independent living housing needs of persons with special needs (0% to 60% AMI).	\$900,000.	80% or \$720,000.
14.	<b>County-Wide Housing Code Inspection and Rental Licensing Program</b>	To provide a year-round, on-going housing inspection and enforcement and licensing program.	\$75,000.	60% or \$45,000.
15.	<b>Single Family Owner Housing Rehabilitation Program, 104 Units,</b> moderate rehabilitation at \$32,000 to \$38,000 per unit, by 2018.	To meet the needs of low- to moderate-income households.	\$3,545,400.	80% or \$2,836,300.
16.	<b>Purchase and Demolition</b> of 106 substandard, dilapidated housing units, by 2018.	Establish a Land Bank of property (lots) in Communities for redevelopment purposes.	\$3,911,900.	100%.
17.	<b>Single Family Purchase-Rehab-Resale/Re-rent Program, 24 Units,</b> 3+ bedroom houses, standard amenities, by 2018.	To meet the affordable homeowner/renter needs of low- to moderate-income households (51% to 80% AMI).	\$3,735,000.	70% or \$2,614,500.