

CHAPTER IX - HOUSING

Scott County has a direct influence on shelter and housing policy and planning by: administering the state building code in the townships; guiding and zoning housing types, densities and living arrangements in the townships; and partnering with the Scott County CDA, cities and townships on housing advocacy and planning. This section focuses on providing a variety of housing choices that accommodate both rural and urban lifestyles. In Scott County, the cities provide a range of housing types, from single-family small lot homes to mixed-use residential units. The townships offer rural living, incorporating cluster developments and agricultural backdrops with spacious natural resource areas. The range of housing types within Scott County creates a large spectrum of affordability for its residents. This Plan analyzes the existing housing stock, projects housing needs, and outlines resources and strategies to support residents to the year 2040.



EXISTING HOUSING CONDITIONS

To plan for future housing needs, this Plan starts with an overview of some key housing conditions in the county – as a whole and in the 11 townships (see Figures IX-1A and 1B).

Figure IX-1A: Existing Housing Conditions (2016)

Category	Countywide
Total number of housing units (2016)	50,678
Total number of households (2016)	48,789
Affordability	
# of HU affordable to households with incomes at or below 30% AMI	1,944
# of HU affordable to households with incomes between 31% - 50% AMI	6,486
# of HU affordable to households with incomes between 51% - 80% AMI	18,779
Tenure	
Number of owner-occupied units	40,819
Number of renter-occupied units	9,859
Type of Housing Structure	
Number of single-family homes	43,552
Number of multi-family homes	6,381
Number of Manufactured Homes	726
Publicly Subsidized Units	
All publicly subsidized units	1,195
Publicly subsidized senior units	97
Publicly subsidized units for people with disabilities	66
Publicly subsidized units: all others	1,032

Housing Cost Burdened Households	Countywide
Income at or below 30% of AMI	3,964
Income 31% to 50% AMI	2,077
Income 51% to 80% AMI	3,533

Source: Metropolitan Council, March 2018

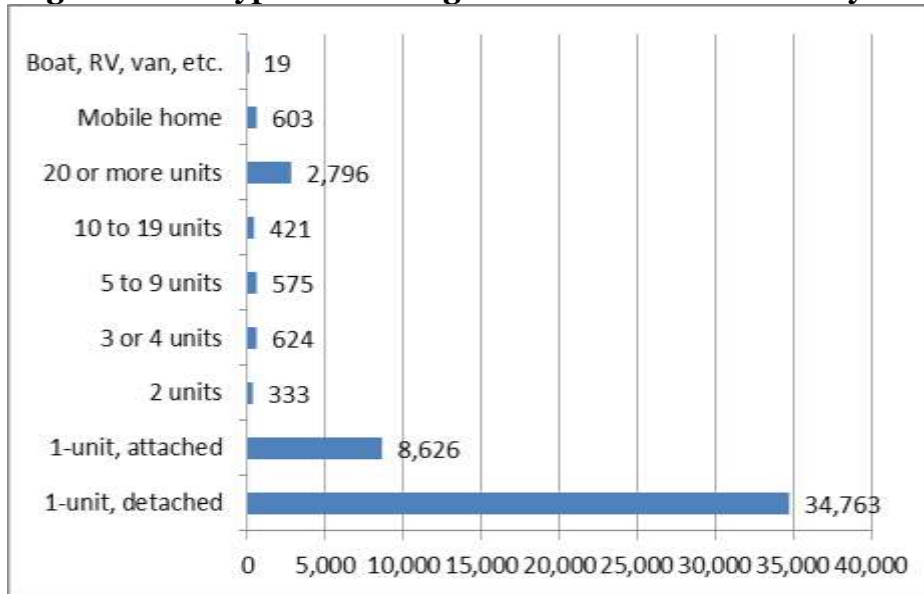
Figure IX-1B: Existing Housing Conditions, By Township

Category	Total number of housing units (2015)	# of HU affordable to households with incomes at or below 30% AMI	# of HU affordable to households with incomes between 31% - 50 % AMI	# of HU affordable to households with incomes between 51% - 80 % AMI	Number of owner-occupied units	Number of renter-occupied units	Number of single-family homes	Number of multi-family homes	Number of Manufactured Homes	Housing Cost Burdened, Income at or below 30% of AMI	Housing Cost Burdened Income 31-50% of AMI	Housing Cost Burdened, Income 51-80% of AMI
Blakely Township	180	20	24	28	159	21	180	-	-	11	18	8
Belle Plaine Township	331	3	35	41	298	33	328	3	-	21	17	22
Cedar Lake Township	1,014	31	24	82	951	63	1,014	-	-	34	26	51
Credit River Township	1,795	4	34	379	1,729	66	1,760	35	-	-	9	37
Helena Township	606	6	25	143	552	54	601	5	-	19	17	22
Jackson township	511	257	27	54	437	74	218	8	285	28	24	25
Louisville Township	462	34	19	104	421	41	424	6	32	25	22	36
New Market Township	1,220	9	3	154	1,136	84	1,215	5	-	41	64	70
Sand Creek Township	583	17	52	94	482	101	565	18	-	40	13	18
Spring Lake Township	1,305	14	6	93	1,291	14	1,305	-	-	47	14	56
St. Lawrence Township	170	7	1	26	163	7	167	3	-	4	7	17
Total	8,177	402	250	1,198	7,619	558	7,777	83	317	270	231	362

Source: Metropolitan Council, 2017

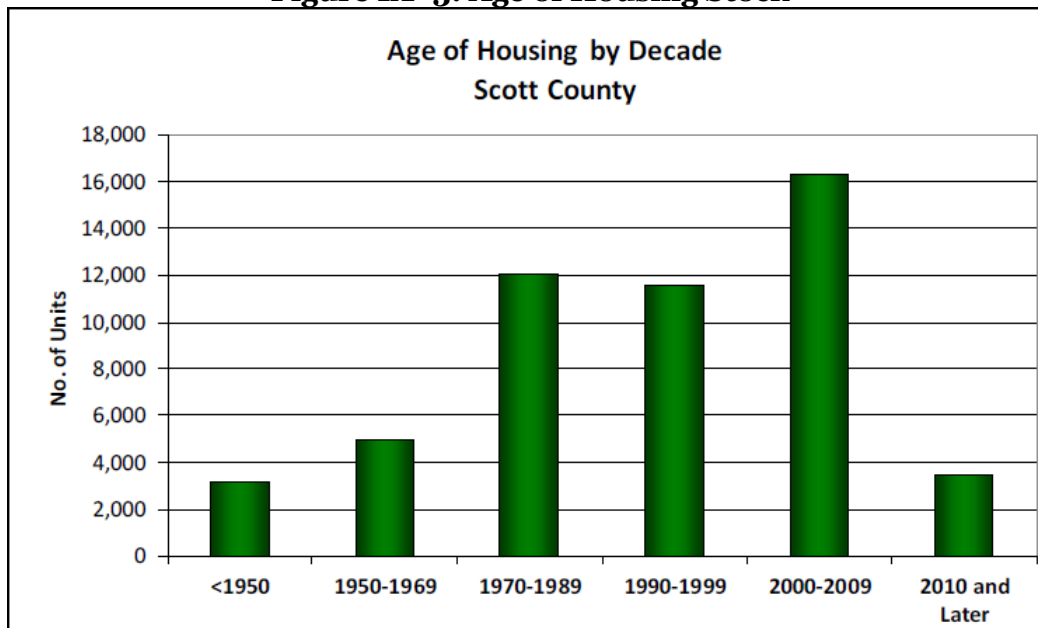
A vast majority (89%) of Scott County’s housing stock is comprised of one-unit attached and detached units (see Figure IX-2). As depicted in Figure IX-3, Scott County’s housing stock is relatively new with over 1/3 of the housing stock constructed since 2000.

Figure IX- 2: Type of Housing Structures in Scott County 2015



Source: U.S. Census 2011-2015 American Community Survey

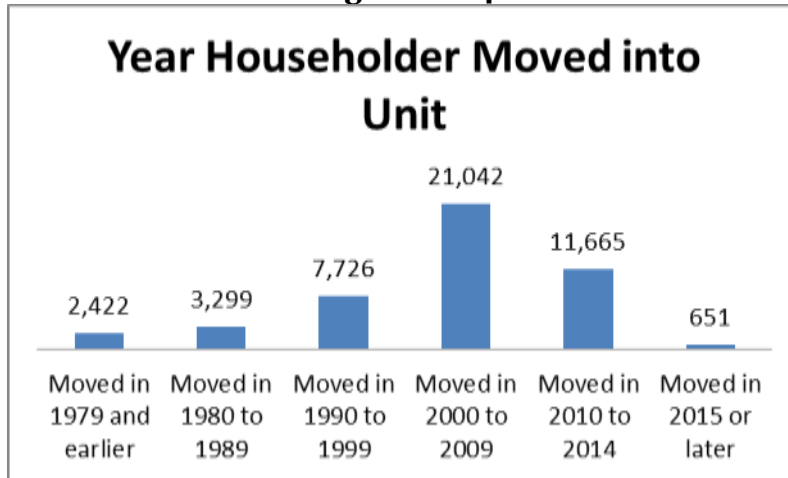
Figure IX- 3: Age of Housing Stock



Source: U.S. Census 2011-2015 American Community Survey

Nearly one-fourth of Scott County residents reported moving into their housing unit since 2010. The majority of residents moved into their units from 2000 to 2009, which coincides with the timeframe in which most new housing units were constructed.

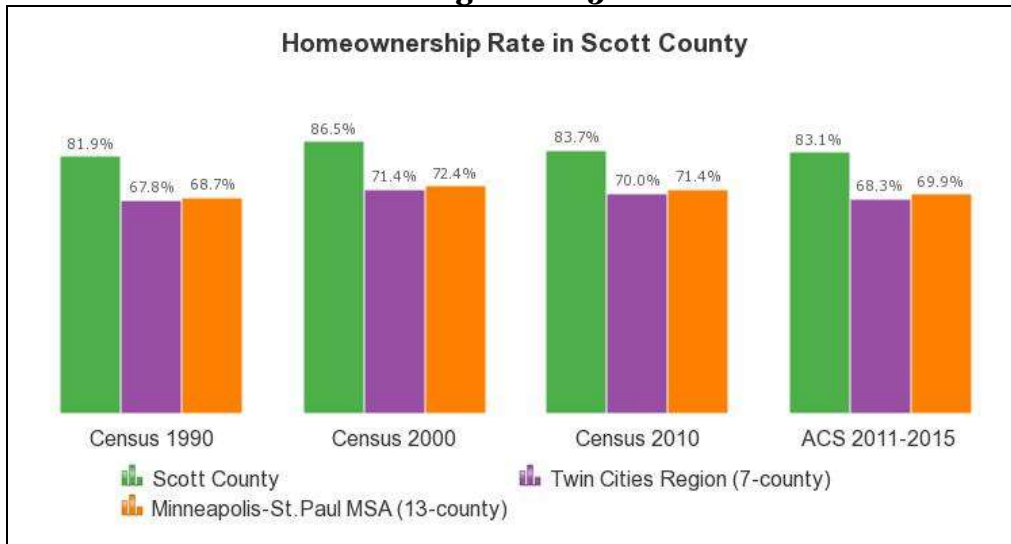
Figure IX- 4



Source: U.S. Census 2011-2015 American Community Survey

Scott County’s homeownership rate is high when compared to the Twin Cities (7-county) area and the Minneapolis-St. Paul MSA (13-county) area. While homeownership rates have declined approximately 3% to 4% over the past 15 years, it still remains nearly 15% higher than the Twin Cities region. See Figure IX-5 for homeownership rate comparisons over the past 25 years.

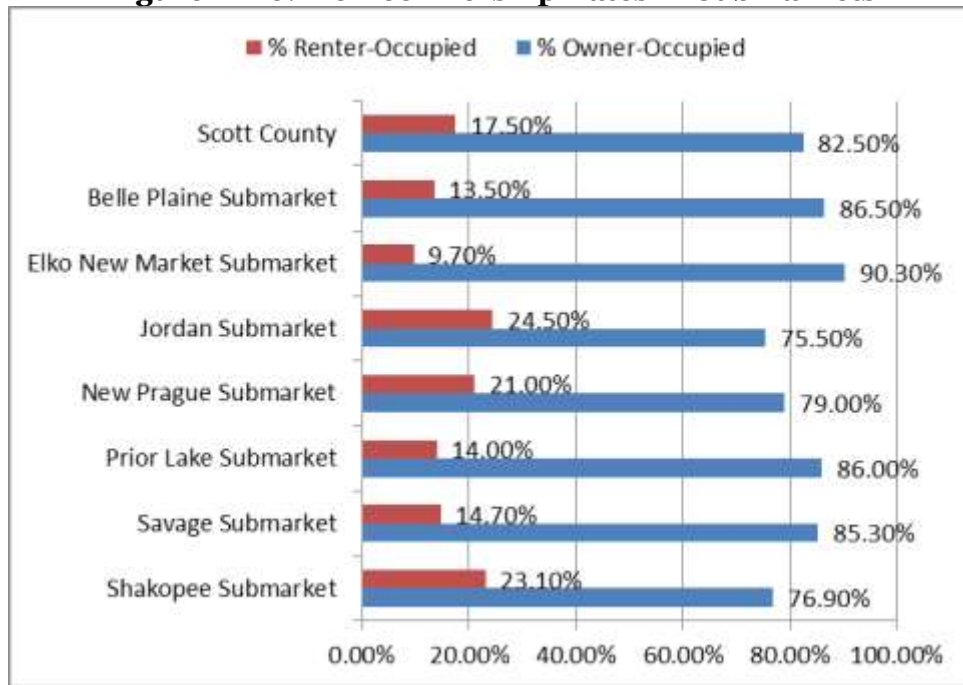
Figure IX- 5



Source: Metropolitan Council

Within Scott County, the highest home-ownership rates exist within the Elko New Market, Belle Plaine and Prior Lake submarkets (see Figure IX-6). The highest renter-occupied households are within the cities of Jordan, Shakopee and New Prague, in which over 20% of their households are rental units.

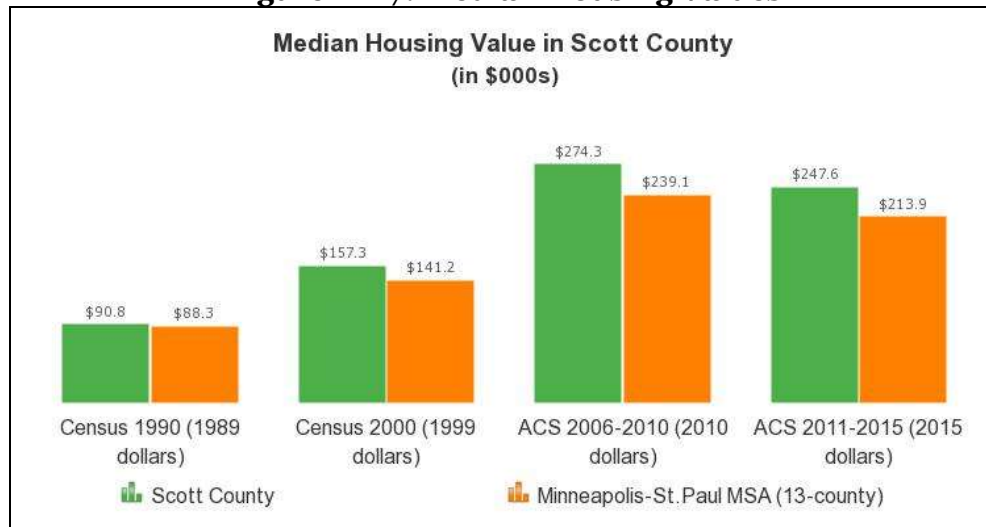
Figure IX- 6: Homeownership Rates in Submarkets



Source: Scott County Housing Analysis, Maxfield Research. Nov. 2016

The median value of owner-occupied housing units in 2015 in Scott County was \$247,600 or 33% higher than the State median housing value of \$186,200 and 16% higher than the median value in the Minneapolis-St. Paul MSA (13-county area). The higher value of housing corresponds with a higher median income. Figure IX-7 below illustrates the change in the median value of homes over the past 25 years in Scott County and the Minneapolis-St. Paul MSA (13-county area). Values increased significantly from 2000 to 2010, with a decline over the past five years due to the recession.

Figure IX- 7: Median Housing Values



Source: Metropolitan Council

Recent home sales in Scott County indicate the most homes sold were in the \$300,000 to \$499,999 range. Figure IX-8 below indicates 46% or 1,121 of the 2,448 homes sold were over

\$250,000, while 54% or 1,327 homes were sold for under \$250,000, providing options in all market value categories.

Figure IX- 8: Existing Homes Sales in 2015



Source: Metropolitan Council, 2016

According to the Minneapolis Area Association of Realtors, the median sales price for homes in Scott County was \$257,000 or 10.8% higher than the Twin Cities home sales, in 2016. The information below illustrates the locations of sales, within Scott County municipalities, with their median sales price and number of home sold.

Figure IX-9

Median Home Sale Price (12/31/16)

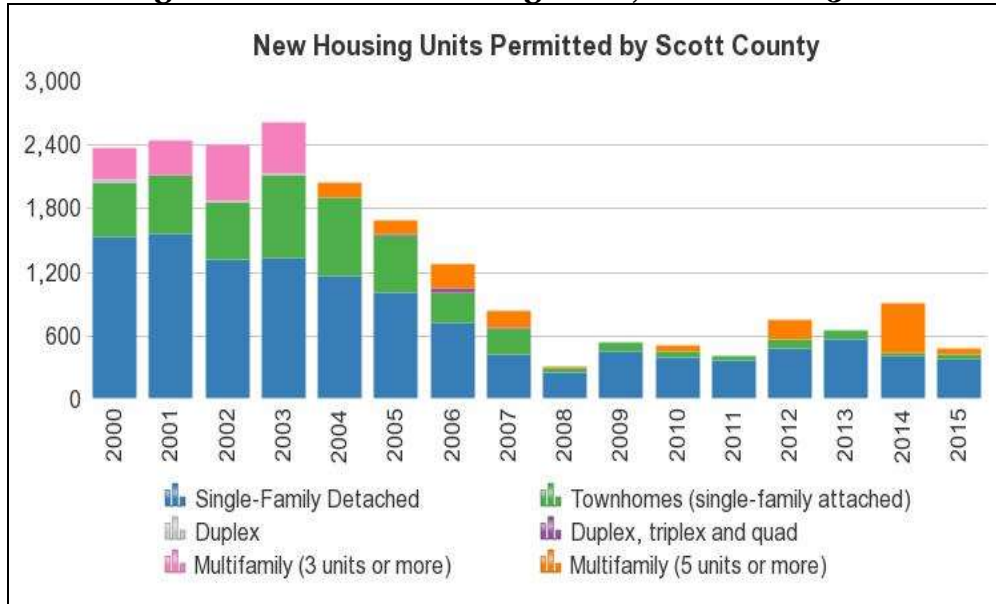
- **Scott County** **\$257,000**
- Prior Lake \$294,500 (639 sales)
- Savage \$265,000 (645 sales)
- Shakopee \$222,000 (817 sales)
- Belle Plaine \$207,050 (180 sales)
- Elko New Market \$305,000 (101 sales)
- Jordan \$255,000 (115 sales)
- New Prague \$250,000 (185 sales)
- **Twin Cities** **\$232,000**

Source: Minneapolis Area Association of Realtors,
Local Market Updates, Dec. 2016

New housing starts were strong between 2000 and 2003, but then declined from 2004 to 2008 due to the recession (see Figure IX-10). In 2014, more multi-family units were

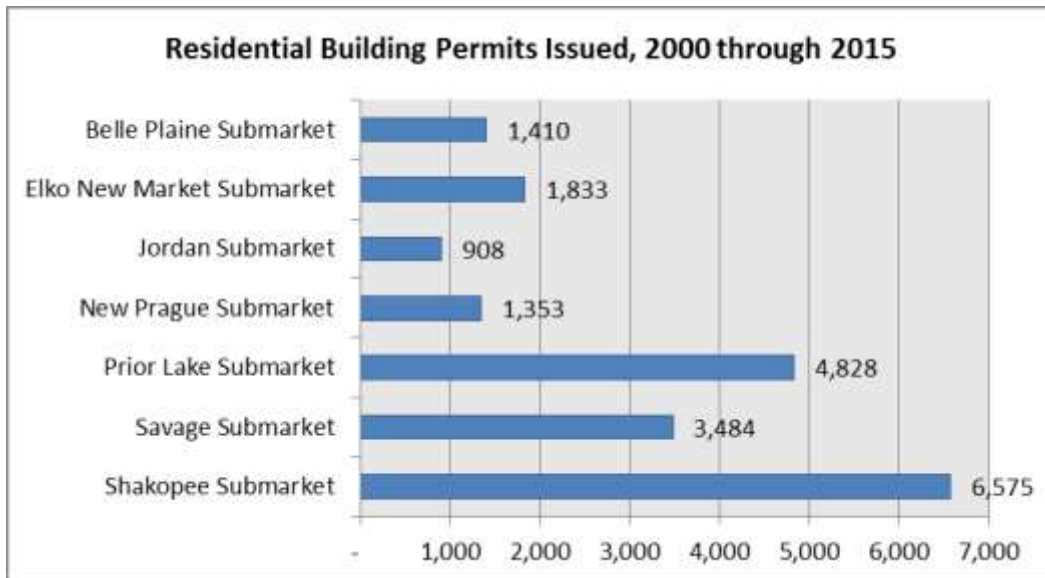
constructed than single-family detached units for the first time in over 15 years. Communities in Scott County are experiencing increased housing starts in 2017 as the economy recovers and new lots are platted. Most new residential growth, between 2000 and 2015, occurred in the Shakopee, Prior Lake and Savage submarkets (see Figure IX-11).

Figure IX- 10: New Housing Units, 2000 to 2015



Source: Metropolitan Council, 2016

Figure IX- 11: Residential Building Trends by Submarket

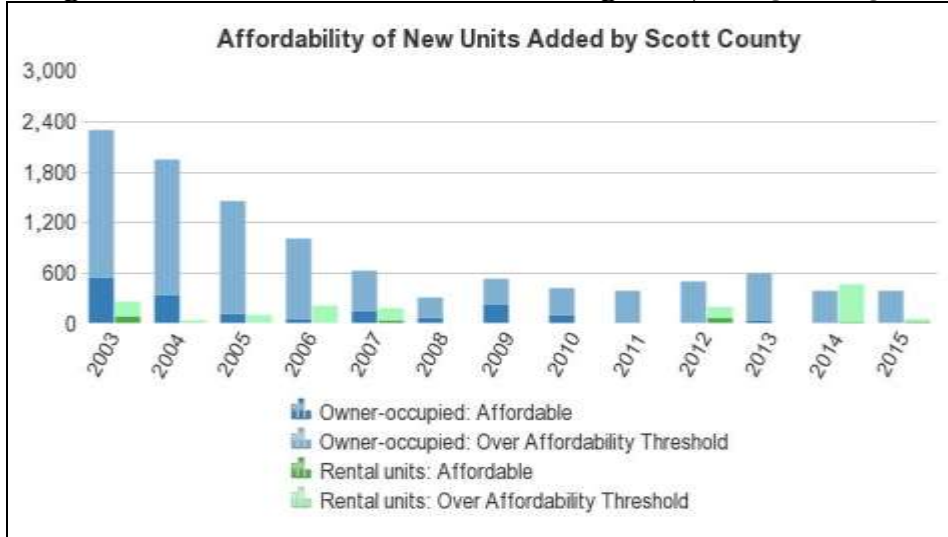


Source: Scott County Housing Analysis, Maxfield Research, November, 2016

According to Metropolitan Council reports, a majority of the new units which are being constructed are over the affordability threshold, or require over 30% of the householder's

income for housing costs (see Figure IX-12). This includes both owner-occupied and renter-occupied housing units.

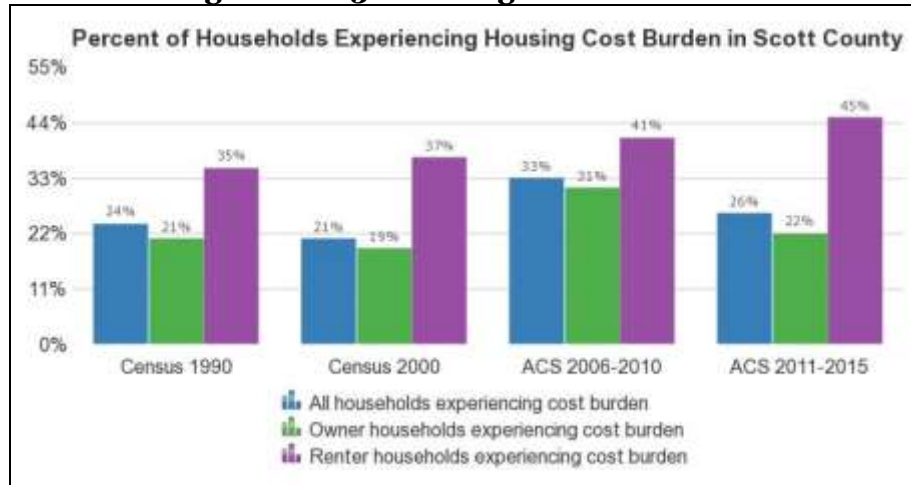
Figure IX- 12: New Affordable Housing Unit, 2003 - 2015



Source: Metropolitan Council

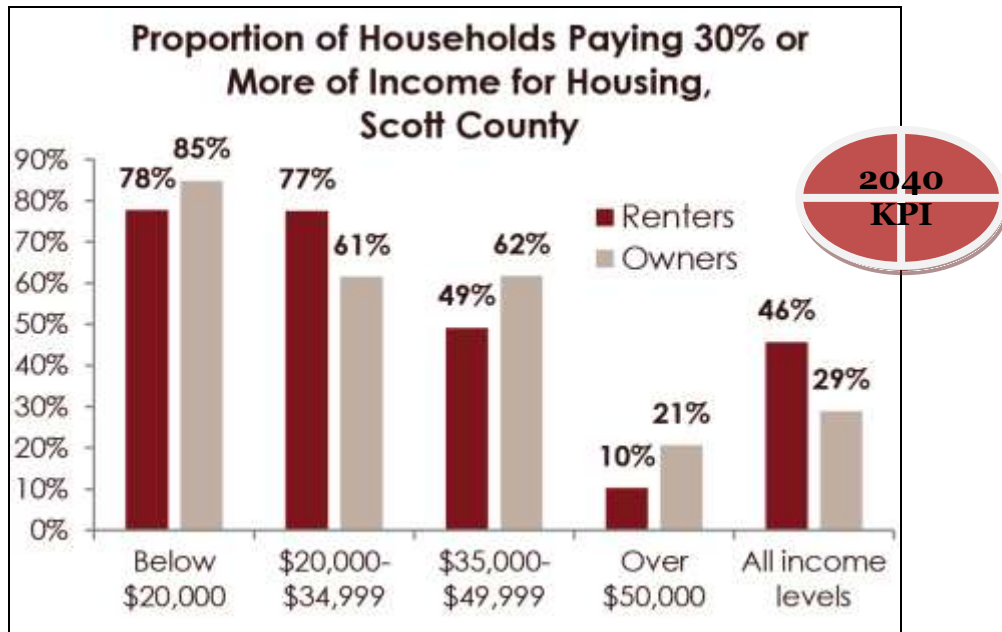
The median household income in Scott County in 2015 was \$87,794. The median monthly housing costs for Scott County were \$1,494. Monthly housing cost for homeowners with a mortgage was \$1,829. Homeowners without a mortgage had a median monthly housing cost of \$530 and renters had a median monthly housing cost of \$1,024. As illustrated in Figure IX-13, 45.5% of renters were spending 30% or more of their household income on housing costs, indicating a Housing Cost Burden. The percent of renter households experiencing a cost burden has been steadily increasing over the past 25 years. Of homeowners, nearly one-fourth of those with a mortgage, in 2015, were experiencing a Housing Cost Burden. The percent of owner households experiencing cost burdens for housing costs remained fairly steady over the past 25 years, with the exception of 2006-2010, during the recession, when rates rose to 31%.

Figure IX- 13: Housing Cost Burden



Source: Metropolitan Council, 2016

The following graph identifies the cost burden for housing costs in Scott County, by householder’s income. As expected, a significantly higher percent of households with annual incomes under \$50,000 experienced cost burdens for housing than those with incomes over \$50,000. The percent of renter and owner-occupied households, at various income levels, that are paying over 30% of their income on housing is illustrated below.



Source: Minnesota Housing Partnership County Profile.

The Department of Housing and Urban Development provides income guidelines from households of various sizes and incomes. Figure IX-14 shows the “Levels of Affordability” for the Twin Cities Region, 2016. The median sales price for homes in Scott County, in 2016, was \$257,000. This would not be considered “affordable” for households below 80% of the Twin Cities Area Median Income.

Figure IX-14
Levels of Affordability Twin Cities Region, 2016, HUD

Household Size:	Extremely Low Income (30% of AMI)	Very Low Income (50% of AMI)	Low Income (80% of AMI)
One-person	\$18,050	\$30,050	\$46,000
Two-person	\$20,600	\$34,350	\$52,600
Three-person	\$23,200	\$38,650	\$59,150
Four-person	\$25,750	\$42,900	\$65,700
Five-person	\$28,440	\$46,350	\$71,000
Six-person	\$32,580	\$49,800	\$76,250
Seven-person	\$36,730	\$53,200	\$81,500
Eight-person	\$40,890	\$56,650	\$86,750

Affordable Purchase Prices

	30% of AMI	50% of AMI	80% of AMI
Affordable purchase price (2016)	\$82,500	\$148,000	\$235,000
Affordable purchase price (2015)	\$84,500	\$151,500	\$238,500
Affordable purchase price (2014)	\$73,500	\$132,000	\$211,500

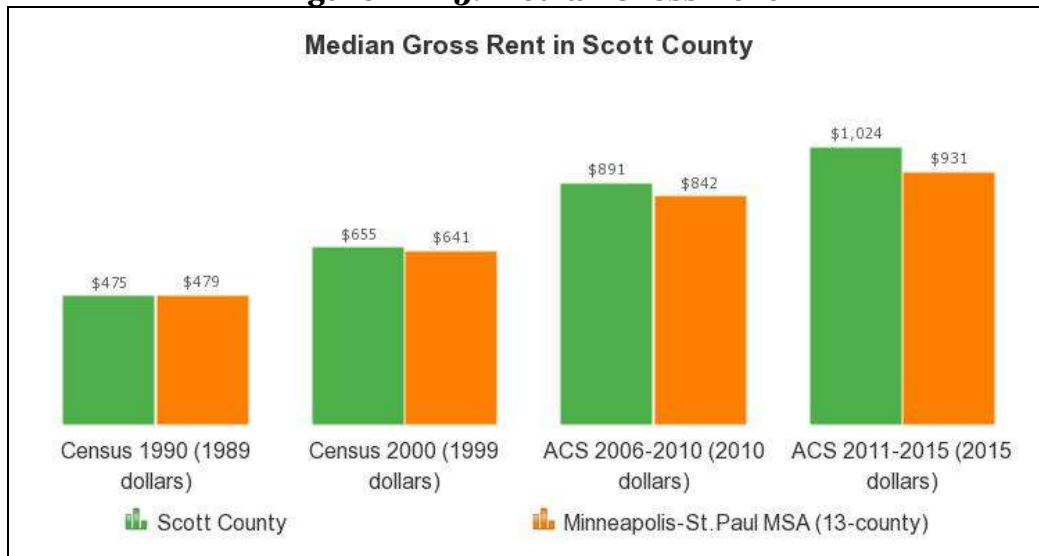
Affordable Rent

Number of bedrooms:	Affordable rent (including utilities) at 30% of AMI	Affordable rent (including utilities) at 50% of AMI	Affordable rent (including utilities) at 80% of AMI
Studio	\$450	\$751	\$1,201
1-BR	\$483	\$805	\$1,288
2-BR	\$579	\$966	\$1,545
3-BR	\$669	\$1,115	\$1,784
4-BR	\$747	\$1,245	\$1,992

Source: Department of Housing and Urban Development, 2016

As depicted on Figure IX-15, the median gross rent within Scott County is approximately 10% higher than the 13-County Metropolitan Area. The median rent of \$1,024 is considered “affordable” for households at or above 80% of the Area Median Income (AMI) but non-affordable for families at or below 50% of the AMI.

Figure IX- 15: Median Gross Rent



Source: Metropolitan Council, 2016

According to the U.S. Census, owner-occupied housing is available in all market value categories for Scott County residents. The data indicates 31.9% of the housing units are valued under \$200,000, 33.6% are valued between \$200,000 and \$299,999 and 34.5% are valued over \$300,000. Figure IX-16 below illustrates the market value of housing by community. Housing values vary by community, with generally a higher percent of housing valued over \$300,000 in the townships than in the cities.

**Figure IX-16
Market Values of Owner-Occupied Housing Units in Scott County, 2015**

City/Township	Less than \$200,000	\$200,000-\$299,999	Over \$300,000
Belle Plaine	65.4%	30.7%	3.9%
Elko New Market	22.3%	53.4%	24.2%
Jordan	88.8%	8.7%	2.4%
New Prague	50.8%	40.7%	8.4%
Prior Lake	26.0%	33.4%	40.5%
Savage	23.9%	45.0%	31.2%
Shakopee	45.8%	33.0%	21.2%
Belle Plaine Township	14.1%	21.3%	64.6%
Blakeley Township	24.7%	30.8%	44.5%
Cedar Lake Township	4.7%	13.9%	81.4%
Credit River Township	8.9%	22.8%	68.3%
Helena Township	15.7%	22.3%	61.9%
Jackson Township	58.6%	13.7%	27.6%
Louisville Township	19.7%	21.3%	59.2%
New Market Township	6.7%	17.5%	75.8%
Spring Lake Township	12.5%	11.5%	75.9%
St. Lawrence Township	12.3%	16.9%	70.8%
Scott County	31.9%	33.6%	34.5%

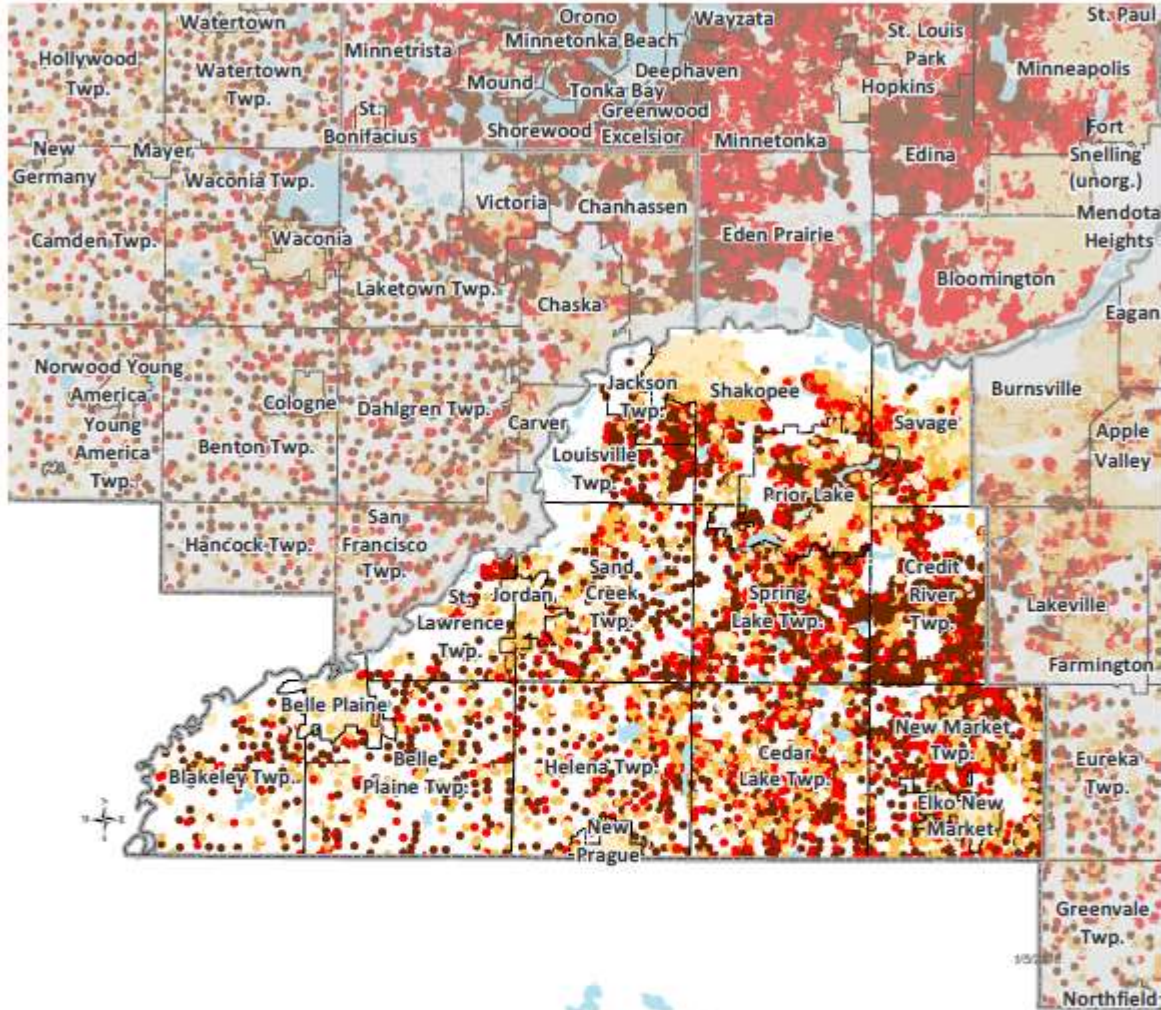
Source: U.S. Census American Community Survey, 2011-2015

The following map (Map IX-17) illustrates the location of housing of various market values. Homes valued over \$450,000 are predominantly located in the townships where larger lots are platted, and around lakes or other natural features.

Map IX-17

Owner-Occupied Housing by Estimated Market Value

Scott County



Owner-Occupied Housing Estimated Market Value, 2016

County Boundaries	\$243,500 or Less	1 in = 4.99 miles
City and Township Boundaries	\$243,501 to \$350,000	
Lakes and Rivers	\$350,001 to \$450,000	
	Over \$450,000	

Source: MetroGIS Regional Parcel Dataset, 2016 estimated market values for taxes payable in 2017.
 Note: Estimated Market Value includes only homesteaded units with a building on the parcel.

HOUSING NEEDS

Future housing needs expand beyond filling current gaps in the housing market and addressing affordability needs. It looks at the changing demographics of the county. As previously noted, the population of Scott County is projected to increase from a 2010 population of 129,928 to a 2040 population of 199,520. The number of households is projected to increase from the 45,108 in 2010 to 74,130 in 2040. Along with the increase in numbers, the age and diversity of residents is also projected to change. As illustrated below, Scott County's older population (65+ years) is anticipated to more than quadruple by 2045. In addition, the diversity of Scott County is projected to continue to increase.



A study prepared for the Scott County CDA titled the *2016 Comprehensive Housing Needs Update for Scott County* identified housing needs by 2040 to meet forecasted growth. Approximately 26,559 new general occupancy (non-senior) housing units are needed by 2040. Of this total, 75% to 80% is projected for owner-occupied housing and the remaining 20% to 25% percent for rental housing (excluding senior rental). Figures IX-19 and 20 contain the projected number of owner-occupied and rental units needed by 2040 within each community. Approximately 26,559 modestly-priced units (single-family detached and multi-family totals combined) will be needed, along with about 3,697 senior housing units.

**Figure IX-19
General Occupancy and Senior Housing Demand (2017-2040)**

Jurisdiction	General Occupancy	% of City Total	Senior Housing	% of City total	Total Demand	% of County Total
Belle Plaine	2,063	84.8%	371	15.2%	2,434	8.0%
Elko New Market	2,548	92.1%	220	7.9%	2,768	9.1%
Jordan	1,823	89.1%	223	10.9%	2,046	6.8%
New Prague	2,949	83.5%	583	16.5%	3,532	11.7%
Prior Lake	5,583	84.6%	1,017	15.4%	6,600	21.8%
Savage	4,038	88.3%	535	11.7%	4,573	15.1%
Shakopee	6,242	89.3%	748	10.7%	6,990	23.1%
Townships	1,313	100.0%	0	0.0%	1,313	4.3%
Total	26,559	87.8%	3,697	12.2%	30,256	100.0%

Source: Scott County Housing Analysis, November, 2016, Maxfield Research

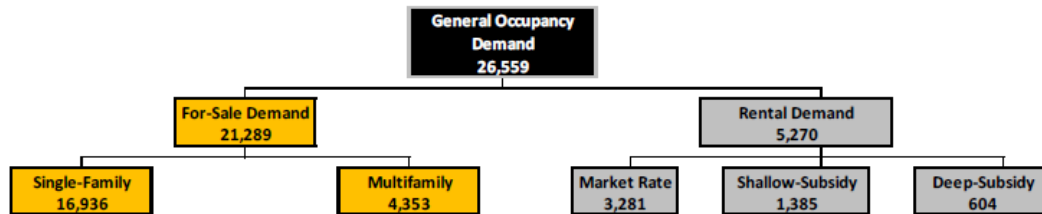
Breaking the demand further, the Maxfield study recommends a mix of 72% owner-occupied to 28% renter-occupied housing. The demand for a higher percent of owner-occupied housing is identified in the townships as well as the City of Elko New Market and City of Jordan.

**Figure IX-20
Owner and Renter Housing Demand (2017-2040)**

Jurisdiction	Owner Demand	% of City Total	Renter Demand	% of City total	Total Demand	% of County Total
Belle Plaine	1,661	68.2%	773	31.8%	2,434	8%
Elko New Market	2,276	82.2%	492	17.8%	2,768	9.1%
Jordan	1,498	73.2%	548	26.8%	2,046	6.8%
New Prague	2,399	67.9%	1,133	32.1%	3,532	11.7%
Prior Lake	4,597	69.7%	2,009	30.4%	6,600	21.8%
Savage	3,069	67.1%	1,504	32.9%	4,573	15.1%
Shakopee	4,946	70.8%	2,044	29.2%	6,990	23.1%
Townships	1,313	100.0%	-	0.0%	1,313	4.3%
Total	21,759	71.9%	8,503	28.1%	30,256	100.0%

Source: Scott County Housing Analysis, November, 2016, Maxfield Research

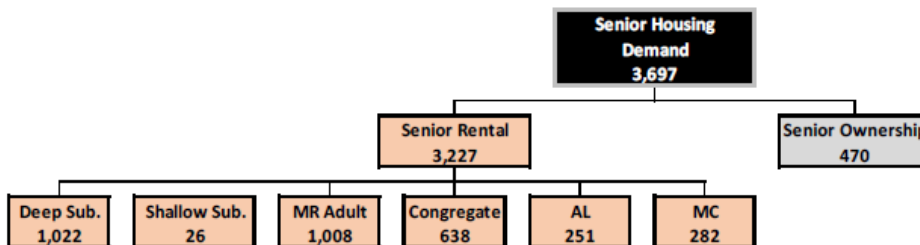
**Figure IX-21
Scott/Le Sueur County (part) General Occupancy Housing Demand Summary – 2017 to 2040**



Source: 2016 Comprehensive Housing Needs Assessment for Scott County, Minnesota, Claritas Inc., Maxfield Research Inc.

With the projected increase in the number of seniors living in Scott County, the Maxfield study further identified the types of Senior Housing by service level. Housing Demands for 2017 and 2040 are illustrated in Figures IX-21 and 22, respectively. The greatest demand in both time periods is projected to be for Assisted Living Units with deep subsidy.

**Figure IX-22
Scott County/Le Sueur County (part) Senior Housing Demand Summary – 2017 to 2040**



**Figure IX-23
Housing Demand by Service Level – Scott County, 2017**

Jurisdiction	Active Adult Ownership	Active Adult Rental	Congregate	Assisted Living	Memory Care	Assisted Shallow	Assisted Deep
Belle Plaine	21	40	0	16	14	8	32
Elko New Market	17	2	34	9	10	0	9
Jordan	22	14	185	37	7	5	37
New Prague	32	27	10	18	29	19	2
Prior Lake	57	246	11	1	40	-134	206
Savage	65	3	65	10	21	9	65
Shakopee	23	1	94	4	2	39	80
Townships	0	0	0	0	0	0	0
Total	237	333	399	95	123	-54	431

Source: Scott County Housing Analysis, November, 2016, Maxfield Research & Consulting, LLC.

**Figure IX-24
Housing Demand by Service Level – Scott County, 2040**

Jurisdiction	Active Adult Ownership	Active Adult Rental	Congregate	Assisted Living	Memory Care	Assisted Shallow	Assisted Deep
Belle Plaine	56	111	28	39	17	21	99
Elko New Market	41	50	41	24	28	1	35
Jordan	29	40	16	19	24	11	84
New Prague	58	137	54	36	35	42	221
Prior Lake	110	399	191	46	88	-131	314
Savage	103	73	133	48	60	18	100
Shakopee	73	198	175	39	30	64	169
Townships	0	0	0	0	0	0	0
Total	470	1,008	638	251	282	26	1,022

Source: Scott County Housing Analysis, November, 2016, Maxfield Research

LIFECYCLE HOUSING AND AFFORDABILITY

A major component of a healthy housing market is the availability of life-cycle and affordable housing. Life-cycle housing provides an array of housing choices for a community's residents. Not only are single-family homes in all price ranges available, but townhomes, apartment buildings, and senior living complexes are all located within the same community. This provides residents the opportunity to remain a part of the community while moving throughout different stages of life. It also offers housing options for young adults and seniors that want to remain close to their families. Affordable housing is a vital part of life-cycle housing as it allows for these family members to afford living in different housing choices that the community offers. Maxfield Research defines the housing lifecycle categories as follows:

1. *Entry-level householders*

- Often prefer to rent basic, inexpensive apartments

- May need low or moderate income rental housing if incomes are low;
 - Usually singles or couples without children in their early 20's
 - Will often “double-up” with roommates in apartment setting
2. *First-time homebuyers and move-up renters*
- May purchase modestly-priced single-family and townhomes or rent more upscale apartments
 - Usually married or cohabiting couples, some with children, in their mid-20's to mid-30s, growing group that prefers to rent
3. *Move-up homebuyers*
- Typically prefer to purchase newer, larger, and therefore more expensive single-family homes
 - Typically families with children where householders are in their late 30's to late 40's or early 50s
4. *Empty-nesters (persons whose children have grown and left home) and never-nesters (persons who never have children)*
- Prefer owning, but an increasing proportion seek lower-maintenance housing products, ownership and rental
 - Generally couples in their late 50s to late 60s
5. *Younger independent seniors*
- Had preferred owning, but growing group that wants to rent
 - Increasing proportion moving to lower-maintenance housing
 - Will often move (at least part of the year) to retirement havens in the Sunbelt and desire to reduce their responsibilities for upkeep and maintenance
 - Generally in their early 70s to early 80s
6. *Older seniors*
- May need to move out of their single-family home due to physical and/or health constraints or a desire to reduce their responsibilities for upkeep and maintenance
 - Generally single females (widows) in their early 80s or older

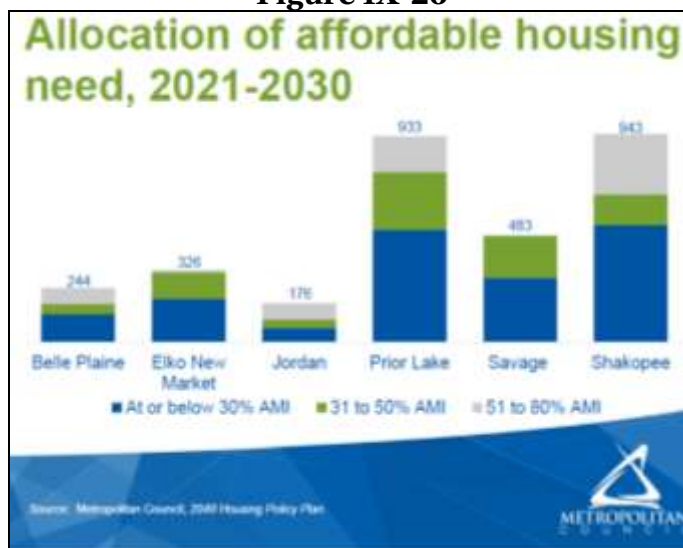
In order to address “Affordable Housing” needs in the region, the Metropolitan Council has identified a need for 37,900 affordable housing units between 2021 and 2030. Scott County’s allocation of need is 2,581 units. The Affordable Housing Need Allocation breakdown for Scott County is depicted in Figure IX-25, along with a chart illustrating the allocation of units per city in Scott County (see Figure IX-26).

Figure IX-25
Affordable Housing Need Allocation –Scott County, 2021-2030

Income Level	Number of Units Allocated
At or Below 30% of Area Median Income	1,423
From 31% to 50% of Area Median Income	696
From 50% to 80% of Area Median Income	462
Total Units	2,581

Source: Metropolitan Council, Scott County Community Page, 2017

Figure IX-26



In order to provide assistance for the creation of life-cycle and affordable housing, the Metropolitan Council administers the Livable Communities Act. This program offers potential funding opportunities for participating communities to develop affordable and diverse housing choices that expand the availability of housing for more individuals in the community. Six cities in Scott County (Belle Plaine, Elko New Market, Jordan, Prior Lake, Shakopee and Savage) participate in the Livable Communities Act. Scott County continues to support the use of this program, when available, and encourages communities to find new ways to offer life-cycle and affordable housing for its residents.

Scott County promotes life-cycle housing in the rural areas by implementing the public value incentive program (see Chapter V) in return for additional housing types in new subdivisions. Due to current zoning standards, the creation of new housing is currently limited to detached single-family homes in the townships. An incentive program could allow a developer to produce a percentage of attached or detached townhome units (or other housing styles) in return for additional density. This could benefit seniors or young families that would like to live in a rural community, but prefer to live in a smaller home.

A. Scott County Community Development Agency (CDA)

The Scott County Community Development Agency (CDA)—formerly known as the Housing and Redevelopment Authority (HRA)—offers a number of services to assist in the creation and preservation of affordable housing. The Scott County CDA partners with local communities to develop and manage housing choices for seniors, low- and moderate-income families, and minorities. Single-family homes, townhomes, senior facilities, and rental units have all been established throughout the seven cities by the CDA. Additional programs, such as Section 8 Housing Vouchers, are also utilized to maintain affordability in the existing housing stock. Scott County encourages CDA projects and partnerships with local communities to provide lifecycle and affordable housing in its communities. The Scott County CDA provides the following housing and economic development services to fulfill its mission which is to “strengthen the communities of Scott County by providing affordable housing opportunities to low and moderate income families, promoting economic development, and fostering coordination of public and private resources:

- **Tax Exempt Bonds** The CDA is authorized to issue tax-exempt and taxable revenue bonds for multi-family and facilities projects. Tax exempt bonds offer lower debt service to borrowers. Eligible projects include affordable rental housing, assisted living and long term care facilities, public infrastructure projects, municipal projects and 501(c) 3 nonprofit real estate and equipment.
- **Affordable Mortgage Products.** Affordable mortgages are available to Scott County residents through participating lenders in the Start Up Loan program. First time homebuyers must meet median income limits and interest rates are kept low by funding mortgages through a bonding allocation. CDA staff can help connect residents to this program through its Homebuyer Services program.
- **Homebuyer Counseling/Education.** The CDA offers a 16-hour first-time Homebuyer Workshop, Homebuyers’ Club, featuring Home Stretch for prospective homeowners. It also provides one on one professional homebuyer counseling by appointment. The CDA is a HUD-Approved housing counseling agency. Services address a variety of homebuying topics from budgeting and credit scores to home maintenance and mortgages to create savvy, smart, well prepared homeowners.
- **Homeowner Counseling/Education.** The CDA provides post-purchase counseling and informational sessions to homeowners struggling with their mortgage payments. The CDA is a HUD-Approved housing counseling agency that works with homeowners to discuss options and create a plan over the phone or through in person sessions.
- **CDA Rental Housing.** The CDA owns 654 housing units across the county – 418 senior housing units, 204 subsidized through federal programs that set rents based on a tenant’s income and 32 workforce units. The restricted rents allow all CDA units to be counted toward local and regional housing goals.

**Figure IX-27
CDA Owned Housing Units, Scott County**

City	55+	Workforce	Deep subsidy	Total/City	Percentage/City
Shakopee	160	14	56	230	35%
Savage	104	6	27	137	21%
Jordan	50	9	24	83	13%
Prior Lake	0	3	65	68	10%
New Prague	55	0	0	55	8%
Elko New Market	49	0	0	49	7%
Belle Plaine	0	0	32	32	5%
Total	418	32	204	654	100%

- **Rental Assistance/Vouchers.** Affordable housing is put within reach for 662 households through a variety of state and federal rental assistance programs: Housing Choice Vouchers (Section 8), and Bridges and Housing Trust Fund. Residents find housing in the private market and pay rent based on income, with the CDA administering subsidy dollars to fill in the gap. These programs serve households with

income less than 50% of the Area Median Income (AMI). The CDA administers a Family Self-Sufficiency Program that enables HUD-assisted families to increase their earned income and reduce their dependency on welfare assistance and rental subsidy

B. SCALE 50 x 30 Housing Work Group

In April 2016, SCALE established four work groups and a steering committee to accomplish a “50 by 30” initiative. The goal of the work groups is to advance a “Collective Impact Approach” to achieving 50% of the County’s labor force living and working in the County by 2030. The four workforce groups established to help accomplish this goal were Housing, Workforce Readiness, Transportation and Educational Preparedness.

The Housing Work Group’s vision is to, “Create housing options that give people in all stages of life and of all economic means viable choices for safe, stable and affordable homes.” This vision was taken from 2040 Thrive MSP Housing Policy Plan. The group has been working to develop shared understandings of terms such as “affordable”, “workforce housing”, “executive”, “senior”, “subsidized”, “market rate” and “homelessness”. The Housing Work Group is studying ways to better integrate housing and employment concentrations to provide options for non-car ownership households, provide a wide range of housing options for a resident’s entire life within the County as well as find ways to ensure residents are not spending more than 30% of their income on housing.

HOUSING GOALS AND POLICIES

As stated earlier in this chapter, Scott County has a direct influence on housing policy and planning by: administering the state building code in the townships; guiding and zoning housing types, densities and living arrangements in the townships; and partnering with the Scott County CDA, cities and townships on housing advocacy and planning. The following are goals and policies to guide housing policy and planning in Scott County over the next 20 years.

Goal #IX-1. Plan for and encourage high-quality, sustainable residential living environments.

- a. Plan and zone for a sufficient supply of developable land in the 11 townships for a range of different housing types and densities consistent with service requirements.
Reason: This will allow for a range of housing to be produced. Varying rural lot sizes allows for a mixture of agricultural and residential uses in the townships.
- b. Continue promoting flexible zoning rules in the 11 townships to entice developers into a collaborative development track that could include density bonuses in exchange for public values that promote varied housing options in the rural areas.
Reason: Development incentives allow for more creative neighborhood designs that could benefit the public by providing life-cycle housing choices within a community.
- c. Promote opportunities for the development of executive homes in the 11 townships by allowing larger lot sizes, larger accessory buildings, and the keeping of horses – features not typically allowed in urban areas.

Reason: There is a continuing demand for executive homes in Scott County, particularly where many large-lot neighborhoods already exist. Scott County has a high median family income, compared to the region and state. Executive homes also attract business owners and managers, which may encourage business locations/expansions in Scott County.

- d. In partnership with SCALE, Scott County CDA and the 7 cities, encourage cities to plan for and site multi-family residential development within areas guided for urban services to help meet life-cycle and affordable housing needs.

Reason: High density housing is most economical in cities where public utilities exist. Residents also benefit by locating housing near major employment centers and transportation systems.

- e. In partnership with SCALE, Scott County CDA and the 7 cities, support the development of senior housing in appropriate areas to accommodate the projected increase in the elderly population.

Reason: Locating senior housing near amenities and services (parks, libraries, transit stations, shopping, etc.) reduces automobile dependency for seniors.

Goal #IX-2. Encourage maintenance and improvements of existing housing stock.

- a. Continue administering building codes in the 11 townships that promote the safety and sanitary condition of the current housing stock, including owner occupied and rental housing.

Reason: Maintaining the existing housing stock is the best way to provide an affordable housing supply. Existing housing also helps in providing life-cycle housing. As the baby boomers retire and move into senior units, young families will be able to move-up into the older, larger homes.

- b. Improve the customer service experience and workflow of the County building permitting process serving the 11 townships.

Reason: Offering more building permit services on-line will improve customer experience and streamline the process.

- c. Continue code enforcement activities in the 11 townships to maintain and improve property values.

Reason: Code Enforcement investigates violations of housing, septic, zoning and vehicle abatement laws in the 11 townships. The County works to achieve voluntary compliance through notification and education. When necessary, the County uses legal procedures including boarding structures, removing junk and rubbish and junk vehicles, civil citations, criminal citations and demolition of dangerous buildings. The purpose of code enforcement is to maintain and improve property values and the quality of life for residents, visitors and business owners.

- d. Support cities and townships that have adopted rental licensing and/or inspection programs and encourage communities that have not to implement rental licensing and/or inspection programs.

Reason: A larger number of rental units are projected in the future. It is recommended the County explore options to protect renters and research resources to assist landlords in maintaining their rental properties.

Goal #IX-3. Promote housing goals and policies that sustain livable community design, encourage affordable housing, and promote accessibility to multi-modal transportation systems and means of staying active.

- a. Continue to allow by ordinance single dwelling units with a finished floor area as small as 960 square feet.
- b. Undertake a comprehensive review and assessment of County fees applied to new development in the 11 townships to ensure fees are up-to-date, commensurate with infrastructure cost studies, and not placing undue burden on affordable housing development.
- c. In partnership with SCALE, Scott County CDA and the 7 cities, encourage the expansion of the supply of affordable rental housing. Support federal, state, and local programs that provide financing for the development of new affordable housing.
- d. Support the Scott County CDA in its efforts to develop affordable rental and owner-occupied housing for families and seniors.
- e. In partnership with SCALE, Scott County CDA and the 7 cities, support housing that addresses the special needs of persons with physical or developmental disabilities, or mental illness.
- f. Encourage the 7 cities to integrate livable community design and transit opportunities in new developments. Support communities that apply for Livable Communities grants and other programs that promote new urbanism, active lifestyles, and transit oriented development.
- g. Explore opportunities through the University of Minnesota's Resilient Communities Program or similar student-led research programs to address items such as identifying barriers to affordable and emergency housing, creating a community land trust, and evaluating landlord assistance programs.

HOUSING RECOMMENDATIONS

Following are excerpts of key housing recommendations from the *2017 Comprehensive Housing Needs Assessment for Scott County* relevant to Scott County and the 11 Townships (by Maxfield Research and Consulting, LLC. in November, 2016):

- *As employment increases in the County, there will be a greater need for rental housing across all income categories, but in particular, for households with moderate incomes and transferees. Current rental vacancy rates in Scott County are exceptionally low and additional rental housing is needed to support continued job growth. While most rental demand will be concentrated in the larger cities, smaller communities too, need*

additional rental housing as evidenced by the very low vacancy rates and generally older age of most of the rental housing in the smaller cities.

2040 Plan Recommendation: The County should work with SCALE, SMSC, cities and townships to understand the strong link between economic development growth and rental housing demand. This understanding should occur through Scott County CDA educational sessions, active participation in SCALE's 50x30 collaborate impact initiative, and considering housing impacts when confronted with County economic development incentive requests.

- *Based on current tenure rates, between 75% and 80% of the housing demand in Scott County between 2017 and 2040 will be for ownership housing, although this proportion is estimated to decrease modestly over time as higher proportions of the youngest and oldest households elect to rent their housing. From 2017 to 2040, we anticipate that tenure rates will decrease modestly for ownership housing to 78% of housing in the larger and smaller cities, with demand for rental increasing to 22%. The townships will continue to remain predominantly owner-occupied with some non-traditional units (single-family and townhomes) rented in those areas.*

2040 Plan Recommendation: The County should guide and zone for owner-occupied single family homes in the 11 townships.

- *Considering the new construction single-family market, we classify this product into three general price categories: modest/entry-level homes, which include housing at \$350,000 or below; move-up homes (\$350,001 to \$600,000) and executive homes (\$600,000+). Builder/developers may classify homes differently based on the range of product that they develop or their past experience in the market. Based on a review of household incomes and trends among actively marketing subdivisions, percentages are assigned to each price category for each community. Total demand is calculated for 16,936 single-family homes with a breakdown of 3,387 modest single-family homes (20%), 10,162 move-up single-family homes (60%), and 3,387 executive single-family homes (20%) to 2040. Between 2017 and 2025, demand is calculated for a total of 6,345 homes with 1,269 modest homes (30%), 3,807 move-up homes (60%) and 1,269 (20%) executive homes.*

2040 Plan Recommendation: The County should guide and zone for owner-occupied single family homes in the 11 townships and encourage development at a range of price categories.

- *Demand for multifamily units in the townships is limited due to infrastructure availability and to some degree due to the lifestyle characteristics of multifamily buyers. There is demand however, for single-level living for independent seniors that still prefer the rural environment, but would desire a low-maintenance housing product, such as a detached villa or twin home.*

2040 Plan Recommendation: The County should evaluate its permitted housing types in its UER, UER-C, UTR, UTR-C, RR-1, RR-1C, and RR-2 zoning districts and work with the townships and Planning Commission on possible amendments that would allow single-level, low-maintenance townhome housing products.

- *In each of the townships, there is little or no owned multifamily housing and we do not anticipate significant development of this product type in the townships due to their rural configuration and lower level of infrastructure. Each of the townships has a small percentage of units that are rented. Most often these are single-family homes that have converted over to rental due to various types of circumstances. Because most townships do not have the type of infrastructure that will support owned multifamily development, the amount of rental demand is assumed to either be satisfied through rental single-family homes from conversion or rental demand that will be captured by the municipality that is in closest proximity to the township and where an orderly annexation agreement is in place.*

2040 Plan Recommendation: The County should monitor the tenure of allowed specialty housing, such as mobile homes for full time farm employment, mobile homes for infirmed family members, and accessory dwelling units to determine if rentals are occurring in these situations due to rising demand. The County should research possible ordinance amendments if demand increases for caretaker units at non-residential uses, and short-term rentals in the townships.