



BUENA VISTA, CLAY, DICKINSON & EMMET COUNTIES

Part three in a series of Strategic Planning articles about the Iowa Lakes Corridor Region

Housing and Infrastructure

SPENCER –For development to occur in any community, some basic foundations are necessary. Economic developers view the basic foundations as infrastructure – reliable and adequate utilities, good streets and highways, especially 4-lane highways, high speed internet and data/telecommunications systems. Without the infrastructure to support new investment which leads to new jobs, economic development can be hindered.

Another basic infrastructure needed in communities is housing. Housing has been a point of much discussion in the Corridor region for the past several years. Some believe that the region's housing supply, both to rent and to own, is sufficient. Others argue that the available homes for sale are either in inadequate condition, or the nice homes for sale are out of the workforce price range. New movers to the region have indicated there is little or no transitional or rental housing available.

Communities and organizations have opened building lots and launched affordable housing programs which have been slow to move on the market in some cases or are sold but not yet built. Throughout the Corridor there are first time homebuyers programs, community and regional housing trust funds, community-sponsored demolition and rehabilitation programs, communities using tax increment financing to open building lots and installing the infrastructure. Redevelopment projects have been completed and the units have few or no vacancies. Some new rental housing has been added to the market, again with few or no vacancies. In other communities there is a high demand for assisted living or senior living. Schools that once had full-time building trades programs have had them eliminated due to budget shortfalls. In one community, this was the major reason any new housing was added to their community in the last five years. The elimination of these programs also impacts the skilled trades' gap discussed in part two of this series.

Recent housing needs assessments and surveys conducted in the region, as well as feedback from employers and new movers to the region, have provided documentation that there is a shortage of housing across the board – across the region and across age demographics. The recent national housing crisis is likely to impact the region in the long-run even though this region did not have the same experience as other parts of the country of the state. Home ownership will likely be more difficult, especially for first time buyers. In addition, it is more difficult to relocate employees from another part of the state or country to this region because of the national housing market.

Additional 2010 Census data and other statistics reveal some interesting facts:

- Median house values range from \$80,807 in Estherville to \$140,437 in Spirit Lake
- The occupancy rate is 89% occupancy rate or higher in all four counties of the region
- Median gross rents range from \$480 in Spencer to \$559 in Milford; the region median is \$525
- Daytime population increases significantly in Spencer, Spirit Lake and Storm Lake (19.5%, 50%, and 25.2% respectively) and slightly decreases in Estherville (-2.4%)
- Residents living in poverty range from 4.1% in Lake Park to 15.8% in Storm Lake; the region median is 10.5%
- A high percentage of existing housing stock is 50+ years old –37% in Milford, 40% in Spirit Lake, 50% in Alta and Spencer, 52% in Storm Lake, 64% in Estherville, 78% in Sioux Rapids

- Housing construction can stabilize or even reverse population declines – Spirit Lake’s population has increased an average of 1%/year; Estherville has been able to reverse the city’s 30-year population decline with steady new housing construction

New partnerships and approaches will be required to meet the needs of the workforce in the Corridor region and will be a priority for the next several years. “We believe housing has a direct correlation to the workforce shortages and the declining population of the region,” said Kathy Evert, president and CEO of the Iowa Lakes Corridor Development Corporation. “We will be forming new collaborations to help communities grow their population and help employers retain and attract workers.”

Other community infrastructure needs will be evaluated and advocacy for upgrades and expansions will be done where needed. Evert said, “We have and will continue to advocate at the state and federal level for significant infrastructure projects such as highway upgrades which have included Highway 86, 9 and 20, and the Spencer West Beltway and combined sewer project. We have worked directly with utility providers to cause upgrades be made to the telecommunications infrastructure and services that business and industry require in the region, and will do even more in the future.

Next in this series will be a discussion about business development and jobs.

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The Iowa Lakes Corridor Development Corporation is the regional economic development agency for Buena Vista, Clay, Dickinson and Emmet counties. Its mission is to foster, encourage, aid, promote or otherwise assist in the economic growth and development of the region. For more information about the Iowa Lakes Corridor Development Corporation, call 712-264-3474 or visit www.lakescorridor.com.