

SECTION 3



**GRAND ISLAND
COMMUNITY PROFILE.**

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INTRODUCTION.

This **Section** of the **Grand Island, Nebraska Housing Study with Strategies for Affordable Housing** provides a population, income, economic and housing profile of the Community. Presented are both trend and projection analysis. Emphasis is placed on a five-year projection of change.

Population, income, economic and housing projections are critical in the determination of both housing demand and need throughout Grand Island. The statistical data, projections and associated assumptions presented in this Profile will serve as the very basic foundation for preparing the Community with a future housing stock capable of meeting the needs of its citizens.

The analysis and projection of demographic variables are at the base of all major planning decisions. The careful study of these variables assists in understanding changes which have and are occurring in a particular planning area. The projection of pertinent demographic variables in Grand Island included a five-year period, **August, 2019, to August, 2024**. This planning period provides a reasonable time frame for development and allows the Consultant to propose demographic projections with a high level of confidence.

The following narrative provides population, income, economic and housing trends and projections for the Community of Grand Island. All statistical **Tables** are included in **Appendix II** of this **Community Housing Study**.

EFFECTIVE (HOUSING) MARKET AREA.

The Effective (Housing) Market Area (EMA) for Grand Island is divided into two segments, a Primary and a Secondary Housing Market Area. The **Primary Housing Market Area** includes all of the City of Grand Island. The **Secondary Housing Market Area** includes the Grand Island Metropolitan Statistical Area of Hall, Hamilton, Howard and Merrick Counties. This Secondary Housing Market Area could provide added stability to the population of Grand Island. In order for the Community to attract residents from the Secondary Area, the Community of Grand Island would need to provide a variety of additional housing types, owner and renter, at various price ranges, for all income levels and age groups.

POPULATION PROFILE.

Population Trends and Projections.

The population of the previous two Decennial Censuses (2000 and 2010) recorded an increase in population for Grand Island. The Community's population increased from 42,940, in 2000, to 48,520, in 2010, an increase of 5,580 persons, or 13 percent.

Currently (2019), the population for the Community is an estimated 52,850 and is expected to increase an estimated 3.4 percent, or 1,825, from 2019 to 2024, for an estimated "medium" population of 54,675. The Community has the potential to increase, by 2024, an estimated 4.3 percent, or by 2,278, to reach a "high" population projection of 55,128, via increased housing and economic development efforts and job creation.

An Economic Development "Boost" for Grand Island involves a scenario where a total of 985 additional full-time employment opportunities are created in the Community with a reasonable assumption that a significant amount of these new employees would reside in Grand Island. The end result would represent a population increase of 5.2 percent, or 2,745 persons for a 2024 estimated population of 55,595.

Age.

The "19 and under" age group experienced the largest increase in population from 2000 to 2010, increasing by 2,390, or from 12,218 to 14,608. This age group is projected to experience the largest increase in population by 2039, 803 persons, or 5.2 percent.

All Grand Island population groups, including persons 55+ years of age, are projected to increase by 2024. This includes elderly and frail elderly populations. This is due, primarily, to expanding employment opportunities, as well as the development of new elderly-related housing facilities, including assisted living facilities and independent living retirement campuses.

The current median age in Grand Island is an estimated 34.6 years. By 2024, the median age is projected to increase, slightly, but remain stable, at 34.7 years.

Persons Per Household.

Persons per household has slightly increased in Grand Island, from 2000 to 2010. Currently, the number of persons per household is an estimated 2.61. By 2024, the number of persons per household will remain stable at 2.61. **The Economic Development “Boost” scenario of job creation and population increase could potentially increase the number of persons per household to 2.63.**

Hispanic Origin.

Persons of Hispanic origin comprised an estimated 15.9 percent, or 6,845 of the total 42,940 persons living in Grand Island in 2000. The Hispanic population increased from 2000 to 2010 and comprised an estimated 26.8 percent of the Grand Island population, or 12,993 of the total 48,520 residents. **The 2016 American Community Survey estimates a Hispanic population of 15,014, or a estimated 29.9 percent of the total Grand Island population.**

INCOME PROFILE.

Information presented in the **Income Profile** of this **Housing Study** assists in determining the number of households in Grand Island having the financial capacity to afford housing. In addition, the analysis of household incomes assist in determining the size, type and style of housing needed in the Community. While upper income housing has no limitations, low cost and government subsidized housing are subject to federal regulations, such as size and type.

Per Capita & Median Household Income.

Per capita income is equal to the gross income of an area (State, County, City, Village) divided equally by the number of residents residing in the subject area. Per capita income is presented for Hall County, Nebraska, which is reflective of the per capita income situation in Grand Island. In 2019, per capita income in Hall County is an estimated \$41,045, an increase of 10.1 percent from 2012. **By 2024, per capita income in Hall County is projected to increase an estimated 8.3 percent, to \$44,470.**

The **median income** for all households in Grand Island, in 2019, is estimated to be \$52,060. The Community's household median income is projected to increase to \$55,390, or 6.4 percent by 2024. A majority of all households in Grand Island currently have, and are projected to have incomes at or above \$50,000.

For households with persons 65+ years of age, the median income in 2019 is estimated to be \$41,050. By 2024, this median income is expected to increase to \$43,880, or 6.8 percent.



Cost Burdened/Housing Problems.

A number of households throughout Grand Island are considered to be “**Cost Burdened**” and/or have one or more “**Housing Problems**”. A cost burdened household is one paying 30 percent or more of their income on housing costs, which may include mortgage, rent, utilities and property taxes. A household is considered to have housing problems if the housing unit is overcrowded (more than one person per room) and/or if the household lacks complete plumbing. **An estimated 1,681 owner households and 2,259 renter households are determined to be cost burdened and/or experiencing housing problems. An estimated 338, or 15 percent of the total cost burdened renter households are elderly (62+).**

ECONOMIC PROFILE.

The following discussion provides a general **Economic Profile** of Grand Island. Included is a review of relevant labor force data, annual employment trends and the identification of major employers.

Employment Trends.

Between 2008 and 2017, the unemployment rate in Grand Island ranged from a high of 4.5 percent to a low of 3.1 percent. During this period, the total number of employed persons increased by 595.

As of August, 2018, an estimated 25,642 persons are employed in Grand Island, an increase from the 2010 number of 24,795 employed persons. The trend of an increase workforce base is projected to continue, with an estimated 26,325 employed persons in Grand Island, by 2024.

Employment By Type.

In August, 2018, an estimated 34,455 persons were employed in a non-farm environment. Hall County's largest workforce sectors include Manufacturing, Retail Trade and Health Care & Social Assistance.

Grand Island is home to several large employers, including, but not limited to JBS meat processing, Chief Industries, CHI Health-St. Francis Medical Center, Case New Holland Industrial and Grand Island Public Schools, Hornady Manufacturing, Principal and the City of Grand Island. These and other employers could form a partnership to create various owner and rental housing types, including single room occupancy/transitional housing for their employees.



HOUSING PROFILE.

Households.

Currently, an estimated 19,825 total households exist Grand Island, consisting of 11,736 owner households and 8,089 renter households. By 2024, renter households will account for an estimated 41.3 percent of the households in the Community, or 8,488 households. **Grand Island is projected to experience an increase in both owner and renter households, by 2024.**

Group quarters include such housing structures as dormitories, nursing care centers, correctional facilities, etc. The number of persons in group quarters in the Community, currently estimated at 1,045, is expected to decrease, slightly, during the next five years to an estimated 1,037. Grand Island's group quarters population has been slightly declining since the 2000 Census, when a total of 1,091 persons resided in a group quarters facility.

Housing Units/Vacancy & Occupancy.

Currently, Grand Island is comprised of an estimated 20,865 housing units, consisting of approximately 12,460 owner and 8,405 rental units. Of these 20,865 units, approximately 1,040 are vacant, resulting in an overall, housing vacancy rate of 5 percent. An estimated 724 owner and 316 rental units are vacant in Grand Island, resulting in an overall owner vacancy rate of 5.8 percent and an overall renter vacancy rate of 3.8 percent.

An estimated 16.5 percent of the existing housing stock in Grand Island was built prior to 1940. A total of 110 housing structures have been demolished or lost in the Community since 2010.

The **Adjusted Housing Vacancy Rate** for a community includes only vacant units that are available for rent or purchase, meeting current housing code and having modern amenities. **The overall adjusted housing vacancy rate for Grand Island is an estimated 3.1 percent, which includes an adjusted owner housing vacancy rate of 3.5 percent and adjusted rental housing vacancy rate of 2.4 percent. This concludes that the Community has both an owner housing and rental housing vacancy deficiency. This identifies a lack of available, quality housing in the City of Grand Island.**

Grand Island will need to continue a good rate of housing production during the next five years. This can be accomplished by building new homes and rehabilitating (economically worthy) existing housing units.

Table 3.1 identifies a **Survey of rental properties**, conducted by the **Nebraska Investment Finance Authority**, for Hall County and the City of Grand Island, from 2007 to 2017. A total of 70 rental properties in Grand Island participated in the 2017 Survey, totaling 4,086 rental housing units. Results identified a 2017 Grand Island rental housing vacancy rate of 2.2 percent. Hall County also recorded a vacancy rate of 2.2 percent, based on 74 completed surveys (4,137 units).

Rental units in Grand Island took an average of 16.9 days to occupy. Rental units in Grand Island are taking a short time to become occupied and, thus, creating a high demand for additional rental units.

TABLE 3.1
SURVEY OF RENTAL PROPERTIES
GRAND ISLAND/HALL COUNTY, NEBRASKA
2007-2017

	<u>Year</u>	<u>Completed Surveys</u>	<u>Total Units</u>	<u>Vacancy Rate (%)</u>	<u>Absorption Rate (Days)</u>
Grand Island:	2007	27	2,811	3.1	19.5
	2008	25	3,012	3.6	19.8
	2009	33	3,398	2.2	21
	2010	33	2,703	3.1	18
	2011	49	3,448	3.2	21.6
	2012	58	3,586	3	14.6
	2013	70	4,200	3.6	33.8
	2014	80	5,499	4.1	28
	2015	61	4,644	2.1	20.6
	2016	52	4,121	5.1	17.2
	2017	70	4,086	2.2	16.9
Hall County:	2007	32	2,882	3.1	24.1
	2008	32	3,105	3.6	21.7
	2009	39	3,472	2.2	18.2
	2010	36	2,588	3.1	17.8
	2011	53	3,573	3.4	24.7
	2012	62	3,644	3	15.9
	2013	72	4,232	3.5	33.8
	2014	86	5,563	4.1	26.8
	2015	65	4,657	2.1	20.6
	2016	59	4,445	5	17.4
	2017	74	4,137	2.2	16.8

Source: Nebraska Investment Finance Authority, 2019.

Tables 3.2 identifies the **vacancy rate by unit type** for the City of Grand Island, for 2017. For Grand Island, of the total 4,086 managed units that were surveyed, only 90 were available in 2017. The total rental vacancy rates were an estimated 2.2 percent for Grand Island in 2017.

<u>Type of Units</u>	<u>Units Managed</u>	<u>Available Units</u>	<u>Vacancy Rate (%)</u>
Single Family Units	261	11	4.2
Apartments	2,760	71	2.6
Mobile Homes	138	2	1.4
<u>Not Sure of Type</u>	<u>927</u>	<u>6</u>	<u>0.6</u>
Total Units	4,086	90	2.2

Source: Nebraska Investment Finance Authority, 2019.

Housing Conditions.

A **Housing Structural Condition Survey**, identified in **Table 3.3**, was implemented for Grand Island, via the Hall County Assessor’s Office, to determine the number of structures showing evidence of minor or major deterioration or being dilapidated.

The housing structural conditions survey identified **893 total housing structures in “Badly Worn/Average” or “Badly Worn” condition.** An additional **110 housing structures** were identified in **“Worn Out/Badly Worn” or “Worn out” condition.** During the next five years, these structures should be targeted for substantial rehabilitation or demolition and replacement. Units in “Badly Worn” and “Worn Out” condition have the highest potential to be targeted for demolition and should be replaced with appropriate, modern, safe and decent housing units, with a special focus on the local workforce populations.

Excellent	3
Very Good	113
Good/Very Good	18
Good	3,875
Average/Good	341
Average	12,181
Badly Worn/Average	176
Badly Worn	717
Worn Out/Badly Worn	8
<u>Worn Out</u>	<u>102</u>
Total	17,534

Source: Hall County Assessor’s Office, 2019.

Housing Values.

The cost of housing in any Community is influenced by many factors, primarily the cost of construction, availability of land and infrastructure and, lastly, the organizational capacity of the Community to combine these issues into an applicable format and secure the appropriate housing resources, including land and money. The City of Grand Island is challenged to organize necessary resources to meet the needs of their residents, including both financial and organizational resources.

Currently, the Grand Island median owner housing value is an estimated \$125,800. By 2024, the estimated median housing value is projected to increase an estimated 7.2 percent to \$134,900.

The current estimated median gross rent for Grand Island is \$710. The median gross rent is projected to increase an estimated 12 percent to \$795.

Affordable Housing Stock.

With the population and number of housing units projected to increase, by 2019, it is important that appropriate, affordable housing stock of various types be available in the Community, including housing for new and existing families, retirees, the elderly and persons with a mental and/or physical disability(ies). Residents and local housing stakeholders have expressed a need for larger, more affordable housing units to meet the demand of families, as well as an active role in housing rehabilitation for homes that are cost effective for such activity.

A total of **17 selected affordable rental housing programs, totaling 1,134 units, and 14 selected specialized housing programs, including assisted living, independent living and skilled nursing facilities, as well as supportive housing for Veterans, totaling 994 units/beds** were selected for a review of affordable rental housing in Grand Island. These have funding assistance from the Nebraska Investment Finance Authority, Nebraska Department of Economic Development, the Department of Housing and Urban Development and various private/non-profit organizations.

Of the selected rental housing programs and specialized housing facilities, 15 have occupancy rates above 90 percent, with six programs experiencing 100 percent occupancy. Seven of the housing programs currently maintain waiting lists of 50+ prospective tenants.

