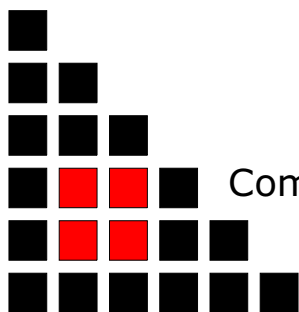


City of Yankton HOUSING STUDY UPDATE

February 2022

An updated analysis of the housing needs
of the City of Yankton and the surrounding area



Community Partners Research, Inc.

Lake Elmo, MN

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Housing Study Highlights: 2022

Overview

As a partnership-sponsored project with the City of Yankton and Yankton Thrive, this Housing Study Update has attempted to make a realistic examination of the community's growth potential, and propose housing solutions that are commensurate with anticipated needs.

The research for the project has generally not taken into account the competitive positioning that may exist between developers and various housing concepts. Future construction may surpass the unit recommendations that have been made. However, if unit creation significantly exceeds demand, the overproduction could lead to higher levels of vacancy in less competitive housing options.

Projections are informed predictions, and in this Update are largely based on historical patterns. It is possible that the growth projections used for this Update may prove to be conservative. In a community like Yankton with little excess housing capacity, household growth is directly linked to housing unit availability.

In high production years, such as the 5-year period from 2017 to 2021, the level of new unit creation was well above the longer-term annual average. This has the potential to result in above-average household growth. However, much of the unit creation in high production years was in the form of multifamily projects. Larger increments of rental units may not advance every year and a more normal construction and growth patterns may result.

Growth Projection

For the City of Yankton, this Update has proceeded with the assumption that in an average year the City will add between 59 and 63 resident households. For comparison, the City experienced average annual growth of approximately 48 households per year from 2010 to 2020.

Housing unit creation will be needed to keep pace with anticipated growth. For both ownership and rental housing, production above growth-generated demand will also be needed to address other factors, including a low rate of existing unit vacancy along with pent-up demand for certain styles and types of housing that are under-supplied.

Unit Recommendations

With these general development parameters in mind, this Update has recommended that housing unit production goals should target:

- ▶ 40 to 52 units per year to address owner-occupancy housing demand
- ▶ 275 to 325 rental housing units over a 5-year period serving various market segments

There are various ways that these production goals will likely be accomplished, but the research for this Update would recommend a basic distribution as follows. Owner-occupancy housing creation will occur in a more consistent pattern, and unit distribution is presented as an annual average for the five-year period extending to 2026. Rental unit creation will probably proceed in a less linear pattern, with years of high production followed by lower construction years, as rental development will largely be in multifamily projects.

Demand Projection for Annual Owner-Occupancy Housing Construction		
Unit Type	Approximate Price Range	Annual Demand Projection
Affordable	Less than \$275,000	14 to 18 units
Mid-Priced	\$275,000 - \$425,000	14 to 18 units
Higher-Valued	\$425,000+	12 to 16 units

Source: Community Partners Research, Inc.

Demand Projection for 5-year Renter-Occupancy Housing Construction		
Unit Type	Approx. Rent Range	Projected 5-year Demand
Conventional Market Rate	\$900+	165 to 195 units
Conventional Affordable Rent	Less than \$900	55 to 65 units
Income-Restricted/Moderate Rent	At or below 50% AMI	55 to 65 units
Income Restricted/Subsidized	At or below 30% AMI	25 to 30 unit goal

Source: Community Partners Research, Inc.
 AMI=HUD calculation of Area Median Income

It is important to state that these are production goals based on normal market conditions. Substantially more housing units in the affordable price ranges could be successfully absorbed, but producing these units will generally require significant outside subsidies to lower the development costs, making larger allocations unlikely.

Home Ownership

Within the home ownership segments, we continue to see much of the demand within the moderate to higher price ranges, consistent with the costs of new home construction. However, activity in recent years has also demonstrated that demand exists for more affordable new construction in Yankton.

An approximate distribution for single family units by price would include:

- ▶ Up to 65% of the future demand for moderate to higher-priced units that can typically be addressed by the private housing market
- ▶ Up to 35% of demand for more affordable ownership housing

An approximate distribution for single family units by type would include:

- ▶ Approximately 75% to 80% of future demand for traditional detached single family homes
- ▶ Approximately 20% to 25% of demand should be for attached single family units, such as twin homes and town houses

Rental Housing

There are various distributions of the recommended expansion of rental housing. In 2022, costs associated with new construction will generally result in a larger percentage of units within the higher conventional housing price ranges, but more affordable rental development is also encouraged. The recommended development of 275 to 325 units by 2025 would be:

- ▶ 165 to 195 conventional market rate units
- ▶ 55 to 65 moderate rent conventional units
- ▶ 55 to 65 moderate rent income-restricted units
- ▶ A community goal of creating 25 to 30 very affordable subsidized units
- ▶ An increase of at least 20% would also be indicated within the specialized care segments serving seniors needing services with their housing

It is important to note that some of these units are under construction or in the planning phase in 2022.

Research Findings and Highlights

The following observations and highlights have emerged research for this Update in 2022:

- ▶ **Yankton continues a long-term pattern of growth** - Tracking households through the decennial Census demonstrates a consistent and long-term pattern of growth in the City. Between 2010 and 2020 the City averaged approximately 48 additional households per year. Over the 30-year period spanning 1990 to 2020 the City averaged approximately 47 additional households per year.
- ▶ **Slightly faster growth would be projected going forward** - Although the City has grown methodically in the past, there is reason to believe that the rate of future growth will increase to approximately 59 to 63 households per year through 2026. This increase is based on the accelerating pace of housing unit construction over the past five years. With limited excess housing capacity in the past, housing unit availability and household formation in Yankton are directly linked.
- ▶ **Population growth was strong over the past decade** - The 2020 Census showed a strong decade of population growth, with the City adding 957 residents. However, if the “group quarters” population, including people living in correctional facilities is excluded, the City added nearly 1,200 people not living in group quarters housing.
- ▶ **Yankton has continued to consolidate the larger region** - While growth in Yankton was strong, part of this may have come directly from the surrounding region, as people in more rural jurisdictions consolidated in the Yankton area. Excluding the Greater Yankton aggregated area, the remainder of a Four-County region composed of Bon Homme, Cedar, Knox and Yankton Counties had a combined net reduction of more than 800 people and nearly 425 households between 2010 and 2020.
- ▶ **The aging trends identified in previous Studies have continued** - Like many communities in the region, Yankton continues to see the impact of the aging “baby boom” generation. Since 2010, net growth of population and households has been especially strong in the age groups 55 and older. By the year 2026, the fastest growing age ranges are projected to be between 65 and 84 years old. Age-based projections anticipate a net reduction in the number of households age 64 and younger in the Greater Yankton area.

- ▶ **Single family housing construction activity has remained strong** - The City has a strong housing development community that has succeeded in continually constructing single family housing options. Over the past five years, the City has averaged approximately 44 owner-occupancy single family housing starts per year.
- ▶ **Existing home values continue to rise** - The median sale price for existing homes has been rising steadily in recent years, indicating good demand for home ownership options. Two estimates were examined in this Update, with County sales records for the City showing a median sales price of \$178,500 in 2021, while MLS data for the Yankton area showed a median price of \$195,750 in 2021.
- ▶ **Multifamily rental construction has been very strong** - Since 2017, a number of larger-scale rental housing projects have been built in Yankton. After averaging fewer than 20 rental units per year through new construction from 2010 to 2016, annual unit production increased substantially to an average of approximately 56 rental units per year permitted from 2017 to 2021. It is important to note that some of these units are still under construction and will not be occupied until 2022.
- ▶ **Despite rental housing growth, conventional vacancy rates remain low** - The multifamily rental survey completed for this Update found an extremely low vacancy rate in conventional market rate housing in Yankton, despite the fact that most of the new construction since 2017 has served this segment of the market.
- ▶ **The City has added some moderate rent income-restricted housing** - Since 2014, Yankton added two phases of development at Yankton Heights, adding a combined 70 units to the affordable housing inventory. This was the first introduction of income-restricted housing in many years. However, during this same time, a number of older affordable projects, primarily in the subsidized segment, completed their contract commitments and converted to conventional market rate housing. As a result, the total inventory of income-restricted housing in 2022 (750 total units) is smaller than the inventory that was present in 2013 (800 units). With some unit losses probable in future years, ongoing affordable unit creation is needed to maintain a stable inventory.
- ▶ **Some level of vacancy exists in income-restricted housing** - Despite a decrease of income-restricted housing over time, the recent telephone survey did find some vacancies, especially in subsidized rental housing. There may be multiple causes, but the strong local economy may be contributing to a reduced level of income eligibility in 2022.

- ▶ **The overall supply of specialized housing for seniors has remained unchanged but specific segments have changed** - There have been no additions to the overall supply of specialized housing options for seniors in Yankton in many years. However, the specific use of units has been adjusted over time. In 2022 there are fewer units available in the light services segment for more independent households, and a small reduction in the inventory offering assisted living. The supply of units/beds for people needing memory care housing has increased. The supply of skilled nursing beds has temporarily been reduced during the Covid pandemic. These specialized forms of housing with services may need to be reevaluated when the pandemic ends.
- ▶ **The local economy remains strong, but the regional labor force has not been growing** - As measured by jobs and unemployment, the Yankton area remains very strong, with a very low unemployment rate. However, the available resident labor force has not been growing. For the Four-County Region, the labor force in 2019 was slightly smaller than had been present in 2010. The pandemic has also had an impact on the local labor force and employed work force after 2019.
- ▶ **Most Yankton area residents work locally** - More than 88% of Yankton’s employed residents were driving less than 20 minutes for their primary job in 2019, as Yankton serves as a regional employment center. Although many jobs located in the City are filled by people living outside of Yankton, fewer than 16% of these employees are commuting 30 minutes or more to work in Yankton.
- ▶ **Growth in the community will generate demand for additional rental housing** - The tenure-based projections used for this Update expect demand for approximately 275 to 325 renter-occupancy housing units between 2022 and 2026. Some of these units are already under construction or are in the planning phase, but additional development will need to advance in the next few years.
- ▶ **Conventional market rate rental housing will address much of the future rental demand** - The economics of new construction make it difficult to construct affordable or low rent housing. Going forward, as much as 60% of the projected demand will be met by conventional market rate rental housing. In the recent past, new projects have been successful in creating both traditional apartment units and in single family-style rental options, including town houses and twin homes.

- ▶ **Moderate rent conventional housing is also needed** - Most renter households in the Yankton area have a more moderate income level. The estimated median renter household income in 2019 was below \$35,000. While difficult to produce, conventional rental housing with a monthly rent below \$900 per month will also be needed, and a target of adding 20% of future production in this price range would be recommended. This may not occur without proactive community involvement to help lower the costs of development.
- ▶ **Additional moderate rent/income restricted housing is needed** - Federal low income housing tax credits are the primary financial incentive for more affordable work force housing creation. Tax credits were used for both phases on Yankton Heights. Going forward, approximately 20% of future production would be recommended within this income-restricted segment. Part of this recommendation assumes that an ongoing loss of existing affordable housing will occur in Yankton due to contract compliance in older projects.
- ▶ **Community goal to add very affordable subsidized housing** - The federal production programs that were used to create low income housing in the past are generally no longer available. Over time, Yankton has seen some of its subsidized inventory get converted to conventional housing, and given the age of some projects, additional contract fulfillment would be expected in the future. With a large number of renter households have low incomes, many with a housing cost burden, subsidized housing resources will be needed. Attempts to add to the local inventory and efforts to preserve existing projects are important community strategies to assure the availability of affordable housing.
- ▶ **Specialized senior housing would benefit from a modest expansion of units to keep pace with growth** - Age-based projections expect the target market of older senior citizens to increase by as much as 20% over the next five years. The area's senior population has also been growing in the past, but no expansion of specialized senior housing with services has occurred in Yankton in many years. A modest expansion of most forms of specialized housing with services would help keep pace with growing demand. Additional production above a growth-generated expansion could also be justified as relatively low capture rates currently exist in most market segments. It should be stated, however, that the global health pandemic has had the greatest housing impact on senior congregate living facilities.

- ▶ **Demand should remain consistent for owner-occupancy housing** - The tenure-based projections used for this Update expect average annual demand for between 40 and 52 owner-occupancy housing units per year through 2026. Over the past five years, average annual unit production has been approximately 44 units per year. Looking forward, this annual level should remain stable or increase slightly.
- ▶ **Most demand for new houses should remain in the moderate to higher price ranges** - The forecasts used in this Study expect that up to 30% of the home ownership demand will be in the higher price ranges, generally defined as \$425,000 and above, and up to 35% of the demand in the more moderate price ranges, generally defined as \$275,000 to \$425,000. Demand for housing in these price ranges can be met by the private development community, and would not typically require any level of public involvement or assistance.
- ▶ **Continue to promote success in creating more affordable new home construction** - Prior to the development of Westbrook Estates, very limited home building had been occurring in the lower, more affordable price ranges. But two phases of development have demonstrated demand, although current pressure on materials and labor costs have pushed affordable prices up to \$280,000. Going forward, up to 35% of the overall demand will exist in the affordable price range. In addition to Westbrook Estates and other development areas, a proposed State infrastructure grant program for work force housing may help to keep costs below-market for some new home construction.
- ▶ **Attached single family housing should regain market share** - After above-average construction activity in attached single family housing in 2017 and 2018, the share has dropped to less than 16% of all single family housing starts after 2018. Going forward up to 25% of single family housing starts will potentially in some type of attached single family housing, primarily twin homes or town house units. This would help to address growing demand from senior-headed households as well as younger buyers looking for low maintenance options.

- ▶ **Promotion of home ownership is encouraged in the new and existing housing options** - While home values have been rising, the older existing housing stock, and some of the new construction options are relatively affordable. The best information on housing occupancy tenure indicates that the home ownership rate in Yankton has moved below 60%. Community efforts to promote home ownership are encouraged, including proactive assistance programs to help with down payment, closing costs or low interest mortgages.

- ▶ **The older existing housing stock should be maintained and improved** - Older housing options in Yankton will generally represent the most affordable choices for owners or renters. Maintenance and preservation of older housing and neighborhoods are encouraged. This would include financial assistance for rehabilitation as well as efforts to inspect and enforce housing quality standards.

Introduction

Overview

Community Partners Research, Inc., was hired by the City of Yankton in 2013 to complete a comprehensive study of housing market conditions in the City and the surrounding area. In 2017, the original document was updated to reflect growth and change in the community. In 2021, another update was initiated to incorporate the data from the 2020 decennial Census and to examine recent changes to the community and housing construction patterns. The 2022 Update is a partnership-sponsored project with the City of Yankton and Yankton Thrive.

Methodology

A variety of resources were utilized to obtain information for the Housing Study Update. Community Partners Research, Inc., collected and analyzed data from October 2021 to February 2022. Data sources included:

- U.S. Census Bureau
- Applied Geographic Solutions, a private data reporting service
- Esri, Inc., a private data reporting service
- Records and data from the City
- Records and data maintained by Yankton County
- Data from the SD Department of Labor
- Data provided by the Multiple Listing Service
- Interviews with elected officials and staff from the City
- Interviews with community leaders
- Interviews with people familiar with the area's housing conditions including bankers, Realtors, property managers, and developers
- Area housing agencies
- Rental property owner/manager surveys

Limitations

This Update represents an analysis performed with the data available at the time of the research. Any findings are based upon current solutions and the best available information on future trends and projections. Significant changes in the area's economy, employment growth, tax policy or other related factors could change the findings and conclusions contained in this report.

During the course of the research for this project, a global pandemic was still underway, which has had widespread impacts, including on economic, housing and educational conditions. The longer-term impacts of the pandemic cannot be predicted, and the analysts have proceeded with the best information available at the time of the research.

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Demographic Data Overview

Sources of Data

The following pages contain demographic data obtained from a variety of local, state and national sources. At the time that research was completed for this Study, the Census Bureau had released initial information from the 2020 decennial Census. However, some of the more detailed tables on demographic and housing characteristics are not scheduled for release until some undefined time in 2022.

The global pandemic in 2020 had impacted data collection, as well as the release schedule. As a result, there are some questions about the accuracy of 2020 Census data, but in the opinion of the analysts it still represents the best demographic information available.

With the absence of some data from the 2020 Census, this Update has proceeded with the best available estimates from secondary sources, including the Census Bureau's American Community Survey, an annual sampling of households. However, because the American Survey is an estimate, based on sampling data, there is a margin of error that exists for each estimate.

The American Community Survey estimates have an effective date in 2019, so a significant data-lag exists. The estimates were derived from five-year sampling, obtained between 2015 and 2019. Due to the global pandemic, the American Community Survey estimates for 2020 also have a delayed release schedule.

This Update has also utilized demographic estimates and projections that have been generated by private data providers. The South Dakota Governor's Office of Economic Development contracts with Applied Geographic Solutions (AGS) to provide community profiles for each city in the State. Prior to using AGS, the State had used Esri, Inc., for community profiles. The analysts have utilized estimates and projections from both of these private data reporting services.

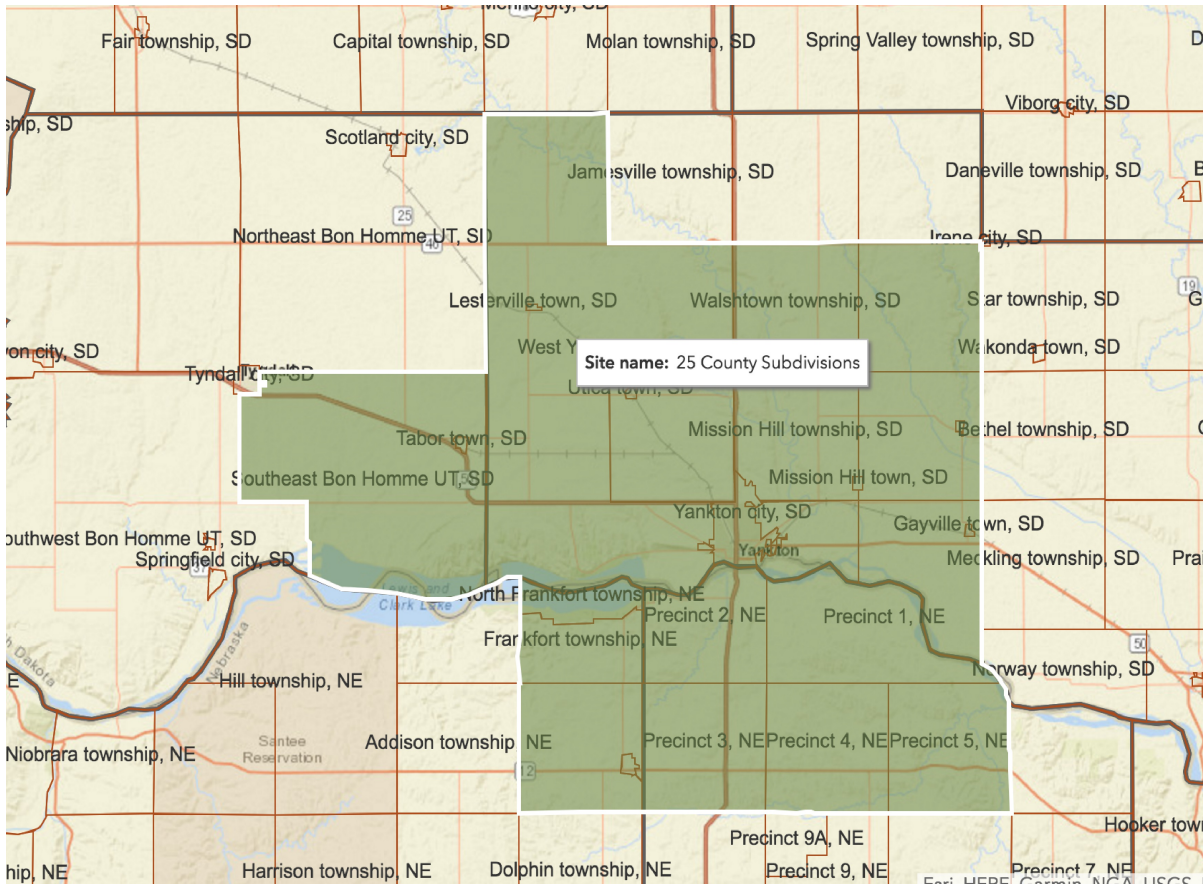
It is important to note that the demographic estimates and projections from AGS and Esri were generated before any of the 2020 Census data were released. These companies will probably be modifying their data based on the new Census benchmark, but this will not occur until the next set of information is released later in 2022.

Market Area Designations

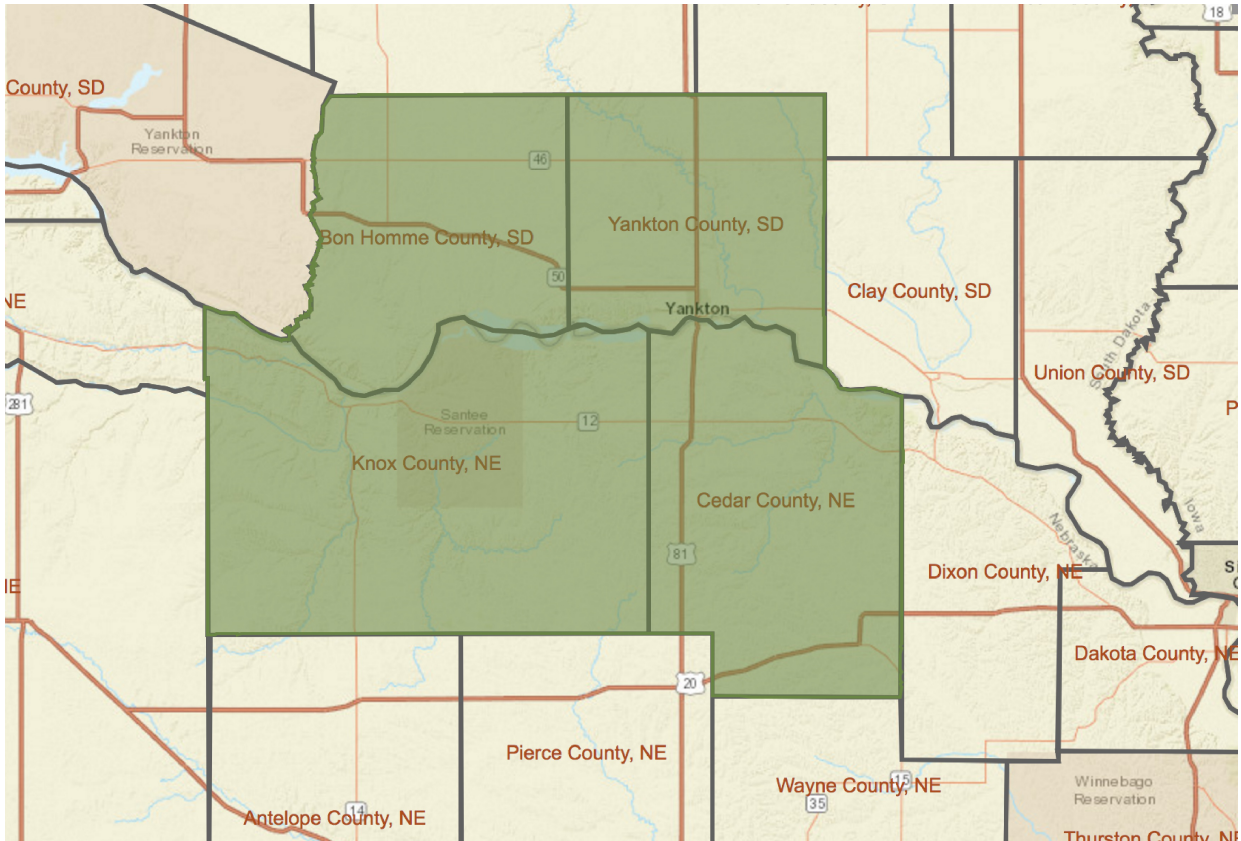
Yankton serves as a regional center for a number of surrounding counties. Consistent with previous Studies, demographic information for two larger aggregated areas has also been examined.

The first aggregated area, referred to in this Study as “Greater Yankton” includes the City as well as a number of smaller towns, townships and precincts in both South Dakota and Nebraska that are generally within a 15-mile radius. The South Dakota jurisdictions include the Towns of Gayville, Lesterville, Mission Hill, Tabor, Utica and Volin, and the Townships/Unorganized territories of Gayville, Marindahl, Mission Hill, Southeast Bon Homme, Southeast Yankton, Utica, Volin, Walshtown and West Yankton.

Jurisdictions in Nebraska include Precincts 1 through 5 in Cedar County, the City of Crofton, and the Townships of Eastern, Frankfort and North Frankfort in Knox County.



To put the City in a larger regional context, a multi-county area has also been examined for certain demographic variables, such as population and household trends. This area includes all of Yankton County, SD, Bon Homme County, SD, Cedar County, NE and Knox County, NE. This is referred to as the “Four-County Region” in this Study.



Population Estimates and Trends

Table 1 Population Trends - 1990 to 2020						
	1990 Census	2000 Census	% Change 1990-2000	2010 Census	% Change 2000-2010	2020 Census
Yankton	12,703	13,528	6.5%	14,454	6.8%	15,411
Greater Yankton	22,956	25,291	10.2%	26,004	2.8%	26,843
Four-County	46,006	47,901	4.1%	47,061	-1.8%	47,084

Source: U.S. Census

- ▶ The release of population totals from the 2020 U.S. Census has established a new benchmark for the number of people residing in each jurisdiction. The Census total had an effective date of April 1, 2020.
- ▶ In 2020, the population for the City of Yankton was 15,411 people. When compared back to the 2010 Census, the City had added 957 permanent residents, for a population increase of 6.6%.
- ▶ The 2020 Census count continued a long pattern of very consistent growth for the community. In the 1990s, the City's population increased by 6.5%, followed by growth of 6.8% between 2000 and 2010. The population then increased by 6.6% in the 2010s.
- ▶ While the City's growth rate has been consistent in recent decades, it is important to note that some of the growth in past was due to an increase of "group quarters" residents, including people in correctional facilities. The growth that was recorded in Yankton between 2010 and 2020 occurred despite a decade-to-decade decrease in the group quarters population. Additional details will be provided later in this section.
- ▶ The population change for the aggregated area defined as Greater Yankton was less than the growth attributed to the City. Between 2010 and 2020 the entire aggregated area added 839 permanent residents. If Yankton is removed, the remainder to the Greater Yankton area actually had a net decrease of 118 residents.
- ▶ This pattern of the area population concentrating in Yankton is even more evident when the larger Four-County region is examined. Between 2010 and 2020, the combined Counties added only 23 permanent residents, inclusive of the growth that occurred in Yankton. If the City is removed, the remaining jurisdictions had a net decrease of 934 people.

- ▶ There are 2021 population estimates available, although these were issued prior to the release of any 2020 Census data. These estimates will not be revised to incorporate the new 2020 benchmark data until sometime in 2022.
- ▶ Applied Geographic Solutions (AGS), the data source utilized by the Governor’s Office of Economic Development, estimates that the City of Yankton has 15,682 permanent residents in 2021. When adjusted for a one-year time difference, this estimate was similar to the Census count of 15,411 people at the time of the 2020 Census.
- ▶ Applied Geographic Solutions does not provide estimates or projections for townships or unorganized territories, so this source cannot be used for the area designated as Greater Yankton.
- ▶ An estimate for the Greater Yankton area was obtained from Esri, Inc. This showed a 2021 population of 26,936 people. This estimate was also very similar to the 2020 Census count of 26,843 people, especially when adjusted for the one-year time difference in effective dates.

Population by Race/Ethnicity

- ▶ In 2020, nearly 87% of Yankton’s residents were identified as White for race. The next largest racial designation was for people listing “Two or more races”, at more than 5% of the City’s population. Other racial groups included Native Americans at 3.3% and Black/African American at 1.8% of the City’s population.
- ▶ At the time of the 2020 Census, 93.5% of the City’s population was not identified as being of Hispanic/Latino ethnicity.
- ▶ Due to the limited diversity within the City, no further demographic details are provided in this document based on race or ethnic origin.

Group Quarters Population Data

A relatively large percentage of Yankton’s residents reside in some form of “group quarters” housing. Group quarters residents are counted as part of the permanent population total, but are not counted as living in independent households. The following table displays changes in the group quarters population subset as recorded in the decennial Census back to the year 1980.

Table 2 Group Quarters Populations in Yankton: 1980 to 2020					
	1980 Census	1990 Census	2000 Census	2010 Census	2020 Census
Yankton	885	941	1,330	1,642	1,404

Source: U.S. Census

- ▶ According to the 2020 Census, the size of the City’s group quarters population decreased over the past decade by 238 people. This was the first decade-to-decade decrease dating back to 1980.

Table 3 Group Quarters Housing Types: 2010 to 2020			
	2010 Census	2020 Census	Change
Correctional Facilities Adult	900	531	-369
Skilled Nursing Facilities	234	427	+193
Student Housing	273	272	-1
Noninstitutionalized Facilities	235	174	-61
Total	1,642	1,404	-238

Source: U.S. Census

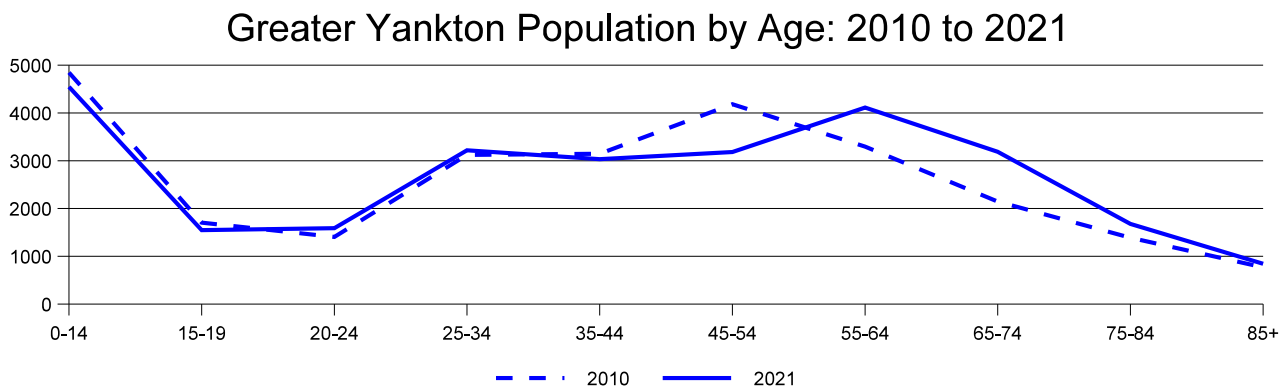
- ▶ The largest group quarters decrease since 2010 was from adults living in correctional facilities, presumably the federal prison in the City.
- ▶ The number of people living in noninstitutional facilities, such as a residential group home, also decreased over the decade, while the number of students living in college housing was nearly unchanged.
- ▶ There was an increase in people living in skilled nursing facilities. In the past, it is believed that only residents of nursing homes were counted within this type of group quarters housing. But the increase since 2010 would indicate that other forms of specialized senior housing are now considered to be group quarters. This may include memory care housing options and potentially Assisted Living Centers.

Greater Yankton Population by Age Trends: 2010 to 2021

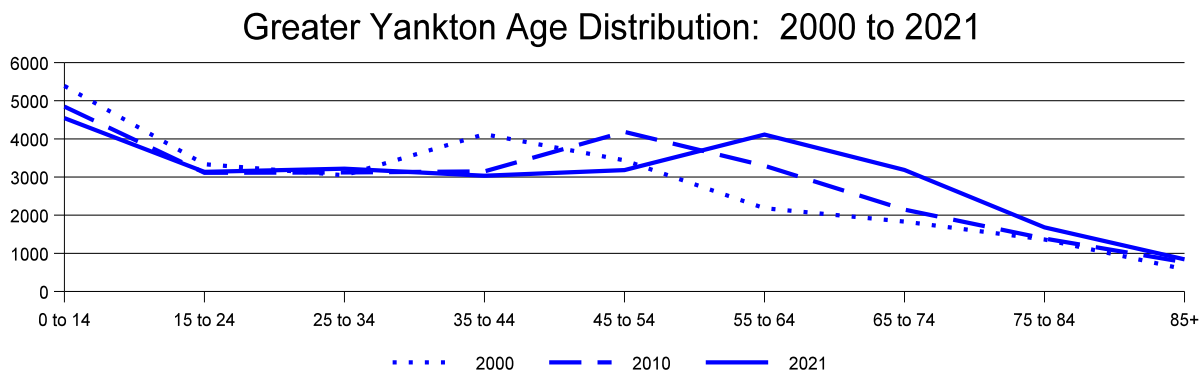
The 2021 population estimates from Esri include information on the age distribution of residents. The following table compares population by age in 2010 and 2021 for Greater Yankton, along with the numeric changes.

Table 4 Greater Yankton Population by Age - 2010 to 2021			
Age	2010	2021	Change
0-14	4,846	4,546	-300
15-19	1,705	1,547	-158
20-24	1,406	1,588	+182
25-34	3,121	3,219	+98
35-44	3,147	3,033	-114
45-54	4,183	3,183	-1,000
55-64	3,295	4,112	+817
65-74	2,145	3,186	+1,041
75-84	1,388	1,679	+291
85+	768	843	+75
Total	26,004	26,936	932

Source: U.S. Census; Esri



- ▶ The previous Studies completed for Yankton had commented on the advancing “baby boom” generation and its impact on the area’s aging patterns. The age cohorts that represent the baby boomers continue to grow in size as this large demographic segment moves through the aging cycle.
- ▶ For the aggregated jurisdictions that form Greater Yankton, there has been a strong increase between 2010 and 2021 in the population that is age 55 and older. In 2021, nearly all of the baby boomers were within the 20-year range between 55 and 74 years old. Since 2010, Greater Yankton had a gain of more than 1,850 people in this 20-year age cohort.
- ▶ Conversely, the Greater Yankton area had an estimated net loss of 1,000 people age 45 to 54 years old. Most of this reduction was because the age group immediately trailing the advancing baby boomers was smaller in size, and could not replace the population numbers.



- ▶ The aging trends can be traced back to the year 2000 to see the “wave” created by the advancement of the baby boom generation in Greater Yankton.

Household Estimates and Trends

Table 5 Household Trends - 1990 to 2020						
	1990 Census	2000 Census	% Change 1990-2000	2010 Census	% Change 2000-2010	2020 Census
Yankton	4,977	5,369	7.9%	5,909	10.1%	6,392
Greater Yankton	8,413	9,599	14.1%	10,161	5.6%	10,800
Four-County	17,223	18,256	6.0%	18,413	0.9%	18,628

Source: U.S. Census

- ▶ According to the Census, Yankton had 6,392 permanent resident households in 2020, up by 483 households since 2010, for an increase of 8.2%.
- ▶ If viewed as an annual average, Yankton added approximately 48 households per year over the past decade. This has continued a consistent pattern of adding households. In the 1990s the City added approximately 39 households per year. From 2000 to 2010, this average increased to 54 households per year.
- ▶ For the aggregated jurisdictions defined as Greater Yankton, the 2020 Census showed 10,800 households, up by 639 households from 2010. Although the remaining jurisdictions had some minor population loss if Yankton was removed, these jurisdictions did experience some limited household growth over the past decade, with 483 households added in Yankton and 156 net households in the other 24 combined jurisdictions.
- ▶ The Four-County region had 18,628 permanent resident households in 2020, up by 215 households from 2010. If the jurisdictions that represent Greater Yankton are removed, the remainder of the Four-County area had a net loss of 424 households over the last decade.
- ▶ The 2021 estimate from Applied Geographic Solutions showed 6,456 households in Yankton. This estimate appears to be very accurate, if adjusted for a one-year time difference.
- ▶ The 2021 estimate from Esri shows 10,942 households in the Greater Yankton Area, compared to 10,800 as counted by the Census. Esri's 2021 estimate appears to be slightly high, but the probable difference is less than 1% if adjusting for the difference in the effective dates.

Household by Age Trends: 2010 to 2021

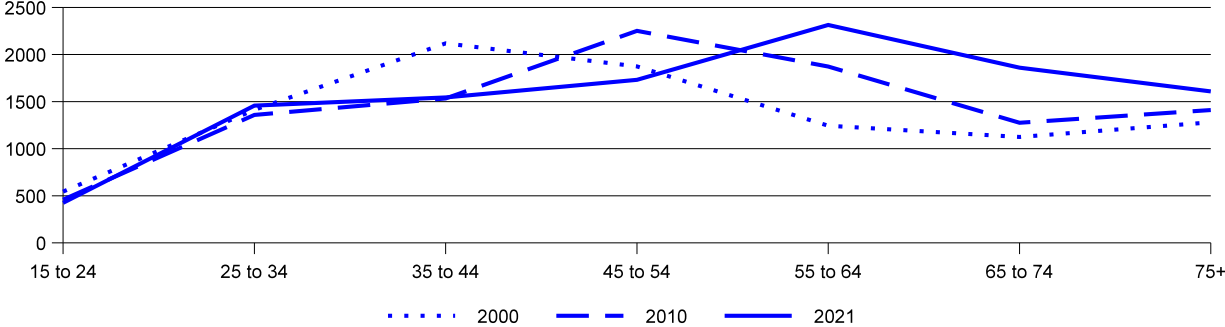
The following table compares households by age of householder in the 2010 Census and for 2021 from Esri for Greater Yankton.

Table 6 Households by Age of Householder - 2010 to 2021			
Age	Greater Yankton		
	2010	2021	Change
15-24	458	425	-33
25-34	1,359	1,458	+99
35-44	1,534	1,545	+11
45-54	2,252	1,732	-520
55-64	1,873	2,314	+441
65-74	1,275	1,860	+585
75+	1,410	1,608	+198
Total	10,161	10,942	+781

Source: U.S. Census; Esri

- ▶ Consistent with the population by age data presented earlier, the household patterns show most of the net change occurring in the “baby boom” age groups.
- ▶ For the Greater Yankton area, the largest net growth in households occurred in the 10-year age groups between 65 and 74 years old and between 55 and 64 years old. For the entire Greater Yankton area there was an increase of 1,224 households age 55 and older, but a net loss of 443 households age 54 and younger.
- ▶ There was some estimated growth within the 25 to 34 year old age group. However, the significant reduction of households in the 45 to 54 year old group was very large, as the age cohort trailing immediately behind the baby boomers was much smaller in size, and did not replace the advancing age cohorts.

Greater Yankton Households by Age of Householder: 2000 to 2021



- ▶ As with the longer-term patterns for population, it is possible to track the “wave” progression of the baby boomer households in the Greater Yankton area dating back to the year 2000, using information for households by the age of householder.

Average Household Size

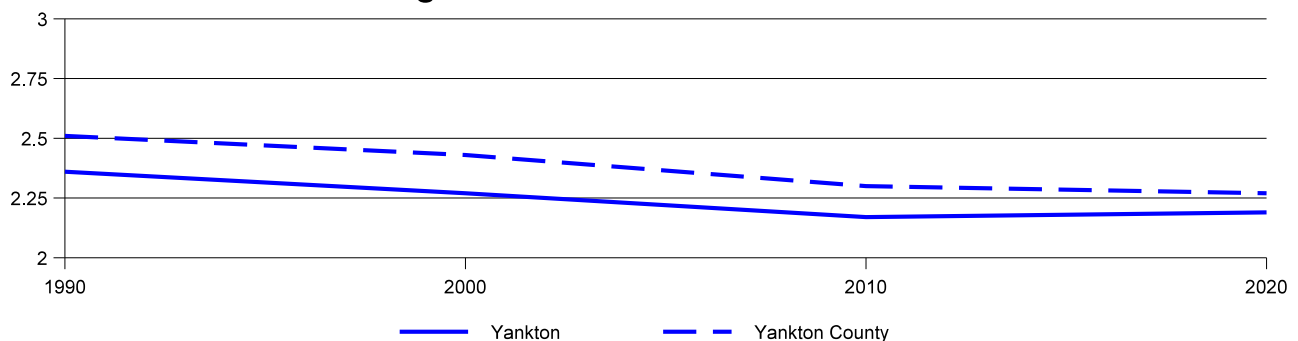
The following table provides information on average household size. Historical data on group quarters populations were not readily available for the smaller jurisdictions that form Greater Yankton, so no estimates have been provided so Yankton County has been presented for comparison.

Table 7 Average Number of Persons Per Household: 1990 to 2020				
	1990 Census	2000 Census	2010 Census	2020 Census
Yankton	2.36	2.27	2.17	2.19
Yankton County	2.51	2.43	2.30	2.27

Source: U.S. Census

- ▶ Household formation has been occurring at a different rate than population change in recent decades due to a gradual decrease in average household size. This is typically caused by household composition changes, such as more single person and single parent families, fewer children per family, and more senior households due to longer life spans.

Average Household Size: 1990 to 2020



- ▶ While Yankton’s average household size did increase slightly from 2010 to 2020, the longer-term trend has been in fewer people per household. The 2020 Census count of 2.19 persons was well below the 2.36 average in 1990.
- ▶ Yankton County has seen a consistent decrease in the average household size since 1990, although the average of 2.27 persons in 2020 was only slightly lower than the average of 2.30 persons in 2010.

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Population Projections

The following table presents population projections from Applied Geographic Solutions and Esri. These projections extend to the year 2026 and are based off of each company’s 2021 estimates. The 2020 Census totals are provided for comparison.

Applied Geographic Solutions does not provide estimates or projections for townships or unorganized territories, so this source cannot be used for the area designated as Greater Yankton. The estimates and projections for Greater Yankton are from Esri.

Table 8 Population Projections Through 2026				
	2020 Census	2021 Estimate	2026 Projection	Projected Change
Yankton	15,411	15,682	16,121	+439
Greater Yankton	26,843	26,936	27,445	+509

Source: AGS; Esri

- ▶ Based on the 2020 Census, AGS may have slightly over estimated the population level for the City of Yankton in 2021. However, there is a one-year time difference in the effective dates, so the AGS estimate is probably too high by less than 1.2%.
- ▶ AGS projects that the City will continue to grow over the next several years, but that the rate of growth will be slower. Based on the 2020 Census, Yankton had been averaging a net gain of nearly 96 additional residents per year. Going forward, AGS is forecasting net population growth of approximately 88 people per year.
- ▶ For the entire Greater Yankton area, it appears than Esri has a very accurate estimate when compared to the 2020 Census. If adjusted for a one-year time difference, the population totals are almost identical.
- ▶ Esri is projecting that the Greater Yankton area, including the City of Yankton, will add an average of 102 people per year over the next five years. This numeric level of average annual growth is actually greater than the level achieved over the past decade, as Greater Yankton was averaging population growth of approximately 84 people per year between 2010 and 2020.

Household Projections

Household projections are also available to the year 2026, with the forecast for Yankton generated by Applied Geographic Solutions, and Greater Yankton forecast supplied by Esri. Once again, the 2020 Census count for households is provided for comparison.

Table 9 Household Projections Through 2026				
	2020 Census	2021 Estimate	2026 Projection	Change
Yankton	6,392	6,456	6,575	+119
Greater Yankton	10,800	10,942	11,208	+266

Source: U.S. Census; Applied Geographic Solutions; Esri

- ▶ When adjusted for a one-year time difference in effective dates, it appears that the household estimate from AGS was very accurate for the City of Yankton.
- ▶ Going forward, AGS is projecting that Yankton will add only 119 households over the 5-year time period, or an average of 24 households per year. While this forecast does expect the City to continue growing, the rate of growth is slower than in the past. Between 2010 and 2020, Yankton averaged approximately 48 additional households per year. In the opinion of the analysts, the AGS forecast for future growth is overly conservative.
- ▶ Based on the 2020 Census, it appears that the Esri estimate for households in Greater Yankton in 2021 was somewhat high. However, when adjusted for the one-year time difference, it is likely that Esri over estimated the household total by less than 1%.
- ▶ Projecting to the year 2026, Esri is expecting the entire Greater Yankton area to add 266 households, or an average of 53 households per year. This would be lower than the annual average achieved between 2010 and 2020 of approximately 64 households per year. This projection also appears to be overly conservative.

With the recognition that household projections from secondary sources are not a good indicator of the future growth potential for Yankton and the surrounding area, Community Partners Research, Inc., has also generated trend-based forecasts, using annualized growth rates achieved in the past, and trended forward to the year 2026.

Table 10 Trend-based Household Projections Through 2026			
	2020 Census	2026 Projection	Average Annual Change
Yankton	6,392	6,757	61 households/year
Greater Yankton	10,800	11,205	68 households/year

Source: U.S. Census; Community Partners Research, Inc.

- ▶ A trend-based projection method anticipates that Yankton will have approximately 6,757 total households by 2026, or an annual average increase of 61 households per year going forward.
- ▶ A trend-based projection for the entire Greater Yankton area indicates that there will be approximately 11,205 total households by 2026, or an annual average increase of 68 households per year going forward.
- ▶ Consistent with past patterns, the large share of future household growth within the Greater Yankton area would be expected to locate within the City of Yankton.
- ▶ While it is very possible that these projections may also prove conservative, in the opinion of the analysts they do provide a better indicator of the area’s future growth potential.

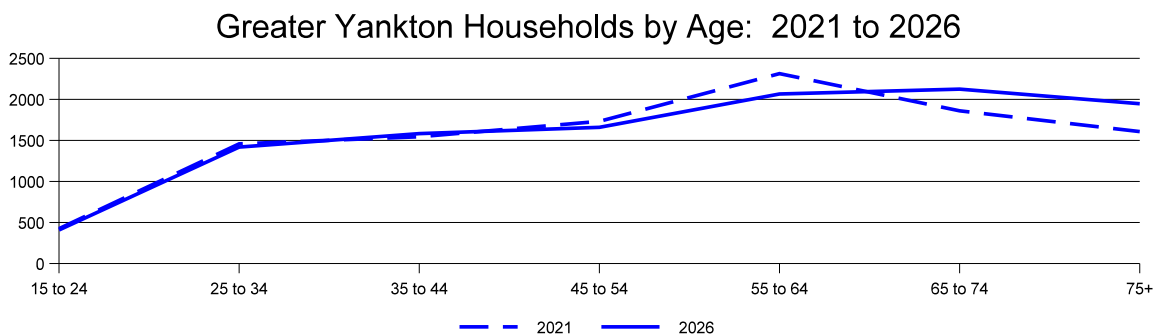
Household by Age Projections: 2021 to 2026

Although Esri’s projections for Greater Yankton are viewed as somewhat conservative, this source does provide data within defined 10-year age groups, which can be used to anticipate future changes in the demographic composition.

Table 11 Greater Yankton Projected Households by Age: 2021 to 2026

Age	2021 Estimate	2026 Projection	Change
15-24	425	409	-16
25-34	1,458	1,419	-39
35-44	1,545	1,583	+38
45-54	1,732	1,659	-73
55-64	2,314	2,066	-248
65-74	1,860	2,125	+265
75+	1,608	1,947	+339
Total	10,942	11,208	+266

Source: Esri



- ▶ Esri’s household by age projections show the expected aging within Greater Yankton over the next five years, with an increase of senior-headed households but a decrease of households age 64 and younger. Overall, these projections show an increase of more than 600 households age 65 and older, with increases in both younger and older senior ranges.
- ▶ While some of the younger adult groups should remain relatively stable, or experience only a minor decrease, a fairly large reduction is expected in the 55 to 64 age group. In total, these projections expect a net decrease of approximately 340 households age 64 and younger.

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2019 Median Income Data

Annual income estimates are available through the Census Bureau’s American Community Survey. The most recently released data are for 2019.

No median income information was available for Greater Yankton, since it is an aggregated geography. However, an extrapolated median can be obtained from the household income distribution data.

Household income represents all independent households, including people living alone and unrelated individuals together in a housing unit. Families are a subset of households with two or more related individuals living together.

Table 12 Median Household Income - 2010 to 2019			
	2010 Median	2019 Median	% Change
Yankton	\$42,956	\$50,582	17.8%
Greater Yankton	\$46,106	\$58,399	26.7%
South Dakota	\$46,369	\$58,275	25.7%

Source: ACS

- ▶ According to the American Community Survey, the median household income in the City of Yankton increased by nearly 18% between 2010 and 2019, and was at nearly \$50,600 in 2019.
- ▶ The median household income level was higher for the entire Greater Yankton area, with an extrapolated median of approximately \$58,400 in 2019, up by nearly 27% from 2010. The median income from all Greater Yankton households was very similar to the Statewide median in 2019.

Table 13 Median Family Income - 2010 to 2019			
	2010 Median	2019 Median	% Change
Yankton	\$61,911	\$65,660	6.1%
Greater Yankton	\$61,320	\$72,311	17.9%
South Dakota	\$58,958	\$75,168	27.5%

Source: ACS

- ▶ Family incomes tend to be higher than the overall household median, as families have at least two household members, and potentially more income-earners, while many non-family households have only one household member.
- ▶ Yankton's median family income increased by only 6.1% 2010 and 2019, and was at \$65,660. This was approximately \$9,500 lower than the median family income Statewide in 2019.
- ▶ The extrapolated median for the entire Greater Yankton area was above \$72,300 in 2019, and less than \$3,000 lower than the Statewide median for families.
- ▶ Median income levels can be used to establish a benchmark for affordable housing thresholds, using the commonly accepted standard that up to 30% of gross income can be applied to housing expenses without experiencing a cost burden
- ▶ A median income household in Yankton could afford approximately \$1,265 per month for ownership or rental housing in 2019. However, as will be detailed later in this section, renter households tend to be below the overall median, while owner households tend to be above the overall median level.
- ▶ A median income family in Yankton could afford \$1,642 in 2019 for monthly housing costs.

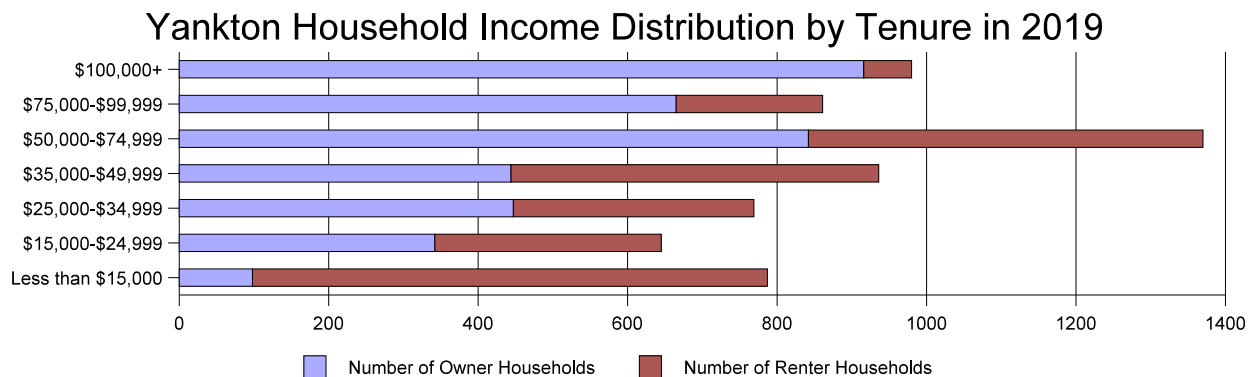
Yankton Income Distribution by Housing Tenure

The American Community Survey provides an income estimate by owner and renter status. The following table examines income distribution within the City of Yankton.

Since the estimates are based on limited sampling, there is a margin of error. For total households, the American Community Survey reported 6,348 households in the City in 2019, compared to 6,392 households counted in the 2020 Census, so the estimates appear to be very accurate for total household count and represent the best information on income distribution by tenure.

Household Income	Owner Households	Renter Households	Total Households
\$0 - \$14,999	98	689	787
\$15,000 - \$24,999	342	303	645
\$25,000 - \$34,999	447	322	769
\$35,000 - \$49,999	444	492	936
\$50,000 - \$74,999	842	528	1,370
\$75,000 - \$99,999	665	196	861
\$100,000+	916	64	980
Total	3,754	2,594	6,348

Source: American Community Survey



- ▶ Income and housing tenure are often linked for most households, with home owners generally having higher annual income levels, and renters having lower incomes.
- ▶ In 2019, nearly 51% of all renter households in Yankton had an annual income below \$35,000.
- ▶ The median income for all renter households was \$34,096 in 2019. At 30% of income, a renter at the median level could afford approximately \$852 per month for housing costs.
- ▶ Conversely, most owner households had a substantially higher income level. Nearly 65% of all owner households had an annual income of \$50,000 or more in 2019.
- ▶ The estimated median household income for owners in 2019 was \$67,044. At 30% of income, an owner at the median level could afford approximately \$1,676 per month for housing costs.

Estimated Income and Housing Costs - Renters

The household income and tenure information in the American Community Survey can be analyzed to determine the number of lower income households that pay a disproportionate share of their income for housing.

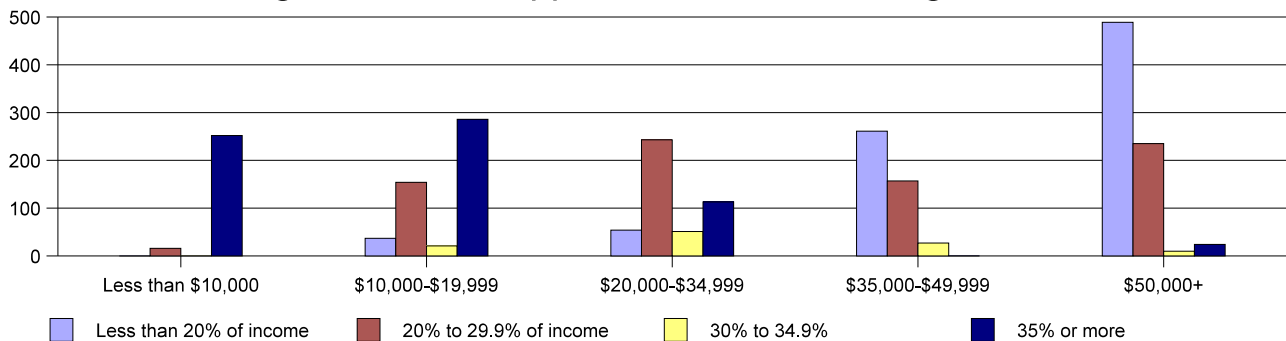
The table provides information for households paying cash rent, and excludes those households where a percentage of income could not be computed. This is for renter households in the City of Yankton in 2019.

Table 15 Yankton Renter Income and Housing Costs - 2019				
Household Income	Less than 20% of Income	20% to 29% of Income	30% to 34% of Income	35% or More of Income
\$0 - \$9,999	0	16	0	252
\$10,000 - \$19,999	37	154	21	286
\$20,000 - \$34,999	54	243	51	113
\$35,000 - \$49,999	261	157	27	0
\$50,000 +	489	235	10	24
Total	841	805	109	675

Source: American Community Survey

- ▶ The goal of most housing assistance programs is to keep housing costs at 30% or less of household income. When 30% or more of income is required, it is generally defined as a "housing cost burden". Households applying 35% or more of their income for housing may have a "severe housing cost burden".

Percentage of Income Applied to Rental Housing Costs - 2019

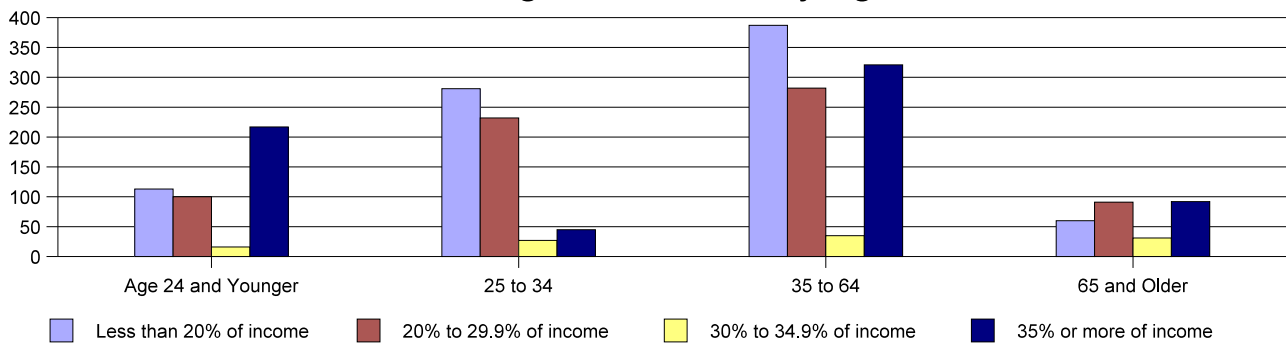


- ▶ A large percentage of renter households with an annual income below \$35,000 were experiencing a severe housing cost burden in 2019. Overall, more than 53% of these lower income households were applying 35% or more of their income for housing costs. This percentage increased to approximately 59% of lower income renter households that were applying 30% or more of income to gross rent.
- ▶ For renter households with an annual income of \$35,000 or more, the chance of any type of housing cost burden diminished greatly. Only 5% of renter households in these moderate to higher income ranges needed to apply 30% or more of their income to housing costs in 2019.

Table 16 Yankton Rental Housing Costs by Age - 2019				
Age of Householder	Less than 20% of Income	20% to 29% of Income	30% to 34% of Income	35% or More of Income
15 to 24	113	100	16	217
25 to 34	281	232	27	45
35 to 64	387	282	35	321
65 and older	60	91	31	92
Total	841	705	109	675

Source: American Community Survey

Rental Housing Cost Burden By Age - 2019



- ▶ There were households in all age ranges that were experiencing a severe housing cost burden in 2019. However, for all households paying 35% or more of income for rent, nearly 48% were in the age ranges between 35 and 64 years old. More than 32% of households with a severe rent burden were younger households age 24 or younger. Fewer than 14% of households with a severe housing cost burden were age 65 or older.

Estimated Income and Housing Costs - Owners

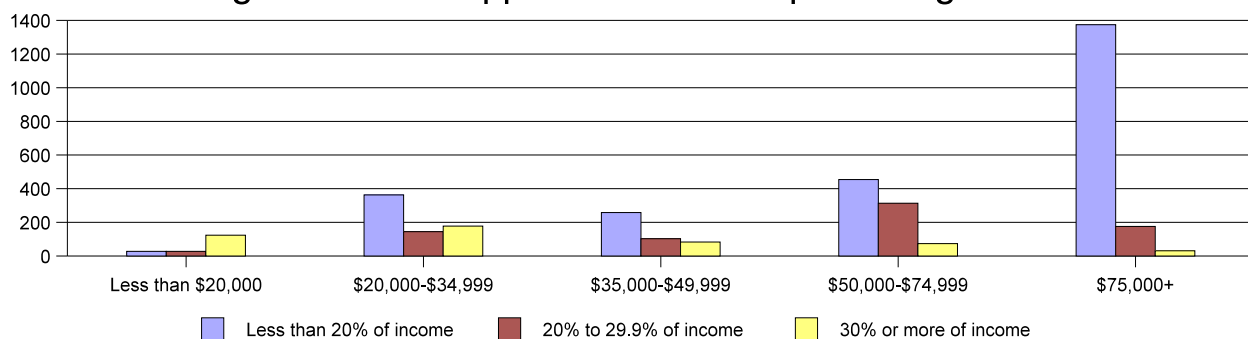
The American Community Survey also provided housing cost estimates for owner-occupants. The following table provides estimates of the number of households in Yankton that are paying different percentages of their gross household income for housing costs.

It is important to note that mortgage lending practices also tend to limit the amount of monthly income that can be used for mortgage repayment to less than 30%. The following table includes owner households both with and without a mortgage.

Table 17 Yankton Home Owner Income and Housing Costs - 2019			
Household Income	Less than 20% of Income	20% to 29% of Income	30% or More of Income
\$0 - \$19,999	28	28	124
\$20,000 - \$34,999	363	145	178
\$35,000 - \$49,999	258	103	83
\$50,000 - \$74,999	454	314	74
\$75,000 +	1,374	176	31
Total	2,477	766	490

Source: American Community Survey

Percentage of Income Applied to Ownership Housing Costs - 2019



- ▶ Most home owners have higher household income levels. Overall, nearly 65% of all owner-occupants in Yankton in 2019 had an annual income of \$50,000 or more. This significantly increases the amount of monthly income that can be applied to housing costs, and lowers the chance of a cost burden.

- ▶ Approximately 24% of all home owners had an annual income below \$35,000, according to the 2019 American Community Survey. These lower income households had the greatest frequency for a housing cost burden. Nearly 35% of home owners with an annual income below \$35,000 had to apply 30% or more of their income for housing. This may include some seniors that had retired on a fixed income but still owned their home.
- ▶ Fewer than 19% of households between \$35,000 and \$49,999 for annual income reported a housing cost burden. For households with an annual income of \$50,000 or more, the percentage paying 30% or more for housing dropped to less than 5%.

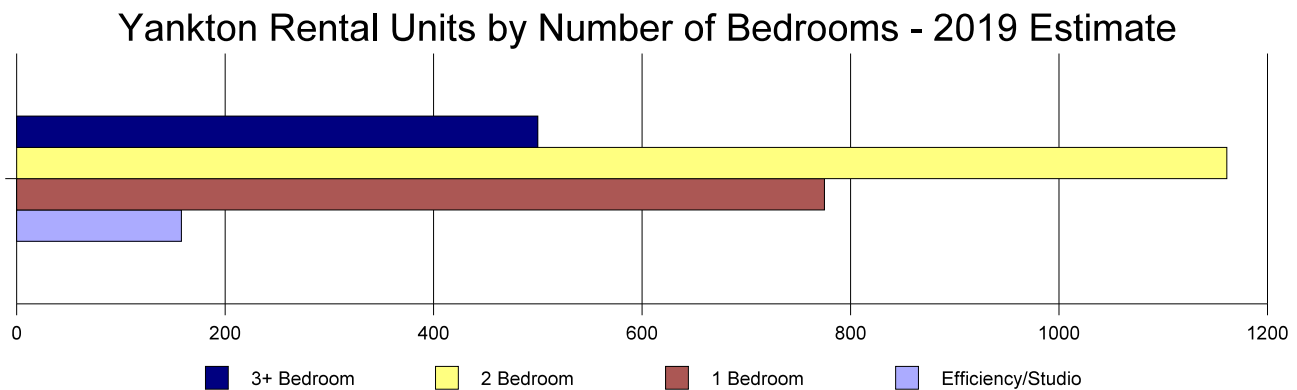
Rental Housing Costs and Comparison to Renter Incomes

American Community Survey Rental Inventory Data

The 2019 American Community Survey provides estimates on rental units in Yankton and the gross rents for these units.

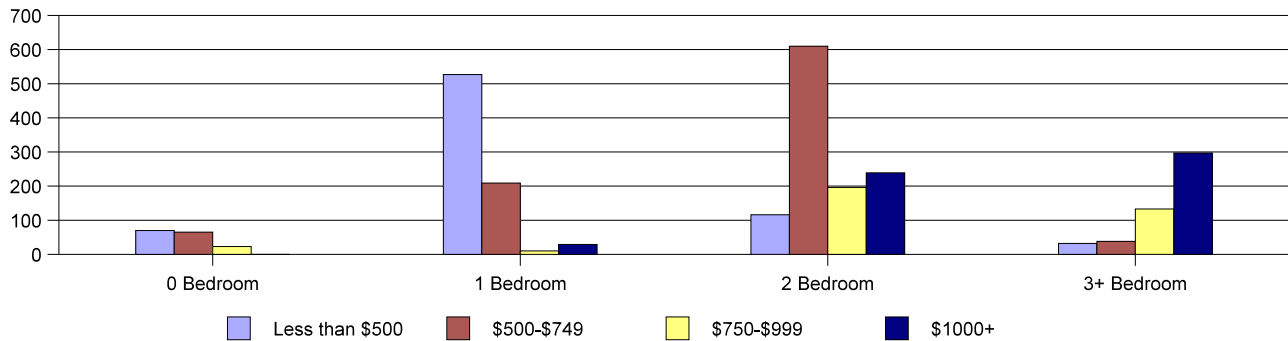
Unit Size	Rent less than \$500	Rent \$500 to \$749	Rent \$750 to \$999	Rent \$1,000+	No cash rent	Total Units
Efficiency/Studio	70	65	23	0	0	158
1 Bedroom	527	209	10	22	7	775
2 Bedroom	116	610	196	214	25	1,161
3+ Bedroom	32	38	133	225	72	500
Total	745	922	362	461	104	2,594

Source: American Community Survey



According to the American Community Survey, two-bedroom rental units represented nearly 45% of all rental options in the City, and one-bedroom units represented nearly 30%. Larger units, with three or more bedrooms accounted for approximately 19% of all rental housing, and efficiency/studio type units represented approximately 6% of the rental stock.

Yankton Gross Rent Distribution by Bedroom Size - 2019



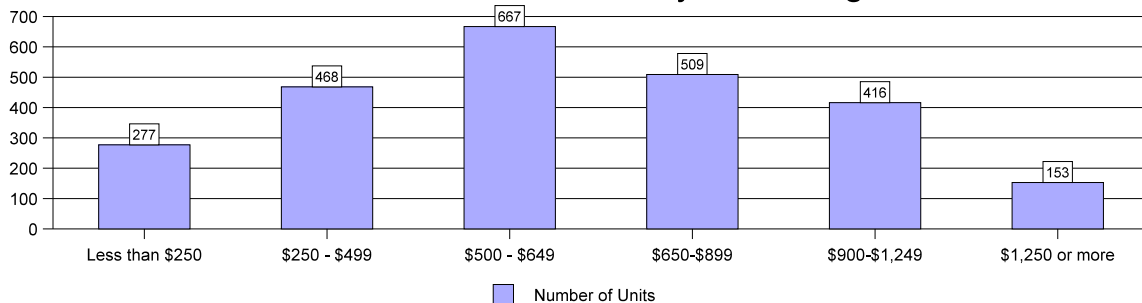
The American Community Survey also provided an estimate of the median gross rents in the City:

- ▶ \$616 median gross rent for all units in Yankton
- ▶ \$611 for studio/efficiency units
- ▶ \$436 for one-bedrooms
- ▶ \$658 for two-bedrooms
- ▶ \$993 for three-bedrooms
- ▶ \$1,231 for four-bedrooms

The estimated median rent levels in 2019 were very moderate, especially for one and two-bedroom rental options. Rents increased substantially for larger units offering three or more bedrooms.

The median rents and rent distribution tables from the American Community Survey also do not differentiate between different segments of the market. Since all types of renter households should be surveyed, the rent distribution should include subsidized units, tax credit units, and probably some specialized senior housing. However, the vast majority of units in Yankton would represent conventional, market rate housing.

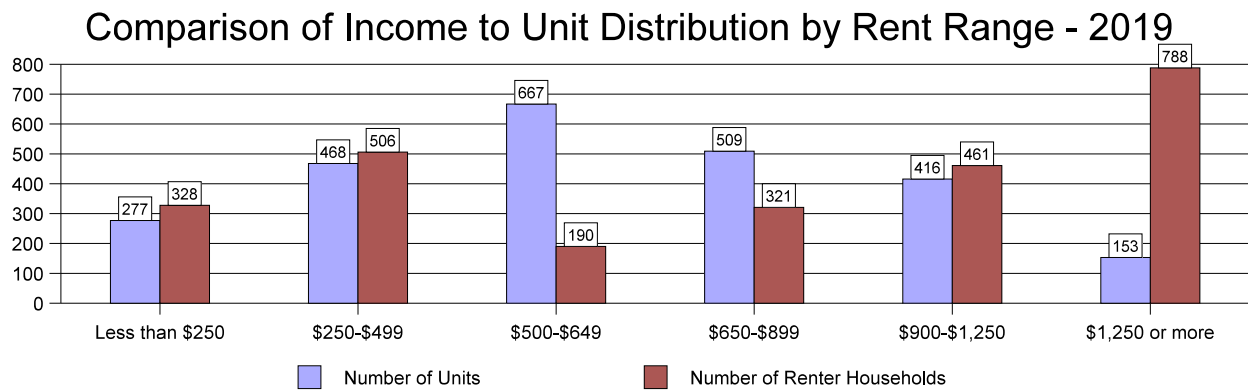
Yankton Rental Unit Distribution by Rent Range - 2019



The information on gross monthly rent by the number of bedrooms used fairly broad ranges for reporting rents. The American Community Survey also presents information on gross rents within more defined ranges, but this information is not distributed by bedroom mix.

Using the overall distribution of gross monthly rents and renter households by income, presented earlier in this Study, it is possible to compare rents and income. The following chart displays the overall rent distribution within defined price ranges as estimated for all rental units in Yankton.

This information is then compared to the number of renter households that would need a unit within this same basic price range, using a standard that 30% of income can be applied to housing costs.



Comparing supply and demand, based on the price needed versus unit distribution, shows some interesting trends. First, there were more lower income households that need a unit priced less than \$500 than there were units available in 2019. However, this disparity was not overly large, with approximately 90 more households than units available.

In the \$500 to \$649 price range there were many more units than households within these basic income ranges. The overall median gross rent level in Yankton in 2019 was \$616 per month, and a large number of rental options in the City exist within the \$500 to \$649 price range.

The supply of units in the \$650 to \$899 price range was also larger than the number of renter households with an annual income between \$26,000 and \$36,000. The conventional rental market has been able to produce new units in this basic price range in recent decades, and rental housing constructed in the 1990s and 2000s may often be priced below \$900 per month. Higher income households that rent a less expensive unit would potentially elect to rent a unit in this more moderate range.

In the higher rent range between \$900 and \$1,249 per month the unit supply and number of households were fairly well-matched. However, in the higher price range of \$1,250 or more, the total supply of units was significantly smaller than the number of renter households with moderate to higher incomes.

Overall, the American Community Survey estimates showed that more than 30% of all renter households in Yankton in 2019 had an annual income of \$50,000 or more, but only 6% of all rental units were priced at \$1,250 or more for gross rent. Since 2019, some new conventional rental housing may have been added to the local inventory and may have expanded the unit supply in the higher price ranges.

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Building Permit Trends

Yankton continues to have a significant amount of new housing construction activity. Previous Studies had tracked annual building permit reports back to the year 2000. For this Update, annual totals since 2010 have been provided.

Table 19 Yankton Housing Unit Construction Activity: 2010 to 2021

Year	Single Family Detached	Single Family Attached	Multifamily/ Apartments	Senior/Special Use Units	Total Units
2021	31	12	72	0	115
2020	40	10	36	0	86
2019	24	6	36	0	66
2018	29	16	46	0	91
2017	32	30	80	0	142
2016	32	6	16	0	54
2015	33	6	78	0	117
2014	21	5	30	0	56
2013	20	2	0	0	22
2012	12	12	1	6	31
2011	16	6	0	0	22
2010	18	6	2	8	34
TOTAL	308	117	397	14	836

Source: City of Yankton; Census Bureau

The 2017 Housing Study had tracked building permit issuance as an indicator of new housing unit construction in Yankton. Over the seven-year period spanning 2010 to 2016, an estimated 336 housing units had been added to Yankton's housing inventory through new construction.

The 2022 Update has collected information on building permit issuance from 2017 forward, which has been added to the table above. In some cases, the number of units identified in the original permit may have changed when a project was actually constructed, and some minor adjustments have been made in the data presented.

Over the five-year time period from 2017 through 2021, an estimated 500 housing units were created in Yankton, with nearly all of these through new housing construction. A small number of units may have been created through conversion projects, such as utilizing space in downtown buildings to create apartments.

It should also be noted that not all of the projects that were permitted are actually completed and available for occupancy, including the 72 multifamily units permitted in 2021, which should be occupied in phases in 2022.

The City's average annual production of new housing has increased in recent years. Between 2017 and 2021, the average was 100 additional units per year. From 2010 through 2016, the annual average was 48 units per year.

Much of the increase in housing creation is attributed to larger multifamily rental projects. Since 2017, the City has averaged 54 new rental units per year in projects creating four or more units. From 2010 to 2016, the City averaged approximately 18 new rental units per year in rental projects.

Accurately tracking the tenure use of attached housing in Yankton is difficult. Twin home/duplex projects may intend to sell units, or may be planned as rental housing. In the 5-year period spanning 2017 to 2021, there were 74 attached single family units permitted. Based on what is known, the analysts would estimate that approximately 64 of these were built as owner-occupancy housing and 10 were built for rental use.

Single Family Detached Houses

The production of traditional single family houses intended for owner-occupancy has been increasing. From 2010 to 2016, the City averaged approximately 22 single family houses per year. From 2017 through 2021, 156 single family detached houses were permitted and the annual average increased to approximately 31 single family houses per year.

Single Family Detached/Attached Units

With the inclusion of as many as 64 additional owner-occupancy units in twin home and town house structures, the annual average production of all single family housing has been approximately 44 total units per year since 2017.

This estimate is based on the assumption that only 10 of the twin home units in recent years are for renter-occupancy. It is possible that more of these units are being used as rental housing.

Multifamily Rental Construction Projects

The rental housing creation is summarized by year:

2021

- ▶ ***Fox Run Town Homes II and III*** - Two development phases were permitted, each adding 36 units. When added to the first construction phase, this project will have 108 total units later in 2022. This project provides conventional market rate rental housing.
- ▶ ***Twin Homes*** - As many as 10 units constructed in twin homes/duplexes on West 25th Street are being used for renter-occupancy.

2020

- ▶ ***Fox Run Town Homes I*** - The first development phase was permitted, and this project opened for initial occupancy in January 2021. The original building permit had indicated 32 total units, but it is believed that 36 units were constructed. This project provides conventional market rate rental housing.

2019

- ▶ ***Summit Heights*** - This 32-unit luxury apartment project was permitted in 2019, with initial occupancy beginning in late 2020. Some units are still in final finishing, with 27 units available for occupancy in late 2021. This project provides conventional market rate rental housing.
- ▶ ***Larry's Rentals*** - A 4-unit rental project was permitted at 811 Picotte Street. This project provides conventional market rate rental housing.

2018

- ▶ ***Yankton Height's II*** - This 40-unit affordable rental housing project received federal low income housing tax credits and has income limits and other occupancy restrictions, designed to serve moderate income households. This is the second development phase. All units serve households at or below 60% of the designated area median income level.
- ▶ ***Westbrook Estates Townhomes II*** - Six units were permitted in the second phase of town house construction at Westbrook Estates. In total, there are nine townhouses and 144 apartment units in this complex. All units provide conventional market rate rental housing.

2017

- ▶ **Westbrook Estates II** - This project was the second phase of apartment construction, with phase one permitted in 2015. The original building permit had indicated 70 units, but it is believed that 72 units were constructed. This project provides conventional market rate rental housing.
- ▶ **Westbrook Estates Townhomes I** - Three units were permitted in the first phase of town house construction at the Westbrook Estates complex. This project provides conventional market rate rental housing.
- ▶ **Larry's Rentals** - A 4-unit rental project was permitted at 804 Birch Street. This project provides conventional market rate rental housing.
- ▶ **Broadway Apartment** - One rental unit was created from existing space above an existing building on Broadway.

2010 to 2016

- ▶ **Green Suites** - 16 conventional apartment units permitted in 2016 serving market rate renters.
- ▶ **Westbrook Estates I** - 72 conventional apartment units permitted in 2015 serving market rate renters.
- ▶ **Yankton Heights I** - 30 moderate rent/income restricted apartment units permitted in 2014 that used federal low income housing tax credits.
- ▶ **Ability Building Services** - Two special-use projects constructed in 2010 and 2012 that created 14 rental units for a specific client group.

In addition to these larger multifamily projects identified between 2010 and 2016, there were some additional rental units created through downtown building conversions. It is also very possible that some of the units created in twin home/town house projects between 2010 and 2016 are used as rental housing, but no reliable information exists on occupancy tenure.

Housing Construction Activity in Greater Yankton

In addition to the new housing construction that has occurred within the City of Yankton, there have been some units added in the remainder of Yankton County. Although the specific jurisdictions were not identified in the County reports that were obtained, it is assumed that much of the rural construction activity has been occurring in the rural jurisdictions that are part of the Greater Yankton aggregation, including West Yankton UT and Utica Township.

The County does not issue building permits within the small communities of Mission Hill, Gayville, Volin, Utica and Lesterville.

Table 20 Yankton County Housing Construction: 2010 to 2021							
	2010-2016	2017	2018	2019	2020	2021	Total
Units	214	28	28	24	26	26	346

Source: Yankton County; U.S. Census Bureau

Between January 2010 and December 2021, Yankton County had issued permits for 346 new houses in the rural portions of the County. This includes the areas along Lewis and Clark Lake/Missouri River.

The largest number of houses permitted in a single year was in 2016, with 44 units. Since that time, reporting to the Census Bureau showed fewer than 30 new houses in any single calendar year.

It is important to note that these houses may include seasonal/recreational properties, and may not reflect housing for permanent residents.

2020 Census Housing Data

The first housing counts released from the 2020 Census included information on occupancy and vacancy of housing units. The following table compares information from 2010 and 2020 to track changes over the decade as reported by the Census.

Table 21 Housing Units, Occupancy and Vacancy - 2010 to 2020									
	Total Housing Units			Occupied Units			Vacant Units		
	2010	2020	Change	2010	2020	Change	2010	2020	Change
Yankton	6,365	6,942	+577	5,909	6,392	+483	456	550	+94
Greater Yankton	11,513	12,139	+626	10,251	10,800	+549	1,262	1,339	+77

Source: U.S. Census

- ▶ Comparing the Census housing totals from 2010 and 2020 for Yankton showed a net gain of 577 total housing units. The growth in the housing stock was greater than the growth in occupied housing units, as the City added 483 households over this same time period.
- ▶ On a previous page, information about residential permit issuance was provided. Based on available reports, it appears that the City would have added approximately 635 housing units between 2010 and 2019 through new construction, which is greater than the reconciliation of Census records which shows an increase of 577 total units over the decade.
- ▶ The smaller net increase in housing units than indicated by building permit issuance may imply that some older housing was lost in Yankton over the decade.
- ▶ The Census recording from 2020 also identified 550 vacant housing units in Yankton. Specific details of vacancy have not been released.
- ▶ For the entire Greater Yankton Area, the Census reconciliation showed a net gain of 626 housing units from 2010 to 2020. If the City is removed, the remainder of the area had a net gain of only 49 total housing units.
- ▶ Greater Yankton had 1,339 vacant units counted in the 2020 Census. While details from 2020 do not exist, in 2010 approximately 32% of all vacant housing was in seasonal/recreational units.

American Community Survey Housing Data

Age of Housing

The American Community Survey includes an estimate of the age of the housing stock. This information was from sampling through the year 2019.

For owner-occupancy units, the estimated median year of construction was 1972 for houses in Yankton. Approximately 32% of the City's owner-occupied houses were constructed before 1960.

For rental housing, the estimated median year of construction was 1975. Approximately 30% of the City's rental units had a date of construction before 1980.

Mobile Home Data

The American Community Survey includes an estimate of mobile homes in the City.

In 2019, this source estimated that there were 177 mobile homes in Yankton, compared to 254 units in 2010. If the 2019 estimate is accurate, the City lost a number of mobile home units over the decade. This would partially explain why housing unit growth over the last decade was less than the number of new construction housing unit starts.

Approximately 77% of the mobile homes in 2019 were listed as owner-occupancy housing, with the remaining 33% used as rentals.

All of the mobile homes in Yankton were identified as pre-2000 built housing.

Existing Home Sales

This section examines houses that have been sold since 2017 in the City of Yankton. The information was obtained from the South Dakota Department of Revenue website, using sales records supplied by the Yankton County Equalization Office.

The County's Equalization Office collects and utilizes information from residential sales for its annual sales ratio study. The County compares the actual sale price to the estimated taxable value for each property. As a result, the County information for sales primarily reflects existing homes that have an established tax value. New construction sales activity would generally not be recorded in the data that was used for this analysis, unless the house had been constructed in the prior year and did have an established tax value.

The County also attempts to sort the residential sales into different groupings, primarily based on whether or not the house was actively listed for sale in the open market. As a result, some sales in the County's sample may have been sales that could be considered distressed, such as houses that were previously bank-owned, but were sold by the bank back into private ownership.

The County's time period for analyzing sales differs slightly from the calendar year. It begins on November 1st and ends on October 31st of each year.

Table 22 Yankton Residential Sales Activity - 2017 through 2021

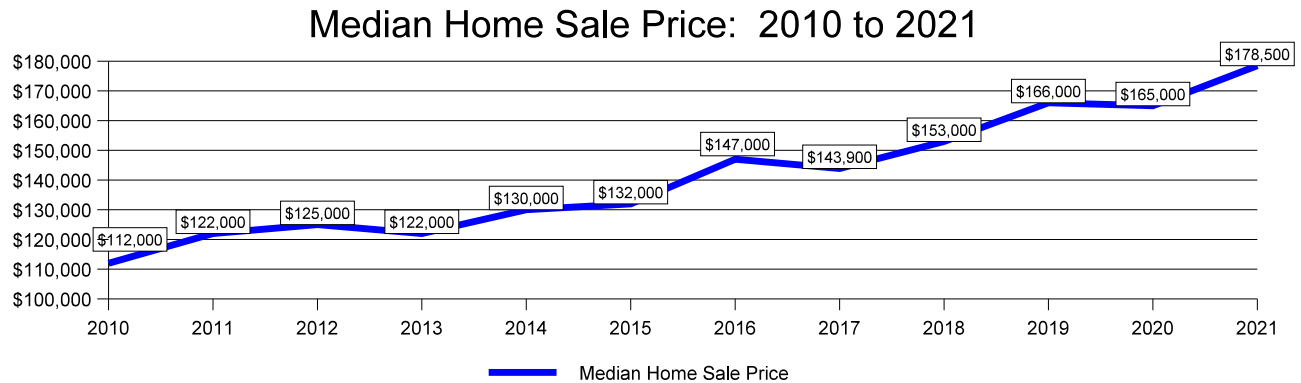
Sales Year	Number of Sales	Median Sale Price	Highest Sale	Lowest Sale
2021	275	\$178,500	\$585,000	\$26,000
2020	255	\$165,000	\$485,000	\$13,000
2019	259	\$166,000	\$775,000	\$5,500
2018	233	\$153,000	\$510,000	\$6,000
2017	239	\$143,900	\$665,000	\$17,000

Source: SD Department of Revenue; Community Partners Research

Over the past several years the median home sale price in Yankton has been on a general upward trend. Over the previous five years the median price has increased from \$143,900 in 2017, to a high of \$178,500 in 2021.

There has been some variation in the annual number of open market transactions. In 2018 there were 233 sales that were viewed as fair market transfers, the lowest volume over the time period reviewed. In 2021, there were 275 open market sales, the largest volume of any recent year.

Using sales information from the 2017 Housing Study, it is possible to track longer-term patterns in the growth of the City's median home sales price.



The array of annual sales can also be examined for the highest and lowest values for each year. In each of the past five years there appears to be at least one house that sold for \$26,000 or less, and at least one sale for \$485,000 or more.

The Census Bureau's annual American Community Survey also includes an estimate of the median value for owner-occupancy houses. In 2019, the estimated median value in Yankton was \$148,700, compared to a median sales price of \$166,000 for that year.

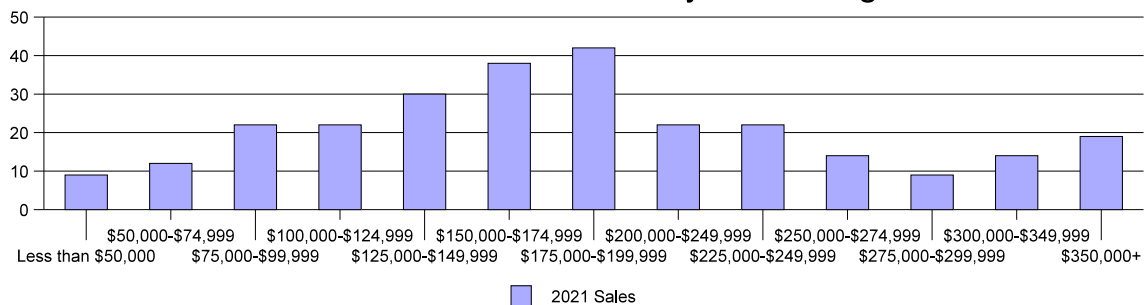
Home Sales by Price Range

The following table looks at single family houses that sold within defined price ranges in 2021.

Table 23 Yankton Home Sales by Price Range in 2021		
Sale Price	Number of Sales	Percent of Sales
Less than \$49,999	9	3.3%
\$50,000 - \$74,999	12	4.4%
\$75,000 - \$99,999	22	8.0%
\$100,000 - \$124,999	22	8.0%
\$125,000 - \$149,999	30	10.9%
\$150,000 - \$174,999	38	13.8%
\$175,000 - \$199,999	42	15.3%
\$200,000 - \$224,999	22	8.0%
\$225,000-\$249,999	22	8.0%
\$250,000 - \$274,999	14	5.1%
\$275,000 - \$299,999	9	3.3%
\$300,000 - \$349,999	14	5.1%
\$350,000+	19	6.9%
Total	275	100%

Source: SD Dept. of Revenue; Community Partners Research, Inc.

2021 Yankton Home Sales by Price Range



Recent home sales in Yankton have been widely distributed in different price ranges, but 48% of 2021 sales were priced between \$100,000 and \$199,999. Fewer than 16% of existing homes sold for less than \$100,000, and approximately 36% of all sales were for \$200,000 or more.

Multiple Listing Service Home Value Data

As part of the research process, Community Partners Research, Inc., obtained information from the Meridian Association of Realtors on home sales through the Multiple Listing Service (MLS). This information showed the number of sales and sale prices for different types of housing units. Similar information, covering the years 2009 through 2016, was included in the previous Housing Studies. For the 2022 Update, data for the years from 2017 through 2021 are presented.

Although most sales reported in the Yankton County Equalization data would be included in the MLS summary, there are also some differences between the two sources. There is a timing difference, as the MLS summaries are based on a calendar year, while the County's sales period begins on November 1st of each year. There is also a geographical difference, as the MLS region would extend beyond the Yankton city limits, while the County data were specific to sales within the City.

The MLS data would only include sales that were listed with a Realtor, while the County data would include properties sold directly by the owner. The MLS reports identify sales by various housing types, including single family detached, town houses and twin homes, while this level of specificity was not available in the County reports.

Table 24 Yankton Area Residential Sales Activity - 2017 to 2021						
		2017	2018	2019	2020	2021
Single Family Detached	Number of Sales	209	193	205	239	254
	Median Price	\$162,500	\$167,500	\$176,000	\$179,900	\$195,750
Town House	Number of Sales	17	20	20	13	14
	Median Price	\$153,000	\$171,900	\$158,400	\$122,000	\$193,500
Twin Home	Number of Sales	8	11	13	5	11
	Median Price	\$187,050	\$190,000	\$196,500	\$230,000	\$235,000
Condos	Number of Sales	5	3	1	7	3
	Median Price	\$110,000	\$334,500	\$389,000	\$344,000	\$347,500

Source: Yankton MLS; Community Partners Research

The summary reports from the Multiple Listing Service do show that most of the home sales in the Yankton area are single family detached housing units. In each of the five years reviewed, detached houses represented more than 85% of the annual MLS sales volume.

The annual median sale prices for single family detached homes tended to be higher in the MLS data than from the County records presented earlier, but the MLS would include houses outside the city limits, including homes that had larger land holdings.

Due to the limited number of annual sales for most other housing types, there was sometimes a wide variation in the median price from year to year. For home styles other than single family detached, the highest medians were generally found in condominiums in recent years, but with few annual sales this may not be a good indicator of overall values.

In each of the five years reviewed, the median sale price for twin home units was greater than for detached houses. But once again this may have been due to a small sample size.

Town house units generally had a lower median than detached houses, although in 2021 this difference was less than \$2,000.

Active Residential Listings

The Meridian Association of Realtors website was used to collect information on active residential real estate listings in Yankton. When viewed in mid-January 2022, there were only 12 homes listed for sale. These houses ranged from a low of \$75,000 for a double-wide manufactured home, to a listing for \$999,999 for a waterfront home. Half of the 12 houses being offered for sale were priced below \$200,000, with the remaining homes listed above \$200,000.

It is important to note that the active properties are those included in the Multiple Listing Service (MLS) and would generally be offered through a real estate agent. There are other properties that are posted for sale in Yankton that would not be part of the MLS, including most homes being offered “for sale by owner”.

Conversations with Realtors as part of the research process for this Update indicated that there is significant demand for good quality houses in Yankton, and that most new listings sell quickly. As a result, there is a very small supply of existing homes listed for sale in 2022.

Residential Lot Supply

The City of Yankton has a number of land developers and/or home builders that are actively improving and selling residential lots in 2022. There are various subdivision choices that exist, with lots in different price ranges for different housing options.

In general, most of the subdivisions are limited in size, and reflect near-term demand. Developers often have additional adjoining land that can be platted and improved as needed to keep pace with annual sales. As a result, an overly large inventory may not exist at all times, but developers are adept at bringing new lots into the market to facilitate ongoing home construction.

The following summary reflects most of the identified subdivisions that are actively marketing lots or lot/house packages for sale in 2022.

Benedict Estates - This subdivision was started in 2015 and is now in the second development phase, with an estimated 12 lots for single family houses. This is a builder-exclusive development, with most houses in a moderate price range.

Dakota West - This subdivision is estimated to have more than 20 vacant lots for single family detached homes. Some lots may be re-platted to create sites for twin home construction.

Golf View Estates - This subdivision created both golf course fronting golf course view lots that are across the street. Approximately three off-course lots are believed to remain available in 2022.

Ridgeway North - A local home builder owns larger tracks of land in the northeast portion of the City and has been improving clusters of lots in small annual phases to facilitate ongoing single family construction. This area is within the City limits but is served by the Rural Water system. Only a small vacant lot inventory may be available in 2022, but a 4-lot phase was just platted, and lots are improved as needed. Houses are typically within a moderate to higher price range.

Summit Heights - This development area created lots for both single family and twin home construction through a local builder, but very few lots remain in 2022. The developer has plans to create approximately 20 lots for detached and attached single family homes on a nearby parcel.

Westbrook Estates - This subdivision was created in 2015, with additional lot phases developed since that time. Yankton Area Progressive Growth (now Yankton Thrive) was a partner in the first phase, with a goal of creating more affordable lot and home ownership opportunities. The second phase was privately developed and has an estimated 20 lots available. Most of the lots in the current phase are believed to have affordable home price restrictions. Future lot development is expected to occur for both single family and twin home construction.

It is important to note that in addition to the lot options that exist within the City of Yankton, an inventory of rural residential lots is present in the township areas that surround the City, in both South Dakota and Nebraska. Many of these rural lots orient to the Missouri River or Lewis and Clark Reservoir, offering water views. These are generally higher-priced lots that are one acre or more in size, and may need on-site sewage treatment systems.

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Rental Housing Data

Census Bureau Rental Inventory

The 2020 Census data on housing occupancy tenure patterns have not yet been released. As a result, the last benchmark for tenure distribution is from the 2010 Census. At that time there were 2,253 occupied rental units, and at least 257 unoccupied rental units in Yankton, for a total estimated rental inventory of 2,510 units. The City's rental tenure rate was 38.1%, based on renter-occupancy households.

The American Community Survey did contain an estimate of rental housing units in 2019. At that time, there were an estimated 2,594 occupied rental housing units in Yankton and 179 vacant units, for a total inventory of 2,773 rental units. The rental tenure rate was 40.9% based on occupied units in the City.

Comparing the 2010 Census to the 2019 estimates, it appears that Yankton had added 263 rental units to the inventory over the decade. The City added 341 occupied rental units, which exceeded the identified growth in the inventory, as formerly vacant units were occupied and as the vacancy rate dropped over this time period.

Rental Unit Construction

It is also possible to track the estimated gain in rental housing over the decade through new construction. The previous Housing Study had identified the probable construction of 110 rental units in the City between 2010 and 2015. From 2016 through 2018, an additional 134 units appear to have been permitted as rental housing. These units should have been constructed and available in the housing stock by 2019, matching the most recent American Community Survey.

The estimated net gain in rental housing due to new construction between 2010 and 2018 was 244 units, slightly lower than the growth contained in the American Community Survey estimates which showed 263 units added. This would imply that other factors may also have contributed to the growth of the rental stock, including probable tenure conversion, as some units that had been owner-occupied in 2010 may have switched to rental use by 2019. However, based on the information available, the number of units that changed tenure was probably limited.

Recent Rental Construction

In the section of this document that examines building permit trends, information was provided on rental housing development since the year 2010. In addition to approximately 245 new rental units that were constructed between 2010 and 2018, additional projects have been permitted in the past three years.

Based on building permit reports, as many as 186 total units were permitted, including construction that is underway in 2022. Most of these most recent units are in phases of construction at Fox Run Townhomes, a project that should have 108 total units available for occupancy by the end of 2022. It is also possible that some additional projects may be permitted and start construction in 2022.

Pending/Proposed Rental Projects

The research for this Update identified the following rental projects that have been proposed in Yankton.

An additional phase of rental town house development is being planned at the Avera Sacred Heart campus. Currently there are eight rental town homes serving independent senior households. As many as 10 to 12 additional units may be added, with the potential for additional expansions in future years.

Five rental lofts are being created in a downtown building.

A former historic apartment building that has been unoccupied for many years has been proposed for renovation. It is believed that approximately 19 rental units could be added back to the usable housing inventory through this project.

A large local employer has acquired a former hotel property with a plan to renovate the rooms into short-term housing for newly hired employees that are relocating from outside the immediate Yankton area. While this would not create permanent rental units, it would address the short-term needs of some workers arriving in the community.

Rental Housing Survey

As part of this housing study, a telephone survey was conducted of multifamily projects in the City of Yankton. The survey was primarily conducted in December 2021, although some follow up contacts were made in January and February 2022.

Emphasis was placed on contacting all of the properties that were included in previous Housing Studies for Yankton, along with newly developed projects.

Previous rental surveys had focused on multifamily properties, primarily with five or more units. Although some smaller rental properties were also surveyed, no attempt was made to collect information from single family rentals, duplexes or other miscellaneous rentals. For the purposes of planning additional projects in the future, multifamily properties represent the best comparison of market potential.

Multiple attempts were made to contact each property. Information was tallied separately for different types of rental housing, including conventional market rate units, moderate rent/tax credit units, federally subsidized housing, and senior housing offering some level of services to residents. The information on specialized senior housing with services is presented separately, in a later section of this document.

There were more than 1,500 housing units of all types that were contacted in the telephone survey. This total would represent approximately 53% of the City's estimated total inventory of rental housing units. The units that were successfully contacted include:

- ▶ 625 conventional market rate units
- ▶ 174 moderate rent /income restricted tax credit units
- ▶ 225 subsidized units for senior/disabled occupancy
- ▶ 351 subsidized units for general occupancy
- ▶ 168 specialized senior units/beds (detailed in following section)

The findings of the survey for independent living units are provided below. The findings of the survey for senior housing with services units are presented in the next section of this Update.

Market Rate Summary

Usable information was obtained from 37 different market rate rental projects. Combined, these projects had 625 conventional rental units.

The project and unit totals did include various forms of housing. In some cases, these represent downtown apartments above commercial buildings, clusters of small properties that have a single owner/manager, or units in large houses that were later subdivided into apartments. However, most of the conventional units exist in multifamily complexes, with four or more units per building.

For some of the properties contacted only partial information was obtained. For example, some owners/managers did not provide the exact bedroom mix for units in their building. In other cases, vacancies were not defined by bedroom mix. For some of the calculations that follow, a smaller subset of market rate units may have been used.

Unit Mix

The following breakdown is based on the specific information obtained from 554 units:

- ▶ Efficiency/Sleeping Rooms - 4 units (0.7% of the reported units)
- ▶ One-bedroom - 190 units (34.3%)
- ▶ Two-bedroom - 306 units (55.2%)
- ▶ Three-bedroom - 53 units (9.6%)
- ▶ Four-bedroom - 1 unit (0.2%)

Occupancy / Vacancy

Within the conventional market rate multifamily segment there were very few actual vacancies reported. When unoccupied units did exist, they were generally due to recent turnover and were in the process of being filled. Most owners/managers reported strong demand, with frequent phone calls from prospective tenants.

Based on the open units that were reported, the estimated vacancy rate within the conventional market rate sector would be approximately 1% or less. There were also a small number of units that were intentionally vacant due to condition issues or allow for unit repairs.

The estimated vacancy rate in 2021 was lower than calculated in prior surveys completed in 2017 and 2013.

There were differing opinions expressed about the strength of the local rental market. Some owners/managers indicated that many inquiries were received from prospective tenants. However, other owners/managers commented about an oversupply of rental housing in Yankton due the new units added in the past few years.

Rental Rates

Rental rates in Yankton can vary widely, reflecting the age of construction and the unit amenities being offered. Reported rents may include the primary utility payments within the contract rent, or the tenant may be required to pay some utilities separately, in addition to the contract rent.

In the following summary, Community Partners Research has attempted to estimate the gross rents being charged, inclusive of an estimate for tenant-paid utilities. In the first column, the lowest and highest gross rents have been identified, as reported in the telephone survey. Since the highest and lowest ends of the rent range may not be representative of most units, a prevailing rent column has also been listed that attempts to define the gross rents being charged by a larger percentage of the units surveyed.

<u>Unit Type</u>	<u>Lowest/Highest Gross Rents</u>	<u>Prevailing Rents Majority of Units</u>
Efficiency/Studio	\$200-\$675	\$475-\$675
One-bedroom	\$505-\$1380	\$575-\$1000
Two-bedroom	\$575-\$1550	\$700-\$1100
Three-bedroom	\$825-\$2175	\$950-\$1400

Certain types of units, such as efficiency/studios and three-bedroom rentals, were not well represented in the multifamily sample and the rent levels presented above may not be a good reflection of the typical rental rates in the community.

Moderate Rent/Income Restricted Summary

The City of Yankton has had a number of moderate rent projects constructed in recent decades that received federal or state assistance, but that do not offer “deep subsidy” rental housing with project-based rent assistance. These projects were most often assisted through federal low income housing tax credits, but other sources were also used, including HUD’s HOME or Neighborhood Stabilization Programs.

The following section analyzes this segment of the market which has income and rent restrictions in place, but generally has moderate rent levels that are too high to serve very low income renters.

Tax Credit Inventory

Since the late 1980s, the primary federal incentive program for the production of affordable rental housing has been through federal low income housing tax credits, also referred to as Section 42 housing. In South Dakota, tax credits are awarded annually on a competitive basis through the South Dakota Housing Development Authority (SDHDA).

Projects receiving tax credit assistance have income, occupancy and rent restrictions in place for 15 years or more. The income limits are generally tied to 60% or less of a HUD-designated median income level, although a portion of the units may be set aside for even lower income ranges.

The earliest tax credit projects often had a 15-year compliance requirement. Once completed, these projects were able to convert to conventional rental housing. At a later time, extended compliance requirements were added, and after the first 15 years, some of the affordable housing regulations remained in place.

The 2017 Housing Study had identified 10 rental projects in Yankton that had received a tax credit award. Based on the research completed for this Update, one additional tax credit project has been added, Yankton Heights II, which was awarded credits in November 2017. This new project constructed 40 income-restricted units for general occupancy.

Tax Credits for Subsidized New Construction

Most of the tax credit awards in Yankton have been made for new construction of affordable housing. However, three of the new construction awards were made in conjunction with other federal subsidy programs to create very affordable housing. Since other federal subsidy sources were used, these units typically operate as subsidized housing, with rent based on household income, and the ability to serve even very low income renters.

The new construction tax credit projects that operate as subsidized housing are:

- ▶ Memory Lane Apartments (USDA Rural Development)
- ▶ Sunrise Apartments (USDA Rural Development)
- ▶ Sunrise II Apartments (USDA Rural Development)

All three projects still participate in the Rural Development subsidy program and have been included in the subsidized housing analysis that follows later in this section.

Tax Credits for Subsidized Preservation

There have been four tax credit awards made to existing subsidized projects in Yankton for renovation/preservation activities.

- ▶ Colonial Square Apartments (HUD project constructed in the 1970s)
- ▶ Walnut Hill (HUD project constructed in the 1970s)
- ▶ Sir Charles Apartments (HUD project)
- ▶ Whiting Court (HUD project constructed in the 1970s)

The 15-year tax credit compliance period has been met for Colonial Square and Walnut Hill, but both of these continue to operate as HUD subsidized housing. Sir Charles received a tax credit award in 2011 but also offers HUD subsidized housing for senior/disabled tenants. Whiting Court received a preservation award in 2015 and continues to operate as HUD subsidized housing. Colonial Square, Walnut Hill, Sir Charles and Whiting Court have also been included in the subsidized housing analysis that follows later in this section.

Tax Credits for Moderate Rent New Construction

There are five tax credit awards that were made for new construction projects serving moderate income renters, without any other form of project-based federal subsidies. These moderate rent projects are:

- ▶ Sutton Place (2001 award)
- ▶ Sutton Place II (2002)
- ▶ Apple Creek (2008)
- ▶ Yankton Heights (2014)
- ▶ Yankton Heights II (2017)

These four new construction tax credit projects have 174 combined units serving low and moderate income renters.

HOME Program Inventory

The South Dakota Housing Development Authority has also made affordable rental funding awards over the past few decades using HUD's HOME program. The use of HOME funds imposes income restrictions of the assisted units, with all units serving households at or below 80% of the median income level, and some units serving households at or below 50% of the median income level.

Like tax credits, HOME-assisted units had a contract compliance requirement, generally believed to be 15 years or less for most projects. In 2022 there are no remaining rental projects in Yankton that still comply with only the HOME Program requirements. At the time of the 2017 Housing Study, Prairie View Townhomes was still in compliance with the HOME Program, but since that time has been converted to conventional market rate housing.

It should be noted that Sutton Place I and II also received HOME Program funding, along with housing tax credits, but the tax credit regulations are generally more restrictive for most units, and they have been categorized as tax credit housing.

Moderate Rent/Income Restricted Unit Mix

The following breakdown is based on the 174 moderate rent units that operate under tax credit regulations.

- ▶ One-bedroom - 25 units (14.4% of the reported units)
- ▶ Two-bedroom - 113 units (64.9%)
- ▶ Three-bedroom - 36 units (20.7%)

Occupancy / Vacancy

One of the moderate rent tax credit projects, Apple Creek Apartments, could not be contacted in the rental telephone survey. Usable occupancy information was collected on the remaining 140 units in this market segment. On the date of the survey, there were five units reported as vacant, for a vacancy rate of 3.6%.

The vacancies were generally attributed to recent turnover. Due to the income certification requirements, there can be a time delay in filling open units while paperwork processing is underway. Some of the vacancies were also attributed to the income limits that apply.

Applicants must have an income that is below the applicable limits, typically set at 60% of median income. However, all of the unoccupied units identified in the survey were actually designated to serve households at or below 50% of median income, and some of the applicants were above this limit but would have been eligible for a unit at 60% of median.

Each of the contacted reported the existence of a waiting list for occupancy. Some managers stated that a number of prospective tenants are over the income limits set at 60% of median income and are not eligible to live in tax credit housing.

Rental Rates

Federal requirements place rent caps on assisted units. Tax credit requirements, which apply to most of the moderate rent units within this segment, have gross rents capped at 60% of the median income level. However, it is typical to see many units at or below the limits set at 50% of median, in part due to competitive market pressures.

The 2017 rent limits for Yankton County at 50% and 60% of median are provided below, along with the range currently being charged by tax credit and Home Program projects in Yankton, based on the survey responses.

	<u>Yankton Range</u>	<u>50% Limits</u>	<u>60% Limits</u>
One-bedroom	\$410 - \$700	\$685	\$822
Two-bedroom	\$540 - \$825	\$822	\$987
Three-bedroom	\$775 - \$905	\$950	\$1140

Most of the income restricted moderate rent units in Yankton are charging gross rents that are below the federal limits set for households at 50% of the median income level.

Proposed Moderate Rent/Income Restricted Projects

There were no pending or proposed tax credit projects identified in 2022.

Subsidized Summary

The research completed for this Update identified 24 subsidized projects in Yankton that provide rental opportunities for lower income households. These projects have a combined 576 units.

The projects analyzed in this section serve the general occupancy or senior/disabled segments of the market, but do not include housing projects targeted to special needs populations. There are some additional subsidized projects in Yankton that serve populations such as the developmentally disabled, but occupancy in these buildings is generally controlled by a specialized service provider, and these units are not available for the general rental market.

The total subsidized inventory in 2022 is slightly lower than in 2017. In late 2021, Meadow Park Apartments ended its USDA Rural Development subsidy contract and converted to conventional market rate housing.

Senior/Disabled Occupancy Inventory

Seven of the subsidized projects are designated for or oriented to senior and/or disabled tenant occupancy. These projects have a combined total of 225 units. The senior/disabled occupancy projects are:

- ▶ Canyon Ridge
- ▶ Marne Creek
- ▶ Memory Lane
- ▶ Sir Charles
- ▶ Sunrise
- ▶ Sunrise II
- ▶ Walnut Hill

The total inventory of subsidized housing oriented to senior/disabled tenant occupancy in 2022 is smaller than in the recent past. Since the time of the 2017 Housing Study, Orchard Square with 60 total units has converted to general occupancy subsidized housing, and Meadow Creek with 20 units has ended its USDA Rural Development subsidy contract.

General Occupancy Inventory

There are 17 subsidized projects that are designated as general occupancy housing. Combined, they have 351 total units. The general occupancy projects are:

- ▶ Ashbury
- ▶ Between the Fifties
- ▶ Canyon Ridge Townhomes
- ▶ Colonial Square
- ▶ Crestview
- ▶ East Meadow
- ▶ Estes
- ▶ Heritage
- ▶ Locust Lane
- ▶ Orchard Square
- ▶ Pineview
- ▶ River Run
- ▶ Terrace Hill
- ▶ Valley Park
- ▶ Village Green
- ▶ Walnut Hill Townhomes
- ▶ Whiting Court (formerly Evergreen Lodge)

The general occupancy subsidized inventory in 2022 is larger than in the past, as Orchard Square with 60 units has changed its occupancy designation from senior/disabled occupancy to general occupancy.

Rental Rates

Most of the City's subsidized units have access to project-based rent assistance. These units can charge rent based on 30% of the tenant's household income. A small number of units in some Rural Development projects may not have rent assistance. Units without project-based rent assistance have a basic rent amount that is charged, even if this is above 30% of income for the tenant.

SDHDA attempts to reallocate available rent assistance to different projects around the State, to serve income-eligible households. As a result, nearly all low income renters can often access project-based rent assistance.

There are also tenant-based rent assistance Vouchers available in the area. It is possible that some of these Vouchers could be used in subsidized projects that cannot offer project-based rent assistance to all lower income tenants, but most Vouchers tend to be used in non-subsidized rental housing.

Senior/Disabled Occupancy Unit Mix

The individual subsidized rental projects in Yankton that primarily serve senior/disabled populations range in size from 18 units to 40 units. The bedroom mix breakdown is as follows (excluding special needs units):

- ▶ 221 one-bedroom (98.2% of total)
- ▶ 4 two-bedroom (1.8%)

Nearly all of the units oriented to senior/disabled tenant occupancy have only one bedroom. There had been some additional two-bedroom units in 2017, but the removal of Orchard Square and Meadow Park from this market segment has reduced the supply of units with two-bedrooms.

General Occupancy Unit Mix

For projects with a general occupancy designation, the following bedroom mix exists:

- ▶ 143 one-bedroom (40.7% of total)
- ▶ 182 two-bedroom (51.9%)
- ▶ 26 three-bedroom (7.4%)

Most of the general occupancy subsidized units in Yankton have two or more bedrooms, but nearly 41% are in one-bedroom apartments. The occupancy designation change in Orchard Square added 45 one-bedrooms to the general occupancy inventory.

Senior/Disabled Occupancy Vacancy Rate

Occupancy information was collected from all seven of the subsidized projects oriented to senior/disabled tenant occupancy. There were seven unoccupied units that were identified. This represented a vacancy rate of approximately 3.1% within this housing segment.

It is important to note that the inventory of units within this market segment has decreased significantly within the past few years, as one project ended its subsidy contract and another project converted to general occupancy subsidized housing, removing 80 units from the senior/disabled market segment.

It is also necessary to state that some level of vacancy can occur in subsidized housing due to the processing time required to fill open units. Properly certifying new tenants can result in short-term vacancies.

Some of the projects also reported the existence of a waiting list, although in some cases these waiting lists only had a few names.

General Occupancy Vacancy Rate

Usable occupancy information was obtained from 277 general occupancy subsidized units in 13 different projects. There were 31 unoccupied units that were identified in the general occupancy subsidized projects. This was a vacancy rate of 11.2% overall. Some additional intentional vacancies existed in properties that were undertaking repairs but these were not included in the vacancy rate calculation.

The vacancy rate for one-bedroom units was 11.1%. The vacancy rate for two-bedroom units was 11.8%. The vacancy rate for three-bedrooms was 7.7%.

As stated above, some vacancies in subsidized housing are caused by paperwork requirements and the processing time needed to properly certify new tenants. However, the vacancies recorded in the recent telephone survey reflect more than processing vacancies.

Some of the projects did report a waiting list for occupancy, while other projects did not. Those with vacancies generally did not have an existing waiting list to use. Waiting lists can also be out-of-date, as some applicants may need immediate access to housing.

Another indicator of demand for subsidized housing is the waiting list for tenant-based Vouchers, which is not location or project-specific. In January 2022, there was only a short waiting list for this program.

Tenant-Based Rent Assistance Vouchers

Yankton renters also have access to tenant-based rent assistance through the U.S. Department of Housing and Urban Development (HUD), primarily through the Housing Choice Voucher program or through the Mainstream Voucher program.

HUD Voucher assistance is issued to income-eligible households for use in suitable, private market rental housing. With the assistance, a household pays approximately 30% of their income for their rent, with the program subsidy paying any additional rent amounts.

The rent assistance programs are administered by the Yankton Housing and Redevelopment Commission. The service area includes Yankton and some neighboring cities and counties.

The combined programs have authority to issue 160 Vouchers, but budget limitations generally limit the actual number to approximately 150 Vouchers. At the time of the research for this Update, there were 136 Voucher households living in the City of Yankton. Since this rent assistance is tenant-based, and moves with the household, the actual number of participating households within the City can vary from month to month.

To use the Voucher assistance, the participating household must live in an eligible rental unit. There are maximum rent limitations that apply, and the unit must meet certain housing quality standards.

With the low rate of rental vacancy in Yankton, and resulting upward pricing pressure, it is often difficult for an eligible household with a newly issued Voucher to secure a suitable unit. Many Voucher holders are living in one of the moderate rent tax credit projects in the City, including Sutton Place, Yankton Heights and Apple Creek. While the Voucher makes these affordable units available to even lower income households, it does not expand the overall supply of affordable options in the community.

In January 2022 the Voucher programs had only a short waiting list. This may be due in part to strong economic conditions in the Yankton area, but may also be impacted by pandemic relief efforts including Emergency Rental Assistance as part of the CARES Act, which has provided temporary assistance to some renter households.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Abraham Lincoln Building 305 Cedar St	6 - 2 Bedroom <u>1 - 3 Bedroom</u> 7 Total Units	\$600-\$700 \$650 +gas, electric, sewer, water	No vacant units	Mostly single tenants	Older mixed-use downtown building. Rent includes garbage with tenant paying remaining utilities. Units are being renovated and higher end of rent range reflects completed units. Full occupancy and good demand reported with 1 unit intentionally vacant for renovation. Most tenants are single people.
Anderson Lofts 215 W 3rd St	1 - 1 Bedroom <u>2 - 2 Bedroom</u> 3 Total Units	\$1000 \$1000-\$1100 +most utilities	No vacant units	Mostly younger tenants	Three rental units created in 2015 in a downtown mixed use property. Rent includes garbage but all other utilities paid by tenant. Amenities include dishwasher, disposal and off-street parking. Upper floor units are large lofts with approx. 1200 sq ft. Full occupancy and good demand reported - most tenants are younger people that want to live downtown. Rents have increased only slightly from 2017 survey.
Anderson Lofts 213 W 3rd St	3 - 1 Bedroom <u>1 - 2 Bedroom</u> 4 Total Units	\$750 \$600-\$750 includes utilities	No vacant units	Mostly younger households	Rental units on upper floor of an 1800s downtown commercial building. Unit renovations have been made in recent years. Rent includes utilities. Units have approx. 600 sq ft, 1 bathroom and off-street parking. Owner reported full occupancy and good demand. Most tenants are younger singles or couples. Rents have increased by \$100 to \$150 from 2017 survey.
804 Belfast St	1 - 1 Bedroom <u>3 - 2 Bedroom</u> 4 Total Units	\$575 \$625 +utilities	No vacant units	Mix of tenants	Two-level apartment building constructed in the late 1960s/early 1970s. Tenants pay utilities in addition to rent. Amenities include coin laundry and off-street parking. Manager reported full occupancy and good demand. Rents have increased by \$100 from 2017.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Bunker Apartments 305-307 Bunker Lane	<u>8 - 2 Bedroom</u> 8 Total Units	\$650 +most utilities	No vacant units	Mix of tenants	Two four-plex structures constructed in 1976. Rent includes water, sewer and garbage with tenant paying other utilities. Amenities include detached garage, in-unit laundry hookup and central AC. Owner reports no vacancies and good demand for affordable units. Rents have increased by \$65 from 2017 survey.
Carriage House Apartments 805 E 15 th St	3 - 1 Bedroom <u>24 - 2 Bedroom</u> 27 Total Units	\$650-\$675 \$745-\$840 +heat, electric	No vacant units	Mix of tenants	Multi-story apartment building with elevator and underground parking that was constructed in the early 1990s. Tenant pays heat and electric in addition to rent. Units have wall AC, dishwasher and a heated parking space for each unit. Building has coin laundry facilities. Multiple floor plans with 1-bedrooms having approx. 800 sq ft and 2-bedrooms ranging from 800 to 1240 sq ft; larger units have 2 bathrooms. Manager reported one open unit on date of survey but application was being processed. Rents have increased by \$50 to \$65 from 2017 survey.
Cedar Street Apartments 1014 Cedar St	1 - 1 Bedroom <u>11 - 2 Bedroom</u> 12 Total Units	N/A +electric	N/A	N/A	Unable to contact - information presented is from prior surveys. Apartment building constructed in the mid-1960s. Rent includes heat, water, sewer and garbage, with tenant paying electric. Amenities include coin laundry and off-street parking.
The Clark (formerly River Heights) 1305-1307 W 8 th St	10 - 1 Bedroom <u>32 - 2 Bedroom</u> 42 Total Units	N/A +electric	N/A	N/A	Unable to contact - information presented is from prior surveys. Complex includes two buildings constructed in the 1960s with 24 units and 18 units. Buildings are 3-level. Rent includes heat, but tenant pays electric. Amenities include coin laundry and 10 garages. One-bedrooms have 675 sq ft and 2-bedrooms have 775 sq ft; all units have 1 bathroom.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Corner Stone Apartments 408-412 Burleigh St	6 - 1 Bedroom 6 - 2 Bedroom 12 Total Units	\$475 \$725-\$825 utilities vary by unit	1 vacant unit	Mix of tenants	Stone rowhouse units constructed in the 1950s or earlier. Units are one-level with private entrance. Utilities vary by unit, with lower end of the range tenants pay heat and electricity. One unit vacant at time of survey due to turnover, but good demand exists. Rents have increased by \$50 to \$125 from 2017 survey.
Country Acres Mobile Home Park East Highway 50	2 Bedroom 3 Bedroom 15-20 Total Units	N/A +heat, electric	N/A	N/A	Unable to contact - information presented is from prior surveys. Mobile home park with approximately 15 to 20 units that are owned by park owner and used as rental housing. Unit size and age varies, but 1990s mobile homes are typical. Tenants pay lot rent, heat and electric in addition to unit rent.
714 Douglas	2 - 1 Bedroom 3 - 2 Bedroom 5 Total Units	N/A +heat, electric	N/A	N/A	Unable to contact - information presented is from prior surveys. Apartment units created in former office building was converted to rental housing, with 2 units in 2010 and 3 units in 2015. Tenants pay heat and electric in addition to rent.
Douglas Point 2500-2506 Douglas Ave	4 - 1 Bedroom 44 - 2 Bedroom 48 Total Units	\$500 \$600 +heat, electric	No vacant units	General occupancy	Four 12-unit buildings in complex that was originally built as USDA Rural Development subsidized housing but converted to market rate in 2015 and was sold. Apartment buildings are 2-level and constructed in 1978. All eligible tenants were issued a portable Voucher at time of conversion. Tenant pay electric heat and electricity in addition to rent. Owner reported full occupancy and good demand for affordable units. Rents have increased by \$50 from 2017 survey.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Downtown Loft Apartments	<u>7 - 2 Bedroom</u> 7 Total Units	Approximately \$1200 includes utilities	No vacant units	Mostly younger households	Owner with 7 apartments in various downtown buildings. Units vary, but most are large, with 2000 or more square feet, and have 2 bedrooms and either 1 or 2 bathrooms. Typical rent is around \$1000, and most units include utilities in rent. Good demand for unique rental options, especially from younger singles and couples - location is generally not conducive to families with children. Parking is generally available in public lots. Units do have in-unit laundry. Most buildings are low density with only one or two lofts on upper floors of commercial buildings. Rents have increased by approx. \$200 from 2017 survey.
103 W 4 th St	<u>2 - 1 Bedroom</u> 2 Total Units	\$600 +heat, electric	No vacant units	Mix of tenants	Rental units in older downtown building that were created from unused space - unique one-bedroom floor plans were created. Rent includes water, sewer and garbage, with tenant paying heat and electric. Full occupancy reported. Rent is unchanged from 2017.
501/503 W 4 th	<u>9 - 1 Bedroom</u> 9 Total Units	\$425 +heat, electric	No vacant units	Singles and couples	Apartment building constructed in the early 1940s within walking distance of downtown. All units have 1 bedroom and most tenants are singles or couples. Most tenants pay heat and electric in addition to rent - basement unit includes utilities and is higher rent. Some tenants may use rent assistance Vouchers. Owner reported no vacant units and good demand. Rent has increased by \$50 from 2017 survey.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Fox Run Apartments 1313 W 30th	18 - 2 Bedroom <u>6 - 3 Bedroom</u> 24 Total Units	\$800-\$850 \$900-\$950 +heat, electric	No vacant units	Mix of tenants	Three-level apartment building constructed in 2006, without elevator. Tenants pay heat (electric) and electric in addition to rent. Amenities include dishwasher, microwave, balcony/patio and 3-bedrooms have in-unit laundry hookup and master bathroom. Project amenities include fitness room and detached garages. Manager reports that 2-bedrooms have 1 bathroom and approx. 750 sq ft, and 3-bedrooms have 2 bathrooms and nearly 1000 sq ft. No units vacant at time of survey and turnover units fill quickly. Higher end rents reflect new lease amounts. Rents have increase by \$200 from 2017 survey.
Fox Run Townhomes 900 W 25 th St	12 - 1 Bedroom 20 - 2 Bedroom <u>4 - 3 Bedroom</u> 36 Total Units	\$900-\$1100 \$1075-\$1150 \$1250-\$1300 +heat, electric	No vacant units	Mix of tenants	Town house-style rental project constructed in 2020 with initial occupancy in Jan. 2021. Most units are 2-level with attached 1-car garage. Rent includes sewer, water and garbage with tenant paying electricity including heat. Located on golf course with membership discount and golf storage for \$50/month. Unit amenities include dishwasher, microwave, disposal, in-unit laundry, walk-in closet and patio. Units range from 723 to 1502 sq ft with 1 to 2.5 bathrooms. Manager reported full occupancy. Second and third phases will be constructed in 2022 with 108 total units in complex.
1400-1418 Green St	<u>10 - 3 Bedroom</u> 10 Total Units	\$800-\$950 +utilities	No vacant units	Mix of tenants	Ten town house units in a 14-unit complex that have been used as rental housing. Project was constructed in 2003. Tenant pays utilities. Each unit has 3 bedrooms, 3 bathrooms and a detached garage, with approx. 1500 sq ft of living space. Full occupancy and good demand reported. No comparable rent information from 2017.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Green Suites 2210 Green St	<u>16 - 1 Bedroom</u> 16 Total Units	N/A +utilities	N/A	N/A	Unable to contact - information presented is from prior survey. Two-level walkup apartment building constructed in 2016. Tenants pay all utilities in addition to rent. Unit amenities include stove, refrigerator, dishwasher, central AC and in-unit laundry hookup. All units are 1-bedroom with 1 bathroom.
Hillcrest East 2205 Burleigh St	1 Bedroom 2 Bedroom <u>2 Bdrm+Den</u> 71 Total Units	\$1000-\$1100 \$1200-\$1400 \$1600-\$1700 +heat, electric	2 vacant units 1 - 1 Bdrm 1 - 2 Bdrm	Mostly senior tenants	Apartments in 2 multi-level buildings with elevators that are connected by a community room. Project constructed in 2005 and 2008. Tenants pay heat and electric in addition to rent. Unit amenities include in-unit laundry and 3-season porch. Building amenities include underground heated garage, extra storage available, community room, fitness center, sauna, and location near golf course. One-bedrooms have 1006 sq ft and 1 bathroom, 2-bedrooms have 1265 sq ft and 2 bathrooms, and 3-bedrooms have 1859 sq ft and 2 bathrooms. Two vacant units at time of survey due to routine turnover. Most residents are seniors but also some younger tenants. Rents have increased by approx. \$100 to \$200 from 2017 survey.
Jackson Apartments 903 Jackson	<u>12 - 2 Bedroom</u> 12 Total Units	N/A +most utilities	No vacant units	Mix of tenants	Two-level apartment building constructed in 1996. Rent includes water, sewer and garbage with tenant paying other utilities. Amenities include detached garage, coin laundry, central AC and dishwasher. Owner reports no vacancies and good demand for affordable housing. Specific rents were not disclosed but have increased from \$585 at time of 2017 survey.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Johanneson Duplexes W 25 th St	7 - 2 Bedroom <u>3 - 3 Bedroom</u> 10 Total Units	\$1400 \$1600 +utilities	No vacant units	Primarily empty-nesters/seniors	Twin homes constructed in 2021 and used as rental housing rather than individually sold. Tenants pay all utilities. Units are large with 1-level living, all appliances and 2-car attached garage. Good demand and most tenants are empty-nesters or seniors
Larry's Rentals 804 Birch	<u>4 - 2 Bedroom</u> 4 total units	\$800 +heat, electricity	No vacant units	Mix of tenants	Four-plex constructed in 2017. One-level building with common hallway. Rent includes water and sewer, with tenant paying electricity which includes heat. Amenities include dishwasher and microwave. Owner had intended to market units to seniors but most tenants are working age. Full occupancy reported.
Larry's Rentals 811 Picotte	<u>4 - 2 Bedroom</u> 4 total units	\$800 +heat, electricity	No vacant units	Mix of tenants	Four-plex constructed in 2019. One-level building with common hallway. Rent includes water and sewer, with tenant paying electricity which includes heat. Amenities include dishwasher and microwave. Owner had intended to market units to seniors but most tenants are working age. Full occupancy reported.
Lincoln Arms Apartments 600 W 6th St	6 - 1 Bedroom <u>13 - 2 Bedroom</u> 19 Total Units	\$500 \$525 +electric	No vacant units	Senior-designated housing	Three-level apartment building with elevator constructed in 1966. Building is age-designated as senior housing (55+), but up to 20% of tenants can be younger. Rent includes heat, water, sewer and garbage, with tenant paying electric. Amenities include coin laundry in basement and 10 garages available. No vacancies on date of survey with many long-term tenants. No comparable rent information from 2017.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Meadow Park Apartments 909 Memory Lane	18 - 1 Bedroom <u>2 - 2 Bedroom</u> 20 Total Units	\$575 \$625 +heat, electric	2 vacant units 2 - 1 Bdrm	General occupancy	Formerly a USDA Rural Development subsidized project that converted to conventional housing in 2021. It had been designated for senior/disabled tenant occupancy but is now general occupancy housing. One-story apartment building constructed in 1989. Eligible tenants were provided portable Vouchers as mitigation - no move-outs resulted from conversion. Rent includes sewer, water and garbage, with tenant paying heat and electric. Manager reported 2 vacant units on date of survey. No comparable rent information from 2017.
Meridian Lofts 221 W 3 rd St 214 Cedar St	1 - Efficiency 5 - 1 Bedroom <u>6 - 2 Bedroom</u> 12 Total Units	\$200 \$575-\$600 \$625 inc. utilities	No vacant units	Mix of tenants	Mixed-use buildings in the downtown area with apartments on first and second floors. Rent includes utilities. Unit amenities include microwave. All units have 1 bathroom. Manager reported full occupancy and good demand for affordable housing. No comparable rent information from 2017.
901 Mulberry St	<u>6 - 1 Bedroom</u> 6 Total Units	N/A +electric	N/A	N/A	Unable to contact - information presented is from prior surveys. Apartment building originally constructed in the 1920s. Tenants pay electric but heat is included in rent. Coin laundry facility and 4 garages available.
Park 50 Estates 802 W City Limits Rd	15 - 1 Bedroom 53 - 2 Bedroom <u>4 - 3 Bedroom</u> 72 Total Units	N/A +electric	N/A	N/A	Unable to contact - information presented is from prior surveys. Complex includes three buildings constructed in the late 1960s and early 1970s with 24 units, 24 units and 18 units. Buildings are 3-level. Rent includes heat, but tenant pays electric.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
904 Pearl	1 - Sleeping room <u>2 - 1 Bedroom</u> 3 Total Units	\$475 \$475 utilities vary	No vacant units	Mix of tenants	Large house from the 1890s that was divided into apartments - owner lives on main floor with apartments above and sleeping room below. One-bedroom tenants pay heat and electric in addition to rent. Sleeping room has kitchenette. Full occupancy reported. One-bedroom rents are unchanged from 2017 survey.
Prairie View Townhomes 1315-1317 W 30 th St	<u>10 - 3 Bedroom</u> 10 Total Units	N/A +most utilities	No vacant units	General occupancy	Town house units constructed in 1994 - originally assisted through HUD HOME program to serve households at or below 50% of median income, but contract compliance has ended and now market rate housing. Amenities include detached garage, in-unit laundry and dishwasher. Units have approx. 11500 sq ft. Rent includes water with tenant paying other utilities. Owner reported full occupancy and good demand affordable 3-bedroom units. Rental rates in 2021 not disclosed but higher than \$625 at time of 2017 survey.
Riverside Apartments 606 W Riverside	2 - 1 Bedroom <u>3 - 2 Bedroom</u> 5 Total Units	\$625 \$650 utilities vary	No vacant units	Mix of tenants	Apartment building with attached house. Utilities vary by unit with some including utilities and others where tenant pays. Manager reported full occupancy and good demand. Most unit rents have increased by \$100 from 2017 survey.
River Valley Apartments 808-813 Birch Rd	<u>12 - 2 Bedroom</u> 12 Total Units	N/A	N/A	Temporary worker housing for Cimpl's Meats	Three four-plexes built in 1994 that were recently acquired by Cimpl's Meats as transitional housing for newly hired employees that are relocating to Yankton. Some garages available. Two-bedrooms have 1 bathroom and approx. 700 sq ft.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Rose Hill Apartments 200 E 15 th	2 - 1 Bdrm Duplex <u>5 - 1 Bdrm Apts</u> 7 Total Units	\$395-\$495 \$525-\$650 +utilities vary	2 units intentionally vacant due to condition	Mix of tenants	Building that is more than 100 years old that was converted into 5 apartments, plus adjoining duplex. All units have 1 bedroom. Apartment rent includes heat with tenant paying electric, while duplex tenants pay heat and electric. Some garages available. Duplex units have approx. 500 sq ft and 1 bathroom. Two units were unoccupied at time of survey due to condition with 1 having renovations underway. Rents have increased by \$45 to \$150 from 2017 survey.
S & S Rentals 1008 W 8th St	1 - 1 Bedroom <u>3 - 2 Bedroom</u> 4 Total Units	\$575 \$625 +utilities	2 unoccupied units in process of being filled	Mix of tenants	Two-level apartment building constructed in the late 1960s or early 1970s. Tenants pay utilities in addition to rent. Amenities include coin laundry and off-street parking. Manager reported 2 open units due to turnover but good demand with frequent phone calls. Rents have increased by \$200 or more from 2017 survey.
Sagewood Apartments A 1920 Locust St	<u>8 - 2 Bedroom</u> 8 Total Units	\$600-\$625 +heat, electric	No vacant units	Mix of tenants	Two-level apartment building - had been assisted with HUD HOME funds through SDHDA, but compliance period has ended and now operating as conventional housing. Rent includes water, sewer and garbage with tenant paying heat and electric. Units have 1 bathroom. Some tenants may use rent assistance Vouchers. Full occupancy and good demand reported. Rent has increased by \$25 to \$50 from 2017 survey.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Sagewood B Apartments 507 W 20th St	2 - 1 Bedroom 8 - 2 Bedroom 10 Total Units	\$450 \$600 +heat, electric	No vacant units	Mix of tenants	Two-level apartment building - had been assisted with HUD HOME funds through SDHDA, but compliance period has ended and now operating as conventional housing. Rent includes water, sewer and garbage with tenant paying heat and electric. All units have 1 bathroom. Some tenants may use rent assistance Vouchers. Full occupancy and good demand reported. Rents have increased by \$25 from 2017 survey.
Stewart Apartments 506 E 10 th St	1 - 1 Bedroom 4 - 2 Bedroom 5 Total Units	\$600 \$675 +heat, electric	No vacant units	Mix of tenants	One-level apartment building. Rent includes water, sewer and garbage with tenants paying other utilities in addition to rent. Amenities include coin laundry and garage. Manager reported full occupancy and good demand. Rents have increased by \$75 form 2017 survey and will be increasing again in 2022.
Summit Heights Apartments W City Limits Rd	8 - 1 Bedroom 18 - 2 Bedroom 6 - 3 Bedroom 32 Total Units	\$1100-\$1300 \$1320-\$1400 \$1900-\$2000 +heat, electric	Initial occupancy phase with 23 of 27 completed units leased	Mostly senior tenants	Luxury apartment project that opened for occupancy in late 2020. 27 units have been completed and are available for occupancy. Multi-story building with elevators and underground parking. Rent includes sewer, water and garbage with tenant paying heat and electric. Unit amenities include dishwasher, microwave, disposal, AC and in-unit laundry. One-bedrooms have 1000+ sq ft and 1 bathroom; 2-bedrooms have 1400 sq ft and 2 bathrooms; 3-bedrooms have 1850 sq ft and 2 bathrooms. Initial occupancy phase with 23 of 27 completed units occupied - most tenants are seniors but some tenants are younger.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Tree Pine Apartments 106 E 25 th St, 2501-2503 Capital St	12 - 1 Bedroom <u>12 - 2 Bedroom</u> 24 Total Units	N/A N/A +heat, electric	No vacant units	General occupancy	Apartment buildings that were developed as USDA Rural Development subsidized housing but converted to market rate in 2014 and sold. Two-story buildings constructed in 1982; 3 buildings with 8 units each. All eligible tenants were issued a portable Voucher at time of conversion. Tenants pay electric heat and electricity in addition to rent. Owner reported full occupancy and good demand for affordable units. Specific rents were not disclosed but have increased from \$450 and \$500 at time of 2017 survey.
Walnut Apartments 415 Walnut	3 - 1 Bedroom <u>3 - 2 Bedroom</u> 6 Total Units	N/A +heat, electric	N/A	N/A	Unable to contact - information presented is from prior surveys. Apartment building constructed in the 1930s. Rent includes water, sewer and garbage with tenant paying heat and electric in addition to rent. One 1-bedroom has tuck-under garage.
Walnut Cottages 1206½ - 1218½ Walnut St	<u>7 - 1 Bedroom</u> 7 Total Units	\$450 +utilities	3 units intentionally vacant due to condition	Mix of tenants	Cottages that were constructed in the 1950s. Tenant pays all utilities. Units have less than 600 sq ft. Three units were unoccupied at time of survey due to condition. Rents are unchanged from 2017 survey.
Walnut Groove 1004 Walnut St	1 - 1 Bedroom <u>7 - 2 Bedroom</u> 8 Total Units	N/A +electric	N/A	N/A	Unable to contact - information presented is from prior surveys. Apartment building constructed in the mid-1960s. Rent includes heat, water, sewer and garbage, with tenant paying electric. Amenities include coin laundry and off-street parking.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
413 Walnut St	<u>4 - 1 Bedroom</u> 4 Total Units	\$495-\$600 utilities vary by units	No vacant units	Mix of tenants	1900s vintage house that has been divided into apartments. Utilities vary by unit with lower end of the rent range in units where tenant pays heat and electric. Full occupancy reported. No comparable rent information from 2017.
Webster Apartments 1510 Pine	<u>3 - 1 Bedroom</u> <u>9 - 2 Bedroom</u> 12 Total Units	\$495 \$545 +electric	3 vacant units 3 - 2 Bdrm	Mix of tenants	Unable to contact - information presented is from prior surveys. Three level apartment building with an elevator constructed in the mid-1960s. Rent includes heat, water, sewer and garbage, with tenant paying electric. Amenities include balconies, coin laundry and off-street parking.
Westbrook Estates I 2405 W City Limits Rd	2 - Efficiency <u>44 - 1 Bedroom</u> 18 - 2 Bedroom <u>8 - 3 Bedroom</u> 72 Total Units	\$595 \$725-\$765 \$940-\$955 \$1125-\$1160 +heat, electric	No vacant units	Mix of tenants	First phase of complex with 3-level apartment building that opened for occupancy in 2015. Rent includes water, sewer and garbage with tenant paying electric heat and electricity. Unit amenities include stove, refrigerator, dishwasher, microwave, wall AC, in-unit laundry and walk-in closet. Higher end of rent range is for units with balcony. Garage parking available for extra \$55. Complex amenities include elevator, community room with kitchen, fitness center, playground and picnic area. Efficiency units have 464 sq ft and 1 bathroom; 1-bedrooms have 626-650 sq ft and 1 bathroom; 2-bedrooms have 906-1059 sq ft and 1 bathroom; 3-bedrooms have 1193 sq ft and 2 bathrooms. Manager reported full occupancy and a waiting list. General mix of tenants in complex. Rents have increased by \$105 to \$170 from 2017 survey.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Market Rate					
Westbrook Estates II 2403 W City Limits Rd	30 - 1 Bedroom <u>42 - 2 Bedroom</u> 72 Total Units	\$725-\$765 \$940-\$955 +heat, electric	No vacant units	Mix of tenants	Second phase of complex with 3-level apartment building that was constructed in 2018. Rent includes water, sewer and garbage with tenant paying electric heat and electricity. Unit amenities include stove, refrigerator, dishwasher, microwave, wall AC, in-unit laundry and walk-in closet. Higher end of rent range is for units with balcony. Garage parking available for extra \$55. Complex amenities include elevator, community room with kitchen, fitness center, playground and picnic area. One-bedrooms have 626-650 sq ft and 1 bathroom; 2-bedrooms have 906-1059 sq ft and 1 bathroom. General mix of tenants in complex. Manager reported full occupancy and waiting list.
Westbrook Estates Townhomes W City Limits Rd	3 - 2 Bedroom 5 - 3 Bedroom <u>1 - 4 Bedroom</u> 9 Total Units	\$1220 \$1395 \$1415 +gas, electric	No vacant units	Mix of tenants	Part of second phase of complex with 9 town house-style units constructed in 2018. Units are 2-level with attached garage. Rent includes water, sewer and garbage with tenant paying gas and electricity. Unit amenities include stove, refrigerator, dishwasher, microwave, wall AC, in-unit laundry and walk-in closet. Complex amenities include community room with kitchen, fitness center, playground and picnic area. General mix of tenants in complex. Manager reported full occupancy and waiting list.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Tax Credit Moderate Rent/Income Restricted					
<p>Apple Creek Apartments 2900 Douglas Ave</p>	<p>20 - 2 Bedroom <u>24 - 3 Bedroom</u> 44 Total Units</p>	<p>N/A +heat, electric</p>	<p>N/A</p>	<p>General occupancy units serving households at or below 60% of median</p>	<p>Unable to contact - information presented is from prior surveys and other sources. Tax credit apartment building constructed in 2008; two-level walk-up. One unit used by caretaker but 43 units serve households at or below 60% of median income, with 5 units set aside for households at 40% of median and 10 units for households at 50% of median - these 15 units are Voucher eligible. Rent includes water, sewer and garbage, with tenant paying heat (electric) and electricity. Unit amenities include in-unit laundry, microwave, central air and heat, garbage disposal, dishwasher, storage unit, window coverings and a patio/balcony. Project amenities include community room, play ground BBQ/picnic area and computer room. Two-bedrooms have 880 sq ft and 1 bathroom; 3-bedrooms have 1050 sq ft and 2 bathrooms.</p>
<p>Sutton Place Apartments I 3000-3002 Douglas Ave</p>	<p>28 - 2 Bedroom <u>2 - 3 Bedroom</u> 30 Total Units</p>	<p>\$543-\$600 \$674-\$715 +electric</p>	<p>5 vacant units between Sutton Place I&II 5 - 2 Bdrm waiting list</p>	<p>All units at 50% or 60% of median income</p>	<p>Tax credits and HOME-assisted units constructed in 2001 - now in extended use period. Two 2-level buildings with 15 units each. All units have income limits set at either 50% or 60% of median income. Heat, water, garbage, and sewer included in rent with tenant paying electric. Amenities include dishwasher. Project amenities include coin laundry, controlled entrance, play ground and storage spaces. Two-bedroom units range in size from 863 to 870 sq ft and have 1 bathroom; 3-bedrooms have 1042 sq ft and 2 bathrooms. Manager reported 5 vacant units in combined project due to turnover - all open units are at 50% of median income level. Waiting list is kept and applications are being processed but some do not meet eligibility requirements. Rents have increased by \$41 to \$79 from 2017 survey.</p>

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Tax Credit Moderate Rent/Income Restricted					
Sutton Place Apartments II 2902 Douglas Ave	28 - 2 Bedroom <u>2 - 3 Bedroom</u> 30 Total Units	\$543-\$600 \$674-\$715 +electric	5 vacant units between Sutton Place I&II 5 - 2 Bdrm waiting list	All units at 50% or 60% of median income	Tax credits and HOME-assisted units constructed in 2002. Two 2-level buildings with 15 units each. All units have income limits set at either 50% or 60% of median income. Heat, water, garbage, and sewer included in rent with tenant paying electric. Amenities include in-unit laundry for most units and dishwasher. Units with washer/dryer are higher rent than other units. Project amenities include coin laundry, controlled entrance, play ground and storage spaces. Two-bedroom units range in size from 863 to 870 sq ft and have 1 bathroom; 3-bedrooms have 1042 sq ft and 2 bathrooms. Manager reported 5 vacant units in combined project due to turnover - all open units are at 50% of median income level. Waiting list is kept and applications are being processed but some do not meet eligibility requirements. Rents have increased by \$41 to \$79 from 2017 survey.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Tax Credit Moderate Rent/Income Restricted					
Yankton Heights Apartments 1200 W 30 th St	6 - 1 Bedroom 16 - 2 Bedroom <u>8 - 3 Bedroom</u> 30 Total Units	\$335-\$607 \$561-\$714 \$743-\$803 +heat, electric	No vacant units, waiting list	All units at 30% to 60% of median income	Three-level tax credit apartment building that opened for occupancy in July 2015, with full occupancy achieved by Dec. All units serve households at or below 60% of median, with 2 units at 30%, 4 units at 40% and 4 units at 50% of median. Rent includes water, sewer and garbage, with tenant paying gas heat and electric. Unit amenities include stove, refrigerator, dishwasher, disposal, microwave, in-unit laundry, central AC and walk-in closet. Project amenities include playground and picnic area. One-bedrooms have 752 sq ft and 1 bathroom; 2-bedrooms have 935 sq ft and 2 bathrooms; 3-bedrooms have 1317 sq ft and 2 bathrooms. Manager reported full occupancy and waiting list - frequent calls looking for housing but some households are over income limits. Rents have increased by \$20 to \$54 from 2017 survey.
Yankton Heights II Apartments 1200 W 30 th St	19 - 1 Bedroom <u>21 - 2 Bedroom</u> 40 Total Units	\$332-\$617 \$452-\$734 +heat, electric	No vacant units, waiting list	All units at 30% to 60% of median income	Tax credit, HUD Home, HUD Section 811, and Housing Trust Fund project that opened for occupancy in 2019. Three-level tax credit apartment building that was awarded credits in 2017. All units serve households at or below 60% of median, with some units at 30%, 40% or 50% of median. Rent includes water, sewer and garbage, with tenant paying gas heat and electric. Unit amenities include stove, refrigerator, dishwasher, disposal, microwave, in-unit laundry, central AC and walk-in closet. Project amenities include playground and picnic area. One-bedrooms have 752 to 801 sq ft and 1 bathroom; 2-bedrooms have 941 to 1000 sq ft and 2 bathrooms. Manager reported full occupancy and waiting list - frequent calls looking for housing but some households are over income limits.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized - General Occupancy					
Ashbury Apartments 1010 Pennsylvania St	1 - 1 Bedroom <u>7 - 2 Bedroom</u> 8 Total Units	\$520 \$580 30% of income	No vacant units, waiting list	General occupancy	USDA Rural Development subsidized two-level apartment building constructed in the 1970s. Designated for general occupancy. All tenants have access to rent assistance that allows rent based on 30% of income, up to maximum rents listed. Building is managed as part of 5 property portfolio and rent assistance can be shifted between buildings as needed. Manager reported that any unoccupied units are recent turnovers, and that a waiting list is used to fill units. Maximum rents have increased by \$70 from 2017.
Between the Fifties 801-807 Dakota St	<u>32 - 2 Bedroom</u> 32 Total Units	\$545-\$590 30% of income	3 vacant units 3 - 2 Bdrm	General occupancy	USDA Rural Development subsidized two-story apartment buildings constructed in 1978. Four buildings with 8 units per building. 19 tenants have access to rent assistance that allows rent based on 30% of income - remaining tenants pay 30% of income but not less than basic or more than market rents listed. Manager reported 3 vacant units on date of survey. Rents are unchanged from 2017 survey.
Canyon Ridge Townhomes 1700 Locust St	2 - 1 Bedroom 14 - 2 Bedroom <u>4 - 3 Bedroom</u> 20 Total Units	\$675 \$858 \$1055 30% of income	5 vacant units 1 - 1 Bdrm 4 - 2 Bdrm	General occupancy	HUD-subsidized town house project constructed in 1977 and designated as general occupancy. All tenants have access to project-based rent assistance that allows rent based on 30% of income up to maximum rents listed. Manager reports 5 vacant units at time of survey.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized - General Occupancy					
Colonial Square Apartments 802, 806, 810 E 13th St	21 - 1 Bedroom <u>21 - 2 Bedroom</u> 42 Total Units	N/A 30% of income	N/A	General occupancy	Unable to contact - information presented is from prior surveys and other sources. HUD Section 8 apartment buildings constructed in the 1970s and awarded tax credits in 1988, possibly for renovation - but tax credit compliance has been met. Three two-level buildings with 14 units per building. Project-based rent assistance allows tenants to pay rent based on 30% of income, up to maximum rents. Unit amenities include stove, refrigerator, wall AC and utilities included in rent calculation. All units have 1 bathroom.
Crestview Apartments 815 Picotte St	1 - 1 Bedroom <u>7 - 2 Bedroom</u> 8 Total Units	\$520 \$580 30% of income	No vacant units, waiting list	General occupancy	USDA Rural Development subsidized two-level apartment building constructed in the 1970s. Designated for general occupancy. All tenants have access to rent assistance that allows rent based on 30% of income, up to maximum rents listed. Building is managed as part of 5 property portfolio and rent assistance can be shifted between buildings as needed. Manager reported that any unoccupied units are recent turnovers, and that a waiting list is used to fill units. Maximum rents have increased by \$70 from 2017.
East Meadow Apartments 1001-1003 Memory Ln	<u>24 - 2 Bedroom</u> 24 Total Units	\$710 30% of income	5 vacant units under repair, waiting list	General occupancy	HUD Section 8 subsidized units for general occupancy constructed in 1973. Units are in 2-level building without elevator. Four units on lower level are accessible. All tenants have access to rent assistance that allows rent based on 30% of income, up to market rent listed. Manager reported 5 open units on date of survey due to turnover with repairs being made - project has a waiting list and good demand.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized - General Occupancy					
<p>Estes Apartments 301 Bunker Ln</p>	<p>12 - 1 Bedroom <u>12 - 2 Bedroom</u> 24 Total Units</p>	<p>\$535-\$575 \$565-\$605 30% of income</p>	<p>No vacant units, waiting list</p>	<p>General occupancy</p>	<p>USDA Rural Development subsidized project with one and two-story apartment buildings constructed in 1984. 22 tenants have access to rent assistance that allows rent based on 30% of income - remainder pay 30% of income but not less than basic or more than market rents listed. No vacancies at time of survey and waiting list exists. Project has referral system with area homeless and service providers. Rents have increased by \$30 from 2017 survey.</p>
<p>Heritage Apartments 808 Picotte St</p>	<p><u>4 - 3 Bedroom</u> 4 Total Units</p>	<p>\$635 30% of income</p>	<p>No vacant units, short waiting list</p>	<p>General occupancy</p>	<p>USDA Rural Development subsidized two-level apartment building constructed in the 1970s. Designated for general occupancy. All tenants have access to rent assistance that allows rent based on 30% of income, up to maximum rents listed. Building is managed as part of 5 property portfolio and rent assistance can be shifted between buildings as needed. A fire in 2017 had resulted in substantial repairs. Manager reported that any unoccupied units are recent turnovers, and that a waiting list is used to fill units - but list for 3-bedrooms had only 1 name. Maximum rents have increased by \$65 from 2017.</p>
<p>Locust Lane Apartments 2003-2005 Locust Ln</p>	<p><u>12 - 3 Bedroom</u> 12 Total Units</p>	<p>\$715-\$785 30% of income</p>	<p>2 vacant units 2 - 3 Bdrm</p>	<p>General occupancy</p>	<p>USDA Rural Development subsidized 2-story apartment buildings constructed in 1991. 11 tenants have access to rent assistance that allows rent based on 30% of income - remaining tenant pays 30% of income but not less than basic or more than market rents listed. Manager reported 2 vacant units on date of survey. Rents have increased by \$65 from 2017 survey.</p>

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units / Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized - General Occupancy					
Orchard Square 418 W 15 th	45 - 1 Bedroom <u>15 - 2 Bedroom</u> 60 Total Units	\$580 \$685 30% of income	13 vacant units 7 - 1 Bdrm 6 - 2 Bdrm	General occupancy	HUD Section 221(d)(3) and Section 8 subsidized project constructed in 1969. Originally designated for senior and/or disabled tenant occupancy but recently changed to general occupancy housing. All tenants have access to rent assistance that allows rent based on 30% of income, up to maximum rent listed. Manager reported 13 vacancies on date of survey.
Pineview Apartments 713 Pine St	<u>6 - 1 Bedroom</u> 6 Total Units	\$520 30% of income	No vacant units, waiting list	General occupancy	USDA Rural Development subsidized two-level apartment building constructed in the 1970s. Designated for general occupancy. All tenants have access to rent assistance that allows rent based on 30% of income, up to maximum rents listed. Building is managed as part of 5 property portfolio and rent assistance can be shifted between buildings as needed. Manager reported that any unoccupied units are recent turnovers, and that a waiting list is used to fill units. Maximum rents have increased by \$70 from 2017.
River Run Apartments 902 E 11th St	1 - 1 Bedroom <u>7 - 2 Bedroom</u> 8 Total Units	\$520 \$580 30% of income	No vacant units, waiting list	General occupancy	USDA Rural Development subsidized split-foyer apartment building constructed in the 1970s. Designated for general occupancy. All tenants have access to rent assistance that allows rent based on 30% of income, up to maximum rents listed. Building is managed as part of 5 property portfolio and rent assistance can be shifted between buildings as needed. Manager reported that any unoccupied units are recent turnovers, and that a waiting list is used to fill units. Maximum rents have increased by \$70 from 2017.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized - General Occupancy					
Terrace Hill Apartments 2403 Cedar St	12 - 1 Bedroom <u>8 - 2 Bedroom</u> 20 Total Units	\$520-\$585 \$555-\$620 30% of income	6 vacant units 2 - 1 Bdrm 4 - 2 Bdrm	General occupancy	USDA Rural Development subsidized 2-story apartment buildings constructed in 1992 and designated for general occupancy. 16 tenants have access to rent assistance that allows rent based on 30% of income - remaining tenant pays 30% of income but not less than basic or more than market rents listed. Manager reported 6 vacant units on date of survey. Rents have increased by \$25 from 2017 survey.
Valley Park Apartments 2200 E Green St	16 - 2 Bedroom <u>2 - 3 Bedroom</u> 18 Total Units	30% of income	2 vacant units 2 - 2 Bdrm	General occupancy	HUD-subsidized town house project constructed in the early 1980s. Tenants pay rent based on 30% of income. Amenities include AC, in-unit laundry hookup, patio and extra storage available. Manager reported 2 vacant units at time of survey and no waiting list - some applicants are rejected through tenant screening.
Village Green Apartments 904-906 E 13 th St	<u>32 - 1 Bedroom</u> 32 Total Units	N/A 30% of income	N/A	General occupancy	Unable to contact - information presented is from prior surveys and other sources. HUD Section 8 apartment buildings constructed in the 1970s. Two 2-level buildings with 16 units each. Lower levels have no stairs and can be popular with seniors, but project is general occupancy. Project-based rent assistance allows tenants to pay rent based on 30% of income up to maximum rent listed. Unit amenities include stove, refrigerator, wall AC and utilities included in rent calculation. Manager reported no vacant units at time of survey with good demand and a waiting list.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized - General Occupancy					
Walnut Hill Townhomes 1015-1021 Walnut St	12 - 2 Bedroom <u>4 - 3 Bedroom</u> 16 Total Units	\$710 N/A 30% of income	1 vacant unit for maintenance, waiting list	General occupancy	HUD-subsidized town house units constructed in 1977 and designated for general occupancy. Tax credits awarded in 1988 for renovation, but compliance period has been met. All tenants have access to rent assistance that allows rent based on 30% of income, up to market rents listed. Manager reported 1 vacant unit at time of survey due to turnover and unit was being renovated. Waiting list exists and good demand.
Whiting Court 1006 Whiting Dr	10 - 1 Bedroom <u>7 - 2 Bedroom</u> 17 Total Units	\$25-\$736 \$25-\$887 30% of income	No vacant units, waiting list	General occupancy	HUD Section 8 subsidized apartments constructed in the 1980s and awarded tax credits in 2015 for renovation. All tenants have access to rent assistance that allows rent based on 30% of income. Amenities include community room, elevator, and small pets allowed. Manager reported full occupancy and waiting list with strong demand. Project has referral system with area homeless and service providers .

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized - Senior/Disabled Occupancy					
Canyon Ridge Apartments 1700 Locust St	<u>40 - 1 Bedroom</u> 40 Total Units	\$664 30% of income	2 vacant units 2 - 1 Bdrm	Senior/ disabled occupancy	HUD-subsidized 3-level apartment constructed in 1977 and designated for senior and/or disabled tenant occupancy. All tenants have access to project-based rent assistance that allows rent based on 30% of income up to maximum rent listed. Manager reported 2 vacant units at time of survey. Some pets allowed.
Marne Creek Apartments 610 W 21st St	<u>40 - 1 Bedroom</u> 40 Total Units	\$895 30% of income	1 vacant unit 1 - 1 Bdrm	Senior/ disabled occupancy	USDA Rural Development/Section 8 subsidized three-story apartment building constructed in 1978. Designated for senior (age 62+) and/or disabled tenant occupancy. All tenants have access to rent assistance that allows rent based on 30% of income up to maximum rent listed. Amenities include coin laundry, off-street parking, carpeted units, full size range and refrigerator, air conditioner, and small pets allowed. Units have approx. 576 sq ft and 1 bathroom. Manager reported 1 vacant unit at time of survey and no waiting list - calls are received from younger households.
Memory Lane Apartments 901 Memory Lane	16 - 1 Bedroom <u>2 - 2 Bedroom</u> 18 Total Units	\$520-\$585 \$550-\$615 30% of income	4 vacant units 4 - 1 Bdrm	Senior/ disabled occupancy	Tax credit and USDA Rural Development subsidized 1-level apartment building constructed in 1994 and designated for senior and/or disabled tenant occupancy. 16 tenants have access to rent assistance that allows rent based on 30% of income -remaining tenants pay 30% of income but not less than basic or more than market rents listed. Manager reported 4 vacant units on date of survey. Rents have increased by \$25 from 2017 survey.

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized - Senior/Disabled Occupancy					
<p>Sir Charles Apartments 120 W 3rd St</p>	<p><u>34 - 1 Bedroom</u> 34 Total Units</p>	<p>30% of income</p>	<p>No vacant units, waiting list</p>	<p>Senior/ disabled occupancy</p>	<p>HUD Section 8 subsidized units for senior or disabled tenant occupancy; later renovated using tax credits. Building was originally an old hotel that was later converted to rental use. All tenants have access to rent assistance that allows rent based on 30% of income. Manager reported full occupancy and a waiting list.</p>
<p>Sunrise Apartments 2015 Green St</p>	<p>31 - 1 Bedroom <u>1 - 2 Bedroom</u> 32 Total Units</p>	<p>\$525-\$585 N/A 30% of income</p>	<p>Any open units being filled from waiting list</p>	<p>Senior/ disabled occupancy</p>	<p>Rural Development subsidized one-story apartment building constructed in 1992. Project also used tax credits but compliance requirements have been met. Designated for senior (62+) and/or disabled tenant occupancy. Identified as congregate housing, with noon meal delivery from senior center. 29 tenants have access to rent assistance that allows rent based on 30% of income; remainder pay 30% of income but not less than basic or more than market rent listed. One-bedrooms have approx. 570 sq ft and 1 bathroom. Manager reported 2 open units due to turnover but in the process of being filled from a short waiting list. Rents have increased by \$30 from 2017 survey.</p>

Table 25 Yankton Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Subsidized - Senior/Disabled Occupancy					
<p>Sunrise Apartments II 2015 Green St</p>	<p>32 - 1 Bedroom <u>1 - 2 Bedroom</u> 33 Total Units</p>	<p>\$566-\$586 N/A 30% of income</p>	<p>Any open units being filled from waiting list</p>	<p>Senior/ disabled occupancy</p>	<p>USDA Rural Development subsidized one-story apartment building constructed in 1999. Project also used tax credits but compliance requirements have been met. Designated for senior (62+) and/or disabled tenant occupancy. Identified as congregate housing, with noon meal delivery from senior center. 31 tenants have access to rent assistance that allows rent based on 30% of income; remainder pay 30% of income but not less than basic or more than market rent listed. One-bedrooms have approx. 582 sq ft and 1 bathroom. Manager reported 1 open unit due to turnover but in the process of being filled from a short waiting list. Rents are unchanged from 2017 survey.</p>
<p>Walnut Hill Apartments 1015-1021 Walnut St</p>	<p><u>28 - 1 Bedroom</u> 28 Total Units</p>	<p>\$615 30% of income</p>	<p>No vacant units, waiting list</p>	<p>Senior/ disabled occupancy</p>	<p>HUD-subsidized apartments designated for senior and/or disabled tenant occupancy and constructed in 1977. Tax credits awarded in 1988 for renovation, but compliance period has been met. Two 2-level buildings without elevator. Upper level tenants tend to be younger disabled people with no mobility limitations, and lower level units are occupied by seniors. All tenants have access to rent assistance that allows rent based on 30% of income, up to market rent listed. Manager reported no vacant units at time of survey and a waiting list.</p>

Source: Community Partners Research

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Senior Housing with Services

Specialized senior housing, which provides some level of supportive services along with a housing unit, is an important part of the housing inventory for most larger South Dakota communities. In Yankton, a number of projects have been developed over the last 30 years have catered to senior renters.

Under South Dakota law, the Department of Health is required to license the more service-intensive forms of senior housing, including Skilled Nursing Facilities and Assisted Living Centers. Lower-service forms of senior housing, referred to as Residential Living Centers by the State, are required to register with the Department of Health, but are not licensed and subject to the more stringent requirements, such as inspections.

Due to the higher level of regulation, the Skilled Nursing Facilities and Assisted Living Centers can be identified through State licensing. In the case of Residential Living Centers, where only registration is required, it is possible that some properties are not registered.

Although there are both State and industry definitions that identify the different types of specialized senior housing, there can be some variation in how these definitions are used. For example, some senior projects may identify themselves as “independent living” rental housing for seniors, but some light services may be offered. In the opinion of Community Partners Research, the features that differentiate these units from truly independent housing are the availability of some services, such as a daily meal, weekly assistance with housekeeping and laundry, or similar offerings that are included in the rent package.

For the analysis that follows, Community Partners Research has grouped the housing with services providers into the following categories. Although we have attempted to clearly define each housing project by these categories, there may be some overlap in units.

- ▶ Subsidized senior housing with a meal option/congregate housing
- ▶ Senior housing with light services
- ▶ Assisted Living Center
- ▶ Memory care/cognitive care housing
- ▶ Skilled Nursing Facility

Subsidized Senior Housing/Congregate

Unit Inventory

Past research in Yankton had identified two subsidized rental projects that are listed as “congregate housing”. Sunrise Apartments and Sunrise II had been offering a noon meal in their dining room that was delivered from the senior center. However, the global health pandemic starting in 2019 had changed the in-person dining to the option of noon meal delivery to the individual apartment.

Sunrise and Sunrise II have a combined 65 rental units, primarily in one-bedroom apartments. Both are subsidized through USDA Rural Development and offer income-based housing for lower income seniors and/or disabled tenants. Most units offer rent based on 30% of household income, making it affordable for even very low income tenants.

These projects have also been listed in the rental table provided with the previous section, as part of the subsidized housing inventory.

Occupancy

Occupancy rates were generally high in both of these projects, although some turnover had resulted in a few unoccupied apartments at the time the survey. Each project does maintain a waiting list and any vacancies were attributed to the processing time needed to admit a new tenant.

Rental Rates

Since both of the congregate projects are subsidized through USDA Rural Development, most tenants pay rent based on 30% of income.

Senior Housing with Light Services

As used in this Study, senior housing with light services defines a housing project where the basic monthly rent amount includes access to certain services, such as a daily meal(s), access to an emergency call system, and possibly other optional light services, such as weekly laundry service or assistance with housekeeping.

Light services projects may or may not be registered with the State as Residential Living Centers. None of the projects identified in Yankton that the analysts have defined as light services housing are registered as Residential Living Centers in 2021.

Unit Inventory

The research for this Study identified three housing projects in Yankton that meet the basic definition of offering seniors a light services unit. Combined, these projects have approximately 40 units available for seniors looking to live independently, but with possible access to certain light services. Actual person capacity could be higher, as couples may reside in some of the units.

Two of the light services projects are part of the Avera Sister James senior complex. Majestic Bluffs Senior Independent Apartments has approximately 20 apartment units that are typically occupied by more independent seniors. Sacred Heart Senior Townhomes have eight two-bedroom units. While residents in the Senior Townhomes are not required to utilize any specific services or meals, these options are available to them as residents of this Avera senior community.

Walnut Village is also a senior complex offering various levels of care. Flexible levels of care can be offered allowing seniors to “age in place”. In late 2021, approximately 12 apartments, offering one-bedroom and two-bedroom rentals, were identified as more independent housing that offers lighter services, with daily breakfast and lunch, light housekeeping every other week, and laundry services for an additional fee. Other less intensive services may also be available to residents.

Walnut Village was created in 2003 through the conversion of a former school building into senior housing. Avera Majestic Bluffs was constructed in 2001. The Avera Senior Townhomes were constructed in 2001 and 2005.

Occupancy

The lighter services units in Avera Majestic Bluffs reported a high rate of occupancy although some vacancies can occur due to turnover. The Avera Senior Townhomes reported full occupancy and a low rate of turnover.

Walnut Village reported five unoccupied units, although these could potentially be occupied by either independent senior households or those needing assisted living. Some level of unit vacancy has been typical in this project, although the global pandemic may be impacting peoples' willingness to move to senior housing.

Based on the survey responses, the estimated vacancy rate in this segment was relatively high at the end of 2021. However, it is important to recognize that the Covid pandemic has impacted senior housing. Demand for specialized senior housing may need to be re-evaluated at the end of the pandemic.

Rental Rates

Rental rates can vary in this segment of the market, depending on what services are actually included in the basic package. The monthly rates in Avera Majestic Bluffs ranged from \$2,090 to nearly \$2,600, depending on the unit. This fee included two daily meals, all utilities and an emergency call system. Other optional light services are also available.

No specific rent information was obtained from Walnut Hill but in 2017 rent was slightly lower than Majestic Bluffs. Breakfast and lunch, along with some other light services are included in the basic package.

The Avera Senior Townhomes do not include any meals or services, but they are available for purchase. Residents of these units may not acquire any services, but the project's location near to the hospital and Majestic Bluffs makes it a higher-priced option than other forms of purely independent senior housing. With the inclusion of tenant-paid utilities, the lowest rent package would be above \$2,000 per month.

Assisted Living Centers

Assisted living providers are able to offer a higher level of care and services for their senior residents. Although some facilities will offer a bundled package of services with the monthly rent, and others will sell the services “a la carte”, the assisted living providers are able to offer a significant assistance with daily living activities.

Assisted living will have 24-hour on-site staffing, and the availability of skilled nursing. All meals are available, as well as the ability to assist with medications. In South Dakota, these facilities must be licensed as Assisted Living Centers.

Unit Inventory

There are three facilities in Yankton that are licensed as Assisted Living Centers and specifically serve the resident senior community.

Angelhaus (formerly Autumn Winds) has 31 units with capacity for 36 assisted living residents if some shared occupancy exists. Most of the units are studios, but some one-bedrooms are also available.

Walnut Village is a flexible care facility that can serve more independent seniors or those needing assisted living care. In late 2021, the facility was licensed for 25 assisted living residents. However, the 16 units on the main floor of Walnut Village are now focused on cognitive care, and have been analyzed as part of the memory care inventory that follows later in this section. Approximately nine units in late 2021 were being utilized for traditional assisted living care.

Avera Majestic Bluffs is licensed for 45 residents, although this number is greater than the number of apartments in the assisted living part of this complex. This facility can provide flexible levels of care and up to 60% of the 46 units in this building are typically used for assisted living, with the remainder serving the lighter services segment. The Majestic Bluffs total also has 13 memory care units that form a specialized section of the assisted living portion of the project.

Excluding memory care, when combined the three facilities offer approximately 66 units in 2022 that are typically utilized for traditional assisted living. Person capacity can be greater if more than one person resides in the unit.

When compared to the previous Housing Studies completed for Yankton, the supply of traditional assisted living has decreased over time. In 2013, an estimated 90 assisted living units were present. However, some of these units then changed their focus to other uses.

In 2017, there were an estimated 70 units offering assisted living. The slight decrease between 2017 and 2022 is largely due to the flexible care options, as a larger number of units are being used for lighter services housing rather than assisted living.

Yankton has some additional facilities that are licensed as Assisted Living Centers, however, they are not aimed at the conventional market segments. Instead they serve very targeted populations, including people with behavioral issues, mental illness or people meeting the definition of long-term homelessness. These targeted facilities have not been included when analyzing the supply and demand from older seniors, since they are not available to the typical senior household.

Occupancy

At the time of the survey, there were unoccupied units within the traditional assisted living segment. Given the high level of turnover that can occur, some level of vacancy is typical. However, the global health pandemic was also identified as a contributor to current vacancies. Demand for specialized senior housing may need to be re-evaluated at the end of the pandemic.

There is an additional factor, adequate staffing, that also appears to be having some impact on occupancy patterns in specialized senior housing. Assisted living requires a high level of care and staffing shortages caused in part by the Covid pandemic has restricted the availability of an adequate work force.

Rental Rates

Prices can vary depending on the type of unit and the services that are included in the basic package. The lowest entry point for assisted living starts at approximately \$3,400 in 2022, although many units are above \$4,000 per month. Additional charges often apply depending on the actual level of care required.

Medicaid Assistance for Lower Income Seniors

Lower income seniors needing assisted living may be able to secure County/State assistance through the Medicaid Waivers system. Low reimbursement rates for Medicaid Waivers make this program difficult to use for many facilities.

Angelhaus will accept up to 20 Medicaid residents. Walnut Village is private-pay only. Avera Majestic Bluffs does not accept Medicaid Waivers in its assisted living units, but Veteran's Administration assistance is accepted. Medicare residents do live in the Avera skilled nursing home.

Memory Care Housing

Memory care housing represents a very specialized segment of the senior market. People with health issues due to dementia, Alzheimer’s Disease, or other causes may often be housed in assisted living centers, nursing homes, or less service-intensive forms of senior housing in the earlier phases of memory loss. However, as the problems progress, it is often necessary to provide housing in special facilities that provide a secure environment and specialized care targeted to memory care residents.

Unit Inventory

The research for this Study identified three providers of specific memory care housing in Yankton. Avera Majestic Bluffs has a dedicated memory care wing with 13 rooms in their assisted living facility, with typical capacity for 13 to 15 residents, if some shared occupancy occurs.

Angelhaus has 24 units offering memory care housing with licensed capacity for up to 28 people with some shared rooms, intended for related couples.

Walnut Village has 16 units on the main level that are used for cognitive care. The units on the upper floors are offered as assisted living or lighter services housing.

In total, these three facilities have 53 units focused on people with memory loss issues. Actual person capacity could be as high as 59 people with some shared occupancy.

The supply of specialized memory care housing has increased in recent years, as Walnut Village is now offering cognitive care in the 16 units on the main level of their building. In 2017, there were an estimated 37 units in the memory care inventory with capacity for 43 residents.

Occupancy / Vacancy

There was some unused capacity in the supply of rooms/beds for memory care needs. Both Angelhaus and Walnut Village had vacancies in memory care. However, some of the openings were once again attributed to the global health pandemic. Demand for specialized senior housing may need to be re-evaluated at the end of the pandemic.

Skilled Nursing Homes

Skilled nursing homes have historically represented the most service-intensive form of senior housing. This segment of the market has been in transition, however, as other forms of senior housing, such as assisted living, have grown in availability, and become the preferred option for many seniors.

Telephone interviews with administrators of nursing homes around the region have highlighted the fact that nursing home residents are staying for shorter periods of time, and some nursing homes have designated an increasing share of their beds for short-term transitional care stays. Home health care and other supportive services may delay the entry of older seniors into nursing homes.

In South Dakota, a moratorium has been in place for many years that prevent the addition of more skilled nursing beds, even in communities with high utilization rates. However, unit replacement can occur.

Unit Inventory

There are two State-licensed skilled nursing homes in Yankton. However, one of these is the State Facility, as part of the correctional system, and has not been included in this analysis.

The Avera Sister James Care Center is licensed for 187 skilled nursing beds. Nearly all rooms are available for private occupancy. However, in late 2021, only 173 beds were actually in use. This was intentional downsizing, due in part to the Covid pandemic. The need for a Covid ward along with staffing limitations had lead to the bed reduction. A 6-bed hospice facility also exists and is separate from the licensed capacity.

The actual use of the rooms can be flexible, including shorter-term Medicare transitional care stays. In late 2021, the facility estimated that approximately 20% to 25% of beds were typically used by short-term transitional care residents. The remaining beds were typically used by long-term residents.

Occupancy

Sister James indicated that annual utilization rates have typically been high, and in the past a waiting list could exist. However, the Covid pandemic has resulted in a reduced bed count, and also has impacted the availability of staff.

Rental Rates

No information was collected on daily rates, which are generally impacted by State policy on reimbursement.

Market Share for Existing Housing with Services Projects

Senior Demographics

Housing with services projects can serve seniors of any age, but typically have the greatest utilization by older seniors. A 2005 Assisted Living Center report from the South Dakota Department of Health identified 88.3% of all assisted living residents Statewide as age 75 or older.

To analyze the market share for the various forms of housing in the Yankton area, Community Partners Research has focused on demographic data for older seniors, age 75 and above residing in the Greater Yankton aggregated area.

Senior Population

The 2020 Census has not yet released information on population by age. For this document, age-based population estimates from Esri have been used. When Census tables are available in 2022, the accuracy of the estimates used in the following analysis should be examined.

According to Esri's estimates for Greater Yankton in 2021, the following population levels are present:

- ▶ 3,186 people age 65 to 74
- ▶ 2,522 people age 75 and older

When compared to the 2010 Census, the area's senior population had increased substantially over the prior decade. However, most of this growth occurred within the younger senior age group. Greater Yankton's population of senior citizens, age 65 to 74, had increased by nearly 49% between 2010 and 2021. The Area's population of older seniors, age 75 and above, had increased by approximately 17%.

Senior Population Projections

Esri's age-based projections expect further growth in the area's senior citizen population. Over the 5-year period from 2021 to 2026, Esri projects:

- ▶ An additional 492 people age 65 to 74 for an increase of more than 15%
- ▶ An additional 522 people age 75 and older for an increase of nearly 21%

Senior Households

Esri also produces age-based estimates for households. In 2021 this source showed:

- ▶ 1,860 households age 65 to 74
- ▶ 1,608 households age 75 and older

When compared to the 2010 Census, Greater Yankton's senior-headed households had increased in number. However, most of this growth once again occurred within the younger senior age group. The number of senior households age 65 to 74 had increased by nearly 46%, while households age 75 and older had increased by approximately 14% from the level in 2010.

Senior Household Projections

Esri's age-based projections expect further growth in Greater Yankton's senior citizen households. Over the 5-year period from 2021 to 2026, Esri projects:

- ▶ An additional 265 households age 65 to 74 for an increase of 14.2%
- ▶ An additional 339 households age 75 and older for an increase of 21.1%

It is important to note that the senior demographic statistics from 2021 would include seniors already residing in senior housing, including nursing homes, assisted living and memory care facilities. Adjustments to the senior population and the number of senior-headed households will be made for each of the different housing types reviewed.

Skilled Nursing Home Utilization

Since nursing home bed use can vary by short-term versus longer-term stays, some assumptions need to be applied to this segment of the market.

The total inventory in Yankton contains 187 beds in 2021, although only 173 are actually in use due to the impact of the Covid pandemic. In normal patterns, approximately 140 of these beds are typically utilized by permanent residents. The remaining beds may be used by shorter-term residents of transitional care stays or may be vacant.

When compared to the older senior population of approximately 2,520 older seniors (age 75+) living in Greater Yankton in 2021, the supply of 140 longer-term nursing home beds would need a capture rate of approximately 5.6% of the target population in order to achieve full utilization.

It is important to note that the supply of licensed nursing home beds has not been increasing in many years even though the population of seniors has continued to grow. A similar calculation completed for the 2017 Housing Study had estimated that a capture rate of approximately 6.5% was required at that time.

While calculations have been performed on the capture rate for nursing homes, there has been a long-standing moratorium on adding beds, and any new nursing home facilities are typically limited to replacing existing beds. As a result, no additional capture by nursing homes would be expected in the future. Instead, it is possible that the supply of longer-term occupancy beds could potentially decrease even further, due to de-licensing or to other dedicated uses, such as transitional care stays.

Memory Care Housing Utilization

Yankton has the potential capacity for approximately 59 people in 53 specialized memory care housing units. This inventory has increased in size since the 2017 Study as Walnut Village now uses 16 units on their main floor for cognitive care.

After adjusting for approximately 140 people that would typically be long-term residents of nursing homes, the current supply of memory care beds within Greater Yankton would need to capture approximately 2.2% to 2.5% of the County's older senior population to achieve full occupancy. This is higher than the estimated capture rate of 1.9% required at the time of the 2017 Study due to the expanded inventory since that time.

As reported to the rental survey, utilization rates in the existing supply of memory care beds/units tend to be high. Some unused capacity was reported, but this was attributed in part to the Covid pandemic and the impact it has had on the movement of seniors into congregate housing facilities.

Looking forward to the year 2026, if the inventory of memory care beds remains stable, a projected capture rate of approximately 1.8% to 2.0% would be needed to maintain full occupancy. To maintain the current percentage in 2026 would require an expansion of approximately 10 to 12 beds.

Past discussions with area housing providers point to the cost and regulatory difficulties of creating specialized memory care units. Staffing, security, liability and licensing requirements all contribute to a reluctance to enter this very specialized housing segment.

In South Dakota, it appears that some of the demand for memory care housing is often met through the use of nursing home beds that devote a portion of the building to memory care use. In Yankton, there is already a high rate of occupancy in traditional skilled nursing beds. There is no incentive to convert existing beds to memory care use, which would simply displace other senior residents.

The conversion of skilled nursing home beds to specialized memory care is more likely to occur in smaller communities that may have a declining local senior population. However, there are no skilled nursing home beds in Yankton County outside of the City of Yankton.

Assisted Living Utilization

When examining market demand for assisted living, the supply of units has been compared to the number of older senior households. People living in some other intensive form of senior housing, such as nursing homes or memory care, would often be classified as “group quarters” residents and not counted as an independent household, so no downward adjustments are needed when examining households.

In the Greater Yankton area there are approximately 1,610 older senior households, age 75 and above, that are estimated to be present in 2021. This group has been growing since 2010, based on aging patterns for the area, and should continue to grow through the year 2026.

Yankton has multiple providers of assisted living housing. The analysts have estimated that approximately 66 units are available in 2021. It is important to note that some of the assisted living providers can offer a range of care and the use of units by more independent households or those needing assisted living can change from month to month.

The assisted living inventory is slightly smaller than estimated at the time of the 2017 Study, when approximately 70 units were present. However, this could change again if more flexible units are shifted to assisted living use in the future.

There was some unused capacity reported in the assisted living inventory in late 2021, but most providers reported high rates of occupancy. Once again, the Covid pandemic may be impacting this type of specialized senior housing.

Greater Yankton’s assisted living inventory would require a capture rate of approximately 4.1% of all older senior citizen households. This calculation groups all types of assisted living options together, but there are variations in the type of units/rooms being offered.

Looking forward to the year 2026, there will be continued growth within the primary target group of seniors age 75 and older. Using Esri’s age-based growth projections, and applying the same basic capture rate as exists in 2021, the Market Area would need approximately 14 additional assisted living units/rooms by that time. This is growth-generated demand only, and does not include the potential for competitive positioning between projects.

Housing with Light Services Utilization

Housing with only light services provides an option for more independent senior households in the Greater Yankton Area. As noted previously, projects within this housing segment are often flexible in their services arrangement, and tenants can also purchase more intensive services, effectively allowing residents to age in place. But initially these flexible units may also be occupied by people needing limited services, such as a daily meal, access to an emergency call system or weekly laundry and cleaning assistance.

Based on the information collected in the 2021 rental survey, the analysts would estimate that approximately 40 units are present in the local inventory to serve the light services market segment. However, eight of these units are in town houses, and less likely to be utilized by seniors needing some level of services. As a result, an inventory of 32 units better represents this type of housing.

Given the flexible approach offered by providers, the actual use of assisted living versus light services housing can vary somewhat with actual demand. Therefore, the inventory of light services housing could potentially decrease in the future if demand rises for more service-intensive forms of housing.

Light services units are typically compared to the distribution of all older senior households, rather than population. Housing with light services can serve a more active and independent senior, and it is more common to see couples reside in this housing, as well as single person households.

After adjusting for households that already live in assisted living, we would estimate the target market at approximately 1,540 total older senior households living in Greater Yankton in 2021. The estimated supply of light services units would require a market capture rate of approximately 2.1% of the County's target market of older senior households. If the town house units are added back into the available inventory, this rate would increase to 2.6%. Projecting forward, to maintain a capture rate of 2.1% in 2026 would require some minor unit expansion of approximately 7 to 8 units due to anticipated growth.

The vacancy rate in this type of housing was relatively high in the December 2021 survey. As with other forms of senior housing, this was partly attributed to the Covid pandemic, and the reluctance of some seniors to move into multifamily housing. However, this housing segment has also had vacancy issues in previous surveys, with an estimated vacancy rate above 12% in 2017. A relatively high vacancy rate was also recorded in 2013.

Table 26 Yankton Senior Housing with Services Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Congregate Senior Housing					
<p>Sunrise Apartments 2015 Green St</p>	<p>31 - 1 Bedroom <u>1 - 2 Bedroom</u> 32 Total Units</p>	<p>\$525-\$585 N/A 30% of income</p>	<p>Any open units being filled from waiting list</p>	<p>Senior/ disabled occupancy</p>	<p>Rural Development subsidized one-story apartment building constructed in 1992. Project also used tax credits but compliance requirements have been met. Designated for senior (62+) and/or disabled tenant occupancy. Identified as congregate housing, with noon meal delivery from senior center. 29 tenants have access to rent assistance that allows rent based on 30% of income; remainder pay 30% of income but not less than basic or more than market rent listed. One-bedrooms have approx. 570 sq ft and 1 bathroom. Manager reported 2 open units due to turnover but in the process of being filled from a short waiting list. Rents have increased by \$30 from 2017 survey.</p>
<p>Sunrise Apartments II 2015 Green St</p>	<p>32 - 1 Bedroom <u>1 - 2 Bedroom</u> 33 Total Units</p>	<p>\$566-\$586 N/A 30% of income</p>	<p>Any open units being filled from waiting list</p>	<p>Senior/ disabled occupancy</p>	<p>USDA Rural Development subsidized one-story apartment building constructed in 1999. Project also used tax credits but compliance requirements have been met. Designated for senior (62+) and/or disabled tenant occupancy. Identified as congregate housing, with noon meal delivery from senior center. 31 tenants have access to rent assistance that allows rent based on 30% of income; remainder pay 30% of income but not less than basic or more than market rent listed. One-bedrooms have approx. 582 sq ft and 1 bathroom. Manager reported 1 open unit due to turnover but in the process of being filled from a short waiting list. Rents are unchanged from 2017 survey.</p>

Table 26 Yankton Senior Housing with Services Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Senior Housing with Light Services					
<p>Avera Sacred Heart Majestic Bluffs Senior Living Apartments 2109 11th St</p>	<p>Studio 1 Bedroom <u>2 Bedroom</u> 46 Total Units with approx. 40% to 45% lighter services</p>	<p>\$2090-\$2594 depending on unit +\$400 extra person</p>	<p>4 vacant units partly due to pandemic</p>	<p>Senior housing with light services</p>	<p>Independent living units constructed in 2001 that are part of the Majestic Bluffs community which also includes assisted living, memory care and skilled nursing beds. Approx. 40% to 45% of units are occupied by people needing only lighter services. Some units have kitchens, in-unit laundry and more square feet. Residents receive 2 meals, emergency call system and utilities, and can also purchase services such as laundry, housekeeping or other meals. Tenants can age in place by adding additional care services instead of moving to a different unit. Four units vacant at time of survey due to both turnover and impact of pandemic. Rents have increased by \$260 from 2017 survey.</p>
<p>Avera Sacred Heart Senior Townhomes</p>	<p><u>8 - 2 Bedroom</u> 8 Total Units</p>	<p>\$1870-\$1970 +utilities</p>	<p>No vacant units, low turnover</p>	<p>Independent living for seniors on Avera campus</p>	<p>Twin homes constructed in 2001 and 2005 and part of the Avera senior complex that includes specialized senior housing options. Units have attached double garage and yard work/snow removal included in rent. Units have 1200 sq ft and 1 bathroom or 1325 sq ft and 2 bathrooms. Residents can make \$48,000 initial deposit to lower rent to \$920 or \$970 - with deposit depleted over 5 year period to offset lower rent. Good demand and full occupancy. Expansion plans had existed pre-pandemic and more twin homes may be added. Rents have increased by \$35 from 2017 survey.</p>

Table 26 Yankton Senior Housing with Services Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Senior Housing with Light Services					
Walnut Village Independent Apartments 613 Walnut St	1 Bedroom <u>2 Bedroom</u> 21 Total Units with approx. 12 lighter services and remainder assisted living	N/A depending on unit	5 vacant units	Senior Housing with Services	<p>Senior housing community offering light services housing, assisted living and memory care in the same building. Project opened in 2004 when former high school was converted to senior housing. Twelve units offer more independent living which includes breakfast and noon meal, and light housekeeping every other week. Additional meals and light services such as laundry can be purchased a la carte. Residents needing more care move into assisted living units. Some units have laundry hookup, and some garages available.</p> <p>Building amenities include activities, scheduled transportation, community rooms, and guest suite. Monthly rent for light services was not obtained but depends on unit size and type. Manager reported 5 unoccupied light services units at time of survey - some level of vacancy is typical.</p>

Table 26 Yankton Senior Housing with Services Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Assisted Living Centers					
Angelhaus 2905 Douglas Ave	26 - Studio <u>5 - 1 Bedroom</u> 31 Total Units 36 person ALC license capacity	\$3800 \$4200-\$4500 +additional services as needed	2 vacant units 2 - 1 Bdrm	Assisted Living Center	Senior assisted living project constructed in 1999 and used for assisted living since 2009. Companion facility provides memory care. Basic package includes all meals, 24-hour staffing, skilled nursing staff, emergency call system, weekly housekeeping and laundry, medication assistance, cable TV, utilities and maintenance. Additional services can be purchased in set packages as needed. Project will accept up to 20 Medicaid residents - generally at capacity with unmet demand. Two 1-bedrooms were unoccupied at time of survey due to turnover but typically at full occupancy with waiting list - Covid has not had recent impact.
Avera Sacred Heart Majestic Bluffs Assisted Living 2109 11 th St	Studio Large Studio 1 Bedroom <u>2 Bedroom</u> 46 Total Units approx. 55% to 60% assisted living	\$4830-\$5470 depending on unit and + care package	4 vacant units partly due to pandemic	Assisted Living Center	Senior assisted living units constructed in 2001 that are part of Avera Majestic Bluffs community which also offers independent living, memory care and skilled nursing beds. Units are in building that can offer flexible care from more independent to assisted living - approx. 55% to 66% are in assisted living. Rent listed is lowest entry point for assisted living in based on unit type at basic care package - rates increase for higher care. Facility is private-pay. Four units vacant at time of survey due to both turnover and impact of pandemic. Rents have increased by \$300+ from 2017 survey.

Table 26 Yankton Senior Housing with Services Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Assisted Living Centers					
Walnut Village Apartments 613 Walnut St	1 Bedroom 2 Bedroom 21 Total Units with approx. 9 assisted living and remainder light services housing	\$3400-\$4200 depending on unit and care level	5 vacant units but may be for independent living	Assisted Living Center	Senior housing community offering assisted living, light services housing and memory care in the same building. Project opened in 2004 when former high school was converted to senior housing. Approx. 9 units on upper floors are used for assisted living and 12 units offer more independent living. Main floor of building with 16 units is focused on cognitive care. Building amenities include activities, scheduled transportation, community rooms, and guest suite. Manager reported 5 unoccupied light services units at time of survey - some level of vacancy is typical. Rents have increased by more than \$700 from 2017 survey.
Walnut Village Apartments Assisted Living 613 Walnut St	12 - Studio 1 Bedroom 2 Bedroom 25 Total Units	\$4800-\$5900 includes services	4 vacant units	Assisted Living Center with cognitive care	Senior housing community offering assisted living and light services housing. Project opened in 2004 when former high school was converted to senior housing. Assisted Living license is for 25 units - up from 16 in 2017. 16 units are on first floor and provide cognitive care. Rent includes all meals, 24-hour staffing, laundry, housekeeping, emergency call system, medication dispensing and access to skilled nursing. Building amenities include activities, scheduled transportation, garages, community rooms, and guest suite. Four units unoccupied unit at time of survey and some openings are typical. Project is private-pay. Rents have increased by approx. \$2100 to \$2800 from 2017 survey.

Table 26 Yankton Senior Housing with Services Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Memory Care					
Angelhaus 2903 Douglas Ave	16 - Studio 6 - 1 Bedroom <u>2 - 2 Bedroom</u> 24 Total Units 28 person ALC license capacity	\$6100/single +\$4900 for 2 nd person	Some vacant units	Memory Care Assisted Living Center	Senior assisted living project constructed in 1996 - in 2017 it changed focus to memory care in a secured facility. Some units were vacant at time of survey - Covid has impacted this facility as new admissions were halted for some time and filling available units has taken some time.
Avera Sacred Heart Majestic Bluffs Assisted Living 2109 11 th St	<u>13 Units</u> 13 Total Units with capacity for 13 to 15 residents	\$5395-\$5900	High rate of occupancy, waiting list	Memory Care	Senior memory care units constructed in 2001 that are part of Majestic Bluffs community which also offers assisted living, independent living, and skilled nursing beds. Initially had 9 studio rooms, but later expanded to 13 in this specialized area including some suitable for couples/family members. Units have a high rate of occupancy and a waiting list. Lowest entry price has increased by \$650 from 2017 survey.

Table 26 Yankton Senior Housing with Services Inventory					
Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Tenant Mix	Comments
Skilled Nursing Homes					
Avera Sister James Care Center 2111 W 11 th St	187 bed skilled nursing home	N/A	173 beds in use due to need for Covid ward	Skilled Nursing Home	Skilled nursing home that is attached Avera Majestic Bluffs senior campus. Part of the facility was constructed in 2001, and 73-beds in 2015 replacing older nursing homes. Facility now has private occupancy rooms. Rooms are flexible and can be used for shorter-term Medicare stays but 75%+ are typically used by longer-term residents. A 6-bed hospice facility also exists. Intentional reduction to 173 beds due to need for a Covid ward. Less demand for skilled nursing beds than in the past. With home health care and other senior housing options.

Source: Community Partners Research

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Employment and Local Economic Trends Analysis

While many factors influence the need for housing, employment opportunities represent a predominant demand generator. Without jobs and corresponding wages, the means to pay for housing is severely limited.

Employment opportunities may be provided by a broad range of private and public business sectors. Jobs may be available in manufacturing, commercial services, agriculture, public administration, and other industries. The type of employment, wage level, and working conditions will each influence the kind of housing that is needed and at what level of affordability.

The City of Yankton and Yankton Thrive continue to pursue opportunities for business expansion, economic development and workforce growth. Investing in current employers has been a priority over recruiting new companies.

Major Employers in Yankton

Major employers in the City of Yankton include the following:

- ▶ Avera Sacred Heart Hospital
- ▶ SD Human Services Center
- ▶ Hy-Vee Food Stores
- ▶ Yankton School District
- ▶ Kolberg-Pioneer, Inc.
- ▶ WalMart
- ▶ Hydro Extrusion, Inc.
- ▶ Yankton Medical Clinic, PC
- ▶ Vishay Dale Electronics
- ▶ FNBO
- ▶ Wilson Trailer Company
- ▶ Cimpl Meats aka American Food Group
- ▶ Shur-Co
- ▶ Manitou Power Products
- ▶ Parker Hannifan
- ▶ Applied Engineering, Inc.
- ▶ City of Yankton
- ▶ Mount Marty University
- ▶ First Dakota National Bank

Labor Force and Unemployment

Employment information is available at the City level for Yankton, and at the County level. The first table displays information for the City of Yankton, while the second table contains data for the Four-County area that includes Yankton, Bon Homme, Cedar and Knox. The labor force statistics in the tables below track people by place of residence, rather than place of employment.

Table 27 Yankton Average Annual Labor Statistics: 2010 to 2021*						
Year	Labor Force	Employed	Unemployed	Unemployment Rate - City	Unemployment Rate - SD	Unemployment Rate - US
2010	7,168	6,762	406	5.7%	5.0%	9.6%
2011	7,194	6,826	368	5.1%	4.6%	8.9%
2012	7,267	6,972	295	4.1%	4.1%	8.1%
2013	7,192	6,922	270	3.8%	3.7%	7.4%
2014	7,087	6,848	239	3.4%	3.3%	6.2%
2015	7,215	7,002	213	3.0%	3.0%	5.3%
2016	7,227	7,013	214	3.0%	3.0%	4.9%
2017	7,161	6,954	207	2.9%	3.1%	4.4%
2018	7,300	7,112	188	2.6%	2.9%	3.9%
2019	7,359	7,162	197	2.7%	3.0%	3.7%
2020	7,309	6,935	374	5.1%	4.6%	8.1%
2021*	7,236	7,045	191	2.6%	2.8%	5.3%

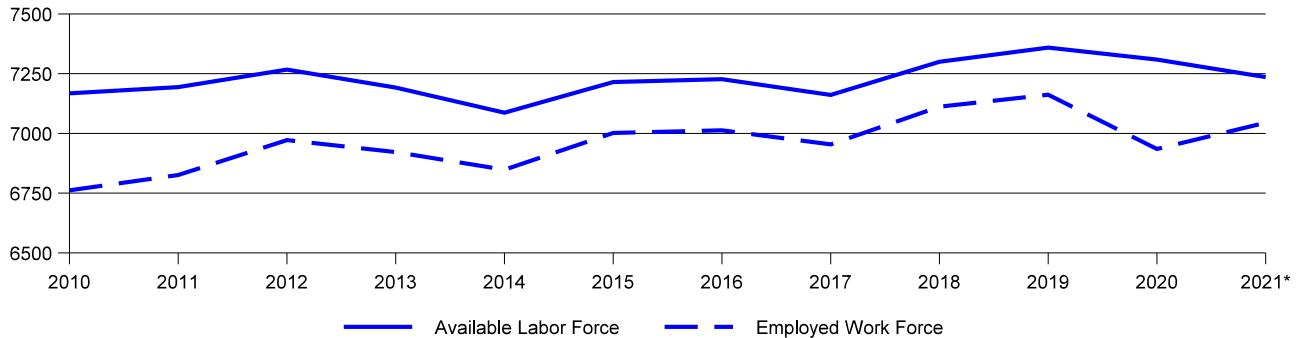
Source: South Dakota Department of Labor & Regulation - Not seasonally adjusted

*2021 is through November

Yankton has experienced some fluctuation in recent years in the available labor force. However, in the pre-pandemic years the City’s labor force had generally been growing. If 2019 is compared to 2010, the City’s labor force had increased by 191 people, or 2.7%.

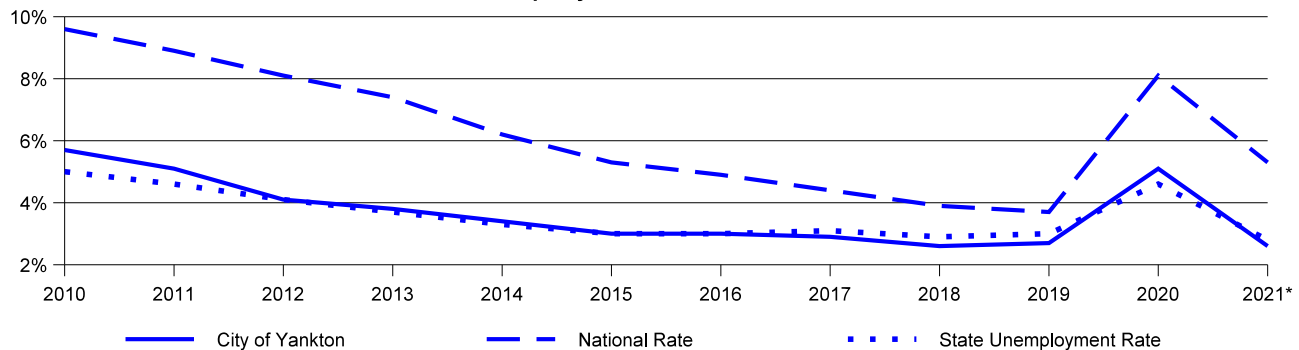
The City’s labor force then decreased slightly between 2019 and 2020, presumably due to the global pandemic. The labor force then decreased again between 2020 and 2021, although the figures are preliminary for 2021, and may be revised when all 12 months become available.

City of Yankton Labor Force and Employed Work Force



The City’s work force has generally followed a similar pattern, with an increase of 400 employed residents, for an increase of 5.9%, between 2010 and 2019. The City’s employed work force then decreased between 2019 and 2020, before recovering some of this loss between 2020 and 2021.

Annual Unemployment Rate: 2010 to 2021*

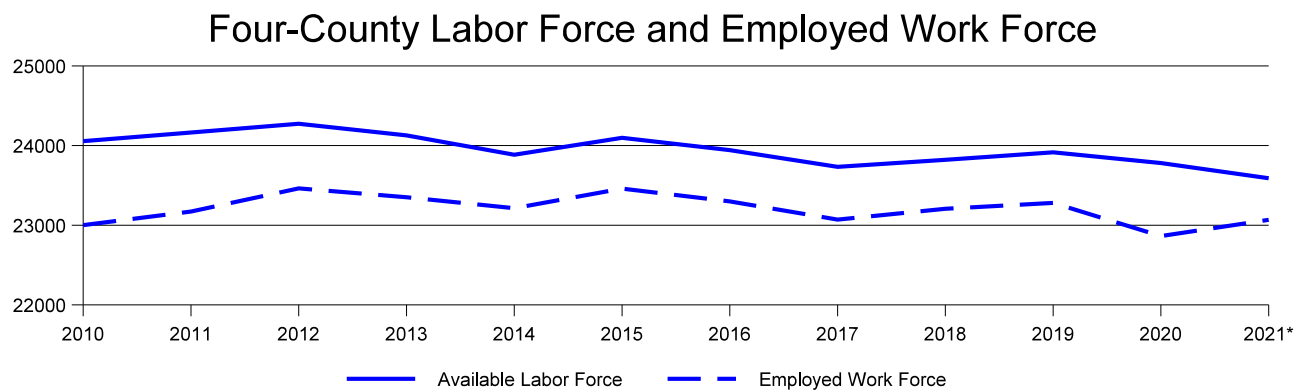


Throughout the time period reviewed, the unemployment rate in Yankton has remained well below the national rate, and has generally been similar to the rate for all of South Dakota.

The Covid pandemic in 2020 did cause a spike in the City’s unemployment rate, but through the first 11 months of 2021, the rate had dropped again to only 2.6% in Yankton.

Table 28 Four-County Average Annual Labor Statistics: 2010 to 2021						
Year	Labor Force	Employed	Unemployed	Unemployment Rate 4-County	Unemployment Rate - SD	Unemployment Rate - US
2010	24,056	23,001	1,055	4.4%	5.0%	9.6%
2011	24,164	23,171	993	4.1%	4.6%	8.9%
2012	24,274	23,463	811	3.3%	4.1%	8.1%
2013	24,128	23,351	777	3.2%	3.7%	7.4%
2014	23,885	23,213	672	2.8%	3.3%	6.2%
2015	24,098	23,459	639	2.7%	3.0%	5.3%
2016	23,943	23,299	644	2.7%	3.0%	4.9%
2017	23,733	23,071	662	2.8%	3.1%	4.4%
2018	23,821	23,207	614	2.6%	2.9%	3.9%
2019	23,915	23,280	635	2.7%	3.0%	3.7%
2020	23,781	22,863	918	3.9%	4.6%	8.1%
2021*	23,590	23,068	522	2.2%	2.8%	5.3%

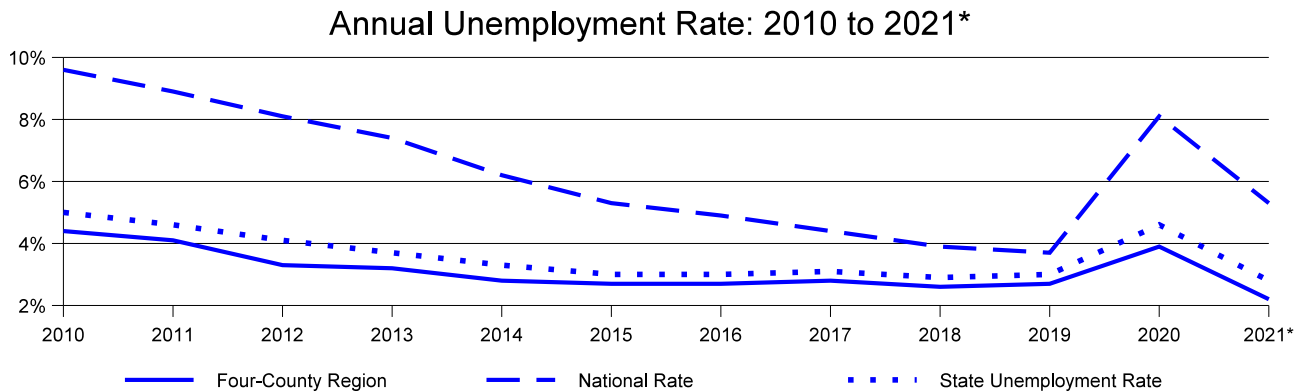
Source SD Department of Labor & Regulation; NE Department of Labor - Not seasonally adjusted
 * 2021 is through November



The City of Yankton represents more than 30% of the entire labor force for the Four-County Region, and the patterns for this larger area are generally similar to those in the City. If 2019 (pre-pandemic) is compared to 2010, there had been a minor reduction of 141 people in the available resident labor force.

The labor force has then grown somewhat smaller in 2020 and 2021, although this may be due to the economic impact of the Covid pandemic.

The employed work force actually increased slightly between 2010 and 2019, as the unemployment rate for the Four-County region grew smaller. However, the employed work force then decreased between 2019 and 2020, before recovering some of this loss between 2020 and 2021.



Throughout the time period reviewed, the unemployment rate in the Four-County region has remained below both the national rate and the rate for all of South Dakota.

Employment and Wages by Industry Sector

The following table shows the annual employment and average annual wages by major employment sector in 2020, the last full year of data. Covered employment and wages are based on the location of the job, not the residency of the worker. This information is for all of Yankton County. No information from this source exists for the City. It is important to note that the major employment sectors listed do not represent all employment in the County.

Please note that the industry sector details in the following table only display information for private employers. No similar information could be obtained from this source on public or government employers. However, the total for all industries does include both public and private employment.

Table 29 Yankton County Average Wages by Industry Detail: 2020		
Industry	Employment	Average Weekly Wage
Total All Industry	12,228	\$917
Natural Resources, Mining	62	\$770
Construction	433	\$918
Manufacturing	3,214	\$1,071
Trade, Transportation, Utilities	2,090	\$716
Information	120	\$836
Financial Activities	477	\$1,499
Professional and Business Services	621	\$863
Education and Health Services	2,136	\$1,122
Leisure and Hospitality	1,074	\$302
Other Services	225	\$552
Government	N/A	N/A

Source: South Dakota Department of Labor & Regulation

The average weekly wage for all industry in 2020 was \$917. At full-time employment this would yield an average annual wage of \$47,684.

The highest paying industry sectors were Financial Activities, Education and Health Services, and Manufacturing, each with an annual weekly wage above \$1,000. At full-time employment these sectors would have annual wages of above \$55,000. Manufacturing is also the largest private industry sector for number of employees.

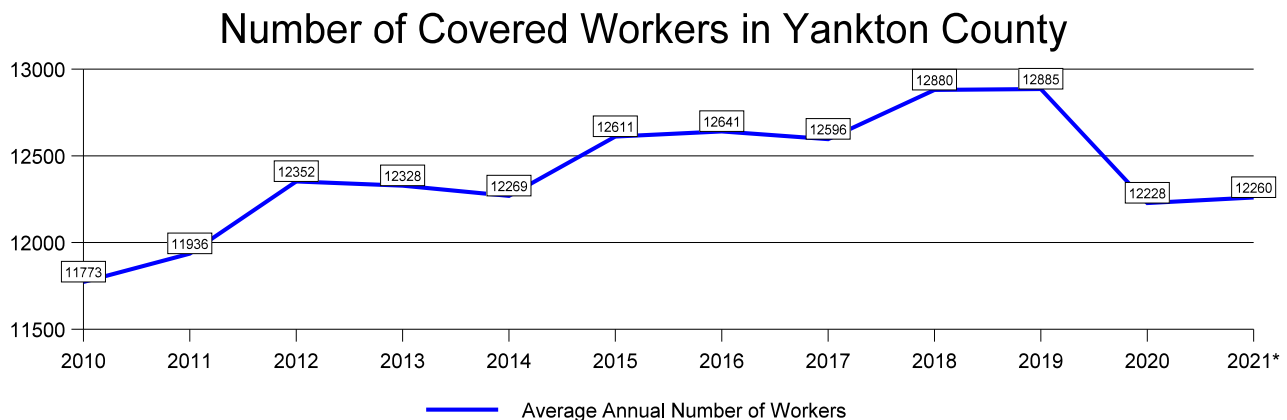
The lowest paying wage sector was Leisure and Hospitality, with an average annual wage of approximately \$15,700.

Annual Covered Employment

Since the Quarterly Census of Covered Workers (QCEW) tracks employees covered by unemployment insurance by location of the worker, it is possible to examine longer-term patterns in the local employment level. The following table displays the total number of workers reported in the County back to the year 2010.

Table 30 Yankton County Average Annual Employment			
Year	Total Covered Employment	Year	Total Covered Employment
2010	11,773	2016	12,641
2011	11,936	2017	12,596
2012	12,352	2018	12,880
2013	12,328	2019	12,885
2014	12,269	2020	12,228
2015	12,611	2021*	12,260

Source: SD Department of Labor & Regulation



From 2010 through 2019, there had been a general pattern of growing employment in Yankton County, as tracked by reporting for unemployment compensation. If total employment in 2019 is compared to the year 2010, there had been an increase of 1,112 jobs, or 9.4% over this period.

There was then some reduction between 2019 and 2020, probably caused by the Covid pandemic. But partial-year information for 2021 indicates that some of these lost jobs may be starting to recover.

Commuting Patterns of Area Workers

Information is available through the American Community Survey on area workers that commute for employment. The first table examines travel time for Yankton residents, and excludes people that work at home.

Table 31 Commuting Times for Yankton Residents - 2019		
Travel Time	Number	Percent
Less than 10 minutes	3,567	51.9%
10 to 19 minutes	2,504	36.4%
20 to 29 minutes	203	3.0%
30 minutes +	600	8.7%
Total	6874	100%

Source: American Community Survey

The large majority of Yankton residents were commuting less than 20 minutes to work in 2019. Overall, more than 88% of residents commuted 19 minutes or less for their primary employment. Fewer than 9% of the City’s residents had a longer-distance commute of 30 minutes or more.

The American Community Survey also identifies travel time by location of the job. For people that worked in Yankton, the following travel times were identified. This would include people that both lived and worked in the City.

Table 32 Commuting Times for Yankton Employees - 2019		
Travel Time	Number	Percent
Less than 10 minutes	3,712	35.4%
10 to 19 minutes	3,693	35.2%
20 to 29 minutes	1,447	13.8%
30 minutes +	1,629	15.5%
Total	10,481	100%

Source: American Community Survey

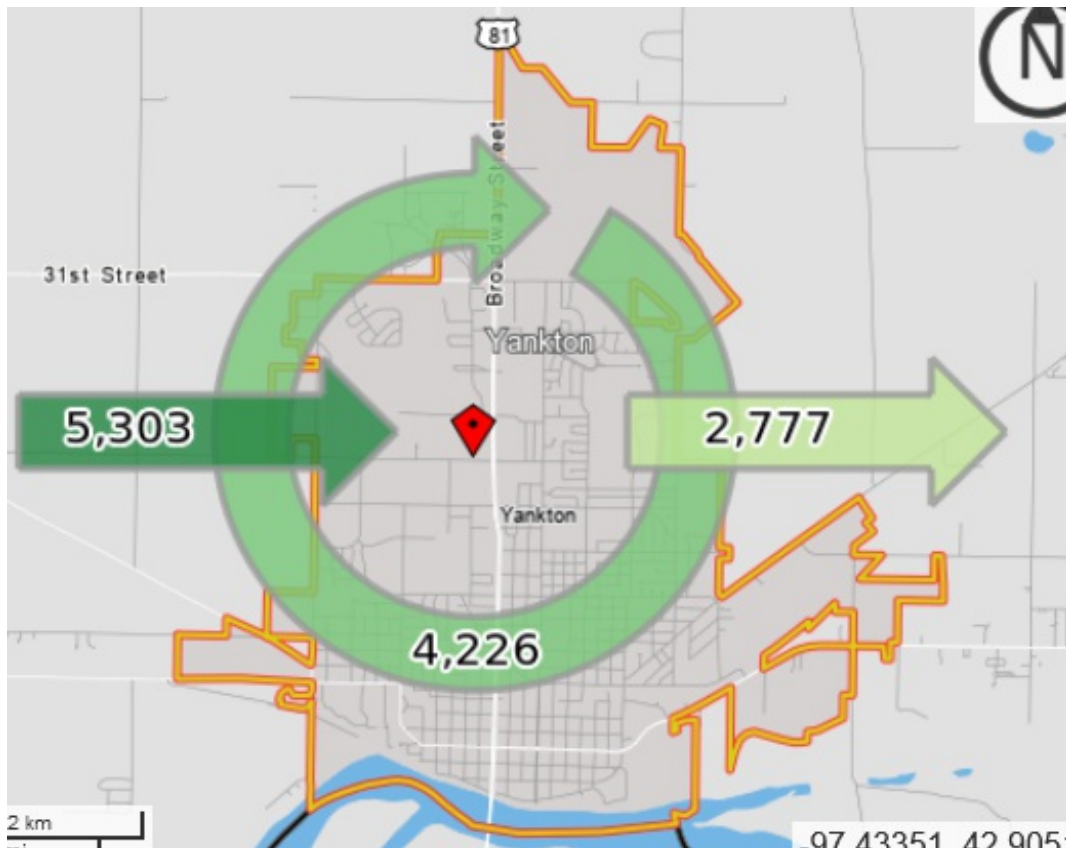
Overall, nearly 71% of the people that were employed within the City of Yankton had a travel time of 19 minutes or less. This would include a large number of people that both live and work in the City. However, more than 1,600 people did travel to Yankton from greater distances and had a drive time of 30 minutes or more.

Census On the Map

The Census Bureau also produces commuter reports through its Center for Economic Studies division. This information is also based on reports for the year 2019, and provides a further breakdown of worker movement patterns.

According to the report for Yankton, there were 9,529 people that were employed within the city limits in 2019. Approximately 44% of these Yankton-based employees also lived within the City, but more than 5,300 employees lived outside the City limits and commuted in daily. West Yankton UT, Southeast Yankton UT, Sioux Falls, Utica Township, Vermillion, Hartington NE and Gayville were the primary identified locations that were supplying workers to Yankton.

Although most Yankton residents also worked within the City, more than 2,770 were commuters and left Yankton for their primary job. Among the primary destinations for commuting residents were Sioux Falls, Southeast Yankton UT, Vermillion, Sioux City and Utica Township.



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Summary of Findings/Recommendations

The findings/recommendations for the City of Yankton have been formulated through the analysis of the information provided in the previous sections. They have been divided into the following categories:

- ▶ **Rental Housing**
- ▶ **Home Ownership and Single Family Housing**
- ▶ **Housing Rehabilitation and Neighborhood Revitalization**
- ▶ **Other Housing Issues**

The findings/recommendations for each category are as follows:

Findings and Recommendations for the City of Yankton	
Rental Housing Recommendations	
1.	Market Demand for 165 to 195 Conventional Market Rate Rental Housing Units - page 147
2.	Promote the Development of 55 to 65 Moderate Rent Conventional Rental Housing Units - page 149
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4.	Attempt to Develop 25 to 30 Additional Subsidized Rental Units and Preserve Existing Subsidized Projects - page 153
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Findings and Recommendations for the City of Yankton	
Housing Rehabilitation and Neighborhood Revitalization	
13.	Promote Rental Housing Rehabilitation Programs - page 170
14.	Promote Owner-Occupied Housing Rehabilitation Programs - page 171
15.	Updated Findings on Acquisition and Demolition of Dilapidated Structures - page 171
Other Housing Initiatives	
16.	Updated Findings on Employer Involvement in Housing Programs - page 173
17.	Continue to Monitor Mobile Home Conditions - page 174
18.	Updated Findings on Planning and Coordination Among Local Housing Agencies - page 175

More details are provided in the following pages. Prior to the specific recommendations, a summary of some of the key growth-related findings and projections has been presented.

Summary of Growth Trends

The Demographic Data section of this report has presented information on the recent estimates and past trends for the City of Yankton, along with a larger aggregated area of rural jurisdictions that surround the City and referred to as Greater Yankton, and for a Four-County Region in South Dakota and Nebraska.

Consistent with the findings in previous Studies, Yankton and some immediately contiguous jurisdictions have demonstrated a sustained pattern of growth in recent decades, adding both population and households. The 2020 Census has established a new benchmark to measure the rate of recent growth.

Between 2010 and 2020, the City had average growth of 48 households per year. From 2000 to 2010, this average was 54 households per year. In the 1990s the City added approximately 39 households per year.

While there has been some decade-to decade variation in the annual average growth in resident households, this pattern has been relative consistent and ongoing. If viewed over a 30-year time frame, Yankton has averaged approximately 47 additional households per year.

The City's population has also increased in each of the previous three decades. However, some of the past population growth was due to residents of group quarters housing, including correctional facilities. But between 2010 and 2020, Yankton added nearly 1,200 permanent residents outside of group quarters housing, as population growth was very strong in the City.

For the larger Four-County Area that includes Yankton, Bon Homme, Cedar and Knox Counties, there has generally been an overall loss of population and households, once the immediate Yankton area is removed. Between 2010 and 2020, the remaining jurisdictions in the Four-County Region, excluding Yankton, had a net reduction of 424 resident households and more than 900 people, according to the most recent Census.

This continues a pattern of a larger concentration of area residents electing to live within the City of Yankton when housing opportunities are available.

Age-based demographic data have not yet been released from the 2020 Census, and estimates have been used instead. These estimates continue to show an aging population. In general, the Greater Yankton area has seen an increased number of households age 55 and older, but a decrease in the total number of households age 54 and younger over the past decade.

Growth Projections Overview

Although demographic projection information exists from different sources, a primary method for projecting future household growth is based on the continuation of past patterns. In the previous Housing Studies completed for Yankton in 2013 and 2017, an annual average of approximately 50 to 60 households per year had been calculated for the City of Yankton.

The release of 2020 Census results indicates that a slightly lower level of annual growth was actually achieved in Yankton, with an average of 48 additional households per year. Within the larger Greater Yankton aggregated area, approximately 64 households were added in an average year over the prior decade.

The analysts have examined projection data from national sources such as Applied Geographic Solutions and Esri, but in general these forecasts underestimate the growth potential of the Yankton area. As a result, trend-based calculations have once again been used for anticipating future growth.

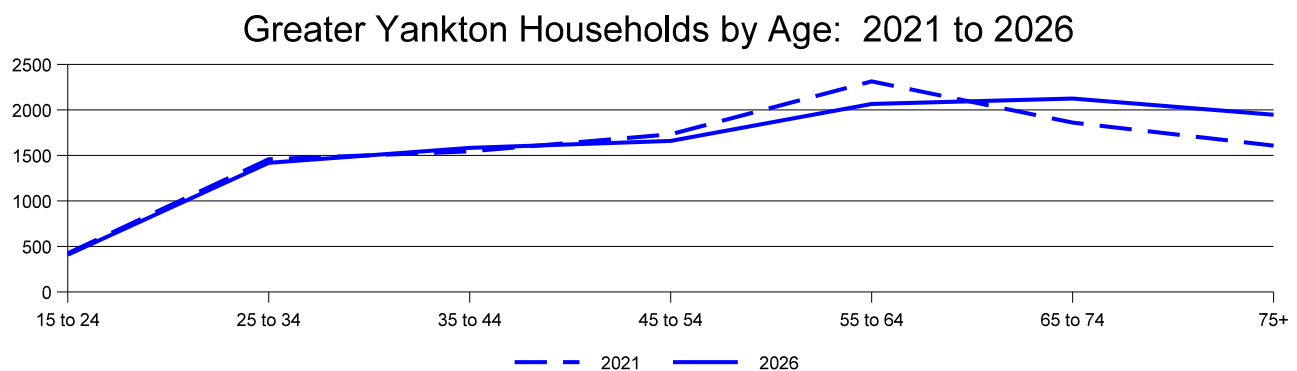
Going forward, the analysts have proceeded with the assumption that the City of Yankton has the potential to add an average of 59 to 63 households per year through the year 2026. For the Greater Yankton area, which includes the City, 66 to 70 households per year is viewed as achievable.

Growth at the levels projected would be greater than the actual level recorded in the recent past. However, these projections may also prove to be conservative. Over the past five years the City has issued building permits for an average of 100 new units per year. While this average level of annual construction may not be sustained, household growth consistent with an increase in housing unit production is certainly achievable.

Summary of Growth Projections by Age Group

This Update has once again presented projection information on anticipated changes by age group through the year 2026. This information can be informative in determining the housing changes that may be needed due to age patterns of the area population.

Although Esri does have a conservative view of future growth potential for the Greater Yankton Area, their projection for the household level in 2026 is low by less than 1%. As a result, their age-based data for the Greater Yankton area is viewed as relatively accurate for predicting future changes.



Overall, Esri is projecting that the Greater Yankton Area will see only limited changes in many age groups, but will see an increasing number of senior households in the age ranges 65 and older. This projection would be very consistent with the expected aging of the baby boom generation. By 2026, nearly all the baby boomers will be age 65 or older.

Overall household reductions are being projected in the age ranges 64 and younger, as the advancing baby boomers will result in fewer households specifically in the 55 to 64 year old group, as the age cohort immediately trailing the baby boomers is smaller in size.

These are fairly typical age progression patterns for this part of the U.S. The projections could change if more young adult households are attracted to the area due to employment opportunities. However, while some success has been achieved, local reports indicate that potential jobs remain unfilled as the supply of younger workers is not as large as the area’s job creation potential.

Summary of Housing Unit Demand and Tenure Projections

As the largest city in the Four-County Region, Yankton has developed a diverse range of housing options for area residents. As stated in previous studies, Yankton is the dominant regional location for area renter households. Yankton also continues to be successful in attracting home owners and new single family home construction.

Occupancy tenure information is not yet available from the 2020 Census, but it is probable that the City continues to see a shift to an increasing frequency of renter-occupancy. At the time of the 2010 Census, approximately 62% of households owned their housing unit. In 2022, it is likely that the home ownership rate has dropped below 60%. While a majority of the City's households are home owners, rental housing continues to gain market share.

There are various methods that can be used to project demand by housing tenure, but recent patterns provide a good indication of expected future occupancy. Between 2010 and 2021, there was nearly an equal split of owner and renter housing constructed in Yankton. Applying this 50% distribution going forward represents a reasonable expectation. For just growth-generated demand, this yields an expectation that approximately 30 to 32 owner units and 30 to 32 renter units will be needed annually to meet the expected increase in households in a typical year.

While household growth will be a primary demand-generator for new construction, there are other factors that will also contribute to the need for more housing. In the past, annual construction of owner-occupancy housing units has been greater than owner household growth, implying that unit replacement and pent-up demand may also have contributed to the need for new construction. As a result, some upward adjustment has been made for these other factors, bringing the annual projected range to 42 to 52 owner-occupancy units per year. Over the 5-year projection period a total of 210 to 260 total units would be indicated.

For rental housing, upward adjustment is necessary in 2022, primarily due to the unmet demand that exists, as evidenced by the low vacancy rate in many rental segments. With pent-up demand and unit replacement added to growth-generated demand, the potential exists for an average of 55 to 65 additional rental units each year, or a total of 275 to 325 units during the five-year projection period.

It is important to note that we have estimated potential demand in Yankton. The demand for owner-occupancy units will continue to exist both inside and outside the city limits, especially in the lake areas and rural settings that surround the City. Demand for rental units will be primarily oriented to Yankton. Any rental growth outside of the City would generally only occur when a unit is converted from owner to renter-occupancy.

It is also probable that the five-year projections will not necessarily result in a consistent level of annual construction. This is especially true for rental housing, which will be in periodic multifamily projects.

Summary of Employment and Economic Conditions

As detailed in a previous section of this Study, Yankton has maintained a strong local economy, especially when compared to other parts of the U.S. The City's unemployment rate has remained well below the national rate for more than a decade, and in most recent years, the unemployment rate in the City has been comparable to the statewide rate for South Dakota.

As stated in previous studies, single family housing construction patterns and home values in Yankton have been directly linked to economic activity and consumer confidence. As national economic conditions deteriorated in the late 2000's, housing markets also slumped. The lowest housing production years for Yankton tend to match a rise in the unemployment rate during that time.

The accuracy of demand projections and housing forecasts contained in this Update will be impacted in part by the local economic conditions. In 2022, the local economy is very strong, in terms of the local unemployment rate.

However, the Covid pandemic starting in 2020 did appear to have economic consequences in Yankton, by increasing the unemployment rate and by somewhat reducing the area's labor force. While these negative changes were already showing signs of improvement by the end of 2021, economic indicators had not fully returned to pre-pandemic levels.

Consistent with findings in previous studies, there continues to be reports of unfilled jobs that exist in the community, due to a shortage of qualified workers. Although large-scale employment changes would not be expected in the Yankton area in the near future, housing demand will be directly impacted by the strength of the local economy.

Rental Housing Recommendations

Overview: Yankton has a diverse supply of rental housing. As the largest City in the immediate region, Yankton maintains a broad mix of units serving different income levels and age groups. Over time, the rental tenure rate has probably been increasing, and by 2022, the renter-occupancy rate is estimated to be above 40%.

Looking forward, the potential demand calculations used for this Update show the need for approximately 275 to 325 units of rental housing over a five-year projection period. This unit recommendation is primarily based on a combination of projected household growth and pent-up demand from under-served segments.

Rental Rate Distribution of Recommended Units

Information from the American Community Survey can be analyzed to better define an ideal distribution of units, based on the ability to pay of area renters.

Please note that while many renters need a lower-priced unit, the production of these units is generally not practical, given the economic considerations of new housing construction. But ability-to-pay does help to define some of the limitations that apply as the area attempts to address rental demand and add to their supply of affordable rental housing.

The following statistics are based on the estimated renter household income data from 2019.

- ▶ More than 38% of all renter households in Yankton had an annual income below \$25,000 in 2019. For these households, an affordable unit would be defined as a gross rent below \$620. Many of these lower income households are presumably accessing existing subsidized housing resources. Any new units created to serve this lower income group would generally require significant development subsidies.
- ▶ Approximately 14% of the renter households needed an affordable unit priced between \$625 and \$900 per month. Income-restricted housing with a moderate rent structure, such as units created with federal housing tax credits, can often serve a portion of the demand in this price range.

- ▶ Approximately 48% of all renter households could afford to pay \$900 or more for rent in 2019, although many may choose to apply a smaller percentage of their income for housing if options existed. This higher-rent group would be expanded by moderate to higher income home owners that would opt for a high quality rental unit as a lifestyle option. This demand can generally be met through the constructing of conventional market rate rental housing units.
- ▶ Based on the 2019 data, there were substantially more households with the financial ability to pay \$1,250 or more for rental housing each month than there were higher-priced units in the local inventory. Since that time, a number of new conventional rental units have been constructed, but unmet demand still exists.

Recognizing the income limitations of area renter households has an impact on the number and type of units that can be constructed. Even though more overall demand may exist, the predicted income distribution of future renter household growth would generally be similar to these established income patterns.

At the time of the research for this Update, construction was underway of 72 conventional rental units in the Fox Run Townhomes project. Some of these units should be available for occupancy early in 2022, with additional units completed later in the year. The Fox Run units coming online in 2022 will address part of the projected demand for rental units as calculated in this section.

Some additional smaller-scale projects are also being proposed or planned. These include five new downtown apartments created in an existing building, and approximately 19 units that have been off-line for many years due to poor condition. One additional project may create approximately 10 to 12 senior housing units on the Avera Sacred Heart campus, oriented to independent seniors.

Based on the research completed for this Update. The following rental housing findings and recommendations have been made:

1. Market Demand for 165 to 195 Conventional Market Rate Rental Housing Units

Findings: Since the completion of the 2017 Housing Study, there have been three larger-scale multifamily rental projects developed in Yankton that serve the conventional rental market. All of these projects have a rent structure that is at or above the prevailing range for traditional market rate housing in the community.

Westbrook Estates II created 72 traditional apartment units and 12 rental town houses. While the apartments do have a more moderate rent structure, two-bedroom rents still approach \$1,000 per month when tenant-paid utilities are included. The town house units have a gross rent above \$1,300 per month for two-bedroom options. The entire Westbrook Estates complex, including phase one, reported full occupancy to the recent rental survey.

In 2019, the Summit Heights Apartments started construction, creating 32 luxury units. Some of these units are still being finished, but in late 2021 there were 27 units available for occupancy. Two-bedroom units in this project have a gross rent above \$1,400 per month. Units are very large and include attractive features including underground parking.

In 2020, the first phase of Fox Run Townhomes was permitted with 36 units. These units became available in January 2021, and reported full occupancy at the time of the rental survey. Two additional phases were permitted in 2021, and should become available for occupancy in 2022. When completed, Fox Run will have 108 total units, with the possibility of future phases of construction. Gross rents for two-bedrooms are at or above \$1,200 per month. These units offer features of single family living, including an attached garage, and are located next to a golf course.

Two smaller-scale projects, Larry's Rentals with eight units in two buildings, and Johanneson Townhomes with 10 rental units have also been added to the conventional market rate inventory. Larry's Rentals are in a more moderate price range while the Johanneson Townhomes are more similar to Fox Run.

From 2017 to 2021, approximately 170 total conventional market rate units were built in Yankton, and most have been successfully absorbed. While Westbrook Estates Apartments may initially have offered units in a more moderate price range, by 2022, nearly all of the most recently constructed projects now have a two-bedroom gross rent above \$1,000 per month.

Despite the ongoing introduction of new units since 2018, the vacancy rate in conventional market rate housing in 2022 is very low, and estimated at approximately 1% or less in multifamily projects.

A commonly used standard is that a vacancy rate between 3% and 5% is considered acceptable, to offer some degree of unit choice while still providing rental property owners with a good return on their investment. The estimated vacancy rate in the most recent survey was at or below 1% in the conventional segment. Additional unit creation is needed to expand the overall inventory to allow choice for existing renter households.

While the goal of the rental survey was to contact multifamily rental properties, some limited information was obtained on single family rentals. In general, single family rentals are a popular option for people looking for rental housing, and there were no indications that vacancy rates would differ significantly within this segment of the market, provided units are in good condition.

There is generally a price difference between the older conventional rental options in Yankton, and the newer buildings. The lower pricing that exists within the older conventional rental stock has resulted in high rates of occupancy. However, the economics of future rental housing construction will force most new market rate units into higher rent ranges than otherwise exist in the older rental inventory.

Recommendation: The overall demand calculations show that the Yankton area will need between 275 and 325 total rental units over a five-year forecast period. We would recommend that approximately 60% of this total be developed as market rate conventional housing, or 165 to 195 units by 2026.

It is important to note that between 80 and 90 of these units are already in the development pipeline, and will address a share of this projected demand. However, additional market rate projects creating 85 to 105 conventional units should be advanced within the next few years.

While different unit styles could be successful, the town house-style being used at Fox Run Townhomes and Johanneson Townhomes is well-matched to the area's growing number of senior and near-senior households.

Initial lease-up of units in Fox Run did include mostly non-senior households, but in the future it is probable that this housing type will increasingly attract older renters, as they transition from home ownership and into the rental market, while still looking for the amenities of single family living. Most of the tenants in the Johanneson units are empty-nester or senior households.

The economics of new construction will probably require that future apartment construction will require a rent structure above \$1,000 per month for a two-bedroom. For town house-style units, a gross monthly rent of \$1,200 or more is probable for a two-bedroom unit.

2. Promote the Development of 55 to 65 Moderate Rent Conventional Rental Housing Units

Findings: It is important to state that this recommendation is intended to promote more affordable conventional rental housing that does not impose income or occupancy restrictions on tenants. It would be preferable to create even more units than are discussed here, but the analysts have assumed that actually creating new units in an affordable price range will be difficult to achieve under current market conditions, with escalating prices for materials and labor.

Most of the older conventional rental housing in Yankton is within a moderate price range. According to the American Community Survey, the midpoint gross rent being charged in the community in 2019 was \$658 for two-bedroom units. Older rental complexes in the City will generally charge less than \$900 for gross rent.

Although the Yankton area does have a number of renter households that can afford more than \$900 each month, most renters in the community need an affordable unit to avoid paying a disproportionate share of their income for housing. In 2019, the estimated median renter household income was approximately \$34,000. At 30% of income, most households needed a unit priced at \$850 or less.

Some of the households within the more moderate to lower income ranges may be eligible to live in some type of income-restricted housing that was built using public development assistance. But income limits and household composition restrictions may also limit occupancy options, requiring the ongoing creation of affordable conventional rental housing.

In recent years there has been very little new unit development in a moderate price range. One local builder has constructed two 4-unit buildings on infill/redevelopment parcels. The contract rents for these two-bedroom units are \$800, although tenants also pay heat and electricity. These projects offer a very attractive rent structure for newer construction, but benefitted from builder efficiencies and low-cost land acquisition.

It is also possible that other affordable conventional unit creation has occurred, including apartments created in the downtown area. However, this would generally represent small incremental unit gains within a more affordable price range.

Recommendation: The overall demand calculations show that the Yankton area will need between 275 and 325 total rental units over a five-year forecast period. We would recommend that approximately 20% of this total be developed as moderate rent conventional housing, or 55 to 65 units by 2026.

It is important to note that even greater production would be successful, but it is assumed that even this level of development will be difficult to achieve, and that some type of assistance may be needed to reach two-bedroom rents that are below \$900.

In 2022, some of these moderate rent units may already be in the development pipeline, although this cannot be confirmed. One older rental project, known as Hudson Apartments, has been off-line for 10 years or more due to its deteriorated condition. New ownership is looking to renovate this property. The analysts have assumed that the future rent structure for this property would be in a moderate range, given the building's age and amenities. This building currently has 19 apartment units.

Another planned project would create five loft units in an older downtown building. These may or may not be in an affordable price range, as no specific information was obtained from the building owner. Often, units that can be created through conversion are less costly than comparable new construction.

If both of these projects proceed, and are in an affordable price range, nearly half of this development goal could be reached in 2022. However, the City should encourage additional projects to proceed within more affordable price ranges, including ongoing building conversions which may be able to avoid the high costs of new construction.

3. Develop 55 to 65 Additional Tax Credit/Moderate Income Rental Housing Units

Findings: The 2017 Study had recommended the development of moderate rent, income-restricted housing to serve low to moderate income renter households in Yankton. In most cases, the production of this type of housing is achieved through the use of federal low income housing tax credits, although other State or HUD assistance programs may also be used.

Tax credits alone cannot produce “deep subsidy” rental units that can serve very low income people, but tax credits do provide a “shallow subsidy” that allows for the construction of units that can serve households at or below 60% of the median income level. When other resources are combined with tax credits, even lower income households can be served.

Federal requirements place rent caps on assisted units. Tax credit limits have gross rents capped at 60% of the median income level. However, it is typical to see most rents set at or below the limits set at 50% of median, in part due to competitive market pressures, and the need to offer lower rents when applying for a competitive tax credit award.

Another funding source that has been used in the past for affordable rental housing, HUD’s HOME Program, will generally have some unit rents capped at 50% of median, although other units may be allowed to charge rents up to 80% of median. In 2022, Yankton has no current moderate rent projects that are assisted only through HOME funding.

In late 2017, a developer was successful in securing tax credits and the 40-unit Yankton Heights II Apartment project was constructed. While Yankton Heights II does include some apartments targeted to lower income households, most units are intended to serve households at or below 50% to 60% of the area’s median income level. In 2022, a one-bedroom unit generally has a gross monthly rent of \$700 or less and two-bedrooms are below \$850.

Yankton Heights II added to the City’s inventory of income-restricted, moderate rent housing. Apple Creek, Sutton Place I and II, and Yankton Heights I are the other new construction projects that operate within this moderate rent, income-restricted segment. With the addition of Yankton Heights II, there are 174 units offering this type of housing. These income-restricted, moderate rent units represent approximately 6% to 6.5% of the total rental inventory in Yankton.

Although the Yankton Heights projects have added new construction tax credit housing in recent years, there have also been some affordable unit losses, as HOME-assisted projects have completed their affordable obligations and converted to conventional housing. In the past 10 years, Sagewood Apartments A and B, and Prairie View Townhomes have all ended their contract compliance, removing a combined total of 38 units from this housing segment.

One of the moderate rent tax credit projects, Apple Creek Apartments, could not be contacted in the rental telephone survey. Usable occupancy information was collected on the remaining 140 units in this market segment. On the date of the survey, there were 5 vacant units reported, for a vacancy rate of 3.6%.

The vacancies were generally attributed to recent turnover. Due to the income certification requirements, there can be a time delay in filling open units while paperwork processing is underway. Some of the vacancies were also attributed to the income limits that apply.

Renter household income levels in Yankton are generally well-matched to income-restricted housing. In 2021, a family of three could have a maximum annual income of \$39,480 to qualify for a tax credit unit. In Yankton, the estimated median rental household income was approximately \$34,100 in 2019. Although other occupancy restrictions may also apply, a large share of renter households in the City would be below the income limits for tax credit housing.

Recommendation: The overall demand calculations show that the Yankton area will need between 275 and 325 total rental units over a five-year forecast period. We would recommend that approximately 20% of this total be developed as income-restricted moderate rent housing, or 55 to 65 units by 2026. The most available resource for new unit development would be the federal low income housing tax credit program. However, State resources may also come available in the future to help create rental housing with a below-market rent structure.

We would recommend that rent targets be set at or below the HUD limits set at 50% of median income. In 2021, the one-bedroom gross rent would be \$685, the two-bedroom rent at \$822, and three-bedroom rent at \$950.

Yankton Heights II had a nearly equal mix of one-bedroom and two-bedroom units, while Yankton Heights I had mostly two-bedroom options with some one-bedrooms and some three-bedrooms. Future projects could represent a mix of unit sizes, but the inclusion of some three-bedrooms would expand choices for families with children.

It is important to note that this opinion is based on a general assessment of overall need within this segment. The analysts did not have access to any proposed rent structure or construction plans for any future project. Any application to the State for tax credits must be supported by a project-specific analysis. This analysis will have detailed information on the proposed project, and will specifically analyze the potential market impact.

While a large percentage of all renters in Yankton would be income eligible for tax credit housing, many of these households would not actually have a sufficient income to rent a moderately-priced unit. Both phases of Yankton Heights had included some units for households as low as 30% or 40% of median income, to help address the needs of even lower income households. Frequently these lower income set-aside units will be occupied by households with a tenant-based rent assistance Voucher.

4. Attempt to Develop 25 to 30 Additional Subsidized Rental Units and Preserve Existing Subsidized Projects

Findings: The term subsidized rental housing, as used in this Update, refers to rental units that have been constructed to serve low and very low income people. In nearly all cases, subsidized housing has utilized federal resources that provide a “deep subsidy”. Most of the subsidized housing in Yankton has project-based rent assistance, or a similar subsidy available, that allows rent to be based on 30% of the household’s monthly income.

Subsidized housing development programs were generally available between the 1960s and the 1980s, and during this time a large number of projects were constructed in Yankton. The research completed in 2013 had identified 27 subsidized projects in Yankton that provided rental opportunities for lower income people. By 2022, there are 24 subsidized projects remaining. The total unit inventory in 2013 had 668 units, compared to 576 total units in 2022.

The subsidized projects that have been removed from the inventory over the past decade include Pine Tree East (now known as Three Pines), Pine Tree West (now split between Douglas Pointe and Pine Tree West), and Meadow Park Apartments. Combined, these projects once had 92 subsidized units. Certain protections were offered to eligible tenants at the time of conversion, but the project-based rent subsidy contracts have ended.

One additional change that has occurred since 2017 is that Orchard Square has changed its designation from senior/disabled occupancy to general occupancy. In 2022, the general occupancy subsidized segment contains 351 total units, with the remaining 225 units designated as senior/disabled housing.

There were also additional subsidized projects that served special needs populations within the City, but only general occupancy and senior/disabled occupancy projects have been analyzed. The special housing needs units are generally filled through referrals from the applicable service provider, and are therefore not available to the general rental market.

In addition to the subsidized properties with project-based rent subsidies, there are also tenant-based rent assistance Vouchers available through the Yankton Housing and Redevelopment Commission. In 2022, there are approximately 136 Vouchers in-use in Yankton. Many of these Vouchers are used in the moderate rent tax credit projects in the City.

The combination of project-based subsidized housing and tenant-based Vouchers results in approximately 712 Yankton renter households that have access to some form of subsidized housing. This would represent 25% of all renter households in the community. This percentage is lower than in 2017, as the subsidized inventory is smaller while the City continues to add renter households.

Despite the subsidized options that exist, most renter households in Yankton with an annual income below \$20,000 still reported a housing cost burden in 2019, with 30% or more of their annual income required for monthly gross rent.

There were some unoccupied subsidized units that were identified in the rental survey. In general occupancy units the vacancy rate was above 11%. In senior/disabled occupancy units, the estimated vacancy rate in the most recent survey was approximately 3.1%. Some of these vacancies were attributed to the paperwork requirements involved with certifying a new applicant.

Although the vacancy rate was high in the general occupancy subsidized segment, one single project had 13 of the 31 vacant units reported to the survey. Orchard Square had previously been designated as senior/disabled occupancy housing but had changed to general occupancy. Despite this change, there were still 13 vacancies reported of the 60 units in this project.

Recommendation: Based on the research for this Update, there is some unused capacity currently available within the subsidized housing inventory in Yankton. However, going forward to the year 2026, an expansion of 25 to 30 additional units would be an important strategy for assuring very affordable housing. Since 2013, there have been 92 units in project-based subsidized housing in Yankton that have been removed from the inventory through contract termination. At the same time, the City has continued to grow and add renter households.

Although no specific information was obtained about existing projects that are “at risk” of completing their affordable housing contract obligations, past history would suggest that additional projects will leave their subsidy program in the coming years. With few remaining resources to build new subsidized housing, any opportunities that come available should be explored. It is possible that the 25 to 30 units in this recommendation will only replace other units that end their contract obligations for subsidized housing.

The preferred approach would be to create new units with two or three bedrooms oriented to lower income families with children. Targeting units that are based on 30% of household income would allow even very low income families access to future units.

Another important community strategy will be to prevent the future loss of any of the existing project-based subsidized housing, given the difficulty of replacing any lost units. It may be appropriate for public or nonprofit housing agencies to become involved in attempts to preserve subsidized housing resources. In some South Dakota communities, including Aberdeen, Housing and Redevelopment Commissions have acquired subsidized projects that were at risk of being lost.

5. Promote an Expansion of Senior Housing with Services Units to Keep Pace with Expected Growth

Findings: A previous section of this Update has specifically analyzed the supply of specialized senior units in Yankton. Senior housing with services, as used in this document, defines a wide range of housing types. Skilled nursing homes, assisted living centers and memory care housing are generally the most service-intensive types of housing. These types of housing provide 24-hour staffing and offer assistance with daily living needs of residents. Under South Dakota law, service-intensive senior housing must be licensed as a Skilled Nursing Facility or as an Assisted Living Center.

Lower-service housing, sometimes referred to as independent or congregate senior housing, will generally offer a daily meal, access to an emergency call system, transportation and/or selected services such as weekly laundry or light housekeeping. While a resident may be able to contract for additional services, or purchase them separately through a home health care provider agency, they are not included in the monthly rent package.

The State has a registration system for light services housing providers, known as Residential Living Centers. These facilities are not subject to the same standards as the Assisted Living Centers, including the inspection requirements. Because of the lower level of regulation, some providers of light services may not be registered under this designation. In 2022, there were no Residential Living Centers in Yankton.

The Senior Housing with Services section of this Study provides details on the existing specialized projects in Yankton, including a summary of the different segments being served. Readers are encouraged to review this section for a greater level of detail. In general terms, the following observations are made regarding senior housing with services:

- ▶ Yankton continues to have a range of senior housing options, providing various levels of care. In most subsets of the market, there are multiple providers, allowing some degree of choice for consumers. However, no new facilities have been developed since the completion of the 2017 Housing Study.
- ▶ Yankton has a large, senior campus that provides a wide range of senior care options. Avera Majestic Bluffs offers independent housing, housing with light services, assisted living, memory care, and nursing home beds, all located close to the hospital and other medical facilities. This campus can allow seniors to age-in-place, within the same facility.

- ▶ Other providers also offer a range of care options, but not as broad as those in the Avera complex. Both Angelhaus and Walnut Village can serve multiple segments of the senior housing market, but do not have skilled nursing home beds.
- ▶ All of the skilled nursing home beds in Yankton have been replaced by new construction projects after the year 2000. While a State moratorium has generally prevented beds from being added within this segment, replacement has been possible. With all skilled-nursing beds in newer facilities, the community is somewhat unique in the quality of the skilled care options, including primarily private occupancy rooms.
- ▶ The inventory of units offering lighter services senior housing has grown smaller since 2017, due to the decreased use of “flexible” care units for lighter services occupancy. In 2022, only a relatively small percentage of older senior households in Greater Yankton are living in a light services unit. However, some vacancies were present when surveyed.
- ▶ The inventory of units available to serve assisted living residents has also grown slightly smaller since 2017. One of the previous providers, Walnut Village, has shifted some assisted living units to cognitive care. However, some of this reduction has been offset by an increased use of “flexible” units changing from lighter services housing to assisted living use. As a result, only limited net reduction has occurred within the assisted living care segment. Some unused capacity was present within this housing segment at the end of 2021.
- ▶ Most of the assisted living units/beds in Yankton are not accessible by lower income seniors receiving Medicaid Waivers assistance, primarily due to the low rate of reimbursement. If more lower income seniors had access to assisted living, utilization rates would be higher.
- ▶ The only specialized senior segment that has increased in size since 2017 is memory care housing, due to the change of focus with 16 units in Walnut Village that now provide cognitive care. There was some unused capacity in this specialized segment at the end of 2021.
- ▶ Although the number of licensed nursing home beds remains unchanged at 187, there was an intentional reduction to 173 beds actually in use. This was largely due to the Covid pandemic, which has impacted occupancy, and has impacted staffing in this labor-intensive form of housing.

- ▶ It is important to state that the Covid pandemic has impacted all forms of senior housing. In some cases, seniors have been reluctant to move into multifamily buildings and the pandemic was often identified as a contributor to current vacancies. Demand for specialized senior housing may need to be re-evaluated at the end of the pandemic.

Recommendation: Yankton continues to have multiple choices for seniors in a wide range of specialized units. Although the rental survey completed for this Update found some unused capacity in all of the specialized care segments, this has the potential to change over time. A high rate of unit turnover can exist in specialized care housing, causing vacancies at certain points in time. Additional monitoring of the various housing segments should be completed when the Covid pandemic ends to better determine stabilized occupancy patterns for specialized units.

In the opinion of the analysts, some expansion of specialized care senior housing should be considered, based on both anticipated growth and on the ability to capture a larger share of the primary target market going forward.

The projections used for this Study do expect some near-term growth in the population of older senior citizens, age 75 and above. While this increase is limited in size, the number of households age 75 and older will increase by nearly 340 households in Greater Yankton by 2026, while the population of older seniors should increase by approximately 520 people.

The number of younger senior households, age 65 to 74 should also continue to increase, pointing to longer-term demand for specialized care housing.

To keep pace with growth in the primary target market, a unit/room expansion of at least 20% can be supported within each of the specialized senior housing segments. With relatively low distributions of units within most segments, even more units could be developed to capture a larger share of the target market.

It should be noted that we have looked at overall demand for senior units, not competitive positioning for individual projects. It is very possible that even more units could successfully be constructed in Yankton if they are competitive in the marketplace. However, in the opinion of the analysts, the success of new projects would probably impact occupancy rates in competing projects.

6. Updated Findings on Downtown Housing Opportunities

Findings: Previous Studies completed for Yankton have commented on housing that exists in downtown buildings. Although only a limited number of rental units are present downtown, there does continue to be some unit creation. In 2022, one of the pending projects would utilize space on an upper level of a downtown building to add five apartment units.

The multifamily rental survey completed for this Update collected information on some downtown units. This continues to be a successful subset of the conventional rental inventory in Yankton.

More detailed information from the 2020 Census has not yet been released. In the future, it may be able for the City to examine block-level Census data to gain further insights into the number of residential units in the downtown area, as well as some demographic variables on the residents of this housing.

Recommendation: While only limited new information exists on the downtown housing options, the research for this Study has recommended the development of between 165 and 190 conventional rental units in Yankton over a five-year period. This would include both new construction projects as well as efforts to create housing through building conversions or utilization of existing space. Based on past evidence, success can be achieved in downtown units that serve both the higher-end and the more moderate rent segment of the market.

Since most of the downtown buildings that could be considered for future housing may have relatively small spaces available, it is probable that any unit creation would generally be between one and five units per building. The introduction of a small number of units into the Yankton rental market, would represent a very low required absorption rate.

Building conversion projects may often be able to generate a more affordable housing unit, by avoiding the high costs associated with new construction. Downtown housing can also offer a work force housing option for people that may be employed in the downtown area.

Home Ownership and Single Family Recommendations

Findings: Expanding home ownership and generating new single family housing construction activity are primary goals for most cities. Home ownership promotes stable neighborhoods, the availability of a reliable labor force, and property ownership can strengthen the local tax base.

Home ownership advancement can be achieved through the promotion of new construction activity. It can also be accomplished through utilization of the large, existing housing stock that already exists in the Yankton area.

The best available information at the time of this Update indicates that while most households in Yankton own their housing, the rate of home ownership has been dropping. In 2022, it is probable that fewer than 60% of all resident households are home owners.

Yankton continues to maintain strong home values in the existing single family inventory. This is due in part to the consistent pattern of growth that has been present in the community, as Yankton has continued to add households over the past three or four decades, creating ongoing demand for both ownership and rental housing.

Despite ongoing increases in existing home values, older houses still maintain a price advantage when compared to new construction. When existing houses are available, they do represent an option for first-time home buyers. Some of the recommendations contained in this section specifically address strategies intended to assist with ownership, especially for entry-level buyers, who will typically need a more affordable house.

Home ownership opportunities are also being created through new construction. The community continues to experience significant single family housing construction, with an average of more than 30 single detached houses permitted per year over the past five years. This has included more affordable single family options as well as moderate and higher-priced homes.

The City has also had some construction of attached single family units, in twin home and town house configurations. Tracking the actual occupancy tenure of these units is more difficult, as some are offered as rental housing, but an estimated 64 owner-occupancy attached units were built between 2017 and 2021.

Including both attached and detached options, the City has averaged 44 single family housing starts per year over the past five years.

Going forward, the overall household growth and demand projections used for this Update point to continued strength for owner-occupancy housing construction. The tenure-based forecasts presented earlier in this section show potential demand for between 40 and 52 owner-occupancy housing units per year over a five-year projection period extending to 2026.

This projection could prove to be low, as the City has been reaching the middle of this range over the past five years. If housing costs related to materials and labor move lower in the future, it would not be surprising to see annual production at or above the upper end of the projected range.

Some additional demand for owner-occupancy units will also exist outside the city limits of Yankton, especially in the lake areas and rural settings that are west and north of the City. However, the City of Yankton has been able to attract most of the area wide home building activity from permanent resident households. Some of the construction outside of Yankton may be oriented to seasonal/recreational use.

Continued growth of households in the age ranges 65 and older is anticipated over the next five years. Households in these older age ranges tend to be predominantly home owners, and often form a market for higher priced, trade-up housing and for low maintenance housing such as town houses and twin homes.

While growth of older adult households should yield continued demand for new houses, the projections examined for this Update also point to a net decrease in households in the age ranges under 64 years old. A possible reduction in the number of younger and middle-aged adult households could result in slightly lowered demand, especially within the entry-level segment of the market. However, the Yankton area is working to attract younger households to fill available job options in the City, and the projections may not prove to be accurate.

In the table below, we have produced annual demand projections for different price ranges of owner-occupancy housing. These projections assume that between 40 and 52 units will be constructed per year in Yankton.

Demand Projection for Annual Owner-Occupancy Housing Construction		
Unit Type	Approximate Price Range	Annual Demand Projection
Affordable	Less than \$275,000	14 to 18 units
Mid-Priced	\$275,000 - \$425,000	14 to 18 units
Higher-Valued	\$425,000+	12 to 16 units

Source: Community Partners Research, Inc.

We have defined **affordable homes** as single family units that would typically sell for less than \$275,000. While many people may view this as a high price for affordable housing, it is increasingly difficult to construct new houses at a lower cost. Houses within this price range would often appeal to younger buyers, first-time buyers, or those households trading-up from an older, lower valued house or mobile home. The Westbrook Estates Subdivision was originally developed to create more affordable home ownership options.

It should also be noted that some additional construction will occur in even lower price ranges, including homes built by groups like Habitat for Humanity. This housing often serves a segment of the market that could not otherwise access newly constructed units.

We have defined **mid-priced homes** within a price range of \$275,000 to \$425,000. This price can generally be achieved by private housing developers without the need for subsidies. Yankton has traditionally had active construction activity occurring within these price ranges. The higher end of the range generally represents a portion of the trade-up housing market for many buyers.

We have defined **higher-valued homes** as those priced at \$425,000 and above. Once again, the private housing market has been very successful at serving this segment of the market in the Yankton area. This should continue to be a strong market segment going forward. The largest net growth of any demographic segment in recent years has been among households in the 55 and older age ranges. These households will typically be selling an existing home and have an equity position that can be used when purchasing a higher-valued home.

To assist in promoting the goal of home ownership and new home construction, the following activities are recommended.

7. Most Demand for Single Family Home Construction will Continue to be for Moderate to Higher Priced Housing

Findings: The demographic analysis contained in this Study has tracked the continued advancement of the large “baby boom” generation as it moves through the aging cycle. Over the next five years, the largest net increase in households will occur in the 20-year age grouping between 65 and 84 years old. Empty-nester and senior households will continue to generate demand for age-appropriate housing options. Households within these age ranges have historically had high rates of home ownership in Yankton.

In the Yankton area, demand will also be impacted by income levels. For Yankton households with an income of \$75,000 or more, the estimated rate of home ownership was nearly 86% in 2019. These households can apply a significant portion of their income to housing costs, making home ownership more achievable. Home ownership remains the strong preference for moderate to higher income households.

Existing home values are showing strong improvement, as tracked by recent sales activity. Between 2020 and 2021, the median price for existing home sales in Yankton increased by \$13,500, to \$178,500 according to County records. MLS sales data from the Association of Realtors showed an even higher median price of \$195,750 for the Yankton area. Since most of the higher income households already own their housing, people that look to move into a newly constructed house should have increasing equity available from the sale of their previous home.

Recommendation: Housing units that are attractive to middle-aged and older adult households will continue to represent the largest share of home ownership demand in the Yankton area over the five-year projection period.

The forecasts used in this Study expect that up to 30% of the demand will be in the higher price ranges, generally defined as \$425,000 and above. Based on the overall new construction forecast, this yields annual demand potential for 12 to 16 units annually. Demand for housing in this price range can be met by the private development community, and would not typically require any level of public involvement or assistance.

The forecasts expect that up to 35% of the demand will also exist in the more moderate price ranges, generally defined as \$275,000 to \$425,000. Based on the overall new construction forecast, this yields annual demand potential for 14 to 18 units annually. Demand for housing in this price range can also be met by the private development community, and would not typically require any level of public involvement or assistance.

Newly constructed units should continue to represent a mix of single family homes, as well as attached housing such as twin homes, which can appeal to mature households as they age.

8. Promote Affordable New Home Construction Using Available Resources and Incentives

Findings: After the completion of the 2013 Housing Study, activity began to increase in the more affordable single family construction segment. In the prior years, very little affordable construction had been attempted. But in 2015, the Yankton Area Progressive Growth organization (now Yankton Thrive) partnered with home builders and developers to create the Westbrook Estates Subdivision. Yankton Thrive is a private nonprofit community development corporation.

Westbrook Estates phase 1 created a mix of residential lot styles, including affordable lots for single family detached houses, and twin homes, and sites designed for four-unit structures, intended for owner-occupancy. Three phases of multifamily rental development also occurred, creating 156 conventional apartment and town house units.

Some of the single family detached lots in the first phase were sold for less than \$25,000 and typical single family house prices were below \$200,000. Owner-occupancy twin homes were also built, with typical pricing below \$180,000. Some four-unit structures were added, with units priced even lower than twin homes.

The initial phase of Westbrook Estates proved to be very successful, and a second phase of lot development occurred. A private developer/home builder advanced this phase. City tax increment assistance was provided for infrastructure costs, and some of the houses have maximum purchase limits to assure that housing is more affordable. In 2022, these maximum price caps are set at \$280,000.

The second phase has an estimated 20 vacant lots available in 2022. Most of these are believed to have affordable home price restrictions. Additional vacant land is available and future lot development is expected to occur for both single family and twin home construction. A parcel also exists next to the rental development that may be adequate for additional apartment construction.

While Westbrook Estates has represented a primary option for more affordable housing construction, there are other development areas in the City that may also be used for more affordable new construction, including both detached houses and attached single family units.

The projections used for the 2017 Study had indicated that demand would exist for between 9 and 14 affordable new construction units in a typical year. While tracking the end sale price for newly built homes is difficult, between 2018 and 2021, it is probable that an annual average of up to 15 homes per year were built in the more affordable price ranges, slightly above the upper end of the projected range.

However, pandemic-related cost issues impacting materials and labor have made it increasingly difficult to keep newly built houses at an affordable price. But values for existing home have also continued to rise during the pandemic, helping to close the potential gap between new construction and existing homes. In 2021, the median price for existing home sales had increased to \$187,500 according to County data, and was up by \$13,500 for the prior year median. The MLS records for the Yankton area show an even higher median of nearly \$196,000 for detached home sales in 2021.

Recommendation: Home builders and land developers in Yankton have an established record of successfully producing more affordable single family homes. Going forward, projected demand should exist for between 14 and 18 units per year, in the price ranges \$275,000 and lower. If lower pricing for materials and labor return to pre-pandemic levels, it may be possible to achieve an even higher annual average.

In 2022 the State Legislature was actively debating financial initiatives that could help to contribute to “work force” housing development. The initial focus has been on State grants to cover a portion of the land and infrastructure costs for affordable housing projects. While the actual per unit financial impact of this proposed assistance is not known by the analysts, the fact that Yankton has been successful without any State grants would indicate that lower cost units should be possible.

While affordable new construction is encouraged, we also believe that the existing housing market will continue to address much of the demand from entry-level home buyers. Although existing homes are rising in value each year, they generally sell at a lower price than newly built homes.

9. Continue to Promote Town House and Twin Home Development

Findings: Yankton has achieved some past success with attached single family housing production. In 2017 and 2018 in particular, a number of new units were built that were sold individually. Both Westbrook Estates and the West Side development had twin home and town house units that were constructed for owner-occupancy. Both of these development sites were focused on more moderately-priced units, generally selling for less than \$225,000.

Prior to the increased activity in 2017 and 2018, attached single family construction probably accounted for 20% or more of all single family activity. However, after 2018, it appears that the annual volume of attached single family construction has slowed. Some twin homes have been built in each succeeding year, but many of these appear to be intended for rental use. It is probable that fewer than 16% of recent single family starts for owner-occupants have been in the form of attached housing.

It is important to note that town house-style rental units are being built. Fox Run Townhomes has completed 36 units and 72 more are under construction in 2022. Ten rental twin home units have been built on West 25th Street. The rental units in these projects offer many of the advantages of single family living including private entrances, one-level living and attached garage parking.

Attached housing provides desirable alternatives for empty nesters and seniors to move out of their single family homes, making these traditional single family homes available for families. It is important for a community to offer a range of life-cycle housing options, allowing some households to move into age-appropriate, low maintenance housing options. While the rental town house units constructed in the past few years have appealed to both senior and non-senior renter households, they do offer features aimed at the senior market.

Recommendation: The demand projections used for this Study point to potential demand for 40 to 52 owner-occupancy units per year in Yankton. Within the City, a sustained market share of 20% to 25% for attached units would yield projected demand for 8 to 13 units in an average year for owner-occupants.

While attached single family housing can appeal to a broad segment of the market, older adult households will continue to be a primary target group. As previously stated, most of the net household growth through 2026 in the Yankton area will come from households in the 65 to 84 year old age ranges. Based on available projections, nearly 55% of all households within the Greater Yankton area will have a head-of-household that is 55 or older by the year 2026.

Builders of attached single family units in Yankton have been incorporating senior-friendly home designs into their planning and have been successful with empty-nester and senior buyers. These same design plans should apply to future attached housing development.

Most of the projected demand for attached single family activity should occur in the affordable and moderate price ranges, between \$250,000 and \$425,000. The public sector's role in any owner-occupancy attached housing development within the moderate price ranges can be limited, as the private development community can respond to demand for this type of housing.

The City's role should include assuring that adequate land is available for development and that planning and zoning allows for attached housing construction. In 2022 it is likely that few platted lots exist for attached single family units.

10. Monitor Residential Lot Availability

Findings: Land developers in Yankton have continued to bring new lots and subdivisions into the local inventory as needed. An earlier section of this document, Existing Housing Data, contained a summary of the most active developments in 2022.

Many of the houses constructed in the past few years have been in Westbrook Estates, Benedict Estates, Dakota West and Ridgeway North. Each of these development areas has some improved vacant lots in 2022, and/or has vacant land that could be improved to add lots. In many cases, small incremental plats have been advanced in the past, avoiding an overly large lot inventory.

There is limited information available about lot prices. Lots in most of Yankton's newer subdivisions are tied to a specific home builder(s) and in many cases the lots are sold as part of a house construction package.

Recommendation: Community Partners Research typically applies a standard that a 2 ½ year supply of lots should be available in the marketplace based on annual lot usage. With projected demand for 40 to 52 owner-occupancy units per year, this yields a minimum lot inventory of at least 100 lots that are either improved or in the planning pipeline. The best available information for Yankton indicates that the City does not have a multi-year inventory of improved lots in 2022 and additional lot development will be required.

However, in Yankton the private development community has been active in residential lot and subdivision creation in the past, and should address this issue as needed. Most of the subdivisions are under direct builder control, and lot development is matched to construction needs.

There will be a limited role that should be required to address this future need, other than the adequate provision of infrastructure and planning/zoning approvals to facilitate future development activity. Lot and land availability is not viewed as an issue that will limit near-term development.

There is less information available on the actual distribution of lots by price or unit type. There appears to be less home building activity in twin homes in recent years, and this may be linked to fewer lot options for this housing type.

As mentioned previously, the possibility exists that State infrastructure grants may become available in the future to assist with work force housing creation. As proposed, there would be a required public role in this infrastructure plan. As a result, there may be a necessary role for the City in promoting locations for affordable housing construction in the next few years.

11. Updated Findings on Programs that Assist with Home Ownership

Findings: Previous Studies for Yankton have encouraged the use of programs and resources that assist with home ownership. This included first time home buyer mortgage loans and down payment/closing cost assistance programs. Home ownership counseling and training programs were also encouraged.

It was acknowledged that individual home ownership assistance programs may not generate a large volume of new ownership activity, but a combination of below-market mortgage money, home ownership training, credit counseling, and down payment assistance may be the mix of incentives that moves a potential home buyer into home ownership.

Recommendation: The research completed in 2022 did not identify any notable changes to programs or initiatives related to home ownership assistance. Yankton should continue to work with area housing agencies, the South Dakota Housing Development Authority and local financial institutions to utilize all available home ownership assistance programs.

12. Continue to Coordinate with Agencies/Nonprofit Groups that Develop Affordable Ownership Housing

Findings: Some area housing and nonprofit organizations continue to operate in Yankton. Habitat for Humanity remains active and has constructed a house in each of the past two years. Although this type of organization may not be able to produce a large number of housing units annually, it can help generate a few new homes for lower income families.

In the past, Planning and Development District III had also been active in placing some Governor's Houses in Yankton, but this organization has not placed any new units in Yankton in recent years. In 2022, there is a backlog of orders for Governor's Houses and they would not be delivered for a year or more.

Private developers did place two Governor's Houses on Burleigh Street in the late 2010's. However, secondary reports indicated that these homes may have been slow to sell, due in part to the income restrictions that apply to the program.

Recommendation: We encourage the community to coordinate with housing agencies and nonprofit organizations, when possible, to help produce more affordable housing units. The City, Yankton Thrive and other partners may be able to contribute to the project through land donations, tax increment assistance, grant writing, or project coordination activities.

The Governor's Office of Economic Development has offered a program known as Bulldoze, Build and Beautify (BBB). The program uses annual Community Development Block Grant funding to allow communities to acquire and clear substandard structures. The cleared site is then to be used for new affordable housing development. This could help to create infill lots that are suitable for Habitat houses or other affordable infill construction. However, according to program administrators, the BBB program can be difficult to apply in small-scale projects.

Housing Rehabilitation and Neighborhood Revitalization

Findings: The existing housing stock in Yankton is still viewed as an important asset in the provision of affordable housing. Existing units, both now and into the future, will represent the majority of the affordable housing opportunities. Existing units generally sell at a discount to their replacement value.

Efforts and investment in housing rehabilitation activities will remain critical to offering affordable housing opportunities and in preventing the deterioration of existing neighborhoods. As this existing stock ages, more maintenance and repair are required. Without rehabilitation assistance, the affordable stock will shrink, creating an even more difficult affordability situation.

The following specific recommendations are made to address the housing rehabilitation needs.

13. Promote Rental Housing Rehabilitation Programs

Findings: The annual American Community Survey includes information on the rental housing stock. The latest estimates are for the year 2019. According to the most recent estimate, approximately 30% of the rental housing in Yankton was constructed before 1960. The estimated median year of construction for all rental housing units was 1975.

While most rental property owners attempt to keep their housing properly maintained, there are age-related issues for condition and quality when a majority of units are more than 45 years old.

Information on the age of construction for rental housing units also exists for different types of rental structures. It is common to see older single family houses represented in the rental stock. The American Community Survey estimates showed there were more than 500 houses that were built before 1960 that were being used for rental housing. There were also more than 260 units in multifamily structures that had a year of construction before 1960.

The rehabilitation of older rental units can be one of the most effective ways to produce decent, safe and sanitary affordable housing. However, it is often difficult for rental property owners to rehabilitate and maintain their rental properties while keeping the rents affordable for the tenants.

Recommendation: The community and area housing agencies should continue to seek funds that can be dedicated to the rehabilitation of rental units. For a rental rehabilitation program to be workable and successful, the funds should allow for program flexibility, to the extent possible.

Potential funding sources include USDA Rural Development, the Federal Home Loan Bank, the South Dakota Housing Development Authority, and local funds. In many cases, some form of grant or forgivable loan may be needed to prevent rents from increasing as a result of the investment in the property.

14. Promote Owner-Occupied Housing Rehabilitation Programs

Findings: With relatively high prices for homes in the Yankton area, the older existing housing stock will continue to represent some of the most affordable home ownership options in the community. Investment in owner-occupied housing rehabilitation activities will be critical to offering affordable housing opportunities in the future.

According to the American Community Survey, the median year of construction for owner-occupied houses in Yankton is 1972. Nearly 1,200 single family owner-occupancy units in the City have a date of construction prior to 1960.

Recommendation: We recommend that the community and area housing agencies identify and apply for funds to develop an ongoing housing rehabilitation program. USDA Rural Development, the South Dakota Housing Development Authority and the Federal Home Loan Bank are potential funding sources.

15. Updated Findings on Acquisition and Demolition of Dilapidated Structures

Findings: In 2013, a visual inspection of the oldest neighborhoods in Yankton had identified more than 40 single family houses that were dilapidated and viewed as too deteriorated to rehabilitate. No similar windshield survey was completed in 2022. However, it is assumed that the oldest parts of the City still contain some substandard residential structures.

Recommendation: While some clearance of substandard structures may continue to occur, there are no targeted programs specifically addressing this issue. The Bulldoze, Build and Beautify Program through the Governor’s Office of Economic Development may be able to provide a new funding source for the removal of blighted structures with plans for affordable housing reuse. This recommendation is still valid for future consideration.

Other Housing Initiatives

16. Updated Findings on Employer Involvement in Housing Programs

Findings: One of the primary reasons that the community has been involved in affordable housing issues is the strong local economy. Yankton has consistently maintained a below-average rate of unemployment, and worker shortages have been attributed in part to affordable housing availability. Past efforts have resulted in both owner and renter housing construction in the Westbrook Estates subdivision.

At least one large local employer has taken direct actions in response to the difficulty of finding housing for newly recruited workers. The company has already purchased an existing 12-unit apartment building and uses the units as a temporary location for newly arriving workers. While this provides housing for the company, it does not expand the overall supply of units in the City. This company is also planning to renovate a former hotel into similar short-term housing for employees, which will add to the housing supply.

In 2022, the State Legislature is debating a bill that would declare a shortage of work force housing as a State emergency. Possible grant assistance is being considered to address the need for more affordable housing.

Recommendation: Previous studies have encouraged the City to look at employer involvement in housing solutions. In the past, the South Dakota Housing Development Authority had offered an employer participation program, known as the Employer Mortgage Assistance Program (EMAP). It does not appear that this program is active in 2022.

In addition to assistance for workers, it may be possible to get major area employers to contribute to a fund to assist with housing development. For example, the infrastructure grants being considered by the State would also require a local contribution, which could possibly be raised by local contributions.

17. Continue to Monitor Mobile Home Conditions

Findings: Yankton has a number of mobile homes in multiple mobile home parks. According to the American Community Survey estimates there were 137 owner-occupied mobile homes and 40 renter-occupancy units in the City in 2019. This represented nearly 2.8% of all occupied housing options in Yankton. The American Community Survey also estimated that nearly all of the mobile homes were constructed before the year 2000 and are more than 20 years old.

There are some indications that the inventory of mobile homes in Yankton decreased over the prior decade, but this could not be confirmed. American Community Survey estimates in 2019 showed fewer mobile homes than in 2010. It is known that one mobile home park site was redeveloped into the West Side housing subdivision.

The analysts do recognize that there can be significant variation in the quality and condition between individual mobile home parks. Some of the manufactured home neighborhoods primarily contain somewhat newer units that are in better condition.

Recommendation: Addressing the issues created by substandard mobile homes are not easily solved. Some communities have rehabilitated older units, but this is difficult to accomplish because of the type of construction of mobile homes, and it is rarely cost effective.

Some communities have established programs that provide for the purchase and removal of substandard mobile home units, provided a newer unit is purchased to replace the acquired dwelling. While this approach can work well in upgrading the stock, it can be expensive, especially if there are a large number of homes in poor condition.

It may be appropriate for the community to initiate programs to improve the quality of mobile homes, even if these programs can only address a few units per year.

18. Updated Findings on Planning and Coordination Among Local Housing Agencies

Findings: Previous Studies have encouraged local agencies to work cooperatively to implement new housing initiatives. The Yankton area will need staff resources to plan and implement many of the housing recommendations advanced in this Study.

Recommendation: The Yankton area continues to benefit from public and nonprofit organizations that work on housing issues. These include City staff, the Yankton Housing and Redevelopment Commission, Planning and Development District III and other organizations, including Yankton Thrive, which has been directly involved in the creation of work force housing.

Yankton also has direct access to the USDA Rural Development Service Center Office and the South Dakota Housing Development Authority.