

BARREN RIVER



HOUSING AND DEMOGRAPHICS BARREN RIVER AREA DEVELOPMENT DISTRICT SPRING 2024



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Session Outline

Community Engagement – Stakeholders, Employers, and Residents

- Bowling Green/Warren County
- Owensboro/Daviess County
- Morehead/Rowan County

Demographic Overview (Kentucky and the BRADD)

Housing Gap Estimates (BRADD Only)

- Renters vs. Owners
- Six Different Household Income Levels

KY Statewide Housing Supply Gap Study

SNEAK PEEK



Stakeholder Surveys - Common Housing Issues

Based on Stakeholder Surveys, common **housing issues** include:

- Housing Affordability (Particularly Rentals)
- Substandard Housing
- Limited Housing Availability
- Renovation Costs
- Access to Community Services & Public Transit
- Absentee Landlords

Bowling Green

Housing Issues Experienced	
Housing Issue	Weighted Score*
Home Purchase Affordability	96.7
Rent Affordability	93.8
Limited Availability	93.3
Lack of Down Payment for Purchase	86.7
High Cost of Renovation	83.3
Substandard Housing (Quality/Condition)	78.1
High Cost of Maintenance/Upkeep	71.9
Overcrowded Housing	70.0
Lack of Community Services (Grocery, Doctor, etc.)	46.9
Foreclosure	41.7

Owensboro

Housing Issues Experienced	
Issue	Weighted Score*
Rent Affordability	91.2
Substandard Housing (Quality/Condition)	88.2
Home Purchase Affordability	88.2
Limited Availability	85.3
Lack of Down Payment for Purchase	79.4
High Cost of Renovation	73.5
High Cost of Maintenance/Upkeep	73.5
Absentee Landlords	71.9
Failed Background Checks	64.7

Rowan County

Housing Issues Experienced	
Issue	Weighted Score*
Rent Affordability	90.9
Lack of Down Payment for Purchase	86.4
Limited Availability	81.8
Home Purchase Affordability	81.8
Substandard Housing (Quality/Condition)	81.8
Lack of Access to Public Transportation	77.3
Lack of Rental Deposit (or First/Last Month Rent)	77.3
Failed Background Checks	72.7
High Cost of Maintenance/Upkeep	72.7
Absentee Landlords	72.7

*Often = 100.0, Somewhat = 50.0, Not At All = 0.0

Stakeholders - Barriers to Residential Development

Based on Stakeholder Surveys, common **barriers** to residential development include:

- Cost of Land
- Cost of Labor/Materials
- Availability of Land
- Lack of Buildable Sites
- Lack of Infrastructure



*Development Costs
and Site Issues*

Bowling Green

Common Barriers/Obstacles to Residential Development	
Barrier/Obstacle	Share of Respondents
Cost of Land	86.7%
Availability of Land	66.7%
Cost of Labor/Materials	66.7%
Financing	33.3%
Lack of Infrastructure	26.7%
Community Support	20.0%
Other	20.0%
Lack of Community Services	6.7%
Lack of Parking	6.7%

Owensboro

Common Barriers/Obstacles to Residential Development	
Barrier/Obstacle	Share of Respondents
Cost of Labor/Materials	81.3%
Cost of Land	75.0%
Financing	62.5%
Cost of Infrastructure	56.3%
Development Costs	50.0%
Availability of Land	43.8%
Crime/Perception of Crime	43.8%
Neighborhood Blight	37.5%
Community Support	31.3%
Lack of Buildable Sites	31.3%
Local Government Regulations	31.3%

Rowan County

Common Barriers/Obstacles to Residential Development	
Barrier/Obstacle	Share of Respondents
Availability of Land	90.9%
Cost of Land	90.9%
Development Costs	72.7%
Lack of Buildable Sites	72.7%
Cost of Labor/Materials	54.6%
Lack of Infrastructure	54.6%
Lack of Public Transportation	54.6%

Learn from Others - Possible Housing Solutions

Stakeholder Suggestions

- Rethink Zoning (Support Higher Density)
- Explore Public Resources to Fill Financing Gaps
- Encourage Acceptance of Third-Party Payments (Vouchers)
- Set Caps on Costs of Workforce/Entry-Level Housing
- Establish Rental Registry
- Support/Expand Code Enforcement
- Pooling of Public, Private and Philanthropic Resources
- Support Tax Credits & Tax Abatements
- Support Accessory Dwelling Unit Opportunities

Bowen Suggestions

- Bring Employers to the Table for Potential Help
- Consider Government Land Donations or Discount Sale
- Reconsider Current Land Uses
- Consider Offering Infrastructure Assistance/Expansion
- Adaptive Reuse of Existing Structures (Old Schools, Churches, Manufacturing Buildings, Warehouses, Etc.)
- Consider the Role of Modular Housing



Employer Surveys - Housing's Impact on Employers

Employers are being adversely impacted by housing in many ways, with “**Difficulty Attracting Employees**” or “**Difficulty Retaining Employees**” as the most common challenges employers face.

Bowling Green

Top Impacts for Employers Resulting from Housing Issues	
Response	Share of Respondents
Difficulty Attracting Employees	37.9%
Difficulty Retaining Employees	34.9%
Adds to Company Costs	16.7%
Adversely Impacts Productivity	16.7%
Adversely Impacts Company Morale	15.2%
Unknown	30.3%

Rowan County

Top Impacts for Employers Resulting from Housing Issues	
Impact	Share of Respondents
Difficulty Retaining Employees	60.0%
Difficulty Attracting Employees	40.0%
Adds to Company Costs	40.0%
Adversely Impacts Company Morale	40.0%

Two-thirds (66.7%) of employer respondents in both Bowling Green and Rowan County indicated they would hire more staff if local housing issues were resolved.

Resident Surveys - Common Housing Issues

Based on **resident surveys**, common housing market issues include:

- Affordability (Rents and Home Prices)
- Limited Availability
- Housing Quality/Conditions



Bowling Green

Issues Negatively Impacting the Local Housing Market	
Issue	Share
High Prices or Rents	92.2%
Limited Housing/Rental Supply	51.2%
Limited Access to Public Transportation	44.9%
Blighted Properties (Poor Condition)	42.7%
Lack of Features/Amenities (playground, well-maintained sidewalks, etc.)	31.7%
High Crime	25.9%
Limited Social Services/Assistance Programs	22.4%
Property Taxes	22.1%

Rowan County

Top Issues Negatively Impacting the Rowan County Housing Market	
Issue	Share
High Rental Rates	56.1%
High Prices for Home Ownership	48.8%
Not Enough Housing/Rental Options (Few Vacancies)	36.6%
Mismatch Between Local Jobs/Wages and Housing Costs	22.0%

Resident Surveys - Common Housing Preferences

Based on **resident surveys**, common housing preferences include:

- Modern Move-In Ready Single-Family Homes
- Ranch Home/Single Floor Plan Units
- Duplex/Triplex/Townhomes
- Low-Cost Fixer-Uppers (Single-Family Homes)

Bowling Green

Degree of Need for Housing Designs in Bowling Green	
Housing Style	Weighted Score*
Detached Houses (Single-Family Homes)	81.6
Duplex/Triplex	60.4
Condominiums/Townhomes	56.8
Apartments	53.2
Mobile Homes/Manufactured Housing	47.4

Rowan County

Degree of Need for Housing Styles in Rowan County	
Housing Style	Weighted Score*
Modern Move-In Ready Single-Family Homes	87.2
Ranch Homes/Single Floor Plan Units	74.3
Duplex/Triplex/Townhomes	60.4
Low-Cost Fixer-Uppers (Single-Family Homes)	60.4
Apartments	59.7
Condominiums	47.1
Single-Room Occupancy (SRO)	45.6
Mobile/Manufactured Homes	38.6
Accessory Dwelling Unit (Above Garage, Income Suite, Etc.)	37.9

Most residents indicate the greatest needs are for rentals priced under \$1,000 and for-sale product priced under \$200,000.

KY Statewide Study - Scope of Work by Phase

Phase I:	Current (2024) Housing Supply Gap Analysis – This initial phase includes estimates of <i>current (2024) housing supply shortages</i> for each of Kentucky's 120 counties and 15 Area Development Districts. This phase relies heavily on a variety of published secondary sources, including the U.S. Census, American Community Survey, national demographer ESRI, and Realtor.com.
Phase II:	Projected (2029) Housing Supply Gap Analysis – This second phase includes estimates on <i>five-year projected (2029) housing supply shortages</i> that are provided for each of Kentucky's 120 counties and 15 Area Development Districts. In addition to the sources cited in Phase I, Phase II will involve compiling and surveying an inventory of multifamily rental alternatives, an accounting of homes available to purchase, identification of housing product in the development pipeline, identification of large-scale job announcements and an evaluation of their impact on household growth.
Phase III:	Community Engagement/Input – The final phase involves a series of <i>public engagements</i> , organized by KHC, to solicit public input that can be used to identify and develop strategies to help increase the supply of needed housing.

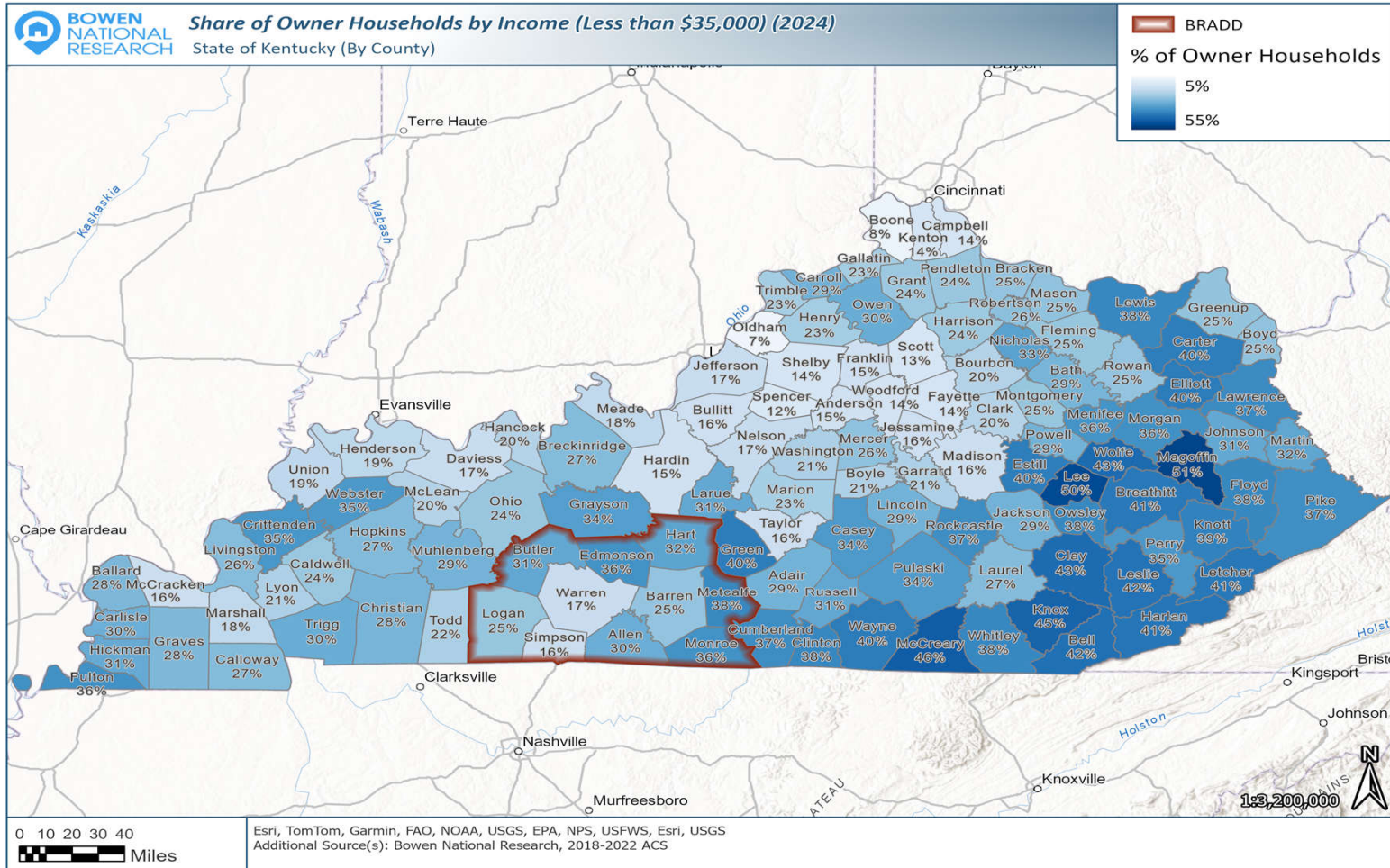
Scope of Phase I

Overview of Study Scope of Work:

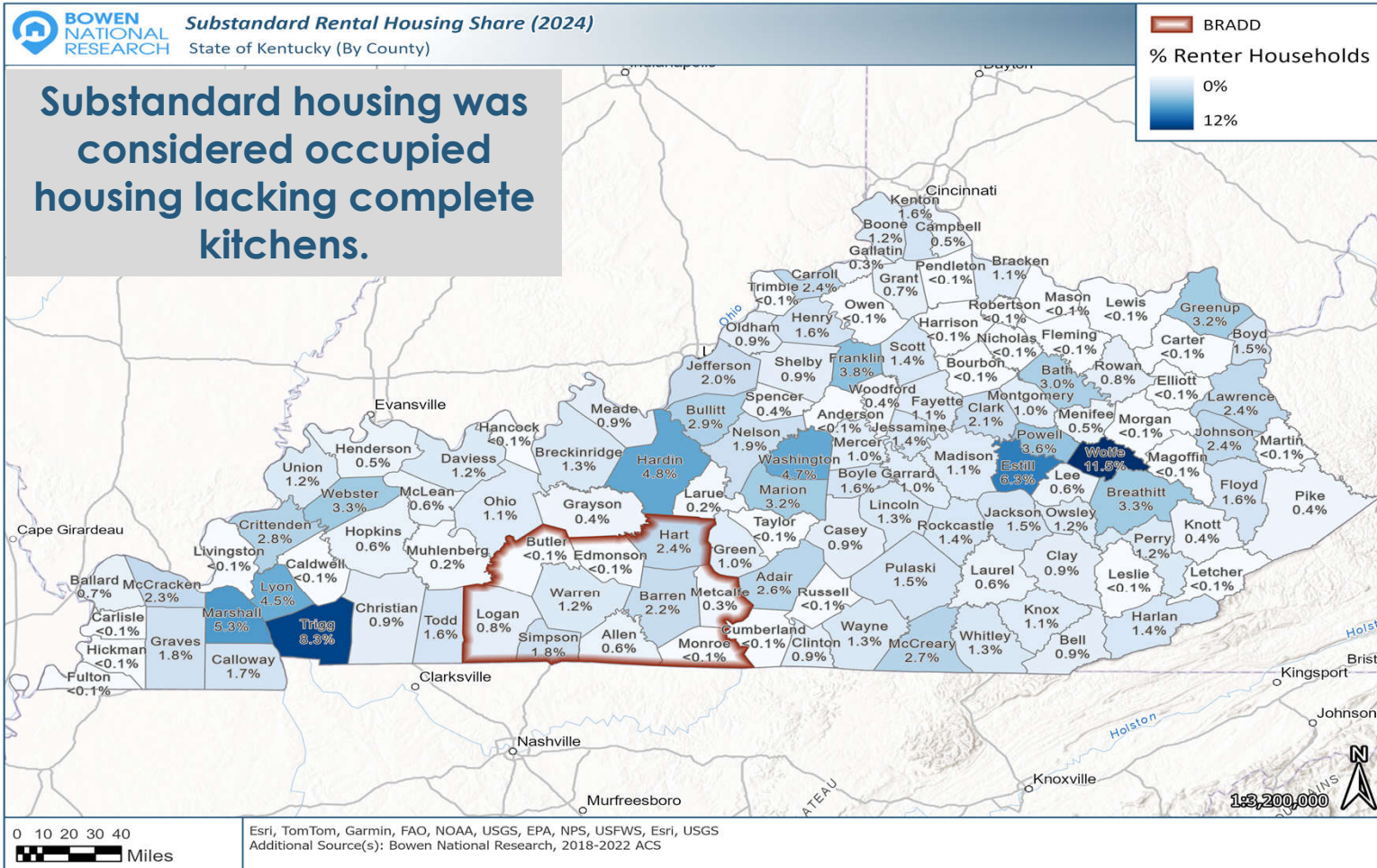
- Current (2024) Housing Supply Gap Estimates
 - Gaps by Tenure (Renter vs. Owner)
 - Gaps by Household Income
(Percent of Area Median Income, Varies by County)
 - <30% } Extremely Low-Income Households (Less than \$20,000)
 - 31-50% } Very Low-Income Households (Between \$20,000 and \$35,000)
 - 51%-80% } Low-Income Households (Between \$35,000 and \$55,000)
 - 81%-120% } Workforce Households (Between \$55,000 and \$85,000)
 - 121%-150% } Moderate-Income Households (\$85,000 and \$105,000)
 - 151%+ } High-Income Households (\$105,000 and Higher)
 - Gaps by Geography (County, Region/District, and State)
 - Gaps as Number of Units and as Ratio of Housing Gaps to Households
- Demographics and Housing Stock Characteristics
- Methodology
- Individual County Housing Gap Calculations

Snapshot of Current Housing Gaps

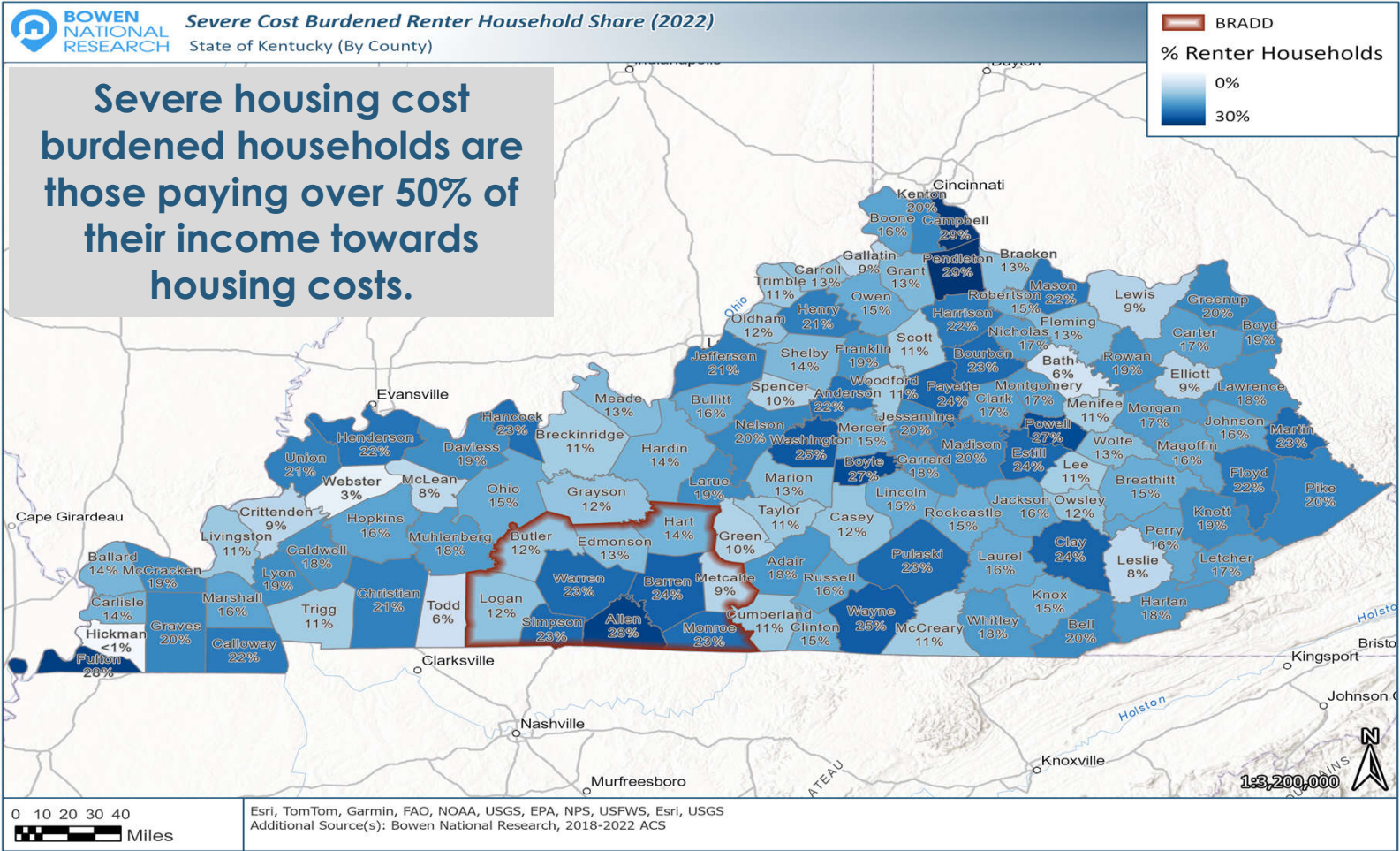
Share of Owner Households by Income (<\$35k) - 2024



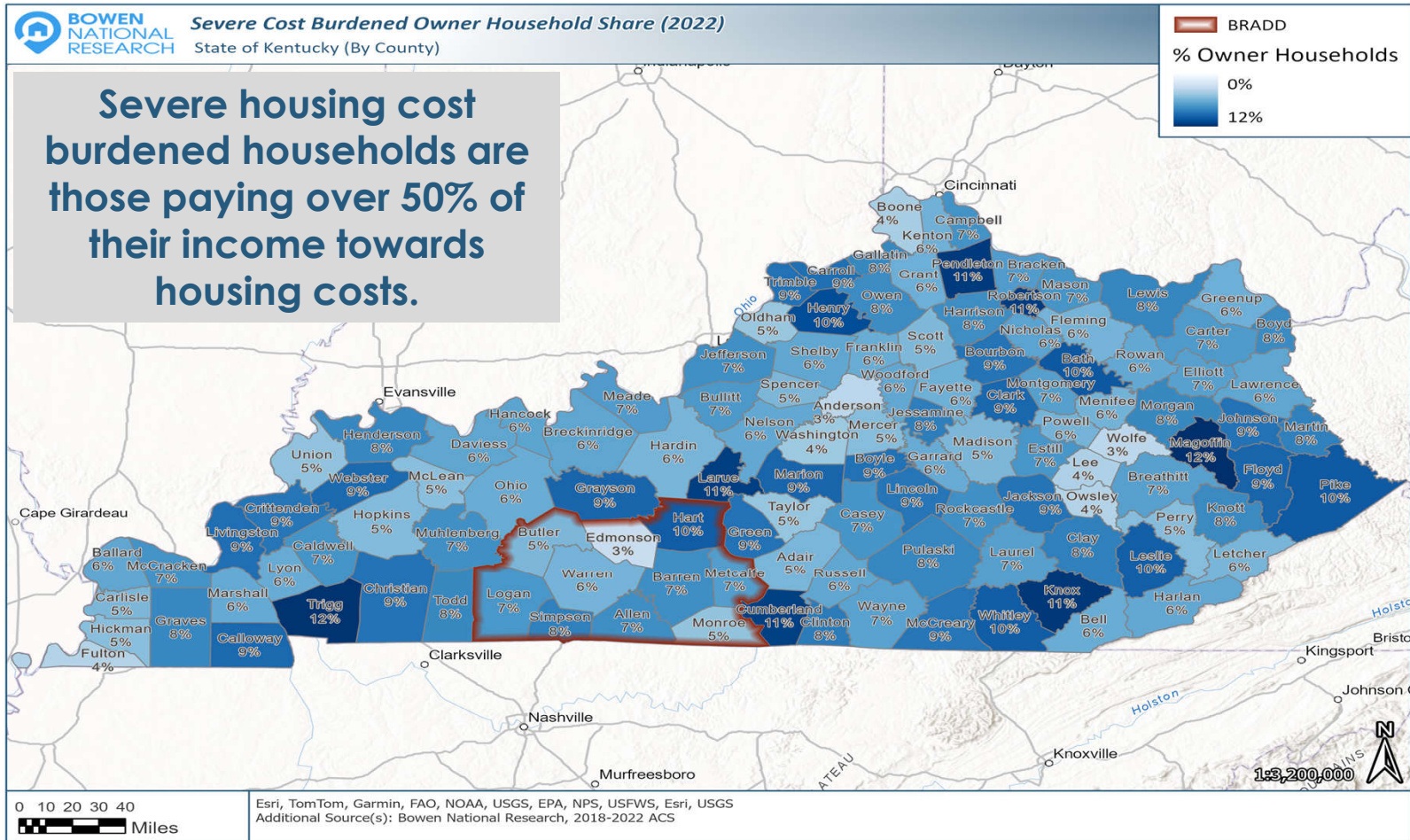
Substandard Rental Housing Share (2024)



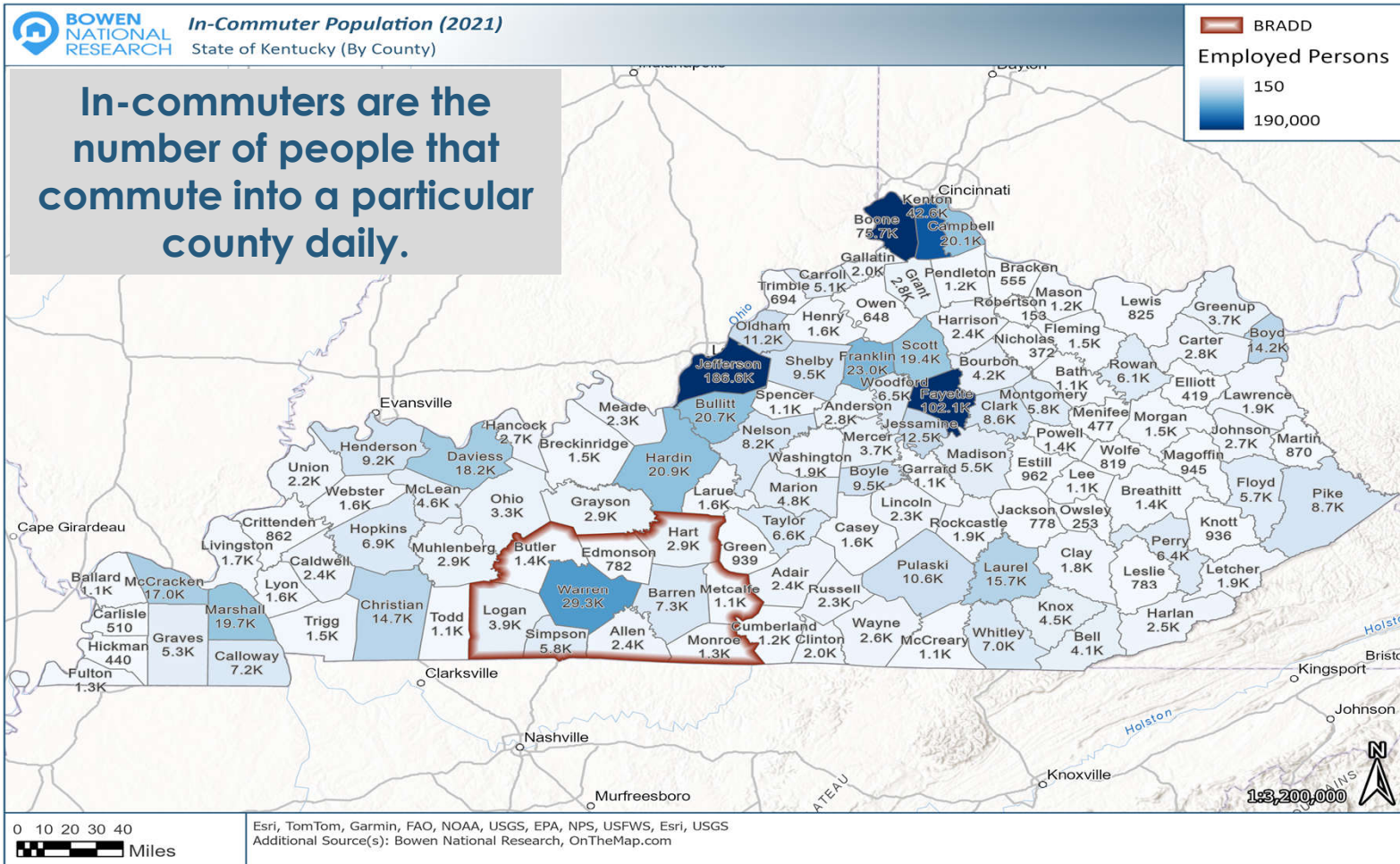
Severe Cost Burdened Renter Household Share (2022)



Severe Cost Burdened Owner Household Share (2022)



In-Commuter Population (2021)



Housing Gap Estimates Methodology

Housing Gap Considerations:

- Used HUD's Published Income Limits by AMI
- Assumed Four-Person Income Limits by AMI
- Total Renter and Owner Households by Income
- Households Living in Substandard Housing
- Severe Housing Cost Burdened Households
- In-Commuters (Commuters Likely to move closer to Where they Work)
- Step-Down Support (People Spending Less on Housing than what they can Afford)

Sources:

- U.S. Census
- American Community Survey
- ESRI (National Demographer)
- Realtor.com
- Bowen National Research

Sample Calculations

		Adair County							Total	Source/Notes
		Rental Housing Gap Estimates by Income (2024)								
Demand Component		≤\$19,260	\$19,261 - \$32,100	\$32,101 - \$51,360	\$51,361 - \$77,040	\$77,041 - \$96,300	\$96,301+			
Vacant Units*	50	Current Renter Households (2024)	577	228	294	363	74	122	1,658	ESRI
		Vacant Units Needed at 5% Rate	29	11	15	18	4	6	-	Bowen
		ACS Overall Rental Vacancies	50	50	50	50	50	50	50	ACS
		Vacancy Apportionment*	10%	10%	20%	20%	15%	25%	100%	ACS & Bowen
		Total Actual Vacancies	5	5	10	10	8	13	50	-
		Vacancy Surplus or Deficit	24	6	5	8	-4	-7	32	-
Substandard Rate	2.6%	Current Renter Households (2024)	577	228	294	363	74	122	1,658	ESRI
		Substandard Housing Rate	3.9%	2.6%	2.0%	1.3%	0.0%	0.0%	-	ACS
Total In-Commuter	2,362	Replacement of Substandard Housing	23	6	6	5	0	0	40	-
		Commuters by Tenure and Income	185	73	94	116	24	39	531	Onthemap.com
Renter Share	22.5%	Movership Rate (Likelihood of moving)	20%	20%	20%	20%	20%	-	Bowen National	
Renter In-Commuters	531	External Market Support	37	15	19	23	5	8	107	-
Severe Cost Burden	18.0%	Severe Cost Burdened	248	43	7	0	0	0	298	ACS
Renter Turnover Rate	23.6%	Annual Turnover Rate	23.6%	23.6%	23.6%	23.6%	23.6%	23.6%	-	ACS
		Severe Cost Burdened (Annual Movers)	58	10	2	0	0	0	70	-
	Total Gross Demand	142	37	32	36	1	1	249	-	
	Step Down Ratio	0%	20%	20%	20%	20%	20%	-	Bowen/ACS	
	Step Down Gain	7	6	7	0	0	0	-	-	
	Step Down Loss	0	7	6	7	0	0	-	-	
	Net Step Down Support	7	-1	1	-7	0	0	0	-	
	Total Rental Housing Gaps	149	36	33	29	1	1	249	-	

Note: Housing gaps are estimates of significant needs and not reflective of development potential

Housing Gap Estimates - BRADD

The Barren River District has a **total housing gap of 13,610 units**, with slightly more than half (7,416 units, 54.5%) of the gap for rental housing and the remaining (6,194 units, 45.5%) gap for for-sale housing.

Number of Rental Units Needed by Household Income Level						Rental Gap	
≤30%	31%-50%	51%-80%	81%-120%	121%-150%	151%+	Total Units	State Share
4,626	1,318	854	478	80	60	7,416	7.3%
62.4%	17.8%	11.5%	6.4%	1.0%	0.8%	100.0%	-

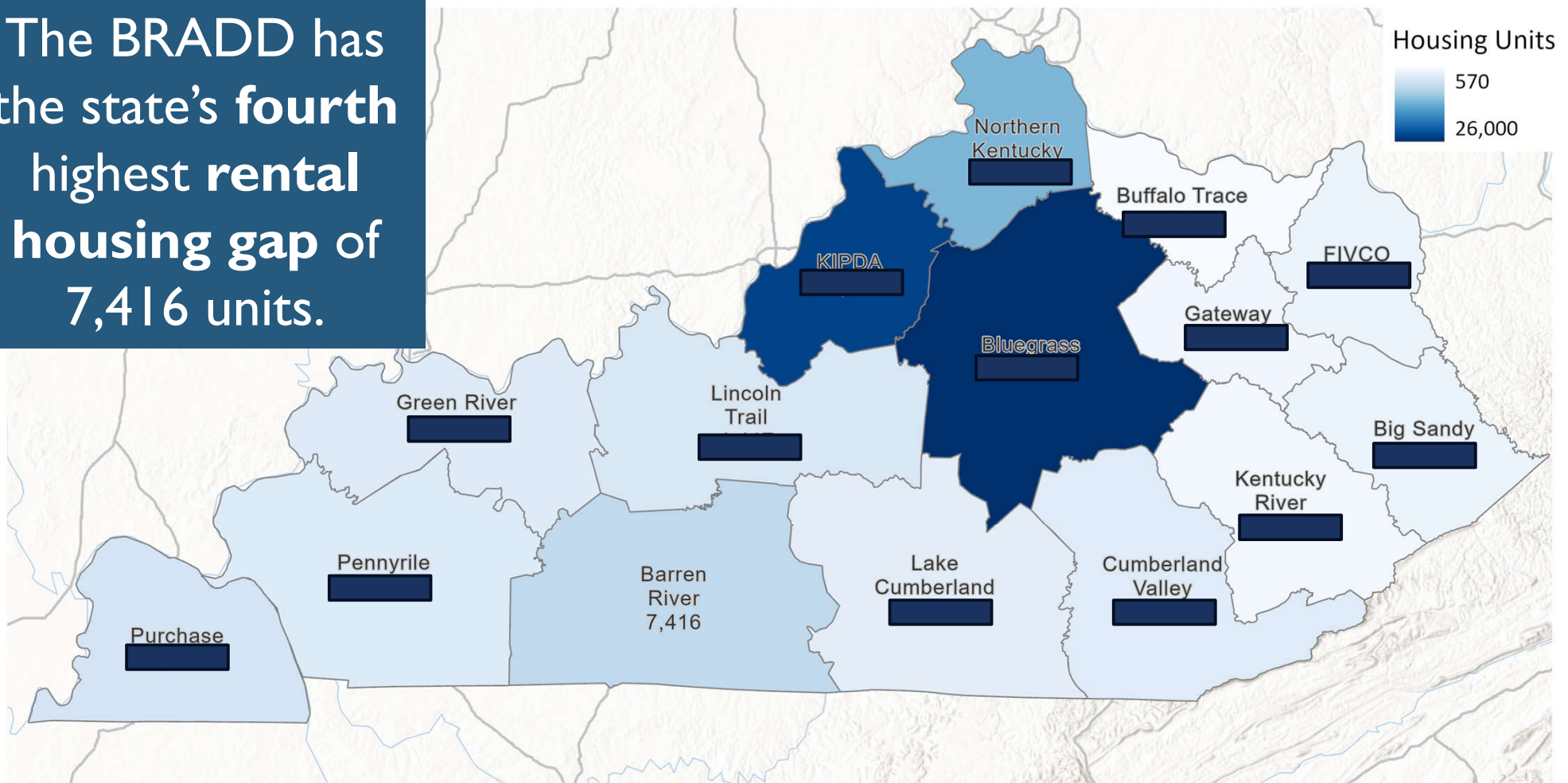
91.7% of Rental Gap @ 80% AMI or Less

Number of For-Sale Units Needed by Household Income Level						For-Sale Gap	
≤30%	31%-50%	51%-80%	81%-120%	121%-150%	151%+	Total Units	State Share
1,223	835	1,101	1,080	800	1,155	6,194	5.9%
19.7%	13.5%	17.8%	17.4%	12.9%	18.6%	100.0%	-

For-Sale Housing Gaps Distributed Relatively Even Among Various AMI Levels

Rental Housing Gap by Area Development District (2024)

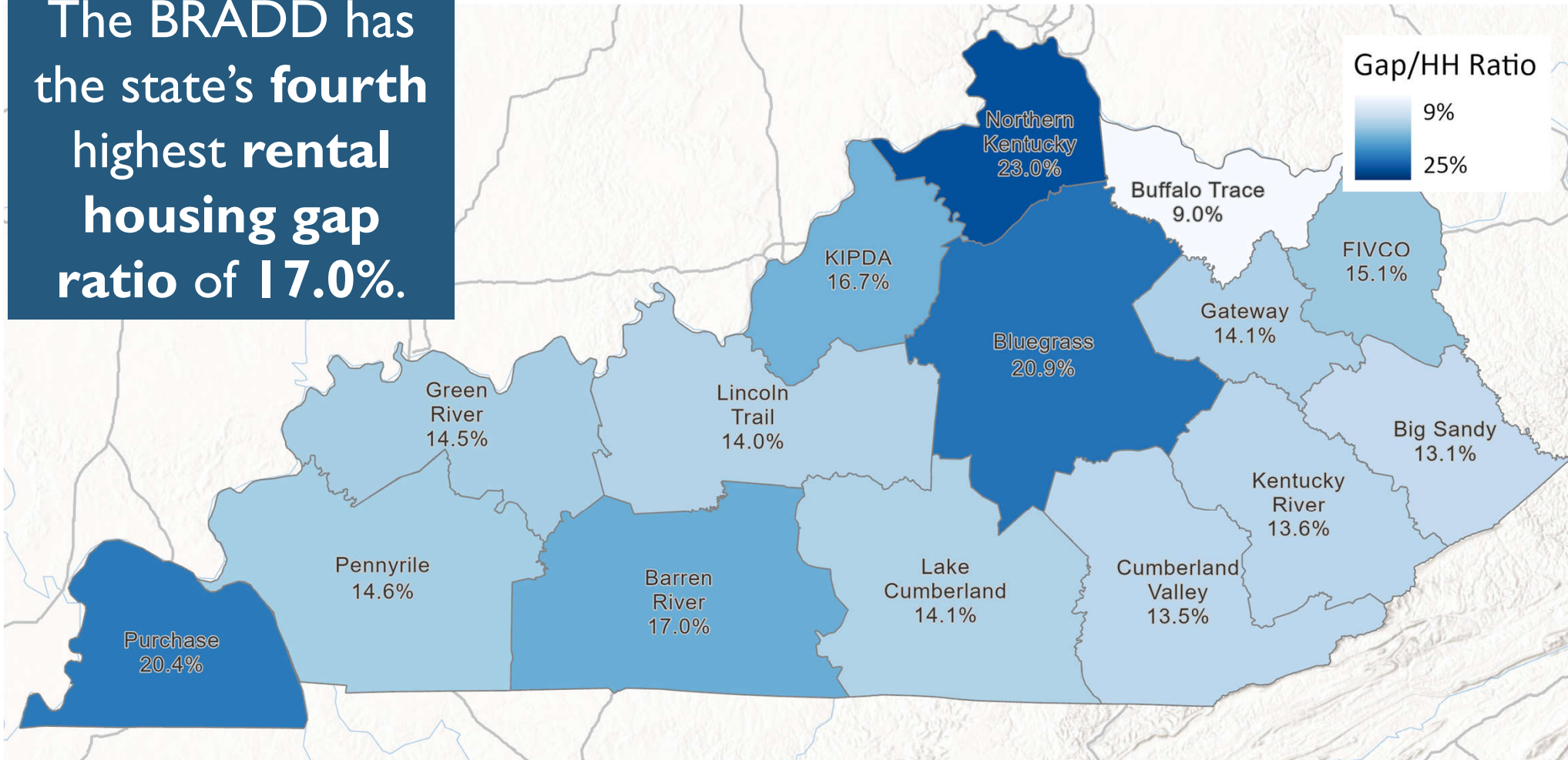
The BRADD has the state's fourth highest rental housing gap of 7,416 units.



Rental Housing Gap to Renter Households Ratio (2024)

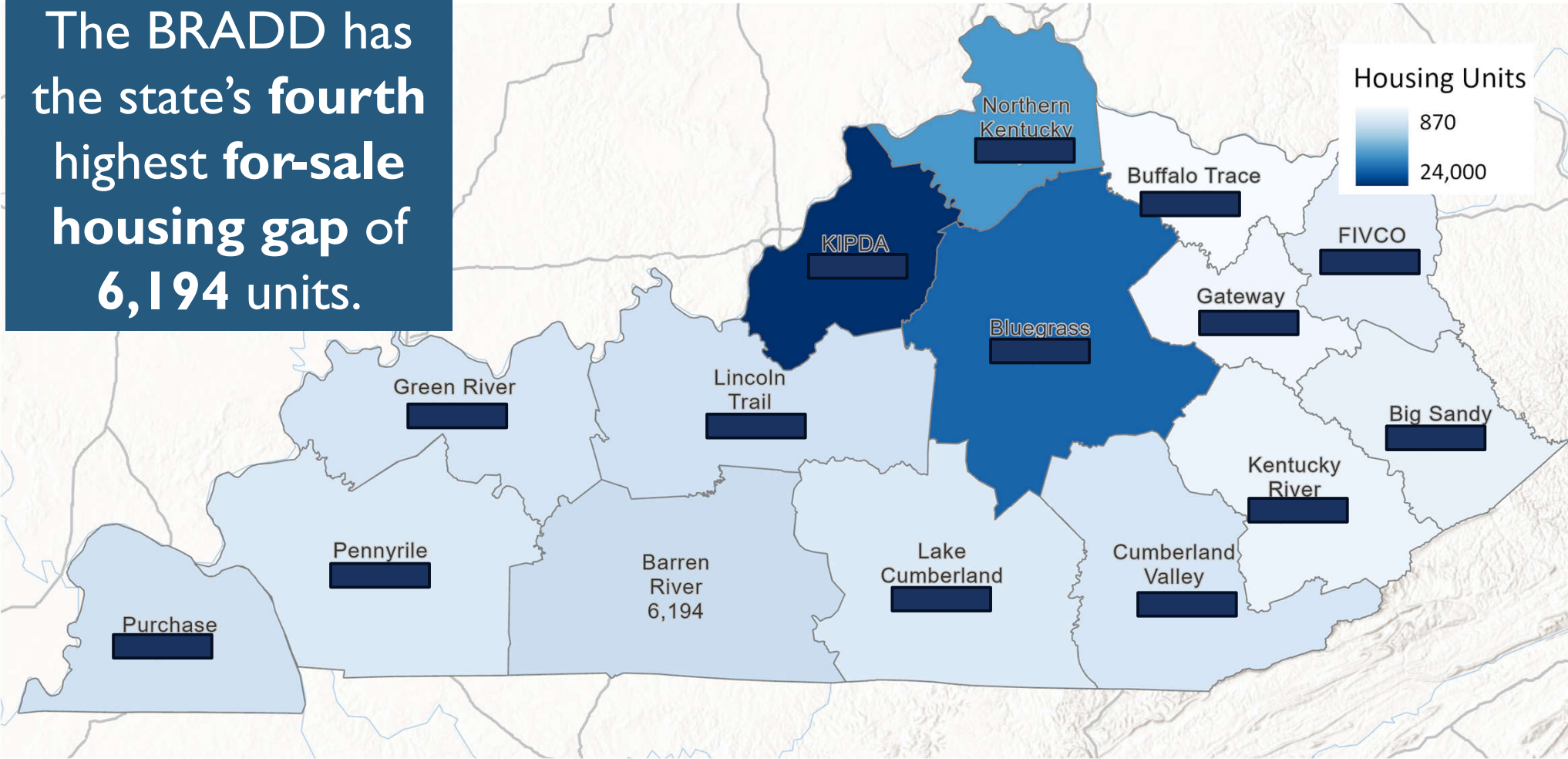
By Area Development District

The BRADD has the state's fourth highest rental housing gap ratio of 17.0%.



For-Sale Housing Gap by Area Development District (2024)

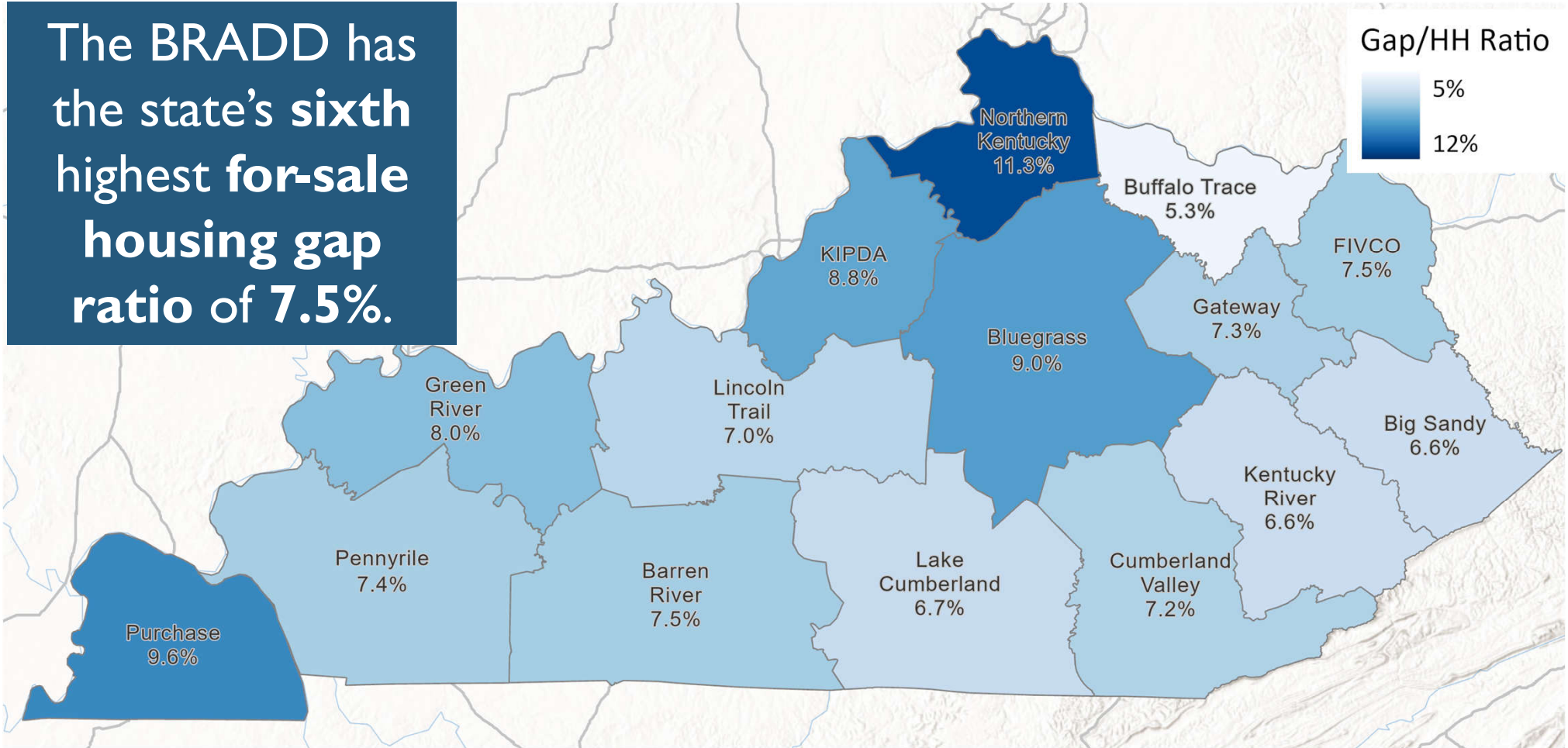
The BRADD has the state's fourth highest for-sale housing gap of 6,194 units.



For-Sale Housing Gap to Owner Households Ratio (2024)

By Area Development District

The BRADD has the state's sixth highest for-sale housing gap ratio of 7.5%.



CONTACT INFORMATION



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