

HUMPHREY SCHOOL OF PUBLIC AFFAIRS CAPSTONE WORKSHOP PROPOSAL FORM

Project name	Northfield Housing Study
Client organization name & Date of Request	City of Northfield 2/15/2017
Client organization address	801 Washington St Northfield, MN 55057
Contact name (individual responsible for the proposed project)	Scott Tempel, City Planner
Contact phone number and e-mail address	507-645-3024 Scott.tempel@ci.northfield.mn.us
Description of project (please attach additional information if necessary)	Utilizing existing studies and secondary information sources, provide an analysis of the existing housing market in Northfield. Identify gaps where housing is undersupplied, particularly for low-income, workforce and senior housing. Produce a report describing the situation, implications of housing shortages, and potential solutions.
Research question/Issue to be examined	What programmatic and policy actions should Northfield take to ensure adequate housing for all of its residents.
Proposed deliverables	A. Analysis of existing housing market and conditions B. Forecast of predicted housing and demographic trends C. Recommended policy changes D. Recommended programmatic changes
Assumptions: Will researchers be interacting with vulnerable subjects? Expenses covered	NO Research expenses will be covered
Evaluation Criteria	
Audience	City Administrator, Mayor, City Council, Boards and Commissions
University faculty member or other staff member with whom you have been in communication, if applicable	

Questions regarding your Capstone Workshop proposal may be directed to Kevin Gerdes at 612-626-1337 or ksgerdes@umn.edu.

2017 Capstone Application Additional Information

- 1) In the description, you talk about "existing studies" and "secondary information". Are you aware of any existing studies or secondary information that might be used by the students in their data collection?

The Housing & Redevelopment Authority (HRA) caused a housing study to be done in 2012. The HRA also participated in a County Wide housing study conducted by the Rice County HRA in 2010-2011. The HRA is partnering with Rice County HRA to have a housing study completed in late Spring or early summer 2017. Secondary information would include the US Census, Rice County property data and City Records. No primary data collection will be required.

- 2) How do you define the "existing housing market"? Is this houses? apartments? town homes? for sale? rent? or all of the above?

Using City and County resources and records, we have identified all single family homes, condos, townhomes, twin homes and or duplexes, senior facilities, assisted living and all multi-unit structures including mixed use within the City limits. These units are further defined as rental or owner occupied. The City needs assistance with filtering the available data and to establish numbers for the existing housing market which would include dwelling units for sale, and for rent.

- 3) In identifying gaps in housing, is there a specific geographic area of Northfield you'd like considered, or is this city wide? What data might you make available to help students determine housing gaps?

Northfield is a small community and we would like to identify gaps in housing city wide. Current data is available in spreadsheet format from Rice County records which identifies owner occupied or rental, value, square footage of finished space, number of bedrooms, number of units in structure, type of housing, and homestead status. This data needs to be filtered for accuracy especially in types and numbers of dwelling units. Data will be compared with spreadsheets containing City Records which include rental license, planning, and permit records.

- 4) You use the term "workforce" to describe housing. What is workforce housing?

Workforce housing is a term we have borrowed from the MN Department of Economic Development. We define it to be housing that is affordable to employees of local businesses with income that is insufficient to secure quality housing in reasonable proximity to the workplace. It includes owner occupied and rental.

- 5) Regarding deliverables, how might you specify predicted housing and demographic trends? Is this Northfield specific, or MN or US? What demographic data are you interested in having the students measure? The same for recommended policy and programmatic changes - is this in the city or state/nation?

The average sale price of a single family Northfield home in 2016 was approximately \$236,000 and prices are rising rapidly. We currently do not have exact figures concerning average rental prices, but anecdotally see that those prices are also rising. The number of units available for sale or rent in affordable price range has dropped significantly as

well. Currently there are fewer than 6 dwelling units on the market under \$250,000 in Northfield. Units under \$200,000 tend to have condition issues that need to be addressed, which is not recommended for buyers below the average median income for the area. We believe that by combining existing data from multiple sources we can determine priorities for new housing development in Northfield. If the students can identify a reliable source for projections of housing needs for target populations that would be helpful.

Demographic Data would identify the need for affordable housing in Northfield by: a) determining the number and type of affordable housing units using data provided by Rice County and City records (Affordable would be defined by area median income using the 30% of income toward housing costs standard set by HUD.); b) determine the number of persons/families at or below the 80% of area median income, 60% area median income, 30% area median income using census data and other available records; c) compare these records with available housing for rent and sale.