

## NEEDS ASSESSMENT

### NA-05 OVERVIEW

#### Needs Assessment Overview

The Housing Needs Assessment provides a profile of the housing needs for Rapid City as they pertain to low-to-moderate income, homeless, and special needs persons.

This needs assessment is based on statistical data from the 2010 Census, the 2005-2009 American Community Study (ACS) (most recent year available for Rapid City), the 2010 American Community Survey 1-year Estimates, the 2011 Black Hills Community Needs Assessment and homeless needs surveys from 2011 and 2012 homeless point in time counts. The data between the different studies varies slightly due to the estimates and models that often represent conditions in much larger urban communities that can skew data for smaller rural communities.

The needs analysis encompasses disproportionate housing problem needs, substandard housing, overcrowding and cost burden, public housing, homeless needs, non-homeless special needs and non-housing community development needs.

The 2005-2009 ACS shows 26,124 households in Rapid City with twenty-seven percent (27%) of them reporting at least one of the HUD targeted housing problems of substandard housing, overcrowding, housing cost burden (paying more than 30% of household income for housing), or having zero or negative income. Of those reporting housing problems, 63.9% are renters and 36.1% are homeowners. The assessment indicates although area median income (AMI) increased 18% from 2000 to 2009, and 36% to 2013, the greatest housing problem is cost burden, which affects 30.4% of all Rapid City households. The housing burden is greatest for those with incomes below 30% of the area median income, and disproportionately so for Native Americans. Renters making less than 50% of the area median income (AMI) are disproportionately affected.

Housing needs identified in the 2013-2017 plan include: affordable housing for LMI households, rental units for single persons, couples, and large families; handicap accessible units for the disabled and elderly; land trust properties for permanent affordability; transitional housing for the homeless; supportive services housing for chronic substance abusers, the mentally ill, and veterans, with emphasis on serving the Native American population.

**NA-10 HOUSING NEEDS ASSESSMENT**

**Summary of Housing Needs**

Although the Rapid City residential housing market has been slow since the economic housing crisis in 2008, housing prices have not declined at the rates of the rest of the country, and they have started moving up again. The City has also seen fewer foreclosures and bankruptcies than the rest of the country, and vacancy rates are still low. Our housing stock is adequate for the population, however wage scales for the area do not provide a livable wage and housing cost burden affects almost 25% of all households, owners and renters alike. Severe cost burden (paying more than 50% of gross household income) affects 11% of the cost burdened, putting households at risk of homelessness.

In order to meet the needs of the community over the next 5 years we must address the following housing needs:

- Single Resident Occupancy units for single persons
- Efficiency apartments for couples without children
- Rehabilitation of existing housing stock for sustainability of affordable housing
- Homeownership to encourage asset building and stability
- Neighborhood Revitalization of deteriorating neighborhoods
- Construction or conversion of housing units for handicap accessibility
- Emergency shelter for homeless youth
- Emergency shelter "suites" for homeless families with children
- Transitional housing units for persons exiting institutions
- Transitional housing units for persons displaced/evicted from substandard housing
- Transitional housing units for homeless youth
- Permanent housing with supportive services for persons with severe mental illness or substance abuse issues, developmentally disabled, and veterans
- Permanent housing units to be placed in the Dakota Land Trust for permanent affordability - rentals and ownership
- Rehab or demolish substandard housing

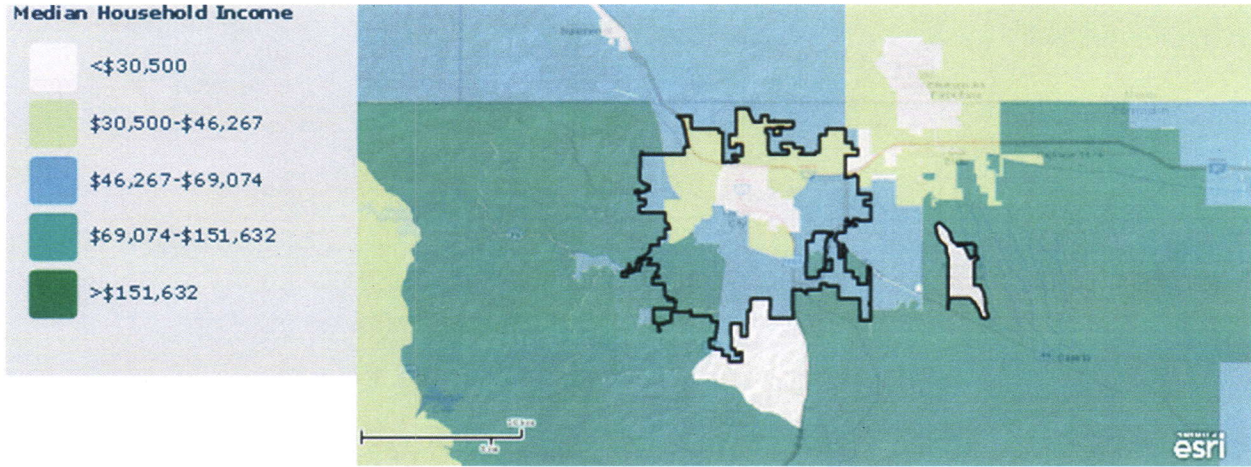
<b>Demographics</b>	<b>2000 Census (Base Year)</b>	<b>2005-2009 ACS (Most Recent Year)</b>	<b>% Change</b>
Population	59,586	64,604	8%
Households	25,090	26,124	4%
Median Income	\$35,978.00	\$42,378.00	18%

Table 5 - Housing Needs Assessment Demographics

Data Source: 2005-2009 ACS Data  
2000 Census (Base Year)

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2005-2009 ACS (Most Recent Year)



**Median Household Income - Rapid City, SD**

## Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households *	3,235	2,890	4,815	3,190	
Small Family Households *	1,100	965	1,670	7,740	
Large Family Households *	195	75	165	1,055	
Household contains at least one person 62-74 years of age	315	330	720	505	1,945
Household contains at least one person age 75 or older	410	610	795	365	1,115
Households with one or more children 6 years old or younger *	925	685	845	2,200	

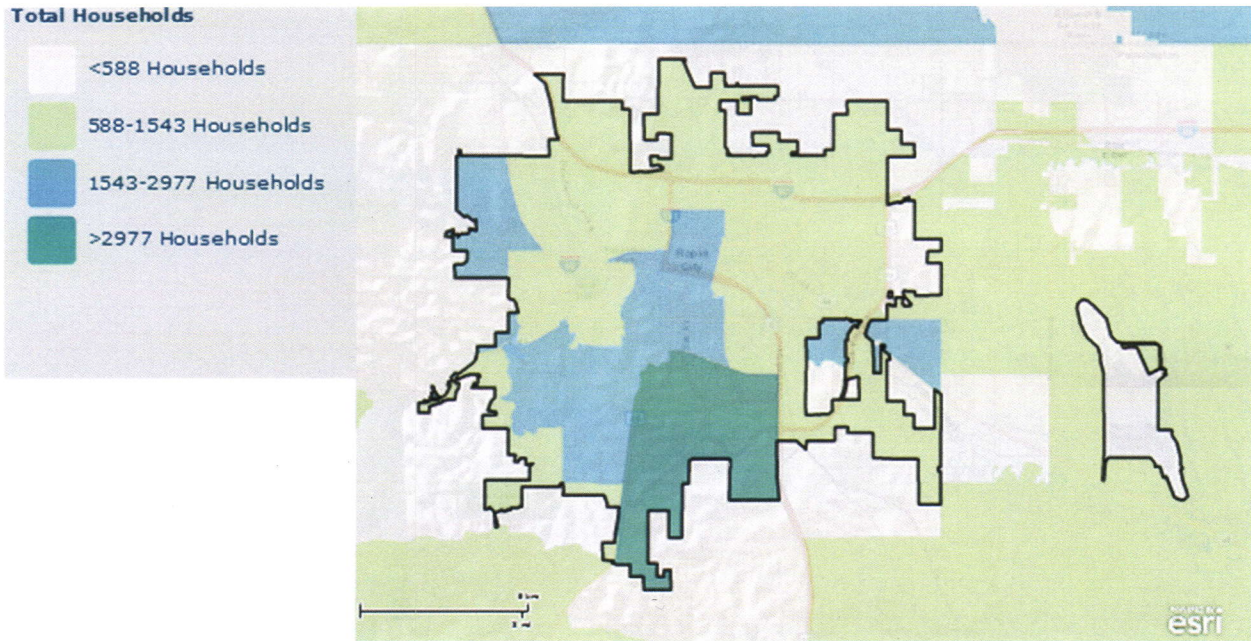
\* the highest income category for these family types is >80% HAMFI

Table 6 - Total Households Table

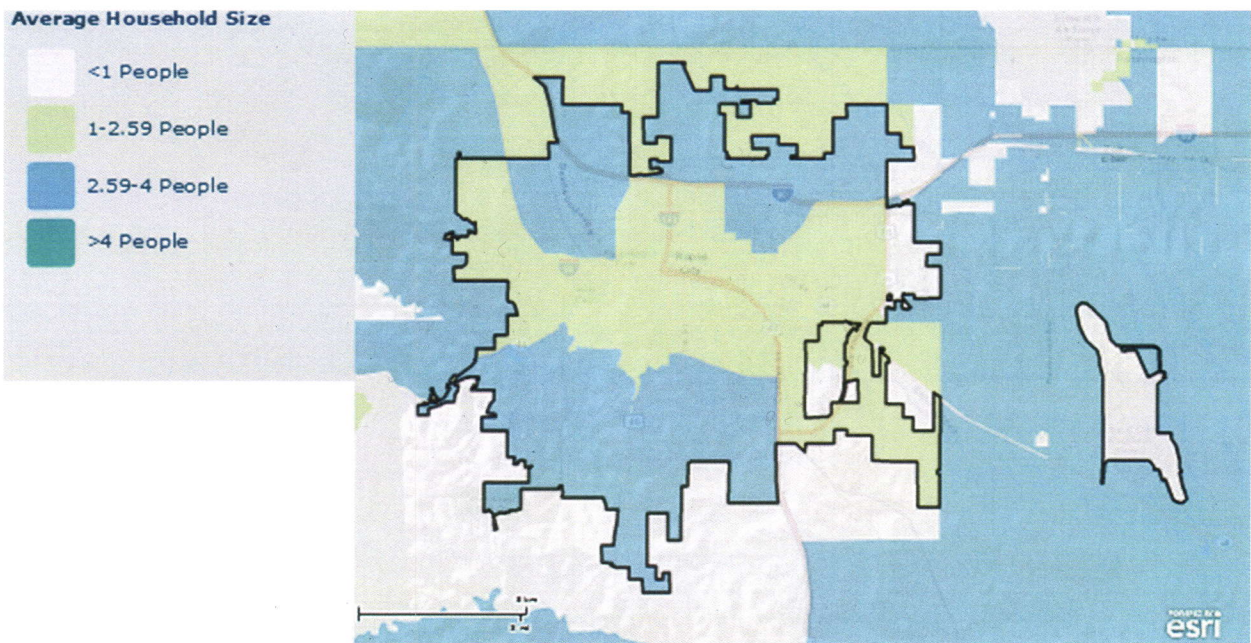
**Alternate Data Source Name:**  
Number of Households by Income

**Data Source Comments:**

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**Total Households - Rapid City, SD**



**Average Household Size - Rapid City, SD**

<b>Income</b>	<b>0-30% HAMFI</b>	<b>&gt;30-50% HAMFI</b>	<b>&gt;50-80% HAMFI</b>	<b>&gt;80-100% HAMFI</b>	<b>&gt;100% HAMFI</b>
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*the highest income category for these family types is >80% HAMFI					

**Table 1 - For Rapid City (Place) - Household Types by Income**

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## Housing Needs Summary Tables for several types of Housing Problems

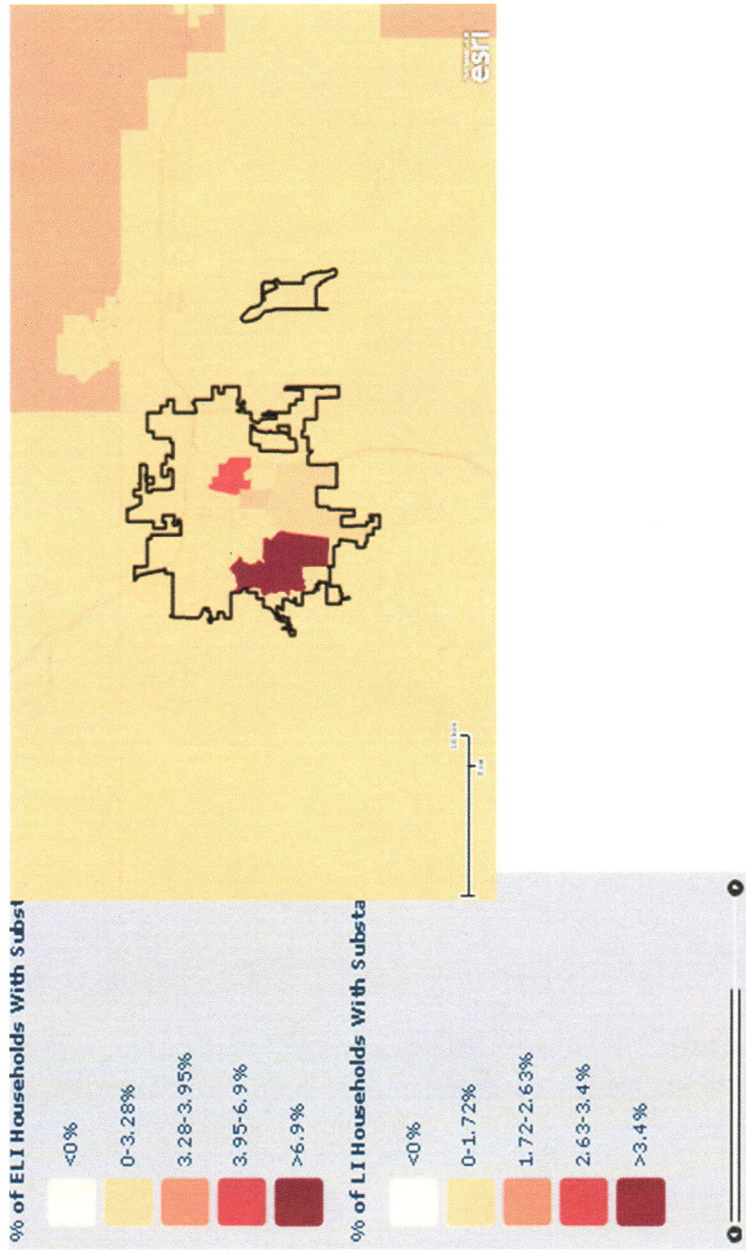
### 1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Substandard Housing - Lacking complete plumbing or kitchen facilities	55	0	25	0	80	0	15	15	0	30
Severely Overcrowded - With > 1.51 people per room (and complete kitchen and plumbing)	80	0	0	0	80	0	0	0	0	0
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	25	100	35	10	170	20	0	60	25	105
Housing cost burden greater than 50% of income (and none of the above problems)	1,355	530	160	20	2,065	300	160	230	110	800
Housing cost burden greater than 30% of income (and none of the above problems)	355	780	780	65	1,980	110	235	590	660	1,595
Zero/negative Income (and none of the above problems)	175	0	0	0	175	45	0	0	0	45

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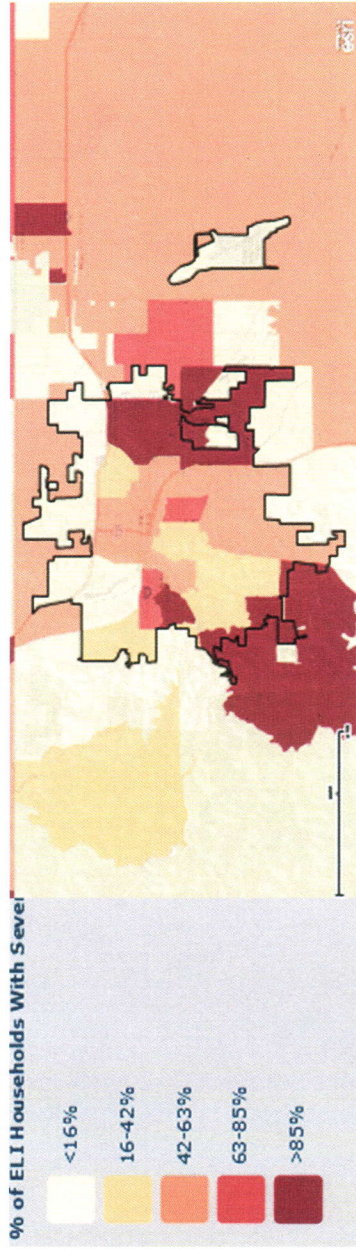
Table 7 – Housing Problems Table

Data Source: 2005-2009 CHAS



Percent Extremely Low Income with Any of 4 Housing Problems

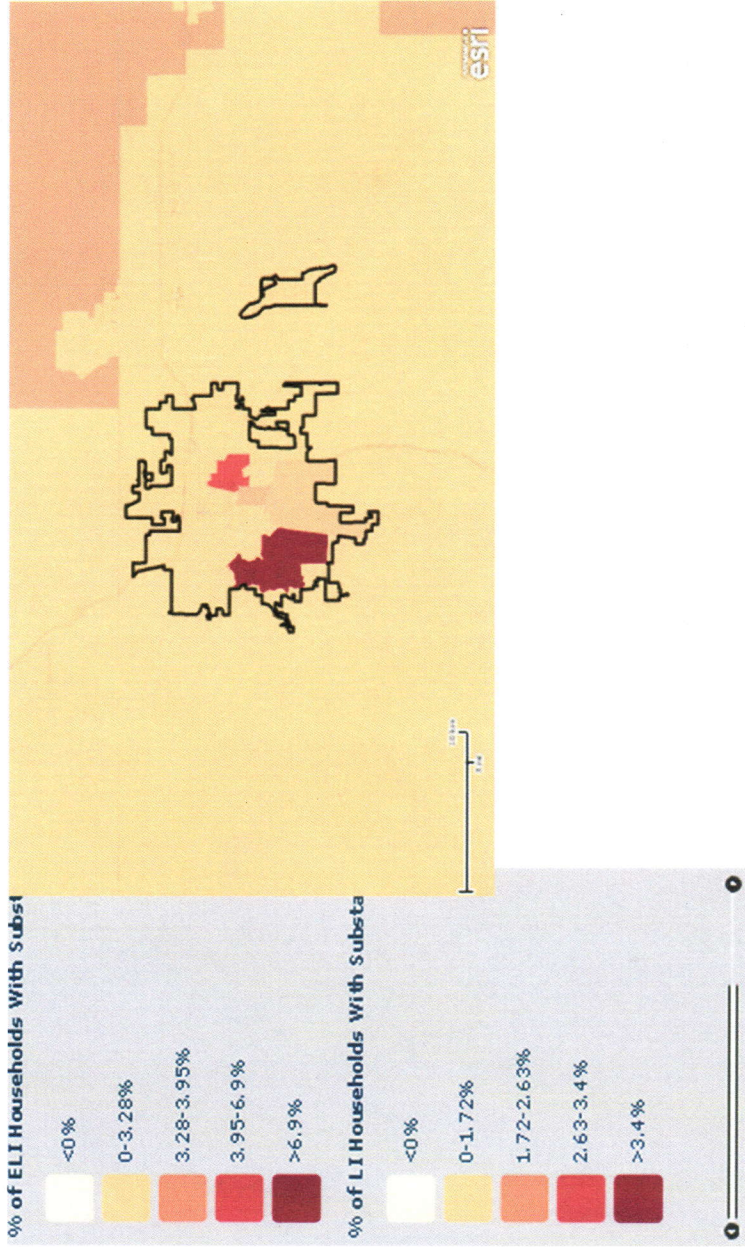
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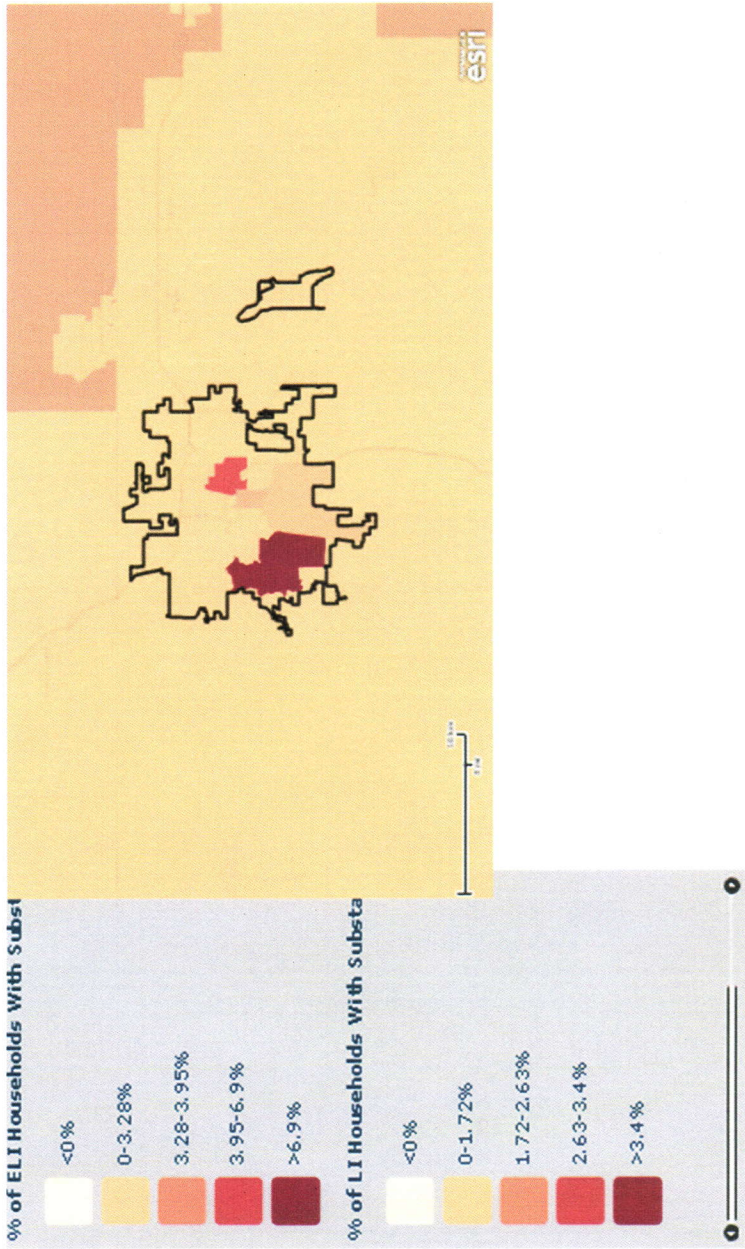
**Cost Burden Paying >30% Income**



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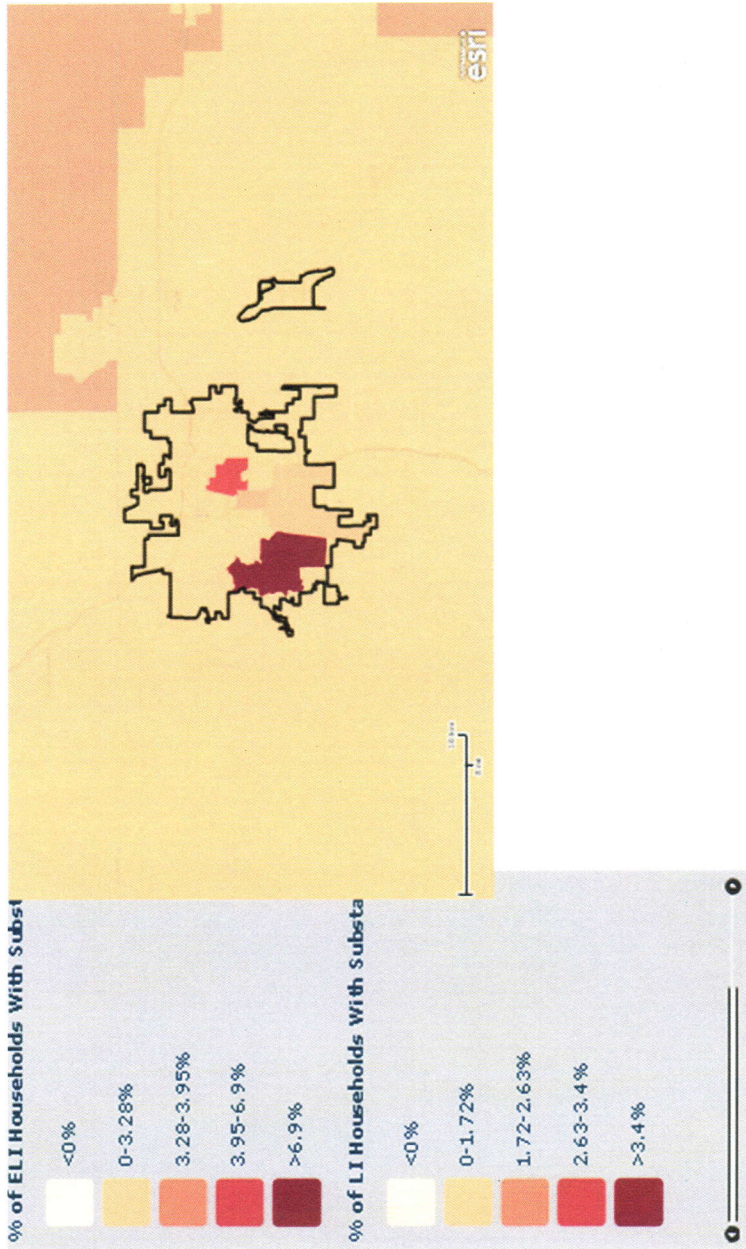


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**Percent ELLI-LI Households**

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**% ELI-LI Households with Substandard Conditions**

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Having 1 or more of four housing problems	1,510	625	215	30	2,380	325	175	305	135	940
Having none of four housing problems	970	1,450	2,340	970	5,730	210	635	1,955	2,050	4,850

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	Renter				Owner					
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Household has negative income, but none of the other housing problems	175	0	0	0	175	45	0	0	0	45

Table 8 – Housing Problems 2

Data Source: 2005-2009 CHAS

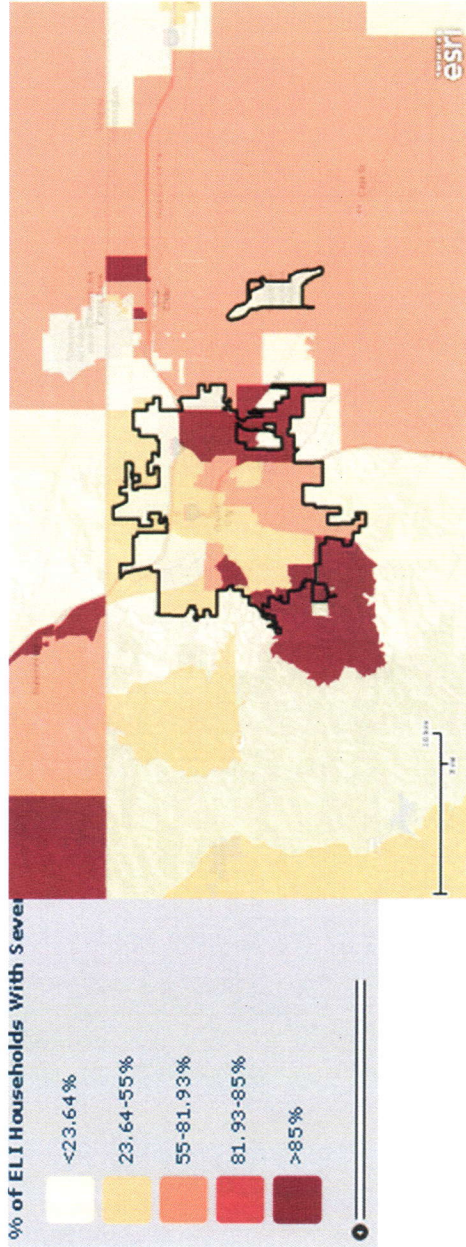
3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Small Related	660	555	355	1,570	80	65	355	500
Large Related	145	30	0	175	20	45	80	145
Elderly	250	305	290	845	175	130	175	480
Other	780	465	320	1,565	155	155	255	565
Total need by income	1,835	1,355	965	4,155	430	395	865	1,690

Table 9 – Cost Burden > 30%

Data Source: 2005-2009 CHAS

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**Cost Burden 30% - Rapid City, SD**

**4. Cost Burden > 50%**

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
	Small Related	615	235	20	870	50	15	100
Large Related	105	0	0	105	0	45	0	45
Elderly	150	150	130	430	95	40	100	235
Other	580	140	15	735	155	55	40	250
Total need by income	1,450	525	165	2,140	300	155	240	695

Table 10 – Cost Burden > 50%

**Data Source:** 2005-2009 CHAS

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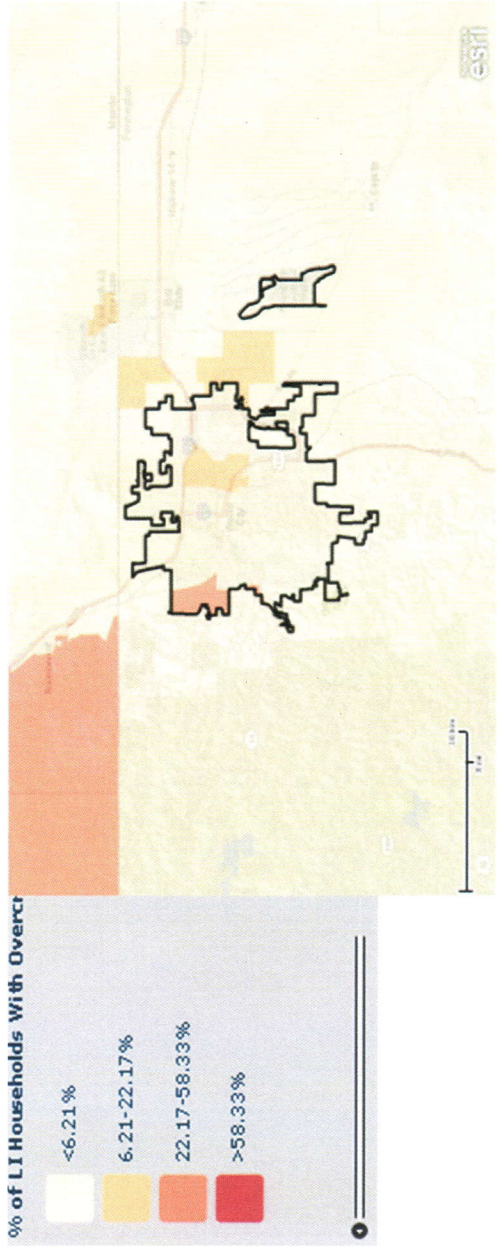
## 5. Crowding (More than one person per room)

	Renter				Owner					
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Single family households	90	100	35	0	225	20	0	10	0	30
Multiple, unrelated family households	15	0	0	0	15	0	0	40	0	40
Other, non-family households	0	0	0	0	0	0	0	10	0	10
Total need by income	105	100	35	0	240	20	0	60	0	80

Table 11 – Crowding Information

Data Source: 2005-2009 CHAS

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**Low Income Households with Overcrowding - Rapid City, SD**

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## What are the most common housing problems?

Housing statistics from the 2005-2009 CHAS show us that 27.3% of all households in Rapid City experience at least one of the HUD tracked housing problems of 1) substandard housing lacking complete plumbing or kitchen facilities; 2) overcrowding >1.01 people per room 3) housing cost burden paying > 30% of income for housing; 4) having zero or negative income.

The greatest housing problem for renters and owners is the cost burden of paying more than 30% of their income for housing. Cost burden affects 6,440 families, who make up 24.7% of all households in Rapid City. Eleven percent (11%) of them are cost burdened paying more than 50% of their household income for housing. Households with cost burdens are located in all areas of town, but predominately the northeast, southeast and old Canyon Lake housing areas. The most severely affected area is in Rapid Valley, outside the corporate limits and jurisdiction of Rapid City. Households paying more than 30% of their income for housing make up 50.2% of those who are cost burdened and severely cost burdened households paying more than 50% of their income make up 40.2% of the cost burdened.

Rapid City/Pennington County has the highest fair market rental housing cost in South Dakota and a disproportionately lower mean hourly wage. The Fair Market Rent for a two-bedroom apartment in Rapid City is \$779. In order to afford this level of rent and utilities without paying more than 30% of income for housing, a household must earn \$2,597 per month or \$31,160 per year. Assuming a full-time 40-hour work week, 52 weeks per year, a wage of \$14.98 per hour would be needed. A single head of household worker making minimum wage of \$7.25 per hour would need 2.1 full-time jobs to afford the 2-bedroom apartment without being cost burdened. Fifty-one (51%) per cent of all households in Rapid City have a single head of household.

## Are any populations/household types more affected than others by these problems?

All types of households are affected by cost burden due to the low wage/high rent market in Rapid City. The cost burden is greatest for:

- renters making less than 80% of AMI;
- homeowners making between 50% and 100% of AMI;
- small related families (renters and owners)
- the elderly (renters and owners);
- other households (renters and owners).

Overcrowding primarily affects single family renter households making less than 50% of AMI.

**Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and**



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### **individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance**

Low-income individuals and families most at risk of homelessness include veterans, the elderly, disabled persons, persons with persistent mental health or substance abuse issues, and single-parent households. Native Americans make up 47% of the homeless, a disproportionate number since Native Americans account for only 12.4% of the population.

Low-income individuals and families with children who are at imminent risk of becoming unsheltered or residing in shelters are typically ζdoubled-upζ with family or friends, jeopardizing their hostsζ housing due to lease or Section VIII regulations. If they have their own lease, the risk is due to lack of adequate wages to cover the rent for more than a couple of months. The families typically have minimum wage jobs or a fixed income that is extremely-low or low-income, making less than 50% of AMI and cannot afford market rents without gap assistance, so they often have to settle for substandard housing (faulty plumbing, lack of utility service, mold, mildew, lack of efficient heating, structural issues).

There may also be issues of alcohol and substance abuse that cause them to lose their housing.

Cost burden often remains a challenge for persons who received assistance, especially single persons or single head of households. The need for 2.1 full-time minimum wage jobs to meet rent costs is very difficult for a single person or single head of household to maintain for any length of time. In order to break out of the cycle of homelessness to permanent, but unaffordable or substandard housing, to homelessness again households need either rental gap assistance or job training to improve their skills and increase their earning ability.

### **If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:**

At-risk populations in Rapid City susceptible to substandard housing, homelessness, or cost burden include: veterans, offenders returning to the community, persons with felony records, persons with chronic alcohol and/or substance abuse issues, persons with severe persistent mental illness, physically or developmentally disabled persons, and victims of domestic violence, the elderly, and persons with incomes below 50% of the area median income. Estimates for these populations are based on the 2010 Census, the 2005-2009 American Community Study, and the Rapid City Homeless Point-in-Time count and surveys for 2012.

### **Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness**

Substandard housing issues are a high priority of the City due to health and safety issues that affect the inhabitants and surrounding neighborhoods.

Instability in neighborhoods is caused by vacant and abandoned housing, failing infrastructure for water and sewer lines, and housing stock that has not been maintained.

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Aging housing stock requiring major repairs and upgrades can cause loss of house, or *non-occupancy* orders due to structural issues, foundation instability, lack of complete or functional plumbing, and outdated electrical wiring.

Family instability resulting in risk of homelessness includes low wages, lack of job skills, domestic violence, and substance abuse issues.

Affordability of housing is an issue that affects the ability of households to access and retain permanent housing. Persons making less than 80% of the area median income pay more than 30% and in many cases more than 50% of their income on housing, leaving no funds for food, gas, transportation, etc.

## Discussion

### **Describe the number and type of single person households in need of housing assistance.**

There are 9,406 single person households in Rapid City [1]. Single person households consist of 4,172 male households, with 814 of them persons 65 years or older and 5,234 female households with 2,385 of them persons 65 years or older.

The 2012 Rapid City homeless count shows that 165 of the homeless, 80% of those surveyed, were single persons. Additionally, nine of the respondents were married couples with no children.

In 2012, 134 single women victims of domestic violence sought shelter at Working Against Violence, Inc. (WAVI).

### **Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.**

#### **Disabled**

Federal laws define a person with a disability as *Any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such an impairment.* In general, a physical or mental impairment includes hearing, mobility and visual impairments, chronic alcoholism, chronic mental illness, and mental retardation that substantially limits one or more major life activities. Major life activities include walking, talking, hearing, seeing, breathing, learning, performing manual tasks, and caring for oneself.

Disabled persons represent 15% of the population. A shortage of affordable handicap accessible rentals was identified as a need in public meetings for Fair Housing and the consolidated plan; however there are no statistics available at this time to determine the level of need. Housing in Rapid City is predominately split foyer style homes, and homes with basements, making it difficult for persons with mobility issues to find homes without stairs, both for rentals and ownership. The Census shows that 19.6% of the population is over 60 years old, with an additional 13.3% attaining that age within the next 7 years. Between the elderly and

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disabled populations, accessibility will be an issue that needs to be addressed. We will undertake a survey to determine the needs and amend this plan accordingly.

White residents make up 84.68% of the disabled and Native Americans make up the second largest group at 10.11%. These rates are proportionate to the general population.

### **Domestic Violence/Dating Violence/Sexual Assault/Stalking**

Working Against Violence, Inc. (WAVI) provides emergency shelter, counseling, and housing assistance for transition out of the shelter to victims of domestic and dating violence, sexual assault and stalking. In 2012 they assisted 538 women with shelter, 134 families that included 273 children. Domestic violence clients increased each year from 2009 (500) to 2011 (583) and experienced a 7.4% decline in 2012.

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## NA-15 DISPROPORTIONATELY GREATER NEED: HOUSING PROBLEMS

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction

The following information provides information on the populations that experience a disproportionately greater need due to housing problems in Rapid City. For this purpose, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least 10 percentage points higher than the percentage of persons in category as a whole.

Housing Problems would involve one or more of the following issues: 1) *Lacks complete kitchen facilities*; 2) *Lacks complete plumbing facilities*; 3) *More than one person per room*; 4) *Cost burden greater than 30% of income*.

American Indian/Alaska Natives making less than 30% of the area median income disproportionately experience one or more of the four housing problems outlined previously. American Indians/Alaska Natives make up 12.4% of the population but are 23.7% of residents making less than 30% of the AMI that are experiencing one or more of the four housing problems.

Whites making between 50% and 80% of AMI do not meet the 10 percentage points higher criteria for having one or more of the four housing problems, but are approaching that point at 7.1%.

All racial or ethnic groups in the other income brackets (31-50% AMI, 51-80% AMI, 81-100% AMI) experience difficulties proportionately to their community racial/ethnic makeup.

### 0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,295	725	220
White	1,530	430	210
Black / African American	45	0	0
Asian	10	0	0
American Indian, Alaska Native	545	190	10
Pacific Islander	0	0	0
Hispanic	95	70	0

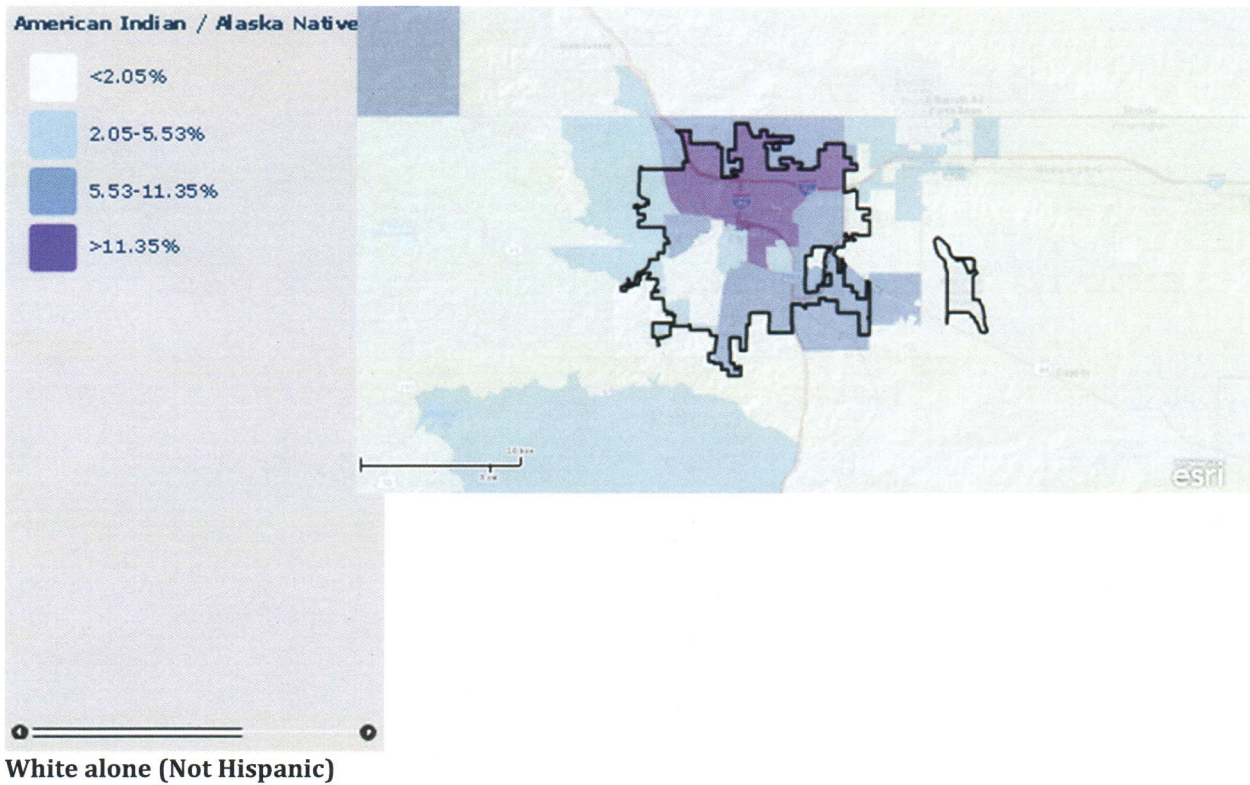
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Table 12 - Disproportionally Greater Need 0 - 30% AMI

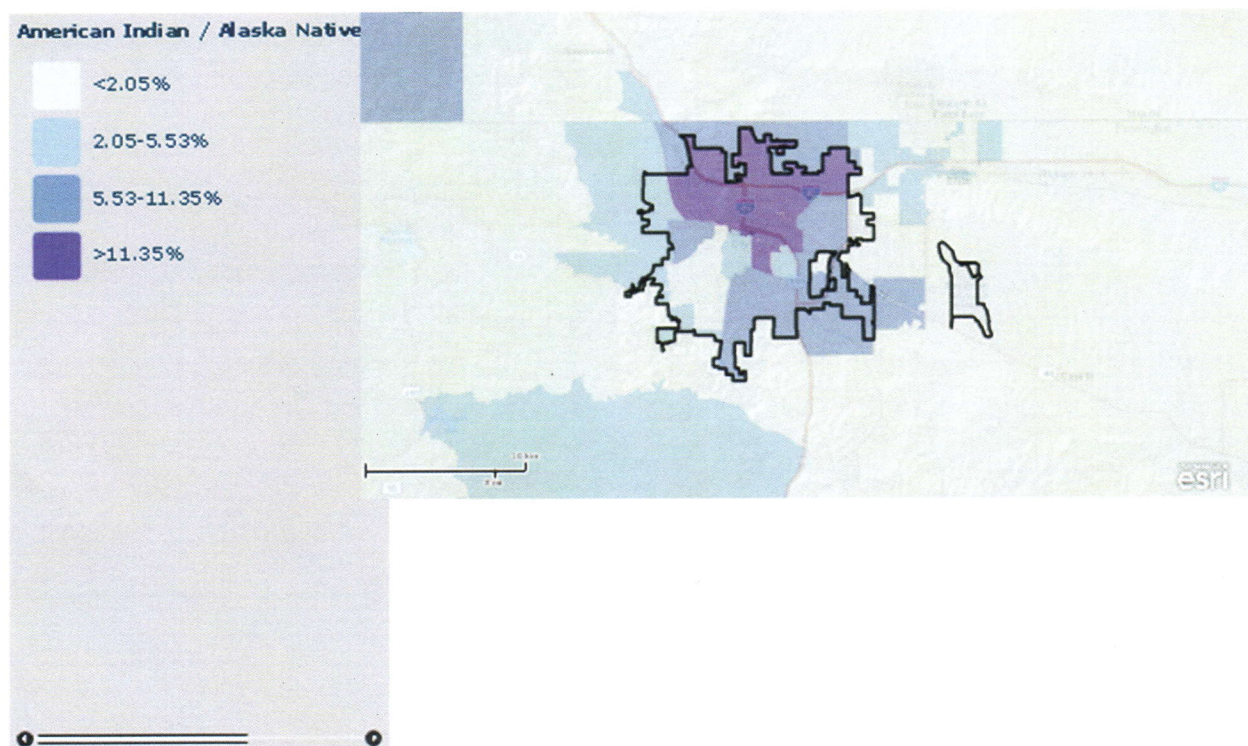
Data Source: 2005-2009 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%



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**American Indian-Alaska Native Population**

## 30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,815	1,075	0
White	1,425	945	0
Black / African American	30	30	0
Asian	4	0	0
American Indian, Alaska Native	170	30	0
Pacific Islander	0	0	0
Hispanic	110	30	0

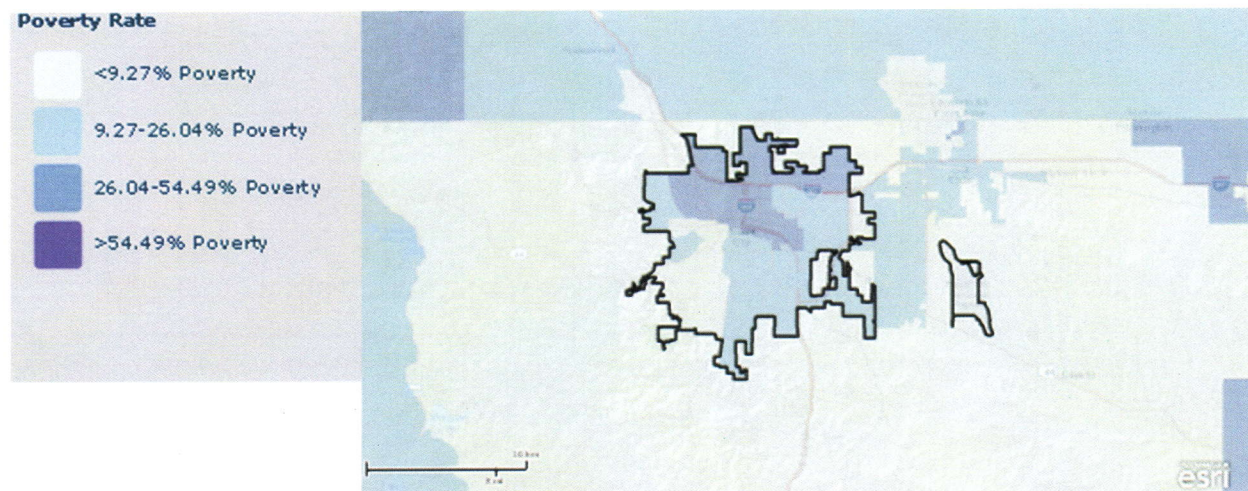
Table 13 - Disproportionally Greater Need 30 - 50% AMI

**Data Source:** 2005-2009 CHAS

\*The four housing problems are:

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1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%



**Poverty Rate**

## 50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,885	2,930	0
White	1,650	2,440	0
Black / African American	30	30	0
Asian	0	24	0
American Indian, Alaska Native	100	270	0
Pacific Islander	0	0	0
Hispanic	85	90	0

Table 14 - Disproportionally Greater Need 50 - 80% AMI

**Data Source:** 2005-2009 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

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## 80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	890	2,300	0
White	760	2,065	0
Black / African American	0	30	0
Asian	35	20	0
American Indian, Alaska Native	70	80	0
Pacific Islander	0	0	0
Hispanic	0	90	0

Table 15 - Disproportionally Greater Need 80 - 100% AMI

Data Source: 2005-2009 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

## Discussion