

4. HOUSING

Number of Housing Units and Occupancy Characteristics

Housing stock stayed relatively stable between 1990 and 2000 in Richland County. Overall there was a decrease of 268 units, or less than one percent. Population change during the same time was 9.8%.

	2000	1990	Numeric Change	% Change
Richland	4,557	4,825	-268	-0.06
Sidney	2,393	2,363	30	0.01
Fairview	390	441	-51	-0.12

Source: US Census Bureau

Between 2000 and 2005 a total of 62 permits were issued for new homes (including manufactured homes, but not mobile homes) in Richland County: 37 in Sidney, 1 in Fairview, and 24 in other parts of the county. (Hillesland, Sharbonno)

Housing occupancy rates in 2000 in Richland County were generally comparable to those of the state of Montana. In Richland County there were fewer renter occupied units and more vacant units compared to the state as a whole.

	Richland County	Sidney	Fairview	Savage	Lambert	Montana
Total Housing Units	4,557	2,393	390	145	64	423,262
Occupied	85.1%	83.8%	79.5%	86.2%	90.6%	86.9%
Owner Occupied	61.6%	55.7%	54.9%	66.9%	67.2%	60.0%
Renter occupied	23.5%	28.1%	24.6%	19.3%	23.4%	26.9%
Vacant	14.9%	16.2%	20.5%	13.8%	9.4%	13.1%
For seasonal, recreational or occasional use	1.7%	0.9%	0.8%	4.1%	4.7%	5.9%
Other	13.2%	15.3%	19.7%	9.7%	4.7%	7.2%

Source: US Census Bureau

Average household size in Richland County also closely approximated that of the state as a whole in 2000. Lambert had the largest average household size and Fairview the smallest.

Type of Housing and Housing Condition

The most recent standardized statewide analysis of housing stock is the 2005 *Montana Housing Condition Study*.

The *Montana Housing Condition Study* is based on property tax data from the Montana Department of Revenue. The data represent all properties on the tax roles, but the numbers may be understated because of the time lag between when a house comes into service and when it appears on the tax roles.

Table 4.3 Average Household Size: 2000

	Average household size
Richland County	2.46
Sidney	2.33
Fairview	2.29
Savage	2.38
Lambert	2.71
Montana	2.45

Source: US Census Bureau

The *Montana Housing Condition Study* distinguishes between property taxed as residential and property taxed as commercial, or income property. Commercial property is classified into many types—single family homes, duplexes, triplexes, four unit complexes, apartments, townhouses, rowhouses, condominiums, and other miscellaneous building types. Residential property includes three types—single family, mobile home, and condominium.

Table 4.4 Richland County, Number of Housing Units by Type: 2004

	Richland County			Sidney	Fairview
	Residential	Commercial	Total	Residential	Residential
Single Family	3,102	4	3,106	1,461	262
Mobile	580		580	150	57
Condo	24		24	24	
Apartment		10	10		
Boarding Room House		3	3		
Duplex		22	22		
Fourplex		32	32		
Mixed Commercial/Residential		1	1		
Townhouse		27	4		
Total	3,706	99	3,782	1,635	319

Source: Montana Housing Condition Study

Table 4.4 displays number of housing units by type in 2004. The *Montana Housing Condition Study* identifies a total of 3,782 housing units in 2004, and the 2000 census accounted for 4,557 units. The difference is not the result of 1,200 new housing units between 2000 and 2004. The difference is a result of the fact that the methods used to collect data for the two counts are quite different.

According to the *Montana Housing Condition Study*, mobile homes accounted for 15% of the total housing units in Richland County. The *Montana Housing Condition Study* defines mobile homes as dwellings not on permanent foundations. Statewide, mobile homes comprised 19% of the housing units (*Montana Housing Condition Study*).

	Richland County		Sidney	Fairview
	Residential	Commercial	Residential	Residential
1959 and earlier	2,023	21	996	215
1960-1969	295	12	151	12
1970-1979	800	26	297	51
1980-1989	383	37	114	27
1990-1999	162	3	68	13
2000	18		4	1
2001	9		2	
2002	13		2	
2003	3		1	
Total	3,706	99	1,635	319
Source: Montana Housing Condition Study				

Table 4.5 displays residential units by date of construction. Half of all units in the county were built prior to 1960. Approximately one-fifth were constructed during the 1970s.

The *Montana Housing Condition Study* has considerable information on physical condition of residences, based on Montana’s appraisal system. The following is excerpted from the Montana Housing Condition Study for the condition classification system:

Unsound – indicates that the dwelling is definitely structurally unsound and practically unfit for use.

Very poor – indicates that the dwelling is definitely structurally unsound and practically unfit for use. Repair and overhaul is needed on painted surfaces, roofing, plumbing and heating. There is excessive deferred maintenance and abuse. Property is approaching abandonment or major reconstruction.

Poor – indicates that definite deterioration is obvious. Property is undesirable and barely usable.

Fair – indicates marked deterioration but is still quite usable. Property is rather unattractive and undesirable. Much repair is needed and many items need refinishing or overhauling. Deferred maintenance is obvious.

Average – indicates normal wear and tear relative to its age. Property has average attractiveness and is desirable. There is some evidence of deferred maintenance needed such as minor repairs and refinishing. All major components are still functional.

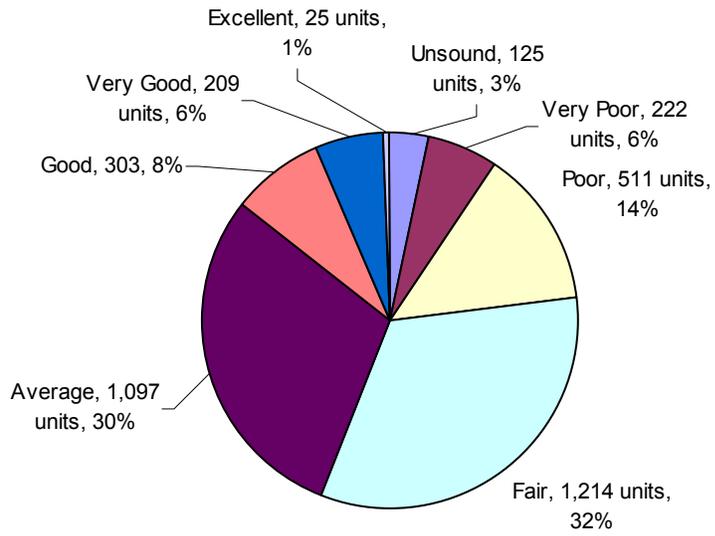
Good – indicates that minor deterioration is visible. Property is slightly more attractive and desirable. No obvious maintenance is required, but neither is everything new. Appearance is above the standard relative to the property’s age.

Very good – indicates slight evidence of deterioration. All items are well maintained and have been overhauled and repaired as they showed signs of wear. There is little deterioration or obsolescence and a high standard of upkeep relative to its age.

Excellent – indicates perfect condition. Property is very attractive and highly desirable. All items that can be normally repaired or refinished have been recently corrected, such as new roofing, paint, furnace overhaul and state-of-the-art components. There are no functional inadequacies and all components are new or in like-new condition. Most new homes would receive a condition rating of excellent (unless constructed with substandard materials and workmanship).

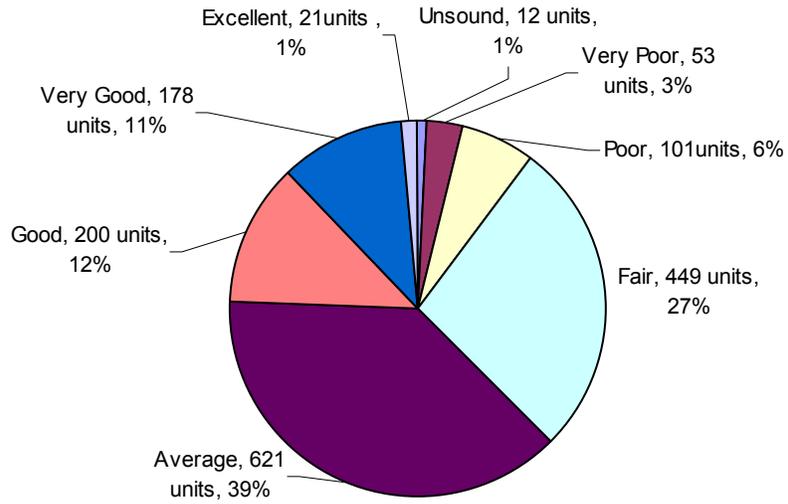
Figures 4.1, 4.2 and 4.3 display housing condition status for non-commercial residential units in Richland County, Sidney and Fairview. A total of nine percent of all housing in Richland County was in unsound or very poor condition. Ten percent of all housing in Fairview was in unsound or poor condition, and for Sidney the total was four percent. Statewide, housing in unsound or very poor condition was approximately 3.3 percent of total residential housing stock.

Figure 4.1 Richland County - Physical Condition of Housing Stock



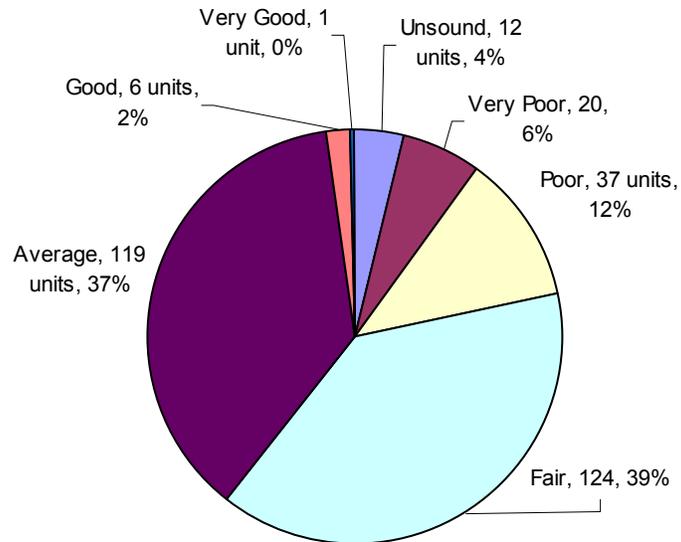
Source: Montana Housing Condition Study

Figure 4.2 Sidney: Physical Condition of Housing Stock



Source: Montana Housing Condition Study

Table 4.3 Fairview Physical Condition of Housing Stock



Source: Montana Housing Condition Study

Housing Demand, Supply, and Affordability

Adequate housing is in short supply in Richland County. Even when using the higher estimate of housing units from the 2000 census (as compared to the total number identified by the Montana Housing Condition Study), there is a shortage of adequate housing units compared to the total number of households that were counted in the 2000 census. This apparent shortage existed in 2000, before the most recent round of increased housing demand.

The information from the *Montana Housing Condition Study* indicates that some households in Richland County are living in substandard housing and that demand clearly exceeds supply.

Total Units per U.S. Census in 2000	4,557
Less Number of Units in Unsound, Very Poor, or Poor Condition	858
Units Available in Fair or Better Condition	3,699
Number of Households, 2000	3,878
Units Available in fair or better condition (Supply less # Households)	-179

Sources/Notes:

Units in Unsound or Poor Condition: *Montana Housing Condition Study*

Number of Households: 2000 Census

The 2000 census counted 3,699 households in Richland County. A “household” consists of all the people who occupy a housing unit including the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit.

Local knowledge and labor information indicates that there has been a considerable increase in demand in housing since 2000, so the household numbers are likely understated in Table 4.6. With the onset of the oil boom, more workers have been coming into the county. Although most are on shifts of 10 days or more with breaks to return to their own homes, while they are in Richland County, they need housing. Employers in the oil business and related businesses have worked to house their employees by providing rental housing, booking blocks of motel rooms, locating mobile homes/trailers on the well pad sites and in local RV courts, and in some cases purchasing homes for use as temporary housing. (Beagle)

In addition to pressures from new permanent residents and temporary housing for workers, the market is pushed by demand from long-term residents as well. Renters are looking to buy homes and those with existing homes are looking to move up in the market. The trend is aided by higher wages in the county since 2000 and the relatively low interest rates that have been in effect over the past five to six years. (Beagle)

Many of the persons interviewed for this Growth Policy, including representatives of the Lower Yellowstone Rural Electric Cooperative and the Agricultural Research Station, indicated concerns about the housing market, particularly as it relates to providing housing for new employees.

There are currently no rental houses available on the market, and only a few apartments. Most buyers are looking for homes in the \$75,000-\$110,000 price range and those are the units in shortest supply. A few lots have been purchased; these are in relatively short supply as Fairview and Sidney have little undeveloped area for residential development within their existing limits. (Beagle)



The ability to afford housing depends on household income and cost of housing. Housing costs in Richland County have increased approximately 30 to 50% in the six years since 2000. (Wick and Beagle) Out of 95 home sales in 2005, the average sales price was \$73,115. Price of lots in Sidney has increased from around \$5,000 in 2000 to around \$15,000-\$20,000 per lot in 2006. (Beagle)

According to Paul Groshart, Richland Housing Authority,

there is a significant lack of housing available for households with incomes in the \$22,000 to \$32,000 range. At that income level, it becomes harder to qualify for housing assistance programs. According to the 2000 census, 55% of all Richland County households had incomes less than \$35,000. A total of 656 households (17% of all households) had incomes between \$25,000 and \$35,000.

Senior and Special Needs Housing

Senior Housing

A total of 15.6% of Richland County's population is 65 years of age or over. Approximately 10% of owner-occupied households are headed by someone 75 years or older. As the population ages, it becomes more difficult for them to manage household repairs and upkeep.

The Senior Coalition has identified affordable elderly housing as a significant need in Richland County. The following types of housing were identified as being most in demand by the aging population in Richland County:

- Retirement Complex (units that provide meals & possibly other services)
- Assisted Living Facility
- Independent Living Units (not provide any services)

Existing housing dedicated to seniors or others with special needs include the following:

- Crestwood Inn—housing for low-income seniors, acquired by the Richland Affordable Housing Corporation, a non-profit subsidiary of the Richland County Housing Authority. It is a 4-story retirement complex with 72 units, available to persons 62 years or older or to handicapped/disabled. Rent is subsidized by HUD for qualified renters. In 1999 there were 38 vacancies, but now the facility is full with a waiting list.
- Sunrise Manor—assisted living facility in Savage, with 8 units.
- Lodge at Lone Tree--completed in 2000, with 36 units and a combination of studio, one-, and 2-bedroom apartments, personalized supportive services and health care. (Associated with Sidney Health Center)
- Sidney Health Center—93-bed extended care facility at Sidney Health Center.

Affordability of assisted living facilities can be a significant deterrent for the elderly. According to an excerpt from the Senior Coalition's study, *Meeting the Needs of Richland County's Aging Population: Action Plan 2005-2010*, the *Montana 5 Year Consolidate Plan 2001-2006* identifies the issue as follows:

"The demand for assisted living facilities is determined by the size of the elderly population in need of services offered in the residences, the level of income (or family resources) available to the senior, and other types of senior living available to the person. In Montana, the demand is substantial.

Unfortunately Montana's low-income elderly population (those with incomes between \$10,000 and \$15,000 annually), have the greatest need, and have the least capability for purchasing the assisted living service. The cost to live in an assisted living facility is extremely high. ... Potential demand for assisted living facilities by county for years 2002, 2007 and 2012 can be found in the Montana Assisted Living Study: Demand for Assisted Living. "



The Senior Coalition's *Action Plan 2005-2010* identifies a number of projects that address senior housing and/or mechanisms to increase senior persons' ability to stay in their own homes in the traditional housing community.

The Senior Coalition is working to complete a county-wide windshield inspection of senior housing rehabilitation needs. There is a high proportion of housing that is unsound or poor condition, and there is concern that seniors may be unable to address housing rehabilitation issues. (Aldren-Cutler)

Special Needs Housing-Richland Opportunities, Inc.

Richland Opportunities, Inc. provides educational and residential programs to persons with disabilities in Richland County. They operate two group homes with capacity for eight persons each and a transitional living apartment complex with capacity for seven residents in four units, plus an additional unit for staff. All units are full, and there is a waiting list.

Housing Assistance

Housing assistance is available to persons who meet income guidelines, and to seniors and persons with disabilities. The Richland Housing Authority administers the HUD housing programs in Richland County. The Housing Authority manages 86 low income units in Sidney and Fairview and administers contracts with low income housing providers throughout the county.

Conclusions and Projected Trends

Even before the recent influx of oil and gas development, housing in fair or better condition was in short supply in Richland County.

The exploration phase of the Bakken formation has created a huge demand for oil field workers and support businesses and the result is a temporary non-resident workforce that has significantly strained all housing, including rentals, motels, and RV parks. Once exploration slows down (projected within the next 3-4 years) and the production phase kicks in, housing demand should relax somewhat.

Affordable housing for the 55% of households in Richland County earning less than \$35,000 year is in seriously short supply.

The numbers of seniors is increasing and so are related housing issues. Currently there is demand for additional affordable multi-unit senior facilities, and need for assistance with rehabilitation and maintenance in houses owned by seniors.