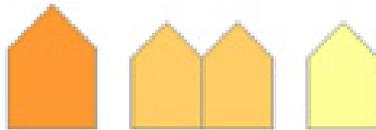


INTRODUCTION

KEY PRINCIPLES TO IMPLEMENTING THE HOUSING PLAN INCLUDE:

Housing Opportunities

- **Ensure “life cycle” housing opportunities for all**
- **Encourage compact development to keep housing costs lower**
- **Identify redevelopment sites**
- **Provide opportunities for new housing in or near downtown**



The condition, affordability and availability of housing affect the social and economic health of every city. The well-being of the community is enhanced when individuals and families are retained, workforce housing is available and residents with special housing needs are served. A healthy community includes a full range of housing options so that its residents can find a place to live that is appropriate for their stage in life, whether that is a young, single person starting their career, a family raising children or senior citizens seeking a location to downsize. In Minot, meeting these basic needs is an increasing challenge as the recent trends, supply constraints and rapidly increasing demand for housing due to the employment boom have created a housing crisis in Minot, Ward County and the western portion of the State.

The City’s economy has been based primarily on agriculture, transportation, manufacturing, and energy industries, as well as the Minot Air Force Base. Minot, serving as a regional hub for the northwest corner of the state, has experienced nearly 12 percent population growth over the last decade, driven largely by development of the nearby Bakken shale field, which has made North Dakota one of the top producing oil states in the nation.



Multi-family housing

The City’s problems would be considered blessings in most of the United States, particularly in these recessionary times. Instead of workers struggling to find jobs as in the rest of the country, employers have struggled to find workers and new workers are struggling to find available and affordable housing. The lack of available housing has hindered Minot’s ability to attract and retain workers. From 2007 through 2011, more than 1,400 apartment units and 840 homes were built (or permitted) to provide additional housing. The housing shortage is so acute that virtually every hotel room in Minot has been booked for years. It is anticipated that this level of residential demand will continue for the next several years putting pressure on the need to advance sewer and water infrastructure projects, with the appropriate funding mechanisms, which can make available land ready for development.

As the demand for housing is closely tied to the development of the oil fields and related economic growth, it is more difficult to predict how long this “boom” will last and whether there will be a corresponding “bust” in the future. A 2011 study by others (Ondracek & Witwer, “Minot, North Dakota Housing Demand Analysis”, May 2011) for the Minot Area Development Corporation (MADC) predicts there will be a demand for more than 5,700 new housing units through 2026, resulting in a total population of just over 56,000. After that, the study predicts Minot’s population and housing demand will gradually decline. This comprehensive plan follows those assumptions

and includes housing and population projections through 2030 which closely match the Ondracek study's conclusions. Because housing development is such an important and active issue, preparing an updated comprehensive housing study at the completion of this plan would provide the City an opportunity for a market-based analysis for the demand of all types of housing including multi-family, single family, affordable and senior housing and provide additional clarity to this issue.

This housing crisis was further exacerbated by the flood in summer of 2011. After the flood waters receded, Minot residents found the four mile swath of the Souris River located in the downtown area - the oldest and most heavily developed portion of the City - took the brunt of the flooding. Approximately 25 percent of Minot sustained damage from the flood. This figure includes over 4,100 homes which were some way affected. 2,376 homes were extensively damaged and 805 homes damaged beyond repair.

The flood destroyed much of Minot's housing gains over the last several years and turned an acute housing shortage into a crisis. According to the City Assessor's Office, the flood damaged at least 2,360 rental housing units (800 single family, duplex, and triplex rental homes, 60 apartment buildings with at least 4 units per building, and 1,500 stick-built rental units) not including mobile homes.



As a developing community, Minot has an excellent opportunity to expand the availability of land for increased housing development, including a variety of housing options to meet the needs of all its current and future residents throughout their lives. Through the Comprehensive Plan and visioning processes, participants identified the need for housing; a greater variety of housing; and the need for more affordable housing. This chapter, together with the Future Land Use plan, identifies the location, densities and types of housing planned to

meet the needs of Minot, as an integral component of the community's housing strategy. Through a variety of polices, and use tools, programs and regulations, the type, number and affordability of new and existing housing units can be influenced.

This chapter will provide a demographic overview of the housing trends followed by a discussion of housing issues and opportunities. A summary of trends and future demand will be provided to understand the existing and future housing needs and the tools, polices and regulations that can be implemented to meet these demands. This chapter will guide the community to integrate housing into land use, transportation, economic development and other decisions, as well as provide direction for the private sector to participate in the creation of affordable housing and life-cycle housing opportunities.

GOALS AND POLICIES

The following goals and policies were developed from input received from community meetings, the Comprehensive Plan Steering Committee, Planning Commission and City Council to achieve the new vision for the community. The goals and policies are the foundation of this plan, as they define what the community should look like in the future.

Housing

GOAL 1:

Ensure housing development is compatible with existing and adjacent land uses while providing accessibility to public infrastructure, key community features and natural amenities.

Rationale:

Accessibility to the key features and services in Minot is important to all citizens of our community.

Policies:

1. Establish development guidelines and ordinances for appropriate amount of parks, trails, sidewalks and connections throughout the community for all residential developments.
2. Ensure commercial development and mixed-use areas are appropriately dispersed throughout the city as guided in the comprehensive plan.

GOAL 2:

Provide a variety of housing types, densities and choices to meet the life cycle housing needs of residents.

Rationale:

Incorporating a wide variety of densities that also supports a range in housing styles for home ownership and rental in attached and detached formats increases opportunity for meeting life-cycle housing needs.

Policies:

1. Maintain a balance, through land use, in the types and densities of housing units available throughout the community.
2. Promote, where feasible, revitalization of downtown to provide increased housing choice.
3. Define zoning districts and standards to correspond to the land use plan to ensure developers can prepare plans to meet the intended densities.
4. Promote creative use of site planning, building design and flexible development of infill lots to increase density and provide greater housing opportunities. They may include use of a PUD where applicable.



GOAL 3:

Improve opportunity of workforce and life-cycle housing.

Rationale:

Minot, as a developing city, will respond to the growing housing needs, from entry level through retirement and beyond, to meet the needs of all residents.

Policies:

1. Work with developers to identify innovative strategies and incentives for providing entry-level and life cycle housing.
2. Use redevelopment tools to revitalize aging residential properties, made possible by various federal, state, non-profit programs or city funded activities.
3. Explore tools and funding sources to create and preserve affordable rental opportunities, long-term affordable housing ownership, such as housing trust funds and provision of housing for the homeless.
4. Explore opportunities for housing ownership made available by various federal, state, local government and non-profit agencies.

GOAL 4:

Enhance opportunities for senior housing.

Rationale:

As Minot continues to grow and develop, it must also accommodate the housing needs of an increasing aging population.

Policies:

1. Complete an assessment of senior housing needs in the community.
2. Encourage partnerships with non-profit groups, churches, and private sector groups to assist in the creation of senior housing and provision of services that allow seniors to stay in their homes.
3. Encourage development of housing with retail accessibility (restaurants, shops, groceries).

GOAL 5:

Maintain existing housing stock to insure a high-quality environment in all residential neighborhoods.

Rationale:

A strong base of existing housing stock, in good condition, maintains value in neighborhoods while also providing an important source of moderate and affordable housing.

Policies:

1. Promote the improvement of the existing housing stock, and encourage the rehabilitation or redevelopment of substandard housing.
2. Encourage in-fill housing where appropriate.



POPULATION PROJECTIONS

Minot is experiencing a sharp increase in population and housing demand as workers are being attracted to a wide variety of job opportunities in the region. In order to keep pace with these demands while planning for the logical and phased extension on infrastructure to meet demands, it is critical to project population increases based on available statistics, historical and more recent building trends.

Preliminary population and household projections were made in the Background Report to this Comprehensive Plan in mid-2010, before the U.S. Census data was available, before the recent significant increase in oil-related development activity, and before the floods of summer 2011. Studies by others, notably the Ondracek & Witwer study noted previously, provide analysis leading to an update of the population projections.

With the oil boom and other factors this is a time of uncertainty which requires flexibility in planning for the future. The Plan the City has prepared and the Growth Areas (described in more detail in the Land Use Chapter) that have been identified will be able to accommodate any future scenario from explosive growth to modest growth to slowing growth, or a combination.

Many population projections have been prepared over the years in various planning studies. The basic recent numbers are as follows:

- 40,888 – 2010 population in 2010 U.S. Census
- 42,515 – 2010 population estimate by Stantec, 2010
- 44,154 – 2010 population estimate by Ondracek & Witwer, 2011
- 47,400 – 2030 population, low estimate by Stantec, 2010
- 49,000 – 2030 population, middle estimate by Stantec, 2010
- 54,900 – 2030 population, high estimate by Stantec, 2010
- 54,438 – 2030 population estimate by Ondracek & Witwer, 2011

The Ondracek & Witwer study assumes a 15-year cycle of growth, through the year 2026, for Minot as a regional

center associated with the oil boom, then modest declines as the oil business moves out. The 54,438 figure noted above is down from their projected high population of 56,240 in 2026. The total housing units added through 2026 was projected to be 5,700 units.

The Background Report assumed that the middle estimate of 2030 population, 49,000, was reasonable, based on long-term historic growth rates. The Ondracek 2030 population estimate is very close to Stantec’s high estimate, which was based on development trends of the last five years.

These numbers suggest that the oil boom would double the increase in Minot’s population in the next 15 years compared to historic rates – from an extra 7,000 people to an extra 14,000 people (current 42,000 to 56,000 vs. 49,000). From 2035 or 2040 on, Minot may continue long-term historic growth rates, as seen in the numbers where the Ondracek projection meets the 2002 projection and the 2010 historic growth rate in about the year 2040.

Because of the uncertain nature of the oil boom, it is impossible to know what the rate of growth will be and how long it will last. Recent building permit figures in Minot since the 2010 Census – the second half of 2010, all of 2011, and the first three months of 2012 – total over 1,800 housing units permitted. In less than two years, this is over 30% of the total housing growth predicted above for the next 16 years. Of the total of 5,700 new housing units estimated to be added by 2026, Ondracek projected 975 housing units would be built in the 2011. Actual 2011 building permit data show 1,132 units were permitted, greater, but not significantly greater, than the Ondracek number. But thereafter, Ondracek showed much more modest growth in housing, down to about 380 units in 2012, only 100 units in 2013, then about 300 units per year thereafter until 2026 when the City would start losing housing units.

If Minot has another few years of significant growth similar to 2011, then the entire additional population projected above by 2026 would happen by 2015. The question is, will Minot’s residential growth rate continue at the 1,000-unit-per-year rate, the 300-unit-per year rate, or some other rate? Whatever the actual rate, if additional growth materializes there is ample room within the Growth Areas to accommodate it.

Another factor in perceived and actual growth is housing of workers associated with the oil boom, living in hotels or other temporary housing. These people add to the

demand for services in the city and add to traffic and other issues, but these housing arrangements do not add to the permanent housing stock and population of the city on a long-term basis.

Population by Age

Table 5.1 shows Minot’s population breakdown by age for the years 2000 and 2010. Twenty to 24 year-olds make up the largest population segment in Minot, comprising 9.4 percent of the city’s total population. Between 2000 and 2010 the city saw its largest population gain in the 55 to 59 year-old range, which gained 2,501 persons for a 66.2 percent increase. In terms of percent growth, the 25 to 29 and 60-64 year-old groups saw the next highest increases with 42 percent and 37 percent growth, respectively. However, the 60 to 64 group still comprises a relatively small segment of the city’s total population.

The 20 to 29 year-old age group is typically the group that is starting out on its own and putting stakes into the community. Members of this age group, particularly in the upper end, are beginning to enter the family formation years, thus continued growth in this age group may indicate increasing school enrollments in the near future. In addition, this is typically the age when many are seeking higher education and broader employment opportunities.

Table 5.1 - Population by age City of Minot, 2000 & 2010

Age Cohort	2000		2010		Change 2000-2010	
	Number	Percent	Number	Percent	Number	Percent
Under 5	2,418	6.6%	2,984	7.3%	566	23.4%
5-9	2,227	6.1%	2,297	5.6%	70	3.1%
10-14	2,314	6.3%	2,104	5.1%	-210	-9.1%
15-19	2,837	7.8%	2,662	6.5%	-175	-6.2%
20-24	3,571	9.8%	4,417	10.8%	846	23.7%
25-29	2,717	7.4%	3,867	9.5%	1,150	42.3%
30-34	2,182	6.0%	2,756	6.7%	574	26.3%
35-39	2,512	6.9%	2,176	5.3%	-336	-13.4%
40-44	2,617	7.2%	2,122	5.2%	-495	-18.9%
45-49	2,602	7.1%	2,480	6.1%	-122	-4.7%
50-54	2,054	5.6%	2,589	6.3%	535	26.0%
55-59	1,505	4.1%	2,501	6.1%	996	66.2%
60-64	1,393	3.8%	1,910	4.7%	517	37.1%
65-69	1,289	3.5%	1,422	3.5%	133	10.3%
70-74	1,357	3.7%	1,311	3.2%	-46	-3.4%
75-79	1,107	3.0%	1,132	2.8%	25	2.3%
80-84	927	2.5%	1,071	2.6%	144	15.5%
85+	938	2.6%	1,177	2.9%	239	25.5%
Total	36,567	100.0%	40,888	100.0%	4,321	11.8%

Sources: US Census; Stantec

The 30- to 49-year-old age groups are often looked at as the new generation of community leaders and business owners, and their children are found throughout the school system from kindergarten to 12th grade. These age groups also tend to be active in the community and demand high quality services for their children and families. However, these age groups also tend to be highly mobile and may move away from a community to find better opportunities. Within this population range, the 30 to 34 year-olds are typically first-time homebuyers while the 35 to 49 year-olds are typically included in the move-up homebuyer market. There are mixed indicators among these age groups in Minot. There have been population increases in the lower age cohorts within this population range, but a decrease in the 40 to 49 year-old group.

Persons in the 50 to 64 year age group tend to be empty nesters and may move to smaller homes while young seniors aged 65 to 74 often seek a variety of housing options. Empty nesters in these age groups begin to abandon homes with several bedrooms and two or more stories for lower maintenance, two bedroom units, often on one story. All of the cohorts within this population

Households

The character of households can change over time in two ways as it relates to a city's population growth: by number and by size. If over time, population growth is coupled with an increase in both the number and size of households, then it generally tends to indicate a community growing from within, i.e. a high birth rate. However, if population growth is reflected by an increase in the number of households and a decrease in the size of the household, then it may indicate that the community is growing due to an influx of new residents.

Table 5.2 shows that the number of households increased in Minot between 1990 and 2000, but the size of households decreased, indicating a community growing from an influx of new residents. The number of households increased in the city by 11.1 percent

from 1990 to 2000 while its population increased by 5.9 percent. On average, there were 2.39 persons per household in 1990 and 2.27 in 2000. This represents a decrease of 5.0 percent. Though consistent with the national trend of smaller families and more single person households, it represents a sharper decline than the national rate of change.

Household Type

Changes in household type can impact the types of housing and services demanded in a community. For example, declines in the number of families with young children will not only impact local school systems but will also mean less demand for typical detached, single family housing and parks with active recreational spaces, such as ballfields and playgrounds. For several decades there has been a noticeable decline in the number of families with young children and a commensurate increase in the number of single-person households and non-traditional families. Table 5.3 and Figure X illustrate how the structure of Minot households compares to Ward County, North Dakota, and the nation. Since Minot is an important regional center for education and air defense, there is a significant concentration of single-person households who stay in the area for short periods of time, which would explain the higher than average percentage of single-person households and other, or roommate, households. Rapid growth in the last few years will likely exacerbate this condition as many single persons are likely moving into the area for work in the nearby oil fields.

Available, affordable and safe housing is necessary for a community to accommodate the growth of all segments of the population. It provides a vital link between the community's population growth, economic development goals and its land use priorities. In order to encourage growth in the population and economy, housing will be needed in Minot for residents of differing income levels, for multi-family and single-family units, and for purchase and rent.

Table 5.2 - Household Characteristics, 1990, 2000 & 2010

Area	1990		2000		2010		1990-2000				2000-2010			
	Households		PPH		Households		Households		PPH		Households		PPH	
	Households	PPH	Households	PPH	Households	PPH	Change	Pct	Change	Pct	Change	Pct	Change	Pct
City of Minot	13,965	2.39	15,520	2.27	17,097	2.22	1,555	11.1%	-0.12	-5.0%	1,577	9.2%	-0.05	-2.3%
Ward County	21,485	2.59	23,041	2.46	24,260	2.36	1,556	7.2%	-0.13	-5.0%	1,219	5.0%	-0.1	-4.2%
North Dakota	240,878	2.55	257,152	2.41	276,642	2.29	16,274	6.8%	-0.14	-5.5%	19,490	7.0%	-0.12	-5.2%
United States	91,947,410	2.63	105,480,101	2.59	116,716,000	2.58	13,532,691	14.7%	-0.04	-1.5%	11,235,899	9.6%	-0.01	-0.4%

Table 5.3 - Household Type 2010

Area	Number of Households					
	Married w/child	Married w/o child	Other Family	Singles	Other	Total
City of Minot	2,864	4,665	2,449	6,234	1,651	17,863
Ward County	5,292	7,187	3,118	7,518	1,914	25,029
North Dakota	52,438	84,084	34,394	88,563	21,713	281,192
United States	23,588,268	32,922,109	21,027,919	32,204,909	6,973,087	116,716,292

Area	Percent of Households					
	Married w/child	Married w/o child	Other Family	Singles	Other	Total
City of Minot	16.0%	26.1%	13.7%	34.9%	9.2%	100%
Ward County	21.1%	28.7%	12.5%	30.0%	7.6%	100%
North Dakota	18.6%	29.9%	12.2%	31.5%	7.7%	100%
United States	20.2%	28.2%	18.0%	27.6%	6.0%	100%

Source: US Census

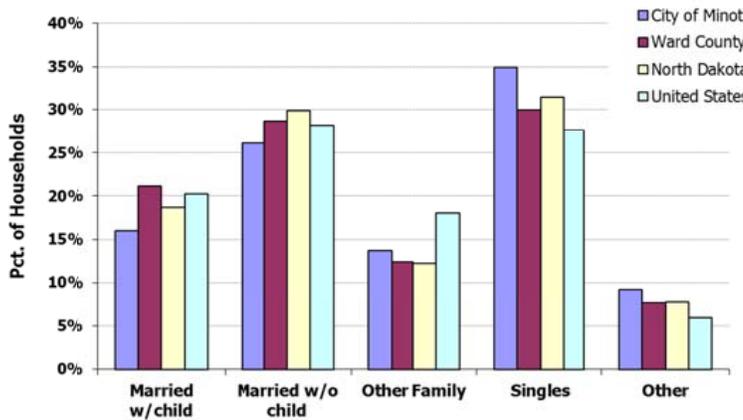
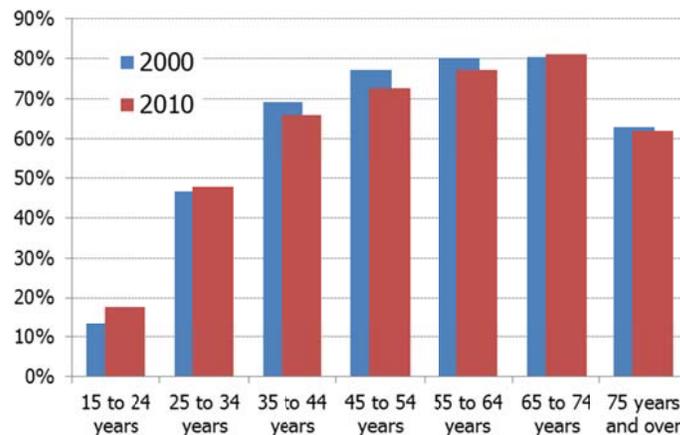


Table 5.4 compares the Minot homeownership rate by age to North Dakota and the nation in 2000 and 2010. Typically, homeownership rises sharply until householders reach about age 40 then it rises more slowly until it peaks around age 60. At that point, as households begin to retire and downsize, homeownership begins to decline as householder's age. For age groups 25 to 74 years the rate of homeownership in Minot matches or exceeds the US average in 2010. This is not the case for older residents who apparently do not own their housing at the same rates as their national counterparts.

Table 5.4 - Homeownership Rate by Age

Householder Age	2000			2010			Change 2000-2010		
	Minot	ND	US	Minot	ND	US	Minot	ND	US
15 to 24 years	13.6%	13.1%	17.9%	17.6%	13.8%	16.1%	4.1%	0.8%	-1.8%
25 to 34 years	46.6%	48.2%	45.6%	47.7%	49.0%	42.0%	1.1%	0.8%	-3.5%
35 to 44 years	69.2%	71.7%	66.2%	66.0%	69.5%	62.3%	-3.2%	-2.2%	-3.9%
45 to 54 years	77.1%	79.6%	74.9%	72.7%	76.6%	71.5%	-4.4%	-3.0%	-3.5%
55 to 64 years	80.2%	82.2%	79.8%	77.1%	80.6%	77.3%	-3.1%	-1.6%	-2.5%
65 to 74 years	80.5%	81.0%	81.3%	81.1%	80.6%	80.2%	0.6%	-0.4%	-1.1%
75 years and over	63.1%	67.6%	74.7%	62.1%	65.5%	74.5%	-1.0%	-2.1%	-0.2%

Source: US Census



Source: US Census

Table 5.5 - Housing Type

Structure Type	1990		2000		2010		1990-2000		2000-2010	
	Number	Percent	Number	Percent	Number	Percent	Change	Percent	Change	Percent
Single-Family	8,211	55%	9,197	56%	10,114	55%	986	12%	917	10%
Townhomes/Condos	1,275	8%	1,431	9%	1,992	11%	156	12%	561	39%
Apartments	4,087	27%	4,293	26%	4,852	26%	206	5%	559	13%
Mobile Homes	1,467	10%	1,564	9%	1,564	8%	97	7%	0	0%
Total	15,040	100%	16,485	100%	18,522	100%	1,445	10%	2,037	12%

Source: US Census; City of Minot

Table 5.5 shows the total number of housing units by type, including vacant units, in the city for the years 1990, 2000, and 2010. During the 1990s, Minot gained over 1,400 new housing units, the vast majority of which were single-family homes, which accounted for nearly 1,000 of the new homes. Although construction of new single-family units remained robust in the 2000s, the number of new townhomes/condos and apartments units increased significantly.

Homebuilding Trends

According to Table 5.6, over 4,200 new housing units were permitted for construction between 1998 and 2011. This is an annual average of 323 housing units per year. However, the rate of construction has not been evenly distributed over the past 10 to 12 years. Figure X illustrates how the year-to-year differences. During the late 1990s and early 2000s, annual construction averaged closer to 150 units per year. Then it increased to around 200 units per year during the middle of the 2000s. Since 2008, however, the annual average has over 350 units per year with a rapid rise in the number of apartment units since 2008 to respond to the pent up demand for housing and more importantly affordable alternatives. This is a clear reflection how much the local economy has grown in recent years with expansion of oil drilling in nearby counties, growth of the rail industry, and expansion of the Minot Air Force Base.

Some of this new housing, particularly the apartment units, is a response to a demand that is not necessarily traditional in terms of developing new housing for future permanent residents. Most recent demand is a response to major sectors of the economy growing largely as a result of the oil boom. Certainly many of these growing employment sectors will result in new permanent residents but many are resulting in transitional

usage with residents that occupy and place demand on units that may otherwise be occupied by a permanent resident. Transitional housing is shown in a variety of ways: short or long term apartment unit leases by workers and/or companies that house employees working on a temporary, albeit often long-term temporary basis; use of hotels for similar temporary worker housing; persons or families doubling up within an existing home due to lack of available housing; and the temporary installation of units for worker housing on employment sites either in the form of a few units within an existing office building or through the use of manufactured home units on a construction site.

One of the challenges for this long range planning is the accommodation of the transition worker housing and how and what kind of housing should be constructed. The City needs to understand the amount of workers length of stay to determine appropriate housing types so the city does not end up with an excess of permanent transition housing (hotels and apartments) versus more temporary housing types such manufactured home parks for temporary workers that can be converted to permanent residential. A comprehensive housing study would help access the proportion of permanent housing and proportion of temporary housing needs in the immediate future.

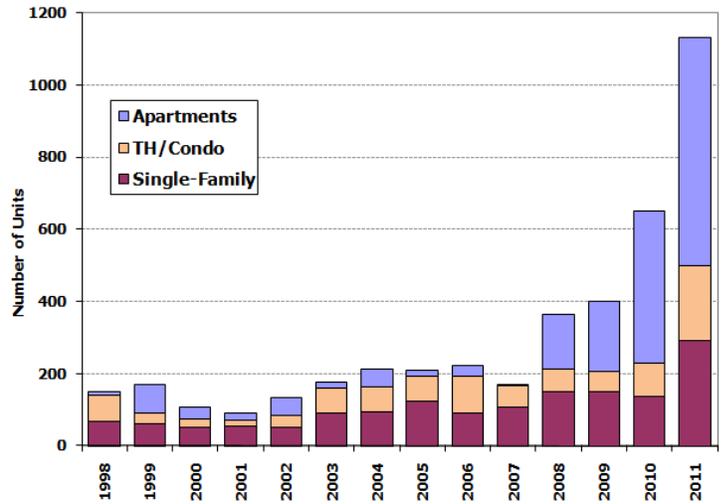


Table 5.6 - Residential Units Permitted for Construction, City of Minot, 1998-2011

**Residential Building Permit Trends
City of Minot 1998-2011**

Year	Single-family Units	Multifamily Units			Total Units
		Town-homes	Condos	Apts	
1998	68	26	46	13	153
1999	62	13	16	79	170
2000	52	5	18	34	109
2001	55	4	12	21	92
2002	52	14	21	48	135
2003	93	34	34	16	177
2004	95	26	45	47	213
2005	124	30	40	15	209
2006	93	16	84	31	224
2007	108	8	52	1	169
2008	151	8	55	152	366
2009	151	9	46	194	400
2010	138	46	45	423	652
2011	292	157	52	631	1,132
Total '98-'11	1,534	396	566	1,705	4,201
Annual Avg.	118	30	44	131	323

Source: City of Minot



Source: City of Minot

Housing Affordability

Minot is both the regional commerce and largest population center for the northwestern portion of the state. This, combined with the influx of permanent and transient workforce, driven by the energy and agricultural production is driving prices and rents higher and producing a supply gap within the City.

Housing affordability is an important component of the quality of life for a community's residents. Housing is often considered affordable if a household doesn't have to spend more than 30 percent of its income on

housing. Table 5.7 shows that in 2010, 26 percent (overall total of owners and renter) of Minot's residents spent 30 percent or more on housing. This rate is higher, at 40% for renters, dealing with the challenges of rent spikes due to lack of supply. This statistic should be watched closely as future community survey data is available because rapid growth in a community can lead to sharp spikes in the cost of housing, which can result in additional burdens on households, especially those with fixed incomes such as senior citizens or those in rental housing.

Table 5.7 - Percent of Income Spent on Housing, City of Minot, 2010

Percent of Income Spent on Housing	Owners		Renters		Total	
	Number	Percent	Number	Percent	Number	Percent
Less than 20	6,454	60%	2,218	34%	8,672	50%
20 - 24.9	1,598	15%	896	14%	2,494	14%
25 - 29.9	894	8%	727	11%	1,621	9%
30 - 34.9	568	5%	405	6%	973	6%
35 or more	1,331	12%	2,196	34%	3,527	20%

Source: US Census

In North Dakota the median household income is \$47,827 (\$44,452 in Minot). At 30% of that income, the average North Dakotan can afford to spend roughly \$1,195 per month for housing costs. This translates to a registered nurse making \$42,000 per year can afford to spend \$1,050 on housing per month or a cashier making \$16,500 per year can afford to spend \$413 on housing per month. When translating this amount to a wider range of wages and spending availability there are many employment sectors in Minot being pushed out of the affordability levels due the rapid employment growth and increase in housing costs. Table X includes average monthly wages and monthly amount available to spend on housing for a variety of employment sectors as provided by the North Dakota Housing Finance Agency- 2010 State of Affordable Housing report.

Affordability is also an issue for households of moderate incomes. It is important that enough land supply is available to provide housing at the price point of moderate income earners. This is often an overlooked group in the housing market as they do not qualify for subsidies but are often priced out of market rate units.



Table 5.8 - Employment and Housing Affordability, Minot Area

Selected Employment Sector	Average Monthly Wage	Monthly Amount Available to Spend on Housing
Accommodation/Food Service	\$968	\$290
Administrative and Waste Services	\$2,004	\$601
Ag/Forestry/Fishing/Hunting	\$2,792	\$838
Arts/Entertainment/Recreation	\$868	\$260
Construction	\$3,708	\$1,112
Educational Services	\$900	\$270
Finance and Insurance	\$2,912	\$874
Health Care and Social Assistance	\$3,116	\$935
Information	\$3,648	\$1,094
Management of Companies	\$4,128	\$1,238
Manufacturing	\$2,988	\$896
Mining	\$5,344	\$1,603
Other Services, Except Public Admin	\$1,788	\$536
Professional and Technical Services	\$4,848	\$1,454
Real Estate/Rental and Leasing	\$2,480	\$744
Retail Trade	\$1,976	\$593
Transportation/Warehousing	\$3,600	\$1,080
Utilities	\$5,192	\$1,558
Wholesale Trade	\$3,812	\$1,144
Cannot Afford to Rent or buy		
Can Only Afford to Rent		
Can Afford to Rent or Buy		

Rental Housing

Minot has an on-going housing shortage due to the continued demand of Minot Air Force Base personnel needing to live in town due to a shortage of base housing and by energy workers looking for temporary housing. Apartments account for 29.72% of the available housing and tenants have seen their monthly rents increase by hundreds of dollars over the last two years due to increased property taxes faced by landowners. The Housing and Urban Development (HUD) lists the FY 2011 fair market rents in Ward County, including Minot, as: \$422 for efficiency, \$525 for a one bedroom, \$646 for a two bedroom, \$892 for a three bedroom and \$1,059 for a four bedroom dwelling. These estimates are from 2011 and may vary and be higher than reflected here due to the shortage of available rental units. The Minot Housing Authority offers its low-income clients housing assistance of \$488 for a one-bedroom apartment and \$593 for a two-bedroom apartment.

Exacerbating the problem of the lack of units is the devastating flood that damaged at least 2,360 rental housing units resulting in a greatly increased demand for rental units with a greatly decreased supply. As a result rents are increasing rapidly with most of the requested rents greatly exceeding the HUD fair market rates. This is forcing pressure on the need for affordable housing for existing and future residents that are being priced out of units due to the high demand.

For Sale Housing Market

Table 5.9 shows homes sales statistics for Minot from 2005 to 2011. The for-sale market has been strong during the 2000s. The number of sales increased consistently each year from 2005 to 2011 and by all account appears that it will continue to increase in order to keep pace with demand. Meanwhile, the average sales price has increased every year since 2005. During the 7-year time span, the average sales price has increased over 60 percent.

Table 5.9 - Home Sales Statistics, City of Minot, 2005-2011

Year	Sales	Average Sale Price
2005	699	\$116,820
2006	600	\$126,818
2007	666	\$127,507
2008	695	\$143,525
2009	673	\$164,579
2010	722	\$176,370
2011	766	\$190,002

Source: Minot Multiple Listing



Meeting Future Housing Demand

New housing construction should provide choice for all economic levels in Minot. Housing choice is also described as life-cycle housing, the availability of housing for each stage of life from first time homebuyers to a wide range of senior independent and assisted living facilities. Housing demand exists across the board for consumers needing diverse housing opportunities. One of the most effective ways for providing for housing choice, including affordable housing, is through land use regulation.

To provide for affordable housing in the community, the City is taking the appropriate regulatory measures within the Future Land Use Plan by guiding areas for medium and higher density housing and including policies to integrate more affordable housing in all residential land use districts. These regulatory measures represent one of the City's most effective tools for the development of affordable housing. To create more opportunities for affordable housing, the City has planned for potential new growth with a variety of residential land use types and densities for the development of life-cycle housing and affordable housing across the city.

The Minot Future Land Use Plan (FLU) (Land Use Chapter) provides for housing diversity by allowing different housing types, sizes and densities. There are five residential land use categories with varying density ranges for residential development. The ranges vary from very low density at 2-3 units per acre; low density at 4-6 units per acre; medium density at 6-12 units per acre and high 12-24 units per acre, plus manufactured home parks. In calculating units, the densities are applied to the acreage on the Land Use map less 10% for future park land. So, for example the 4-6 units/acre low density range actually yields 3.6-5.4 units/acre, the medium density range yields 5.4-10.8 units/acre.

Due to the rising costs of land, residential density of six units or more provides the greatest opportunity for new affordable home construction. Based on the FLU over 60% of new housing growth is expected to be at this density or higher, resulting in a significant opportunity for developing more affordable housing. New housing growth is planned to accommodate a range of 4,200 to 7,585 units (low end to high end of density range) within the Phase 1 Growth Area boundary. Of this, 2,570 to 5,140 units (low to high end of density range) are guided medium and high density housing units at a minimum of 6 units per acre, accounting for 61% to 68% of potential new housing units respectively.

While the City is doing its part in creating a regulatory land use plan to guide areas for medium and higher density housing, which is where most affordable housing will likely occur, barriers to development of affordable housing still exist. Some of these barriers including the following:

- Steady increases in land prices and construction costs;
- Financial resources to expand necessary infrastructure to support development;
- Physical limitations of land due to wetlands, topography, poor access that would increase the cost of land development or construction;
- Appropriate financial mechanisms for the extension of infrastructure, parks and schools to keep pace with development

There are some significant barriers to construction of new affordable housing, and the above list includes just a few of these barriers. Despite these difficulties, the provision of affordable housing is an important effort for the city to undertake. The most effective role Minot will have in provision of affordable housing is its regulatory tools, including land use and zoning regulations that do not impede the construction of affordable housing. Many of these tools can be used to encourage developers to produce a good range of housing choices. Flexibility, through the use of creative residential district provisions and or Planned Unit Developments (PUD) may be provided to encourage the construction of affordable housing.

Relationship to Zoning

The residential land use designations and corresponding density ranges within the Future Land Use Plan are not the same thing as zoning designations. These ranges allow for a greater diversity of housing than a particular zoning district might; they specify neither a particular housing type, such as single family residential, nor a particular zoning district. For each land use designation the City may have several zoning districts that permit different housing types at different densities which are consistent with the Future Land Use Plan.



HOUSING IMPLEMENTATION STRATEGIES AND RECOMMENDATIONS

The following Housing Action Plan identifies efforts Minot will pursue to create opportunities to maintain the existing housing stock, and to provide increased housing options for future residents. These strategies are based on goals for housing development through input received during community meetings, Steering Committee, Planning Commission and City Council. In addition, after the flood, FEMA's Long-Term Community Recovery Team established a multi-month public engagement effort in Minot and the surrounding region in an effort to understand the full extent of the flood and the direct needs and desires of the residents of Minot and region in its recovery. From this effort, the Long-Term Community Recovery Team prepared the Souris Basin Regional Recovery Strategy that includes specific projects to aid in the recovery. Relevant housing related projects are included within this Action Plan but are also described in more detail in the FEMA report.

The strategies are designed as a resource tool for specific measures the City can effectively undertake and enforce while others are designed as tools to encourage developers to incorporate affordable housing into future development. As future subdivisions are proposed, the City will use these resources and implement the strategies in working with developers to create new affordable housing opportunities. Many of these items are steps the City itself can take alone, while others will occur through partnerships. The City will seek to provide for and maintain housing quality and increase affordable housing opportunities.

To ensure housing development is compatible with existing and adjacent land uses and provides accessibility to key community features and natural amenities (Goals 1 and 2) the City will:

- Use the land use plan as a tool to provide a variety of residential land uses in a range of densities, concentrating higher density opportunities along major transportation and future job centers.
- Pursue funding opportunities to increase the affordability of housing units.
- Create regulatory tools for park and trails for all residential developments.

- Create regulatory tools for interconnected roadway development within all residential developments.
- Through creative use of site planning promote development of neighborhoods that incorporate housing in a range of densities and affordability limits in close proximity to shopping, services, daycare and medical services.

To improve the availability of affordable housing and enhance opportunities for senior housing (Goals 2 and 4) the City will:

- Prepare a comprehensive housing study to assess the future demand for all housing types including the appropriate proportion of permanent and temporary worker housing.
- Seek housing developers to work cooperatively with the City to construct affordable units.
- Create an incentive based program that includes density bonuses for construction of affordable housing.
- Create a Community Land Trust (CLT) which is a non-profit corporation that acquires and manages land on behalf of the residents of a community, while preserving affordability and preventing foreclosures for any housing located on its land.
- Explore the development of affordable housing zoning changes that can increase the availability of affordable housing including adding provisions for accessory dwelling units.
- Support and promote federal, state or local (public or private) programs that assist new homeowners entering the market for existing homes.
- Partner with, support and market programs offered by the State or Federal Government and non-profits to fund the development of affordable and senior housing.
- Periodically review land use regulations to determine effectiveness of current ordinances in encouraging additional affordable units well as encouraging modifications to keep the existing housing stock desirable and livable.
- Allow the creative use of site planning or PUD's that provide flexibility for developments containing affordable housing such as a reduction in lot size, setbacks, street width, floor area, parking requirements and consideration of reduction in City fees.

To maintain existing housing stock to ensure a high-quality environment in all residential neighborhoods (Goal 5) the City will:

- Consider adopting design regulations and performance standards, as ordinance requirements, for all neighborhoods and homes and utilize staff inspectors to enforce codes.
- Support and actively promote housing rehabilitation programs for existing owner-occupied homes and rental buildings or units.
- Partner with, support and market programs offered by the State or Federal Government, non-profits and local financial institutions to fund the rehabilitation of homes affected by the flood.
- Prepare citizen driven neighborhood based revitalization plans for all flood neighborhoods.
- Promote programs that encourage maintenance of existing housing including a housing remodeling fair, neighborhood watch groups, city and neighborhood beautification, and city wide clean up programs.



Financial assistance as related to housing can come in many fashions. The Souris Basin Regional Recovery Strategy details several methods including mortgage assistance programs, rental assistance programs, and an increase in the amount of subsidized housing. These project specific ideas are excellent efforts at meeting the real need for affordable housing. The greatest challenge will be of economic as the cost for these programs is great and availability of funding is limited between the state and federal programs. The City has a great opportunity to work with local advocates, volunteers, local financial institutions and others to identify available resources and or create local programs.