



EXECUTIVE SUMMARY



RATIO

August 2019

Dearborn Co Housing Market Analysis
& Implementation Action Plan

One Dearborn's Board of Directors sincerely appreciates the many individuals who took time to drive the county and its communities, interview with the consultant and provide honest, professional insights. Thanks to the multi-stakeholder Advisory Committee (listed in full report) that committed their time and technical expertise to ensure this project would inform the future of housing in Dearborn County.



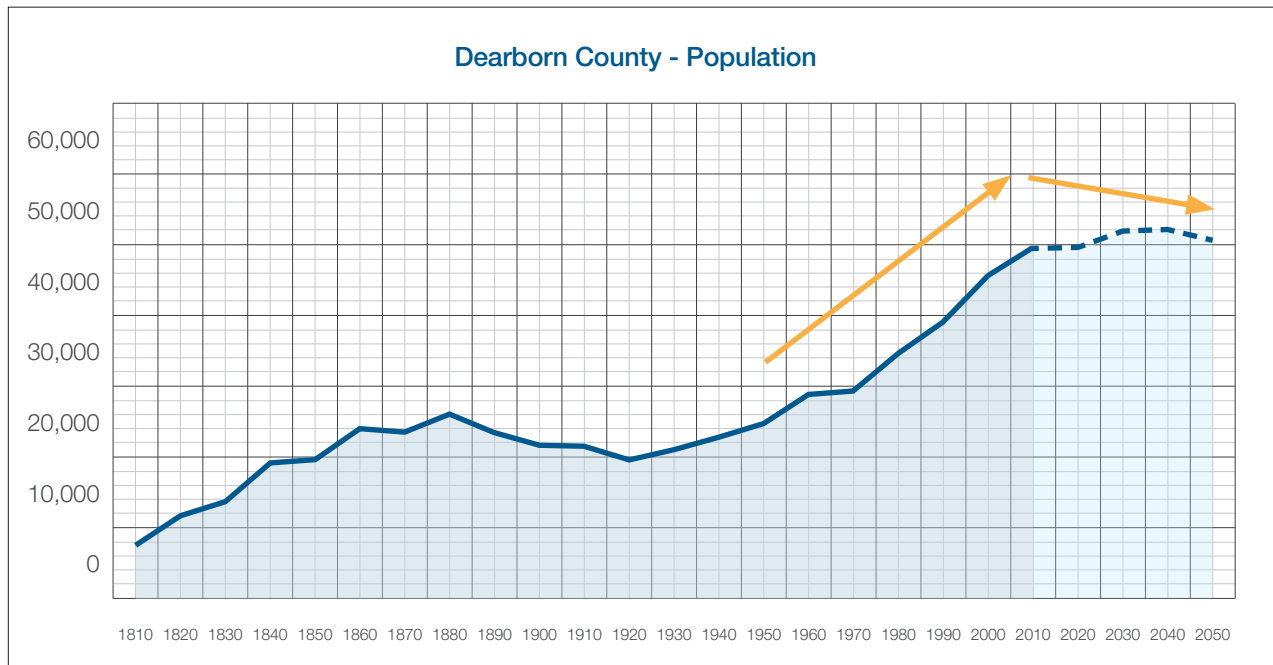


Purpose

The purpose of this housing study is to provide a more complete understanding of the existing housing market demand in Dearborn County, Indiana, and to inform better development of housing projects / programs that will help address housing demand. This study focuses on the housing market to understand demand and its price points as well as identify buyer and renter profiles so that housing may be developed that is aligned with the demand choices for Dearborn County households.

Population and Household Change

The population growth had been steadily increasing since the 1950's until 2010. However, the chart below illustrates that recent trends and future projections indicating that this pattern of historical growth is now flattening out which is threatening the long-term economic development potential of Dearborn County.



Housing Market Demand

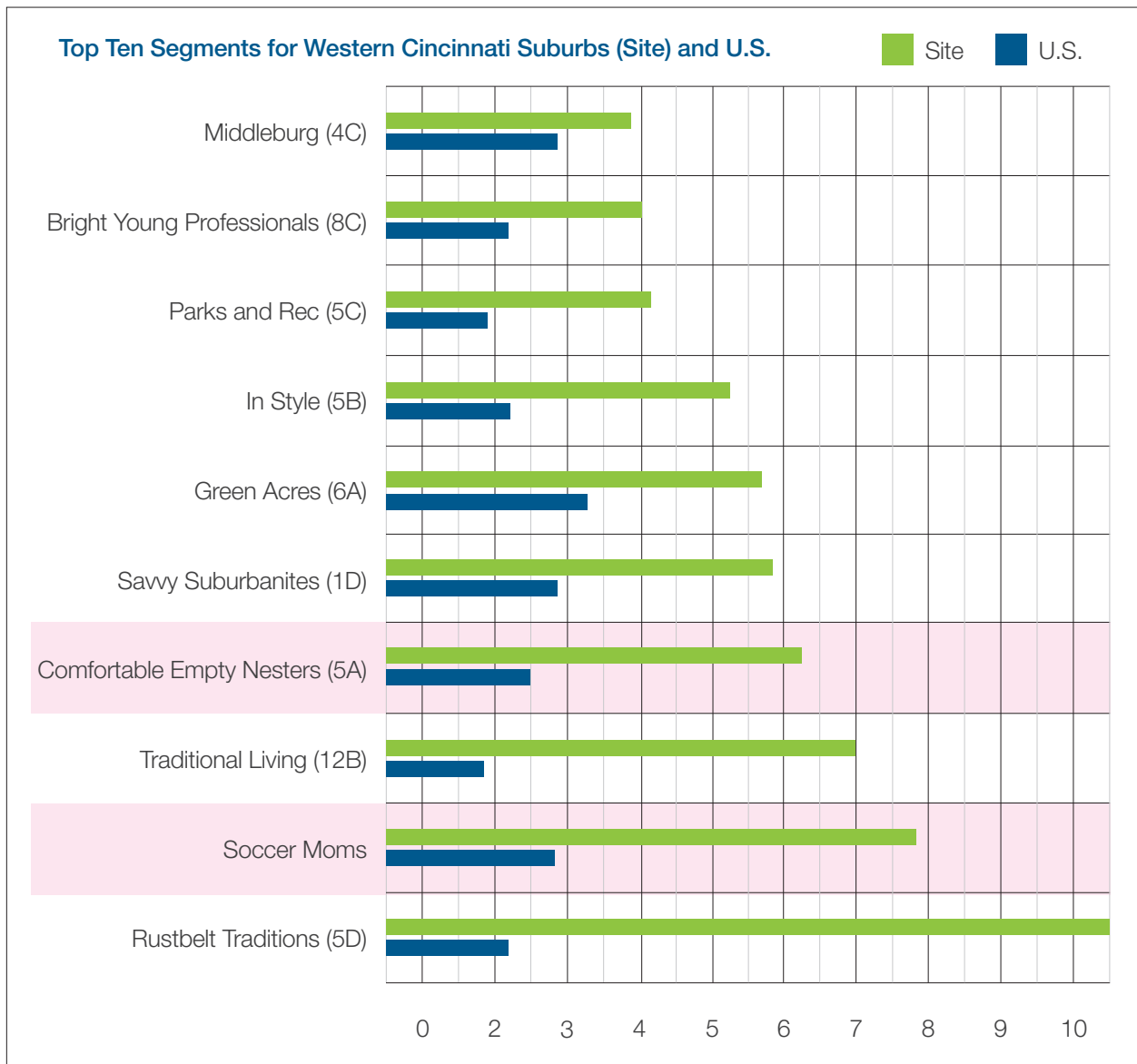
To better understand the dynamics of local housing market, Dearborn County was divided into three submarkets; Southwest, Northeast, and River Cities (Aurora, Greendale, and Lawrenceburg). This analysis shows slower growth for multi-family units especially in the Southwest and Northeast submarkets. But the Northeast submarket was quite strong for single-family housing demand. In next five years, the Western Cincinnati Ring of Suburbs along (I-275) indicates that there is a relatively strong housing market for both Single-Family Residential (SFR) 7,873 units and Multi-Family Residential (MFR) 3,295 units. Dearborn County may target a goal of increasing its share of this market by providing new housing options for individuals and families currently located along the Western Cincinnati suburban ring. It is anticipated that the County and its communities could significantly grow their share of this market.

Change from 2018-2023		Share		Share		Share
Geographic Markets	Total Housing Units	% Total	Owner-occupied Housing Units	% Own	Renter-occupied Housing Units	% Rent
Combined Dearborn County Submarkets	303	100%	233	76.9%	71	23.4%
Southwest Dearborn County	17	6%	14	6%	3	4%
Northwest Dearborn County	151	50%	135	58%	16	23%
River Cities (Aurora, Greendale, Lawrenceburg)	135	45%	84	36%	52	73%
TOTALS	303	100%	233	100%	71	100%

SECONDARY MARKET		Share of Cincy MSA		Share of Cincy MSA		Share of Cincy MSA
Change from 2018-2023	Total Housing Units	% Total	Owner-occupied Housing Units	% Own	Renter-occupied Housing Units	% Rent
Western Cincy Ring (I-275) Suburban	11,168	27.0%	7,873	28.3%	3,295	24.3%
Dearborn County (Share of Western Ring)	386	3.46%	303	3.85%	83	2.52%
Dearborn County 2023 + Double Share	773	6.92%	606	7.70%	166	5.04%

Housing Market Household Profiles

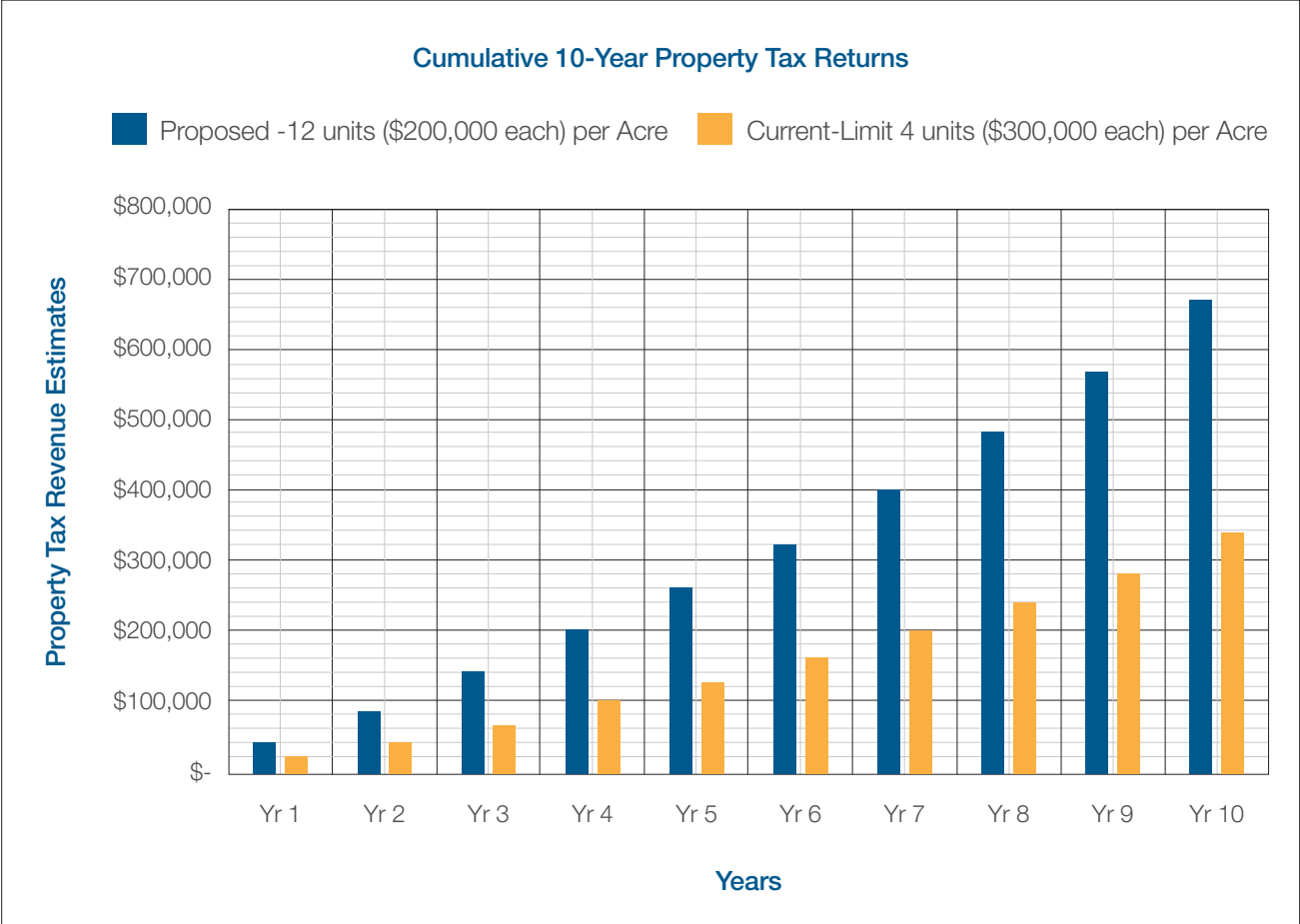
This housing study analyzed detailed household market profiles using ESRI Business Analyst. The household profiles descriptions are available through One Dearborn, Inc. These profiles are valuable as they describe the types of housing consumers and purchasing behavior that are likely to be a good match to the values, strengths and income levels Dearborn County should reasonably expect to attract as it grows. The household profile comparison below shows existing top market profiles based on their density within the county except the two profiles highlighted in red boxes. These are Comfortable Empty Nesters and Soccer Moms who are two major groups that could be attracted to Dearborn County as they are major household profile groups for the western suburbs of Cincinnati. Dearborn County and its housing developers/builders will benefit by focusing energy on these two household groups to integrate housing options into the planned development options for Dearborn County.



Existing Housing Issues

Stakeholder meetings were provided to ensure this study went beyond interpreting statistics, our research included multiple stakeholder interviews for additional feedback on key housing issues for Dearborn County to address and support housing development. Consistently, the following issues, concerns, and proactive recommendations were made by professionals with local housing market experience:

- Escalating construction costs are limiting the number of new homes that can be built
- Lack of access to sanitary sewer in some unincorporated areas limited new housing growth
- Improve the understanding of the economic benefits of new housing development, see graph below
- Revise new home building requirements in unincorporated areas to improve housing economics, see graph below
- Build and improve walkable neighborhoods to attract future homebuyers
- Historic preservation restoration and rehabilitation could improve current aging inventory



The graph above illustrates the economic benefits of allowing more affordable housing options on only an acre of land in the unincorporated areas targeted for housing development especially near St. Leon, Bright, and Hidden Valley Lake. Even with a \$100,000 less sale price per unit, the County could double its gross tax revenues.

Housing Program Recommendations

Based on the market demand, desired market profiles, and existing inventory conditions, the consultant and the Dearborn County Housing Task Force recommended for consideration the development of the following programs to spur development and alleviate barriers for new housing.

Dearborn County New Housing Subdivision Development Requirements

Purpose: Improve housing development predictability and understanding of entitlement requirements that will improve the approval process of new housing development especially in the targeted housing development areas in the unincorporated portions of the County.

Housing Issues Addressed: Improve housing development economic benefits and Walkability.

Long-term Impact: Increase economic benefits of new housing subdivisions in targeted development areas of the unincorporated areas of the county.

Infill Housing and Demolition Program

Purpose: Provide new homes in existing neighborhoods to stabilize neighborhoods and remove vacant and abandoned homes that are beyond rehabilitation.

Housing Issues Addressed: Walkability and maintain and restore existing neighborhoods.

Long-term Impact: Increase assessed value overall, improve image and blight elimination.

First-Time Homebuyer Program

Purpose: Provide young families the necessary resources to purchase their first homes.

Housing Issues Addressed: Construction costs challenges.

Long-term Impact: Attract and retain younger families in childbearing years for long-term economic stability of county and school systems.

Existing Housing Rehabilitation Program

Purpose: Dearborn County and its municipalities should review how a county-wide housing rehabilitation program may assist existing homeowners to maintain their homes.

Housing Issues Addressed: Construction Costs, Walkability, housing rehabilitation.

Long-term Impact: Increased Assessed Valuation, community pride, and new resident attraction.

Pilot-Program - Hanover Neighborhood Housing Preservation District, Aurora

Purpose: Create a pilot-program for historic neighborhood that focuses on maintenance and historic preservation issues of historic homes in neighborhoods that preserve and improve existing home values.

Housing Issues: Historic home preservation and rehabilitation, walkability.

Long-term Impact: Increased Assessed Valuation, retention of residents, capitalize on support of historic assets.

Housing Tax Increment Finance District (HoTIF) Opportunities

Purpose: Provide underwriting to support new housing development that will help ensure “for sale” affordable levels for most homebuyers.

Housing Issues: Construction costs, Sanitary Sewer availability, Walkability.

Long-term Impact: Provide a tool that currently does not exist to invest in infrastructure to support housing development.

Good Landlord Program

Purpose: Recognize landlords who voluntarily comply with building codes and maintain their multi-family facilities.

Housing Issues: Maintain and restore existing neighborhoods, Walkability, and Improve economic benefits for housing development.

Long-term Impact: Provides recognition to the vast majority of landlords who are doing the right thing by providing safe and well-maintained rental properties for their residents while also improving the economic value of existing neighborhoods.

Key Housing Issues	County SFR Subversion Modifications	New SFR Housing Infill/Vacant Demo	1 st Time Homebuyer Program	Existing Homebuyer Rehabilitation	Hanover Historic Neighborhood Pilot-Program	Housing Tax Increment Finance (HoTIF)	Good Landlord Program
Construction Costs	★		★	★		★	
Sanitary Sewer Access	★					★	
Improved Economic Benefits of Housing Development	★						★
Country Large Parcel Requirement for New SFR	★						
Walkability and Amenities	★	★		★	★	★	★
Historic Preservation and Neighborhood Stability		★		★	★		★

Housing Development Site Recommendations

Housing Development Site Selection

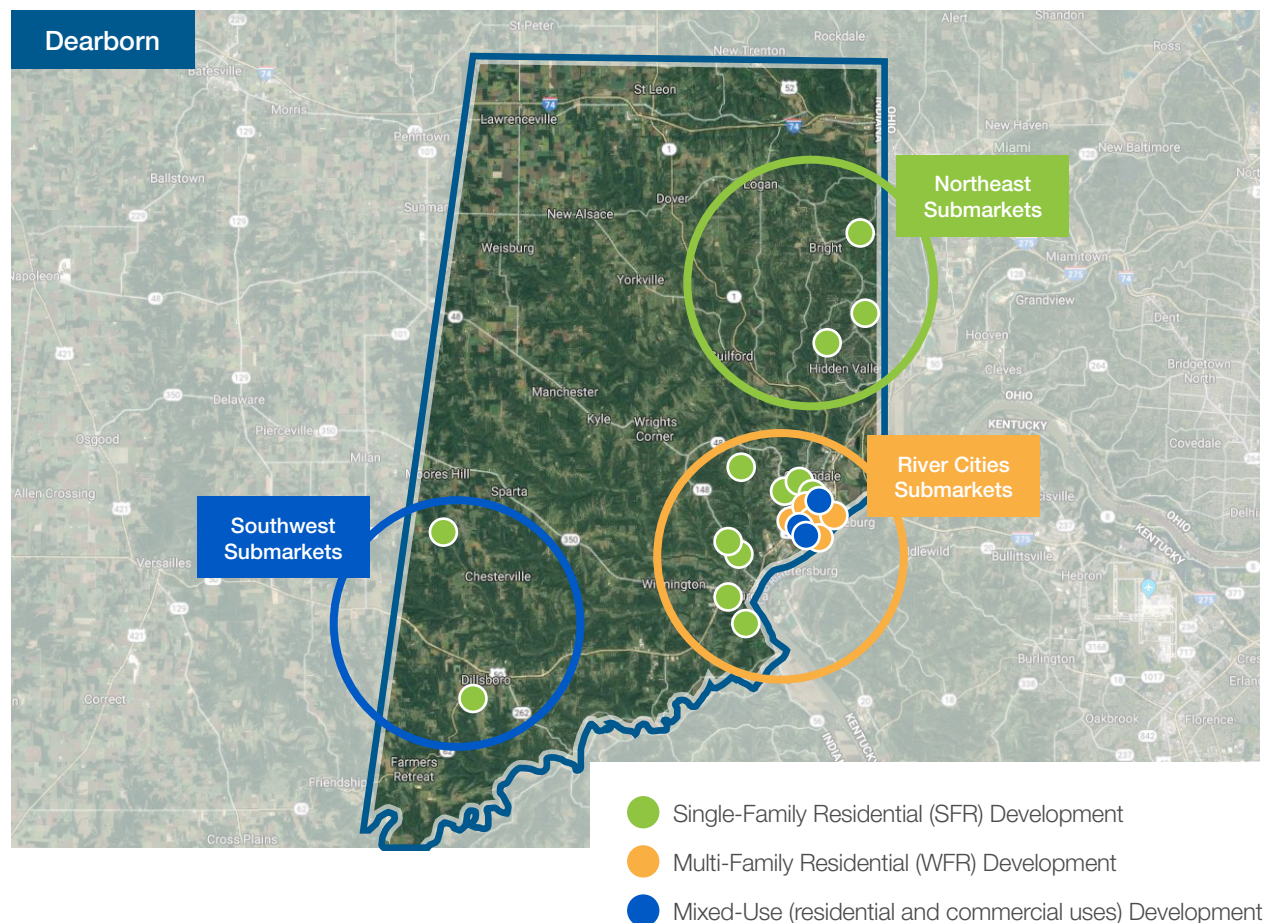
The stakeholder interviews identified well over 50 potential housing development sites within Dearborn County. To reduce the number of sites to a reasonable number for development analysis, a scoring review was completed of each site. The scoring items reviewed consisted of five types of scores. These included the following that were scored by the Project Advisory Committee:

1. "Property Owner Interest"
2. "Infrastructure Issues"
3. "Topography"
4. "Walkability & Amenities"
5. "Neighborhood 'Fit' Character"

The following housing development sites within the three submarkets were analyzed with more detailed financial and market information for each site. Due to the speculative nature of the sites, the analysis will be shared by One Dearborn, Inc. using appropriate discretion.

Housing Development Sites and Submarkets

For more specific site, market, and financial information regarding these housing development site opportunities, please contact One Dearborn, Inc.



Implementation Action Plan

The following tables represent a recommended implementation plan for housing programs and housing development projects with identified “Champion”-Leader, Funding Options, and Implementation Timing. For more detailed information on these housing programs and projects, please contact One Dearborn, Inc.

Housing Programs			
Housing Program	Program Champion/ LEADER	Funding Options	Implementation Timing
County New SFR Subdivision Parcel Revisions	Dearborn County	No funding required	End of 2020
New Housing Infill and Vacant Housing Demolition	Cities of Aurora, Greendale, and Lawrenceburg	IHCDA, USDA-RDS, CDFI entities, Riverboat Gaming funds as match, local banks	End of 2022
1st Time Homebuyer Program	One Dearborn's Housing Task Force	IHCDA, USDA-RDS, CDFI entities, FHA, VA, Riverboat Gaming funds as match, local banks	End of 2021
Existing Housing Rehabilitation Program	Cities of Aurora, Greendale, and Lawrenceburg	IHCDA, USDA-RDS, CDFI entities, FHA, VA, Riverboat Gaming funds as match, local banks	End of 2024
AURORA - Hanover Historic Neighborhood Preservation Pilot-program	City of Aurora / Historic Landmarks	HLI, IOCRA, IHCDA, FHA, VA, and local Aurora Riverboat Gaming fund as match, and local banks	End of 2022
Housing Tax Increment Finance District (HoTIF) Opportunities	One Dearborn's Housing Task Force With appropriate supporting local government	No funding required; funding generated by new housing development project future property tax increment revenues	End of 2021
Good Landlord Program	Cities of Aurora, Greendale, and Lawrenceburg	Evaluate if new program may be administered by existing staff	End of 2020

Housing Development Projects

Single-family Residential (SFR) - Housing Development Projects

Project Timeline	Project Champion / LEADER	Potential Funding	2019
Dillsboro	Town of Dillsboro	USDA, VA, FHA, Local Banks	
Moores Hill	Town of Moores Hill	USDA, VA, FHA, Local Banks	
Bright	Dearborn County	FHA, Local Banks	
Hidden Valley Lake	Hidden Valley Lake / Dearborn Co.	FHA, Local Banks	
Georgetown Road	Dearborn County	FHA, Local Banks	
Conwell St.	City of Aurora	FHA, Local Banks, IHEDA	
Near Dearborn Co. CC & SR 148	City of Aurora	FHA, Local Banks	
Indiana Landmarks (Riverfront)	City of Aurora / Historic Landmarks	FHA, Local Banks, HLA	
SR 148	City of Aurora	FHA, Local Banks	
Nowlin Infill	City of Greendale	FHA, Local Banks	
Park & Tanner	City of Greendale	FHA, Local Banks	
River Bend Tanner Creek	City of Greendale	FHA, Local Banks	
Belby Rd.	City of Lawrenceburg	FHA, Local Banks	

Multi-family Residential (MFR) & Mixed-Use Housing Development Projects

Project Timeline	Project Champion / LEADER	Potential Funding	2019
Former Aurora Casket Co.	City of Aurora / Historic Landmarks	TIF, LIHTC, IEDC-IRTC* ^{Dino} , IHEDA, HLI	
Maxwell & City Site	City of Greendale	TIF, 9%-LIHTC	
N. Mary Site	City of Greendale	TIF, 4%-LIHTC	
Probasco St.	City of Greendale	TIF, 4%-LIHTC	
Center & St. Clair	City of Lawrenceburg	TIF, 4%-LIHTC	
Short & E. Williams	City of Lawrenceburg	TIF, 4%-LIHTC	
Proposed Downtown Area	City of Greendale	TIF, 4%-LIHTC	
Front & Tate St. Mix	City of Lawrenceburg	TIF, 4%-LIHTC	
West High St. Mix	City of Lawrenceburg	TIF, 4% & 9%-LIHTC	

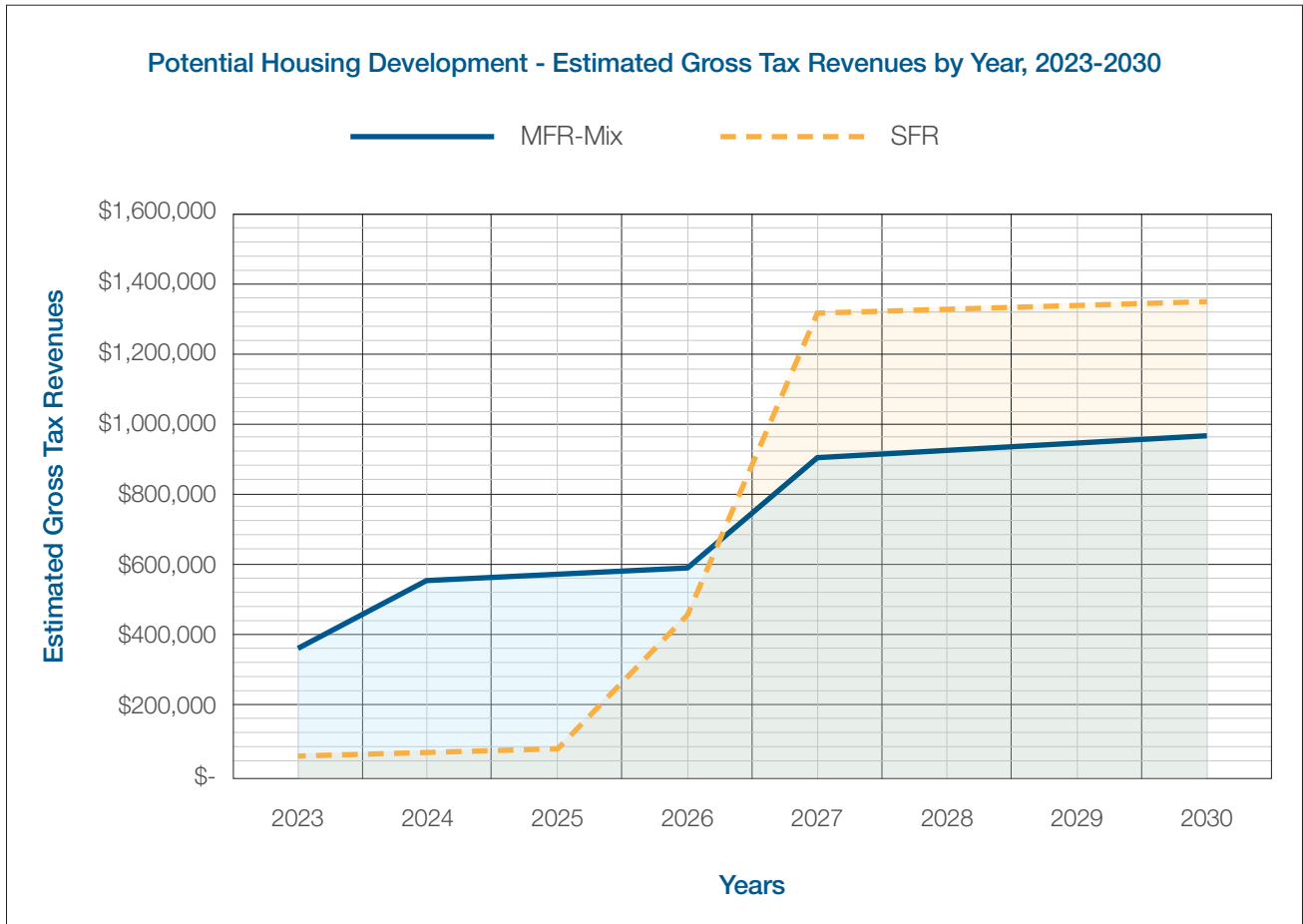
Pre-development	
Design & Entitlement	
Finance	\$
Construction	
Occupancy	

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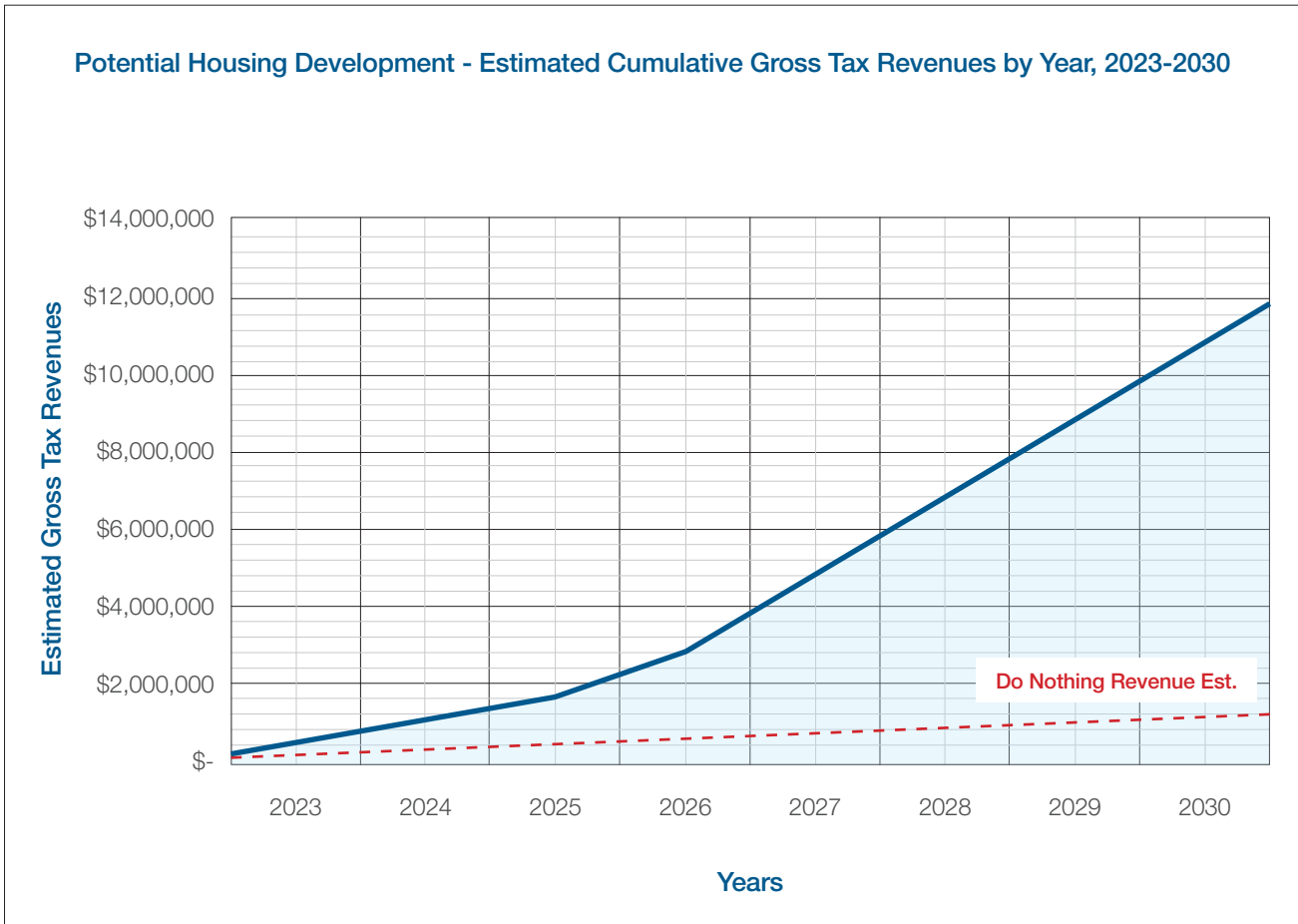
Housing Development Economic & Fiscal Benefits

The charts below illustrate the economic benefits and fiscal impacts if the recommended housing development projects were constructed following the proposed schedule in the Implementation Action Plan.



New Single-Family Residential (SFR) housing projects are estimated to generate more local gross tax revenues than Multi-Family Residential (MFR) and Mixed-Use developments from 2023-2030 if developed consistent with proposed implementation schedules.

The cumulative estimated gross tax revenue impact from the housing projects would exceed \$11 million in 7 years, if completed on the proposed schedule in the implementation action plan.



Finally, if the housing development projects were implemented on the proposed schedule. Dearborn County would realize; 244 new SFR units, 508 MFR units, for a total of 748 new housing units. These new housing units would house about 1500 new residents which would begin to spur additional economic development and population growth into the future.



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