

**ENID**  
**OKLAHOMA**  
**HOUSING STUDY**



# ACKNOWLEDGMENTS

We would like to extend our thanks to the:

The City of Enid

The Enid Regional Development Alliance

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# INTRODUCTION



### REASON FOR A PLAN

Housing impacts the quality of life for residents in Enid, for people interested in moving to the city, and for businesses seeking to recruit and retain employees. Due to the importance of housing has on entire city, the Enid Regional Development Alliance is supporting a city wide housing study.

A housing study serves several purposes. First, how much housing is built and the housing people need/want do not always correlate. This is not because builders and owners do not want too. Instead, other forces often influence decisions and when the market does not self-correct, interventions in the market are necessary. Through community engagement, interviews, community tours, and market analysis, a housing assessment identifies the market gaps and strategies to meet the housing needs of various households.

### WHY NOW?

The importance of housing and the increasing cost to build and maintain it has been rising in national prominence. Enid has not been immune to changes in the housing market. Recent years have shown an increase in the cost to own or to rent a home in Enid.

Local factors in Enid:

- Shortage of rental properties
- Shortage of lots (greenfield and infill)
- Older housing stock and upkeep demands
- Long memories of previous oil booms and busts
- Vance Air Force Base's rotating assignment
- Increasing cost of building supplies.

### STUDY ORGANIZATION

The study includes an analysis of the Enid housing market, along with practical recommendations and tools to help address the housing issues and opportunities. The following pages combine understanding of the physical and socioeconomic conditions with implementation tools that can be leveraged at the local or regional level.

- Chapter 1 Introduction
- Chapter 2 examines housing, demographics and economic trends.
- Chapter 3 summarizes outreach efforts and community input.
- Chapter 4 brings together the market analysis and community input to identify the community's strategic housing goals.
- Chapter 5 delivers strategies, programs, and policies that will move Enid towards more attainable and affordable housing.

## HOUSING TERMINOLOGY

Several terms and phrases are used in housing lingo today, many are not easily understood without explanation and some mean different things to different people. The following terms are used throughout this documents to explain the housing market.

**Accessory Dwelling Unit (ADU).** ADUs can be attached, detached, or interior residential structure that is an accessory and on the same parcel as the main single-family dwelling.

**Affordable Housing.** Any housing that is not financially burdensome to a household in a specific income range. The term affordable housing can include housing subsidized by federal programs.

**Appraisal.** Assess the current market value of a property and is usually a key requirement when a property is bought, sold, insured, or mortgaged. Comps (comparable) are needed; these are properties located in the same area, have similar characteristics, and have an established value (recent sales).

**Area Median Income (AMI).** The midpoint in Enid's income distribution, meaning that half of households earn more than the median and half earn less. A household's income is calculated by its gross income or the total income before taxes and other payroll deductions.

**Attainable Housing.** Much like affordable housing, this is housing that is not financially burdensome to a household in any income range. This term does not have the association with state and federal programs that affordable housing has.

**Cost Burdened.** Any household spending more than 30% of their monthly income of housing.

**Empty Nester.** A single person or a couple without children living at home. Empty nester can include any age range, but most often refers to older adults and seniors whose children have moved to college and no longer live at home.

**Market Rate.** The price that the broad number of home buyers or renters are willing to pay for housing. Market rate housing does not have any restriction on price. Generally, when the demand goes up, the market rate price will also go up; when the supply goes down, the market rate price may also be a price tends to go up. Note, the market rate price may also be a price buyers must pay because there are no other options for their situation, making them housing cost burdened

**Senior Housing.** Often thought of as nursing homes and assisted living facilities, senior housing in the context of this study is more broadly defined and refers to housing that caters to older adults. These housing options could include ground floor apartments, condos, housing with limited assistance, or other options that allow seniors to live independently with less maintenance.

**Universal Design.** Focuses on making the house safe and accessible for everyone, regardless of age, physical ability, or stature.

**Workforce Housing.** According to the Urban Land Institute, workforce housing is any housing that is affordable to a household earning between 60% and 120% of the area median income (AMI).





A large, stylized number '2' in a dark blue color, positioned on the right side of the image. The background consists of several overlapping geometric shapes in various shades of blue, creating a modern, abstract design.

MARKET ATLAS



## WHAT CAN DATA TELL US

The current state of Enid's housing market is a cumulation of historical trends, population demographics, economy, and conditions of the broader housing market. Understanding the baseline conditions help specify what current challenges are faced, opportunities to capitalize on, forecast future housing needs, and helps articulate what programs should be implemented to improve the local housing market.

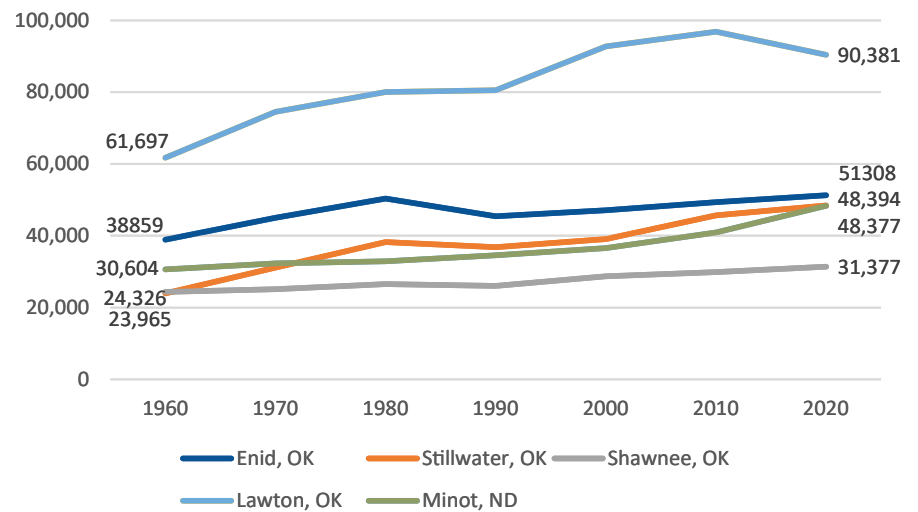
Data comes from a wide variety of sources. These include:

- City data on building activity.
- Garfield County Assessor
- Existing studies and plans
- The U.S. Decennial Census and American Community Survey (ACS)
  - › It should be noted that due to the COVID-19 Pandemic, only a limited amount of 2020 Census Data had been released at the time this study was written. A mix of 2020 Decennial Census, 2020 ACS, and 2021 ACS data was used to provide the most up-to-date data available.

## BENCHMARKING

Throughout this chapter, comparisons are made to peer cities. Peer cities provide a baseline to evaluate conditions in Enid to similar cities. While each community contains similarities to Enid ( population size, military town, etc.), ultimately each has a unique set of circumstances. Similarities give insight into what are likely systematic conditions and difference indicate local conditions more easily addressed.

**Figure 2.1:** Benchmark County Population Growth



Source: U.S. Bureau of the Census: U.S. Census Population

Benchmark cities include:

**Stillwater, OK (2020 population 62,846).** Home of Oklahoma State University and Payne County seat. Located outside of the Oklahoma City and Tulsa Metro areas.

**Shawnee, OK (2020 population 31,377).** Located in the Oklahoma City metro area, its population has slowly grown over the past sixty years.

**Lawton, OK (2020 population 90,381).** County seat of Comanche County, Lawton is located near Fort Sill which plays a key role in the economy.

**Minot, ND (2020 population 48,377).** County seat and home to Minot Air Force Base one of the area's major employers.



## SO WHAT ARE SOME MARKET INDICATORS?

Many factors from population, housing value, incomes, and rent to supply chains, national policies, and global events shape the housing market. Factors in this chapter focus on local trends that Enid has more control over.

### Population Change

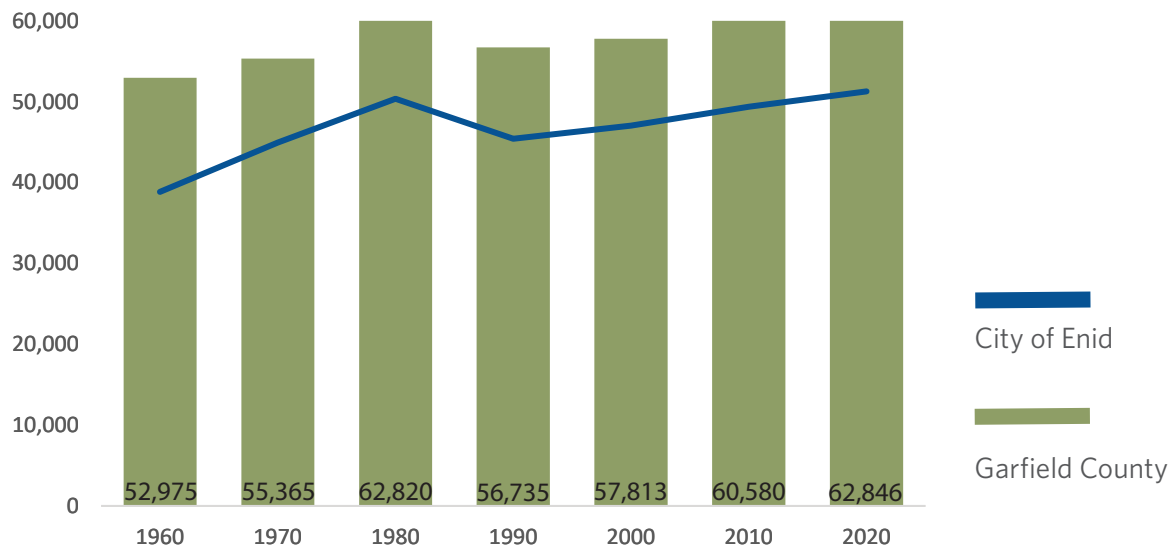
Enid's population recently grew past 50,000 residents making it a Housing and Urban Development (HUD) Entitlement Community. Becoming an entitlement city means Enid will be able to access more Community Development Block Grant (CDBG) funding in future years.

Figure 2.2 shows the interconnection between Enid and Garfield County's population change.

- During the 1960s and 1970s, Enid grew at over 1% annually.
- Since 2000 the city's annually growth rate has been just over 0.4%.
- It should be noted that many communities felt that there was an undercount in 2020. This may be the case for Enid where job growth has been strong and new units have filled quickly.



**Figure 2.2:** Garfield County and Enid Population Growth



Source: U.S. Bureau of the Census: U.S. Census Population

## AGE COHORT

Individuals and household have different housing needs at different stages of life. Growth or decline in different cohorts offers insights into what will be demanded of the housing market. Three main stages of life include.

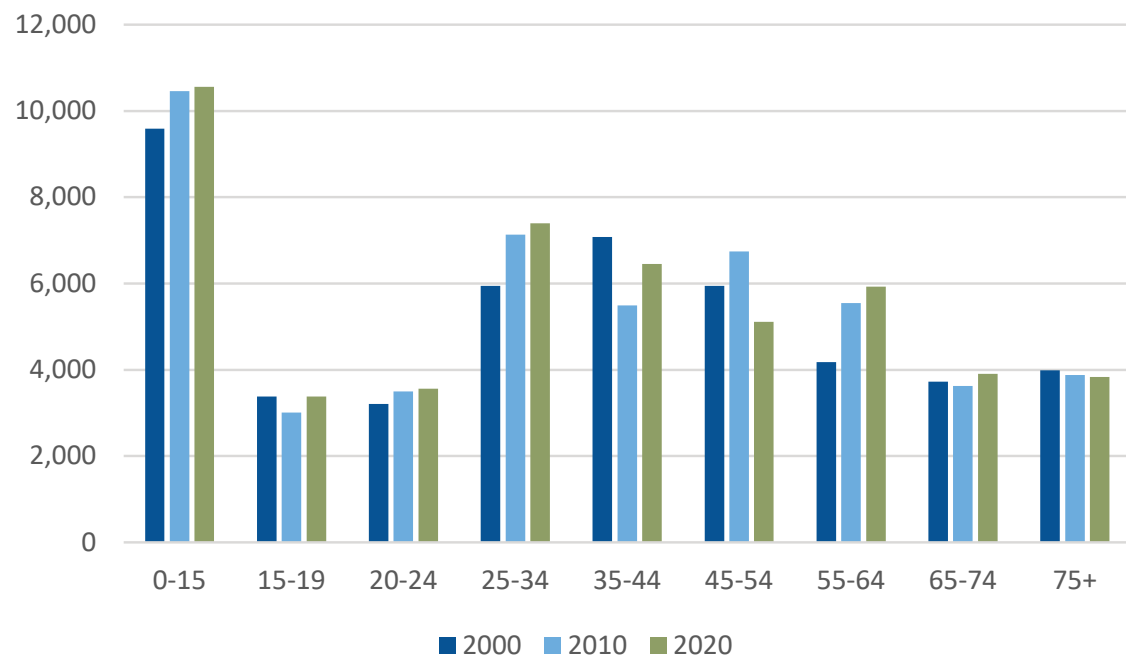
**Emerging.** Those under 25 may still be in school or just entering the workforce and are often renters or living with someone. Vance Air Force Base and the two higher education institutions attract members of the emerging cohort

**Establish(ed/ing) Cohort.** Those between 25 and 54 are beginning to think about entering the housing market or are already an established homeowner, perhaps with a family. They may move for:

- Quality of life amenities, including schools and other family amenities. This cohort is closely tied to the under 15 cohort and the size of families
- Better/higher paying job opportunities in other locations.
- For affordable housing options for renters who wish to enter home ownership or homeowners that want to move-up.
- Enid specific: moving for further training or teaching opportunities at Vance Air Force Base.

**Senior Cohort.** Those over 55 are likely living alone or with a spouse, reaching retirement, or already retired. The oldest aged cohort, 80+, may be on a fixed incomes or need special assistance, creating additional affordability and housing variety considerations.

**Figure 2.3:** Enid Age Cohort Change (2000 - 2020)



Source: U.S. Bureau of the Census: U.S. Census Population

Figure 2.3 illustrates how Enid's age compositions has changed over the past decades.

- The population 65+ years of age has remained relatively stable over the past three decades. However, those 55 to 64 in 2010 do not appear to have stayed in Enid to populate the 65 to 74 year old cohort in 2020. This may indicate a lack of low-maintenance housing that meets their lifestyle needs.
- Growth in the age cohort 25-34 matches what was heard during listening sessions relating to increases at Vance Air Force Base.

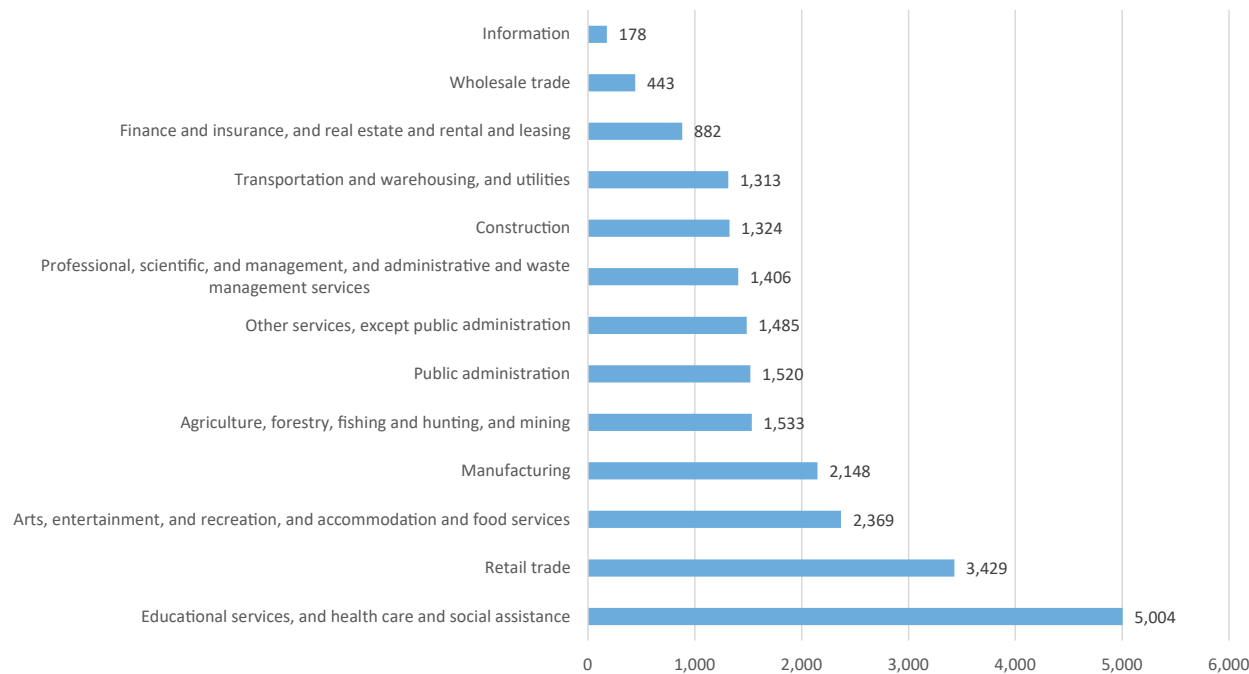
- Increase in the population under the age of 15 most likely matches the increase in the 25-44 year olds who are establishing families.

## ECONOMIC SNAPSHOT

Enid's economic landscape is becoming more varied and a range of housing needs and prices exist within the city. To keep a healthy housing market and economy, the city needs to provide spaces for military members, college students, teachers, nurses, retirees, temporary workers, and CEOs.

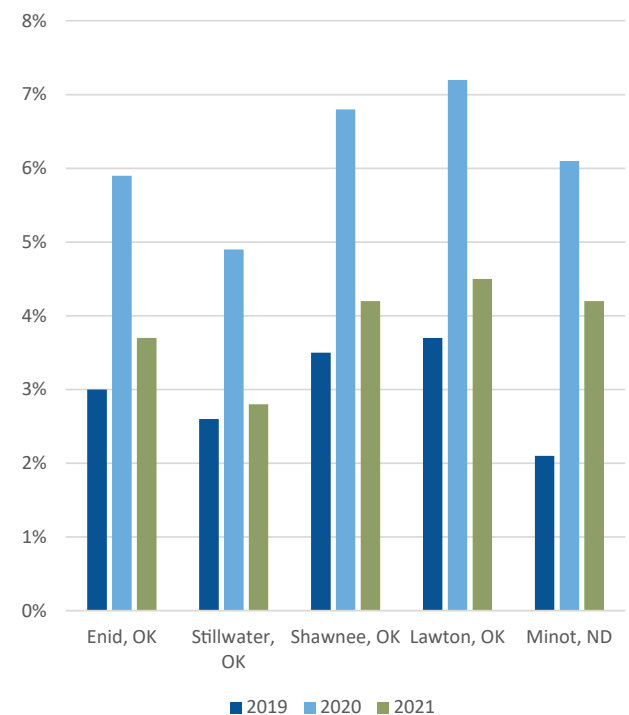
- Educational services, health care, and social assistance makes up the largest industry. Intergris Bass Baptist Health and St. Mary's Regional Medical along with Northwestern Oklahoma State University, Northern Oklahoma College, and the Enid School Districts are some of the larger employers in this industry. Each of these industries have housing needs, from executive housing to rentals for lower-wage workers and even short-term housing for traveling medical staff.
- Vance Air Force Base provides a consistent turn over of personnel who come for training. This creates a housing market that has many parallels to college towns with the influx and turn over of population happening at fairly consistent times and the higher need for rentals due to the short time some will be in the community.
- Enid has strong manufacturing and oil sector with employers, such as RENEW Energy, expanding in Enid. The new residents needed to fill jobs will require appropriate housing. The housing market and economic development will need to be in sync to grow Enid's economy and quality of life.
- Enid's unemployment rate is similar to other benchmark cities with unemployment spiking during the height of the COVID-19 Pandemic but returning to near full employment by 2021.

**Figure 2.4:** Industry by Number of Employees (2020)



Source: U.S. Bureau of the Census: American Community Survey 2020

**Figure 2.5:** Unemployment Rate (2020)



Source: Bureau of Labor Statistics

HOUSING SNAPSHOT

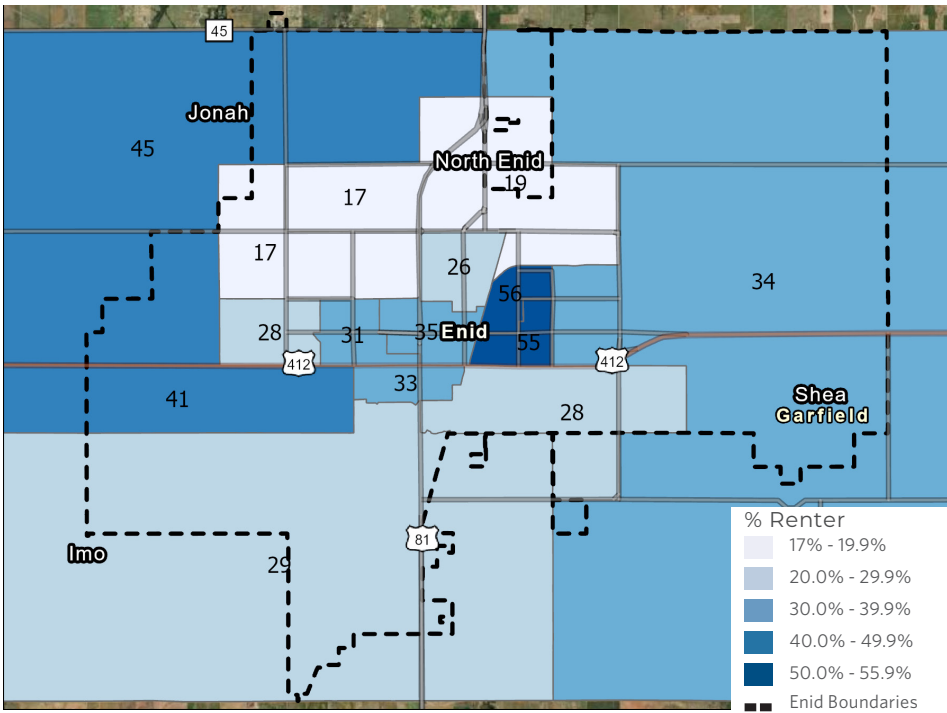
A strong quality of life and economy can lead to community growth only if adequate housing is available for new workers. Reviewing housing data in Enid, it is possible to understand the housing options that current residents have and future residents might need.

Occupancy

- Enid's mix of renter and owner occupied housing has remained relatively stable throughout the past 20 years with 63.3% of households owner occupied.
- East central Enid has the highest percentage of renter occupancy. While there are a number of apartment buildings in this area, there is also a significant number of renter-occupied single-family residents.

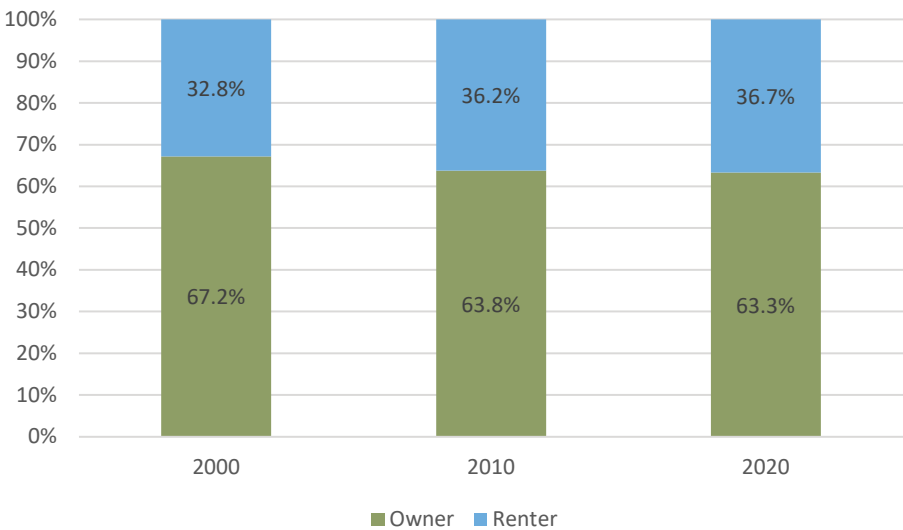


Map 2.1: Percentage Renter Occupied



Source: U.S. Bureau of the Census: American Community Census 2020

Figure 2.6: Enid Tenure (2000 - 2020)



Source: U.S. Bureau of the Census: Decennial Census 2010, American Community Census 2020



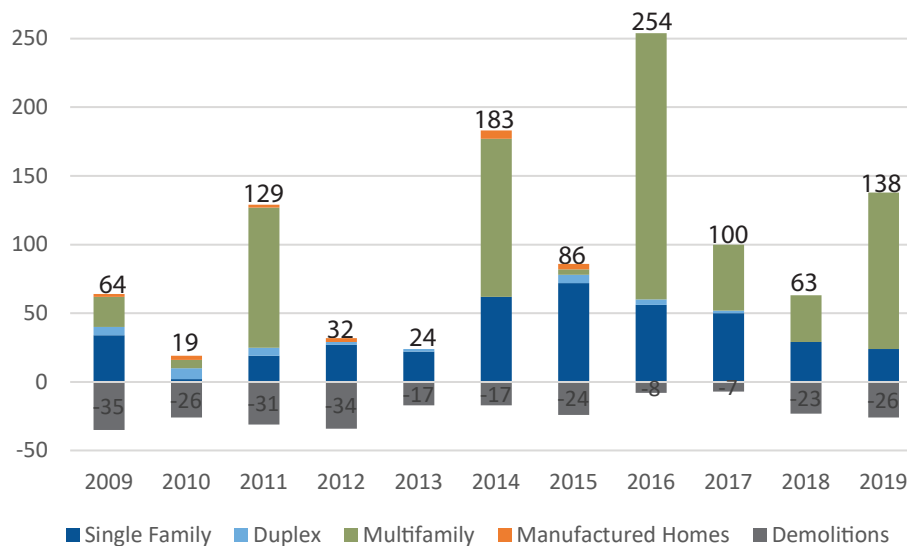
## CONSTRUCTION TRENDS

The construction of residential units is one of the most direct indications of market demand. Private market developers will not construct housing unless the price is adequate for profit. Enid's constructions has varied throughout the years.

- Historically Enid's housing construction grew with the oil boom of the 1970s and shrunk with the oil and ag decline of the 1980s.
- Recent multifamily developments have increased the overall number and newness of rentals on the market but vacancy rates, discussed later, would indicated continued high demand.

- Constructions has been dominated by apartment complexes and single family detached housing which has not created unique housing types (duplexes, triplexes, and smaller multifamily) that can offer more affordable and varied options.
- Enid's strong demolition numbers mean a sizable portion of new construction is replacing demolished units and not adding to Enid's overall housing stock. Additionally, demolished houses tend to be more affordable than new builds, and this removal of affordable houses can increase the affordability gap in the housing market.

**Figure 2.7:** Enid Units Added & Lost Per Year



Source: City of Enid



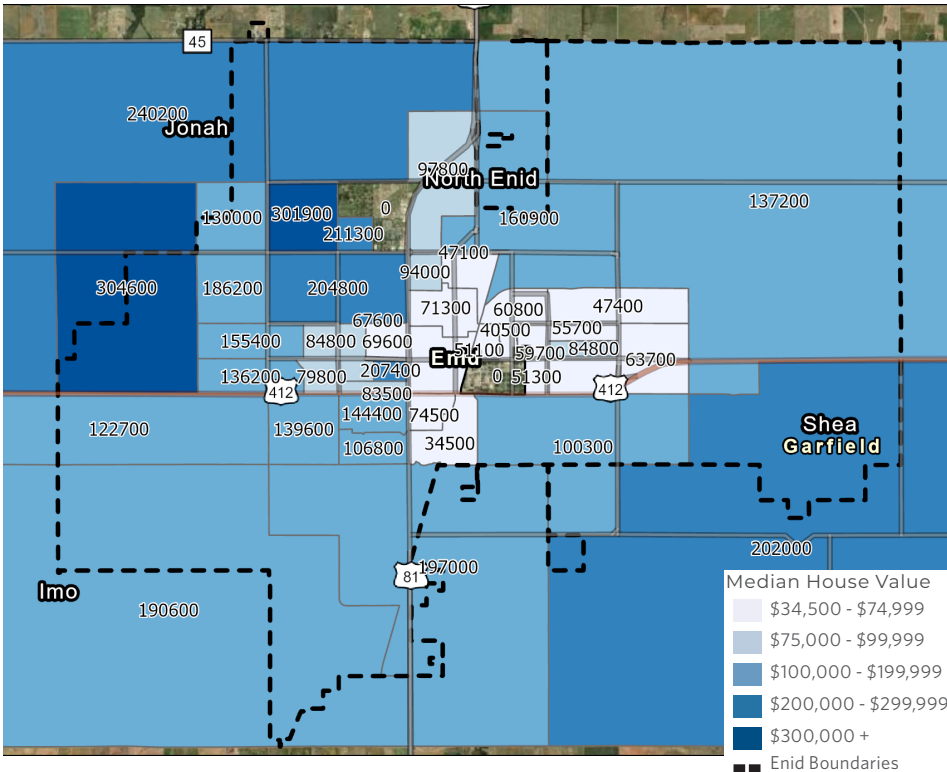
HOUSING VALUE

The age and condition of housing are often reflected in the cost of housing. The relationship between housing value and the age of the housing can be visualized in Map 2.2 and Map 2.2.

- The median home value in Enid is \$112,800.
- The median year built of housing is 1971.
- The northwest side of town has the newest housing and highest housing values.

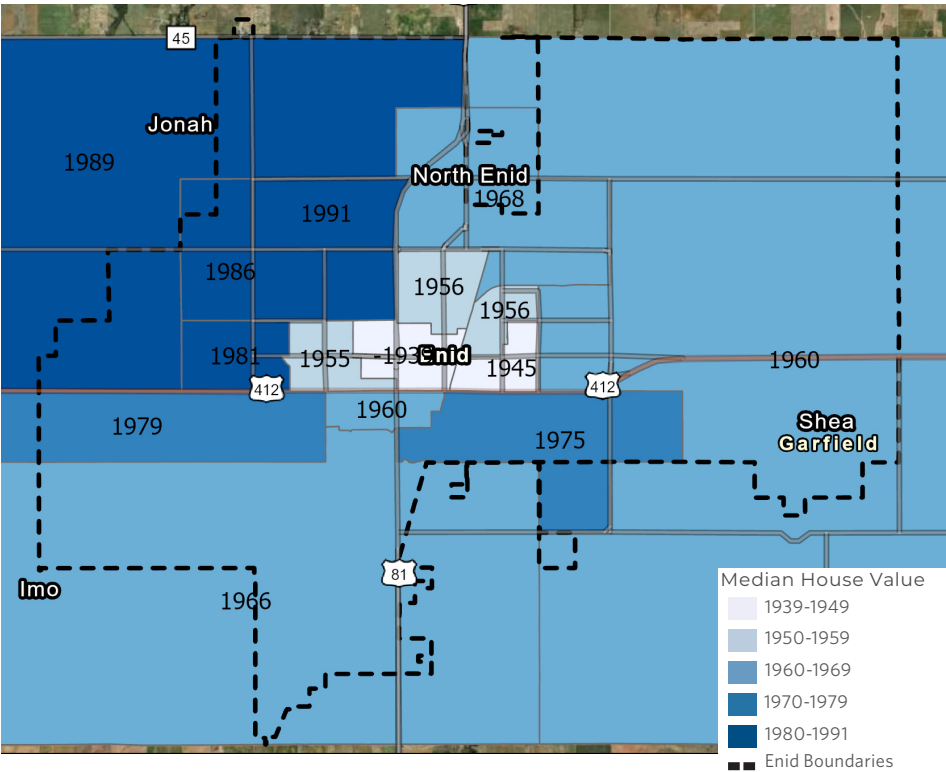
- The central and eastern portions of Enid, has some of the oldest housing and lowest median housing values.
- Nearly 70% of city's housing stock is over 40 years old. Many houses were built during the 1970s to accommodate the oil workers. In the reverse, few houses were built in the 1980s during the oil downturn.
- Older units tend to need more repairs or improvements. For Enid this means that there is likely a good number of more affordable units in need of repairs/updates.

Map 2.2: Median Housing Value



Source: U.S. Bureau of the Census: American Community Census 2020  
Note that blank areas result from a sample size that is too small for sharing due to confidentiality

Map 2.3: Median Year Built (2021 ACS)



Source: U.S. Bureau of the Census: American Community Census 2021

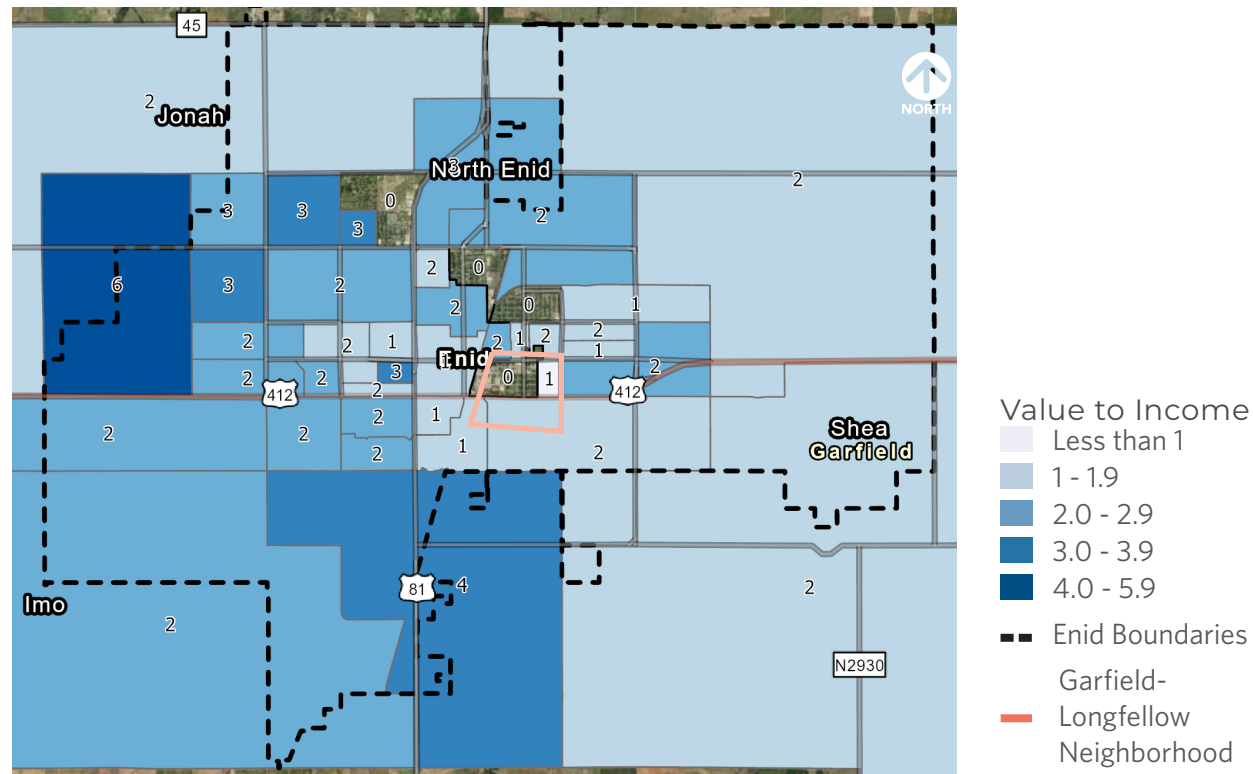
## AFFORDABILITY

Many factors contribute to the overall affordability of the housing market.

- Whether supply and demand are in balance.
- Whether new units adjust values throughout the market.
- The incomes that people are able to earn in the community.

The following section explores dimensions of housing affordability in Enid and benchmark communities. The section concludes with an analysis that pairs households with affordable price-points to understand gaps in the housing market.

**Map 2.4:** Value to Income Ratio (2020)



Source: U.S. Bureau of the Census: American Community Census 2020

Note that blank areas result from a sample size that is too small for sharing due to confidentiality

## Value to Income Ratio

One metric to evaluate whether incomes are enough to afford a home is to compare household income to the value of the home. In most instances, an affordable, self-sustaining housing market has a value to income ratio between 2.5 to 3.0. Ratios above 3.0 present significant affordability issues, while ratios below 2.0 are significantly undervalued relative to income. Undervaluation can be just as challenging as an unaffordable market.

Enid's value-to-income ratio is 2.18.

- In the Garfield-Longfellow Neighborhood, many homes have a ratio below 2.0. This can stall infill development due to the gap between what is cost to build/rehab a unit and what appraisals are for surround housing.

Housing Affordability by Cost Range

Figure 2.8 evaluates the availability of affordable housing at different income ranges and the quantity of homes required to balance the need. A positive balance indicates a "surplus" of housing within the affordability range of an income group, while a negative balance indicates a "gap".

For example, using the income range of less than \$25,000.

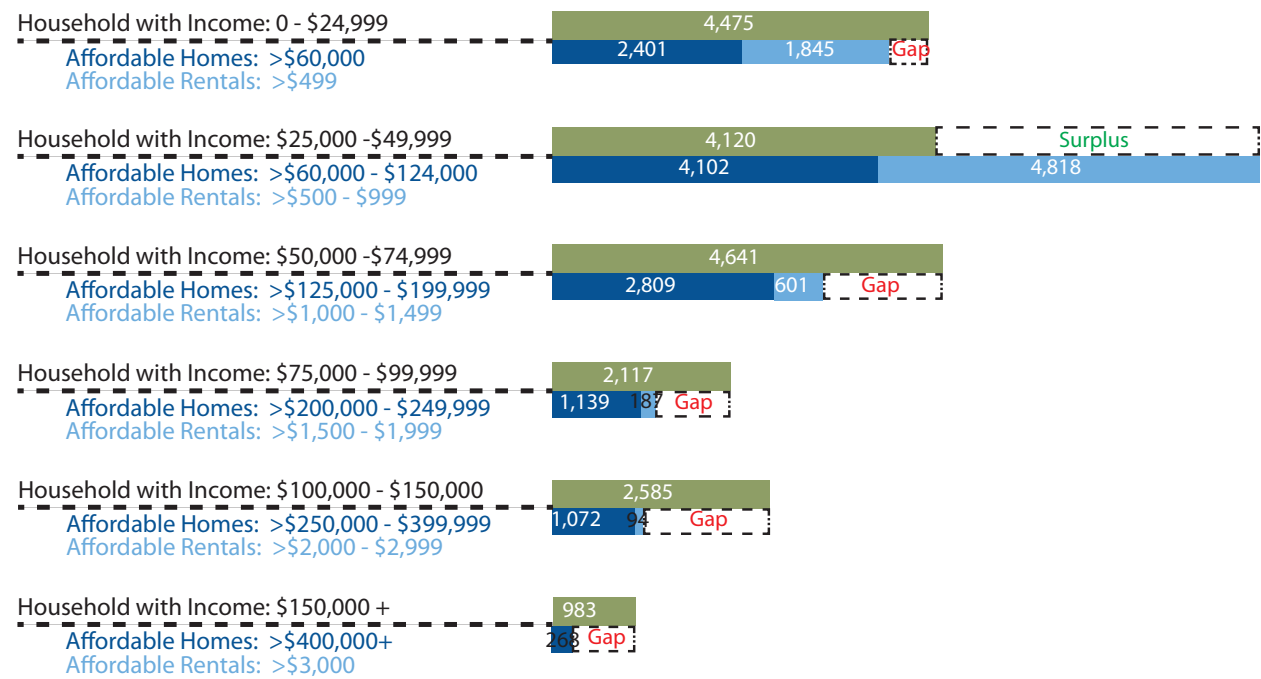
- Approximately 4,475 households earn less than \$25,000.

- An affordable home for purchase would cost less than \$60,000. There is an estimated 2,401 owner-occupied units within this value range.
- An affordable rental unit at this income range should cost no more than \$500. There is an estimated 1,845 rental units in this range.
- Combined, there should be 4,246 units affordable to households earning less than \$25,000 per year. By subtracting the supply of affordable units (4,246) from the number of households in this income range (4,475), one can see a gap of 229 exist.

Takeaways:

- Overall the city has a good supply of moderate prices of homes.
- It would appear that many moderate priced homes are occupied by households that could afford higher priced housing.
- Number should not be taken as actual demand or production targets. Households move or don't move for a variety of reasons but many are likely staying in moderate priced units because they do not see an option on the market that fits their needs or price points.

Figure 2.8: Enid Affordability Analysis



Source: U.S. Bureau of the Census; U.S. Census Population, RDG Planning & Design



## Cost Burdened Households

Another important metric in housing affordability is the percent of income that residents spend on their housing needs. According to the U.S. Department of Housing and Urban Development (HUD), "families who pay more than 30% of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation, and medical care."

- Enid homeowners are less likely to be cost burdened.
- Since 2010 the number of cost burdened renters has gone up. This is a national trend and may be even higher due to the overall inflation rate in the last 18 months.

Table 2.1 compares some of Enid's housing data to the benchmark communities.

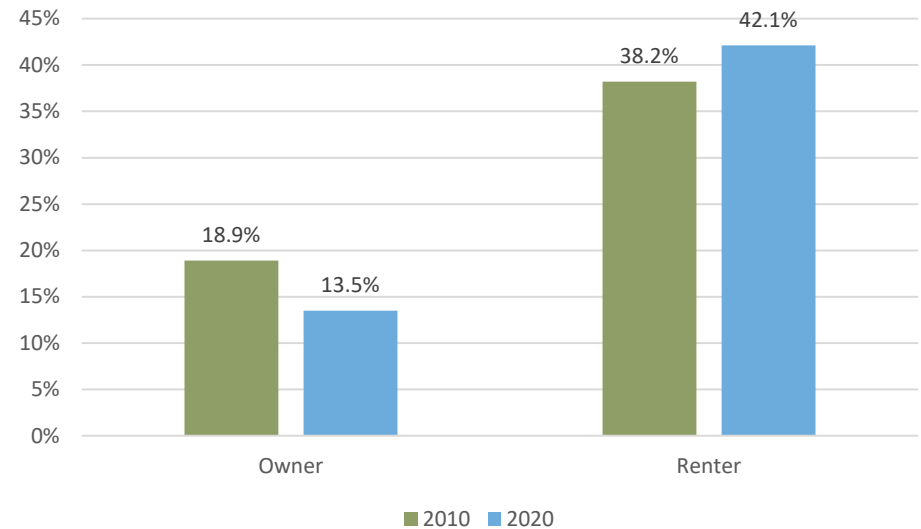
- Enid has a lower value to income ratio compared to its peer cities but also has a higher median income than most communities and lower values.

**Table 2.1: Affordability**

	VALUE TO INCOME	MEDIAN HOUSEHOLD INCOME	MEDIAN HOME VALUE	MEDIAN CONTRACT RENT	% OF COST BURDENED THE HOUSEHOLDS
Enid, OK	2.18	\$51,784	\$112,800	\$607	Owner Cost: 13.4% Gross Rent: 37.6%
Shawnee, OK	2.76	\$41,123	\$113,300	\$542	Owner Cost: 17.0% Gross Rent: 34.7%
Lawton, OK	2.33	\$47,690	\$111,000	\$638	Owner Cost: 15.2% Gross Rent: 42.9%
Stillwater, OK	5.31	\$34,906	\$185,300	\$693	Owner Cost: 24.6% Gross Rent: 61.3%
Minot, ND	3.28	\$64,401	\$211,000	\$785	Owner Cost: 17.35% Gross Rent: 38.2%

Source: U.S. Bureau of the Census: U.S. Census Population, RDG Planning & Design

**Figure 2.9: Percentage Cost Burdened**



Source: U.S. Bureau of the Census: Decennial Census 2010, American Community Census 2020

## Population & Housing Demand

The population projection and housing demand analysis builds on the trends identified in this document and community conversations. Over the past two decades Enid has experienced slow but steady growth. However, employers in all sectors shared that there are substantial job opportunities in Enid. Low unemployment and high labor participation rates would indicated a need to attract new residents to fill those jobs.

Two housing models were built to assess two different scenarios. The first is based on continued steady 0.5% annual growth (Table 2.2). The second is based on (Table 2.3) an aspiration 1.0% annual growth. Additionally the following assumptions were made:

- The percentage of individuals not living in households (dorms, skilled nursing, and incarcerated) will remain stable through 2035.
- Average people per household (2.65) will remain constant.
- For the 0.5% scenario the vacancy rate was held steady, while the 1.0% scenario assumes that the rate will come down slight. When a vacancy rate declines the model assumes vacant units are being filled by new households, thus creating a slightly more conservative housing projection.
- Approximately five units will leave the market each year due to demolish or conversion to other uses.

Based on these assumptions, **Enid will need to produce between 1,489 and 2,946 units by 2035.**

**Table 2.2:** Housing Demand Model, 0.5% Annual Growth Rate

	2020	2025	2030	2035	Total
Population at End of Period	51,308	52,565	53,853	55,173	
Household Population at End of Period	49,674	50,891	52,138	53,416	
Average People Per Household	2.65	2.65	2.65	2.65	
Household Demand at End of Period	18,740	19,199	19,669	20,151	
Projected Vacancy Rate	7.0%	7.0%	7.0%	7.0%	
Unit Needs at End of Period	20,150	20,644	21,150	21,668	
Replacement Need (total lost units)		20	25	25	70
<b>Cumulative Need During Period</b>		<b>415</b>	<b>531</b>	<b>543</b>	<b>1,489</b>
Average Annual Construction		104	106	109	106

**Table 2.3:** Housing Demand Model, 1.0% Annual Growth Rate

	2020	2025	2030	2035	Total
Population at End of Period	51,308	53,925	56,676	59,567	
Household Population at End of Period	49,674	52,208	54,871	57,670	
Average People Per Household	2.65	2.65	2.65	2.65	
Household Demand at End of Period	18,740	19,695	20,700	21,756	
Projected Vacancy Rate	7.0%	6.9%	6.6%	6.4%	
Unit Needs at End of Period	20,150	21,144	22,163	23,231	
Replacement Need (total lost units)		20	25	25	70
<b>Cumulative Need During Period</b>		<b>808</b>	<b>1,044</b>	<b>1,093</b>	<b>2,946</b>
Average Annual Construction		202	209	219	210

Source: RDG Planning & Design

## Development Program

Building on the housing demand model, the development programs for each scenario (Table 2.4 and 2.5) forecasts production targets for owner and renter occupied units based on the following assumptions:

- Owner-occupied units will be distributed roughly in proportion to the income distributions of the households for whom owner occupancy is an appropriate strategy.
- Most low-income residents will be accommodated in rental units.
- The city currently has a split of approximately 65% owner-occupied and 35% renter-occupied. Low vacancy rates and concerns with quality in the rental market will continued to support demand for new rental housing. To meet this demand, the demand model assumes a 50/50 split between rental and ownership units.
- Between **263 and 134 new rental units should rent for less than \$500 a month.**
  - Current construction and land costs necessitate programs like low income housing tax credits to meet this target.
- Approximately **572 to 292 additional owner units should be priced under \$200,000 will be needed.**
  - Products being constructed today will not meet this demand. This demand will only be met through existing units and the construction of products in denser configurations with assistance with land or infrastructure costs.

**Table 2.4:** Enid Housing Development Program, 0.5% Annual Growth Rate

	2025	2030	TOTAL
<b>Total Owner Occupied</b>			
Affordable: < \$200,000	128	164	292
Moderate Market: \$200-\$250,000	30	38	67
Market: \$250-\$350,000	36	46	82
High Market: Over \$350,000	14	18	31
<b>Total Renter Occupied</b>			
Low: Less than \$500	59	75	134
Affordable: \$500-\$1,000	60	77	136
Market: \$1,000-\$1,500	61	78	139
High Market: \$1,500+	28	36	63
<b>Total Need</b>	<b>415</b>	<b>531</b>	<b>946</b>

**Table 2.5:** Enid Housing Development Program, 1.0% Annual Growth Rate

	2025	2030	TOTAL
<b>Total Owner Occupied</b>			
Affordable: <\$200,000	250	323	572
Moderate Market: \$200-\$250,000	57	74	132
Market: \$250-\$350,000	70	91	161
High Market: Over \$350,000	27	34	61
<b>Total Renter Occupied</b>			
Low: Less than \$500	115	148	263
Affordable: \$500-\$1,000	117	151	267
Market: \$1,000-\$1,500	119	153	272
High Market: \$1,500+	54	70	124
<b>Total Need</b>	<b>808</b>	<b>1,044</b>	<b>1,852</b>

Source: RDG Planning & Design

### **GARFIELD-LONGFELLOW NEIGHBORHOOD**

The Garfield-Longfellow Neighborhood is an area of Enid that offers some of the city's most affordable housing, has significant infill and redevelopment opportunities, and numerous amenities (including the Garfield and Longfellow schools) that can reinforce housing investments. For these reasons, a closer examination of the area's market forces was completed. The Garfield-Longfellow Neighborhood's boundaries are:

- North - E Walnut Avenue
- South - E Park Avenue
- East - N 16th Street
- West - The Railroad

The Garfield-Longfellow Neighborhood is mainly composed of single family detached housing, with many homes being built during the 1940s and 1950s.

Individuals can be seen reinvesting in their houses throughout the neighborhood. Consolidating these scattered efforts and giving focused attention in areas to help revive the neighborhood more succinctly.



### Key Statistics

- 3,813 residents estimated in 2022
- 30.8 median age 2022 / City of Enid 34.9 2021.
- One of the most diverse neighborhoods in Enid (47.8% White, 34.1% Hispanic origin, 11.7% Pacific Islander alone) 2022.
- \$34,112 median household income 2022.\*
- 55% of houses are renter occupied, 13 percentage points higher than Enid as a whole.\*
- \$52,885 median home value 2022.\*
- 16.2% graduated with Associates degree or higher.

\*ESRI, Community Analyst estimates, all other data is data is U.S. Census



## Housing Quality Survey

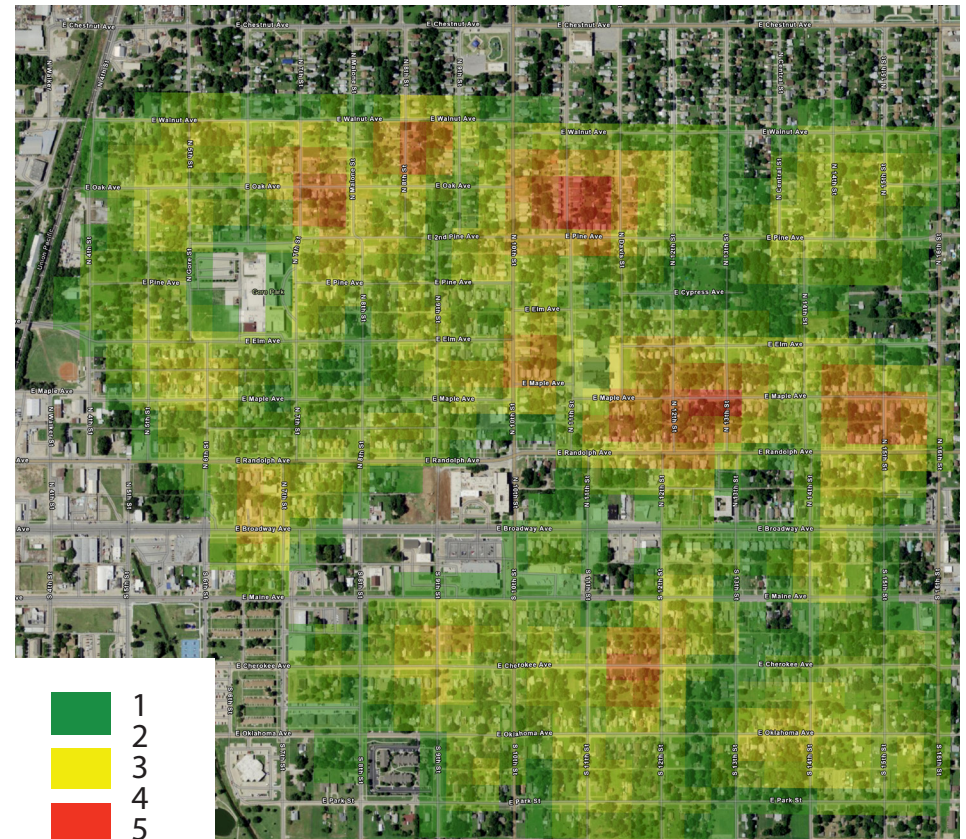
A visual housing quality survey was undertaken to understand the neighborhood better and how programs could be tailored to the specifics needs of the Garfield-Longfellow Neighborhood. The housing survey only evaluates the street facing aspects and does not take into account internal issues.

The Housing Quality Survey Classifications:

- 1: New house with no defects.** Overall, 0.3% of parcels fit this category, dominated by one large new apartment complex on the south side. Future infill development will fit into this category and help boost property values around it.
- 2: Older house in very good conditions.** Approximately 8.8% of structures fit this category and are scattered throughout. These homes provide stability for the surrounding houses.
- 3: Older house with aesthetic issues (paint) and smaller structural (very worn roofs).** Roughly 59.0% of houses fell into this category and given some aesthetic and smaller structural (fixing a roof) updates could be brought up to a stronger category.
- 4: Older house with multiple aesthetic issues and a visible structural issue (foundation cracks/sagging/roof issues).** This category makes up 27.9% and will require more intense work and investment to preserve the house and ensure the safety of residents.
- 5: A structure in need of major renovation or demolition.** Though only 4.0% of structures, these houses pose a safety threat to any inhabitants and negatively impact the surrounding property values. Most of these structures will need to be demolished.



**Map 2.5:** Longfellow Neighborhood Blight Survey Heat Map



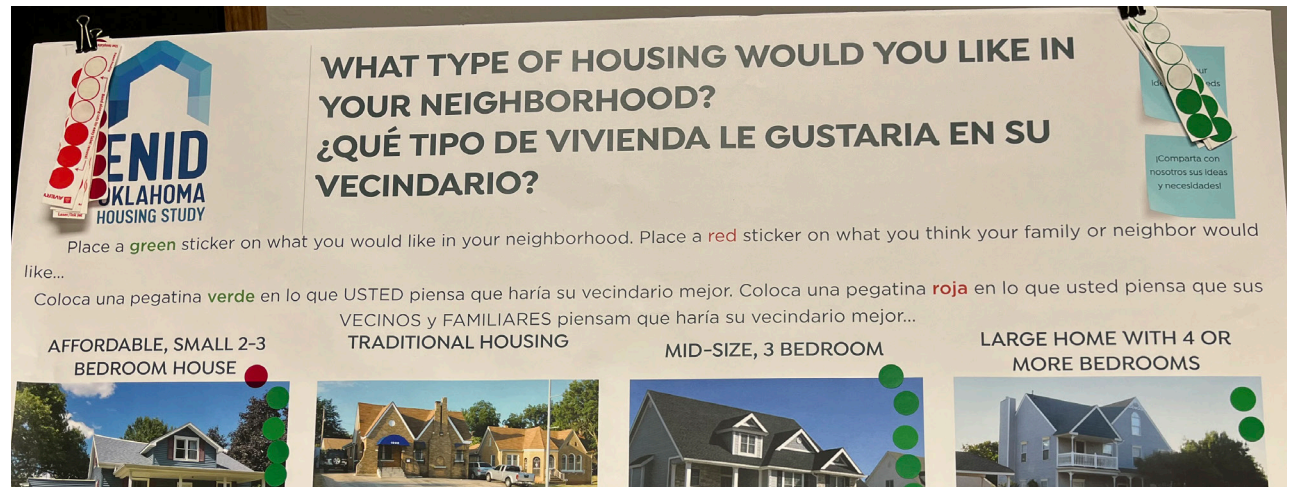




# QUALITATIVE INSIGHTS

### QUALITATIVE INSIGHT

The voice and experience of Enid residents is essential to understanding the current housing environment and where the community wishes to see the housing market move in the future. Residents, real estate agents, builders, employers, city officials, and the financial community must all share their perspectives to make a well rounded plan. Input from these voices and other stakeholders was gathered through in-person meetings and a community survey. This chapter provides a broad overview of the community's input with additional community comments being spread through the rest of the chapters.



### Community Partnership

These are the multiple ways the Enid's community was able to give input on the plan

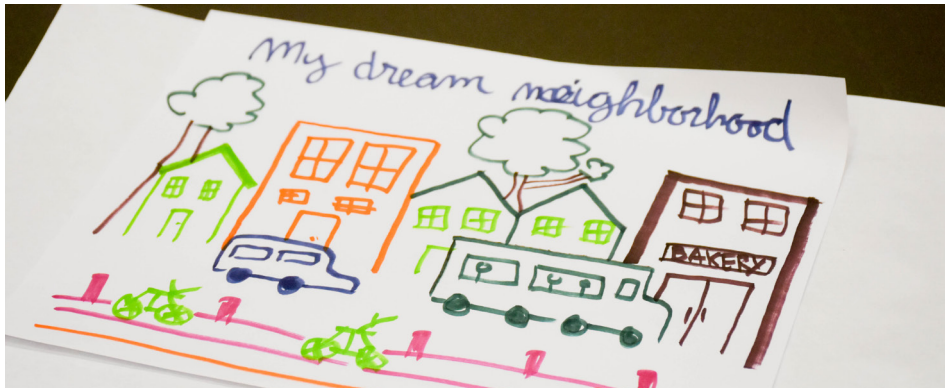
**Steering Committee -5 meetings.** A group of stakeholders met monthly to provide direction, help spread awareness about the project, and review materials as they were produced.

**Listening Session - 6 sessions, 27 participants.** A series of discussions were held with community stakeholders including real estate agents, bankers, non-profits, developers, and major employers.

**Community Survey - 509 participants.** An online community survey was launched increasing our understanding of the residents' perspective on the housing market and housing types.

**Garfield-Longfellow Neighborhood Open House.** The neighborhood open house was held at the Open Door Church.





## Community Listening Sessions

The following is a summary of commonly heard themes. Overall, participants noted a shortage of for sale and for rent options. Additionally there was a general concern about the quality of housing, especially with regard to some of the city's most affordable units.

### Owner-Occupied

Throughout the listening sessions several key themes appeared related to owner-occupied housing market.

**Lack of housing variety.** Throughout the discussions, the need for a variety of owner-occupied housing styles such as duplex, triplex, and condos was indicated.

- An increasing diversity of housing styles can help meet the variety of incomes, life stages, and life styles within Enid.
- Seniors and those looking to downsize have few options.
- Moderate and lower-income households cannot afford new construction cost for the traditional single-family detached house that is being built in Enid.
- It was also noted by one participant that building patterns may need to shift due to cost of materials and labor. These costs may mean smaller houses and lot sizes to reach price points, especially for entry level housing.

---

*Enid will grow if we have more housing options. We need those homes build.*

---

- Survey Respondent

**More Downsizing Options Needed.** Enid has few options for smaller, lower maintenance owner-occupied housing and residents for the senior cohort who may be interested in downsizing but still want ownership.

- This results in seniors staying in their homes for a longer period with less turnover in the housing market.
- It was noted that the value of some homes owned by seniors is too low to provide them the equity necessary to purchase a lower-maintenance and/or new option.

**Affordable but Older Houses.** Enid's older housing stock is affordable and sometimes challenging to maintain.

- These challenges have led to visible blighted and dilapidated conditions.
- Participants were concerned about the loss of affordable housing due to lack of maintenance and the impact these structures have on surrounding property values.
- These houses can pose a health concern to residents and lower property values of surrounding houses to a point of undervaluation. Undervaluation makes it harder for private market projects to be successful, as the price of a new build of major rehabilitation may not generate a profit.



**Rising Interest Rates & Housing Supply.** Some participants voiced concern regarding increasing interest rates and the ability of buyers to absorb the number of units that are under constructions.

- Others noted the pent-up demand may be enough to absorb the rising cost.

---

*The cost of daily living keeps increasing, along with high rental rates. It is hard for most individuals to be able to purchase homes.*

---

- Survey Respondent

### Rental Market

Key themes that emerged through the listening sessions regarding the rental market:

**Strong Rental Market.** Enid has seen a strong rental market and increasing rental rates in recent years.

- A series of new apartments have been constructed since the last housing plan. These have increased availability of quality rentals, but not enough to significantly impact demand.
- The rental market can be very seasonal due to Vance Air Force Base's classes
- Participants expressed concerns that the strong rental market has allowed the quality of many rentals to stay subpar without rents being adjusted to match conditions.
- Some noted the need for additional enforcement of rental standards at some level. Vance does have minimum standards that units need to meet before Base officials recommend a unit/building.





**Lack of Short Term Rental.** Throughout the discussions, the need for a variety of short lease options was mentioned.

- Employers mentioned the lack of short term rentals for traveling staff (i.e. traveling nurses).
- Many new professionals to Enid are interested in renting while looking to purchase a home in the city, struggle to find a six month lease.

**Affordable Senior Rentals.** As noted earlier, participants felt that there are a number of older households that cannot afford to move. The value of their home leaves them with little capital to buy or to even rent at current market rates.

## Other

Other common themes relating to housing include:

**Downtown Housing.** Generally, participants felt there was an opportunity for additional owner or renter housing in the downtown.

- The bigger hurdle may be filling the office or commercial space that would likely be associated with a project, the residential would be less challenging.

**Real or perceived process issues.** The development community often has concerns with the process and cost of regulations. These cost are always passed on to the consumer and thus impact housing affordability.

- Often the focus is on regulation and the cost of regulations. The actual regulations were less of a focus by participants and more about process.
- The length of the process which also adds to a development's cost, was commented on by a variety of participants.
- Whether issues with the development process are real or perceived they need to be addressed if strong partnerships are going to be created.

**Lot Supply.** Enid has very few lots that are not owned by a builder. This can slow the building process as construction schedules can be based on the builders capacity.

- There are a number of scattered infill lots but these have a variety of issues and contractors are not interested in assembling those lots.
  - › One participant noted that at least three lots or units need to be infilled or fixed-up to gain momentum and make the financing work.
- Overall, the private market is going to struggle to develop new lots due to costs and carrying capacity.



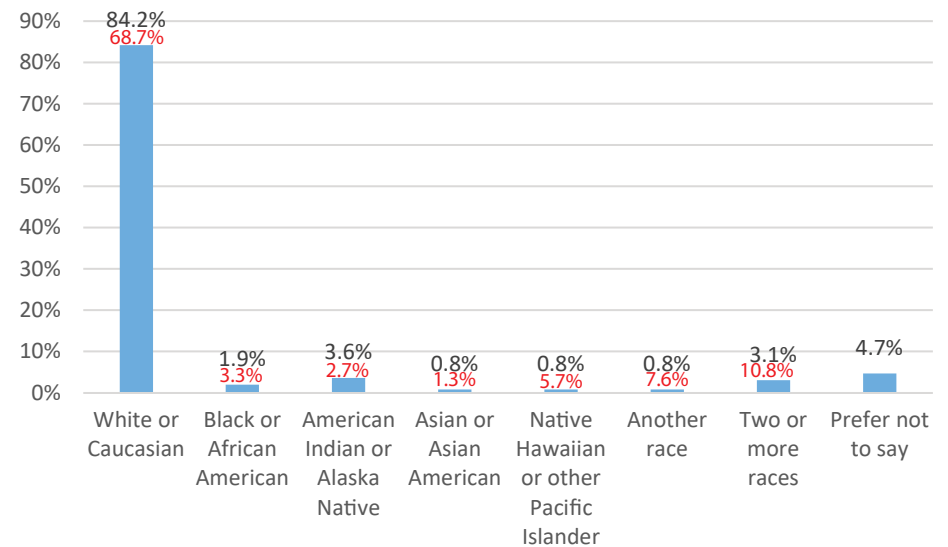
## Community Survey Insights

To compliment the more focused nature of the listening sessions, a community wide housing survey was distributed online. The survey helps give a more rounded opinion on the housing market and helps verify what the data and listening sessions indicated.

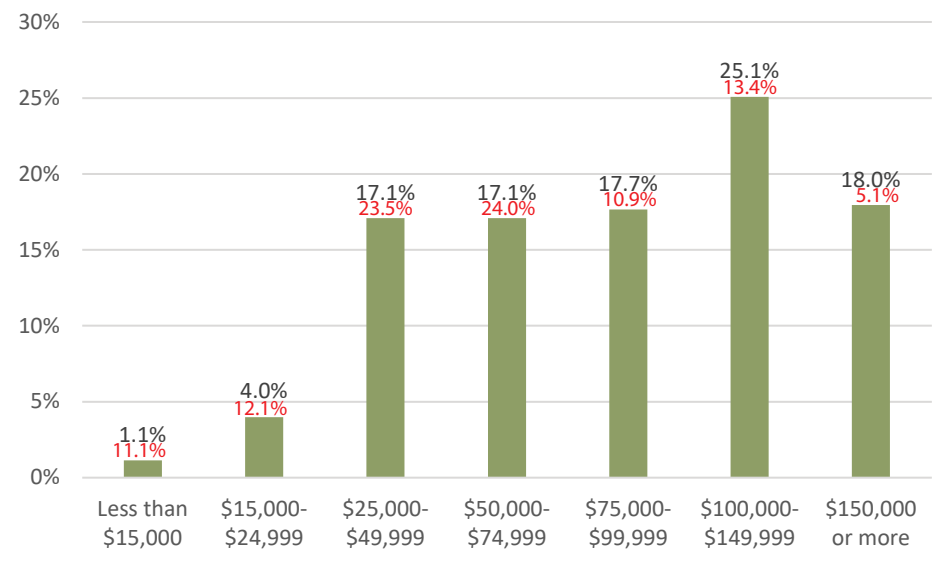
The survey was open from October through December and garnered 509 responses. It focused on how residents felt about their current housing situation, options available, and their ability and desire to relocate.

It should be noted that survey respondents came from a variety of life stages and some may not have looked for housing in recent years. Thus they do not always have first-hand experience to inform their answers.

**Figure 3.1:** Race of Survey Respondents



**Figure 3.2:** Income of Survey Respondents

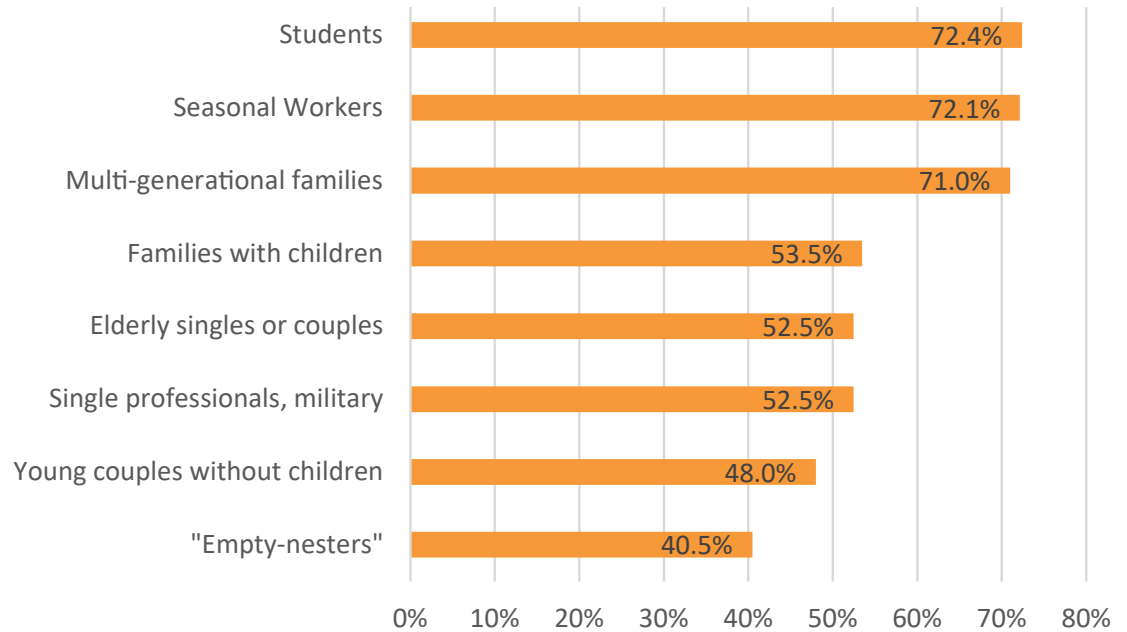


% of Survey Respondents / % of the population based on Census estimates

## Supply

Over half of the survey respondents feel the supply is limited for most household types. This reinforces the need for greater housing diversity that was expressed by listening session participants.

**Figure 3.3:** Do you believe that the current housing supply adequately meets the needs of the following household types in Enid? - % Yes Shown



*I am a current renter making an educators salary and have been on a three year search to find housing within my budget that doesn't require major upgrades....*

- Survey Respondent





### Preferred Housing Products

Survey respondents were asked whether they felt a series of different housing products would be successful in Enid. The question explores the type of housing products that may be needed in the future. Over half of respondents answered favorably to all houses shown, believing the housing style would be successful. This reinforces community members desires for greater housing variety.

**Figure 3.4:** Do you think the following housing products described below would be successful in Enid?



Mid-size, three-  
bedroom house  
(93.53%)



Small, two-or-three-  
bedroom house  
(93.33%)



Senior Living  
Housing  
(91.00%)



Apartments  
(81.13%)



Traditional Housing  
(80.74%)



Townhouse or  
Duplex  
(78.71%)



Large Lot Housing in  
the County  
(78.67%)



Larger home, four or  
more bedrooms  
(75.46%)



Manufactured  
Housing  
(71.73%)



Smaller Multifamily  
(Quadplex or Triplex)  
(66.75%)



Accessory Dwelling  
Units (ADU's)  
(65.72%)



Downtown, upper-  
story residential  
(58.82%)



Row Housing  
(55.79%)

## Housing Cost & Supply

Respondents were asked about whether they looked for housing in the last three years. If they answered yes they were asked about their perception of housing costs and supply. Figure 3.5 and Figure 3.6 display the perceived availability of homes for purchase or rent in various price ranges.

- A majority of respondents felt there was an undersupply of housing priced below \$200,000.
  - › Based on input from stakeholders, with current construction and lot cost the private market cannot build housing at this price point.
- Over 60% of respondents felt there was an undersupply of rentals priced below \$1,000 a month.
  - › Current construction cost and interest rates will make it difficult to build new units priced below \$1,000 a month without some financing assistance.

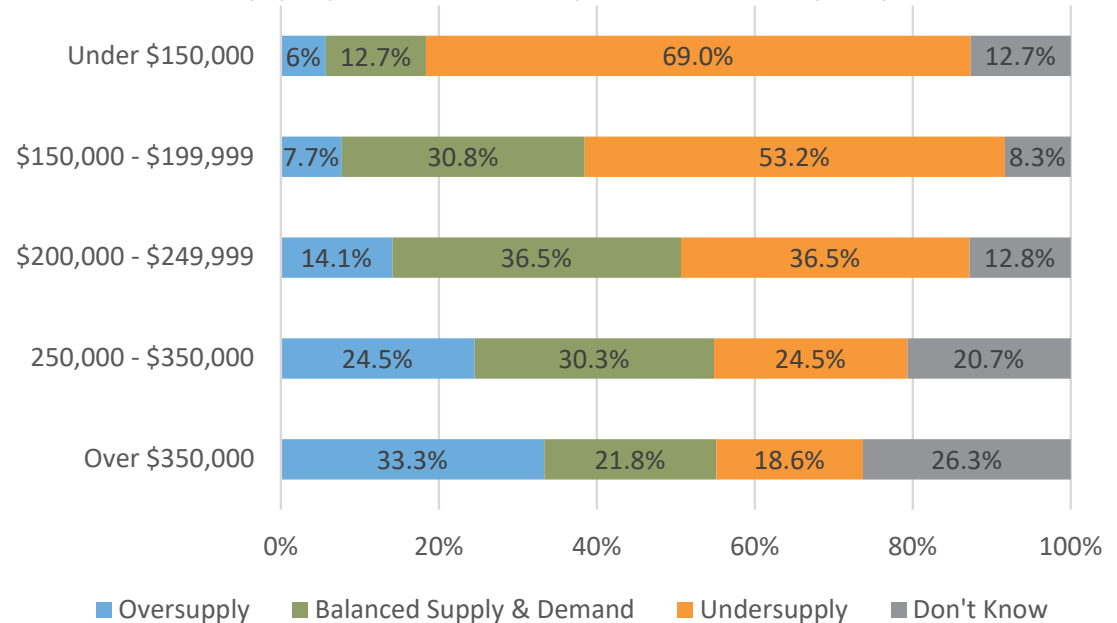
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*Really would love to see development of apartment/condo living above shops in the downtown area.*

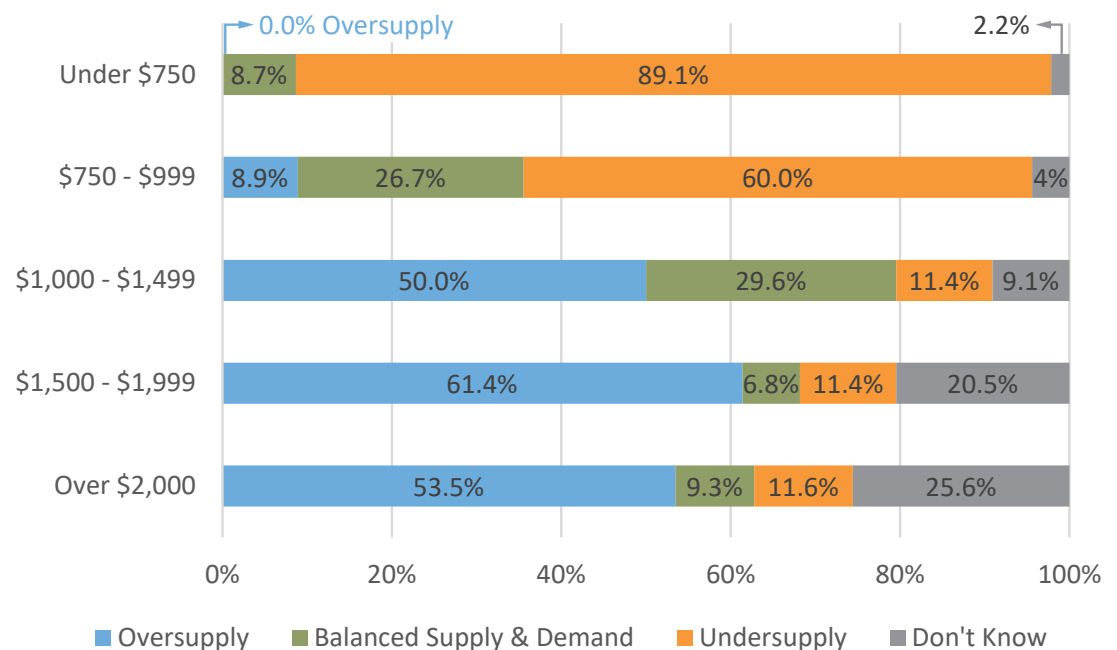
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- Survey Respondent

**Figure 3.5:** Perceived availability by respondents who looked to purchase a home in the past 3 years



**Figure 3.6:** Perceived availability by respondents who looked to rent a home in the past 3 years



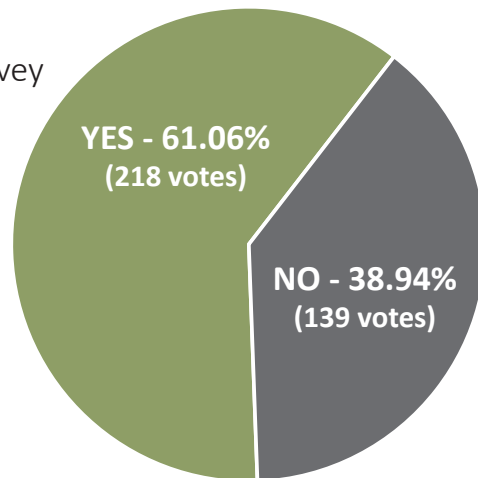
### Support for Programs

Questions about code enforcement and the use of public money for rehabilitation were asked to gauge the public support for various measures. The survey responses help to shape strategies and solutions to the housing challenges laid out by residents.

Responses echo what was heard in the listening sessions. Residents appear to be concerned about housing quality and are in support of strategies that address this issue.

**Figure 3.7:** Would you support greater enforcement of property maintenance codes?

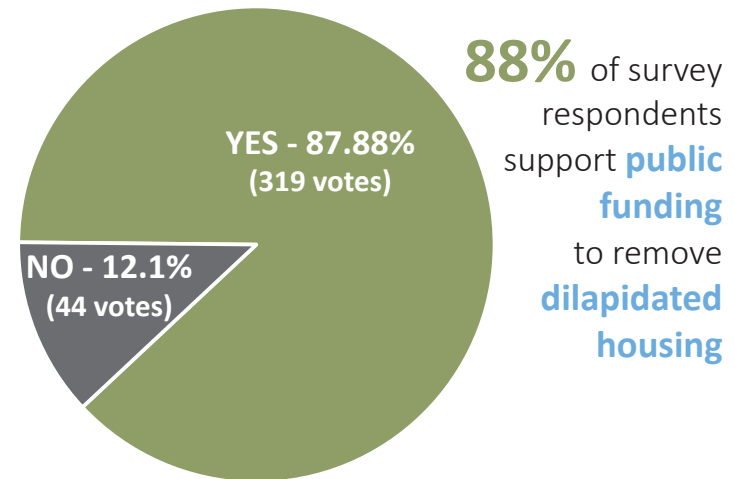
**61%** of survey respondents support greater **code enforcement** for property maintenance



*We need stronger enforcement of codes already in place.*

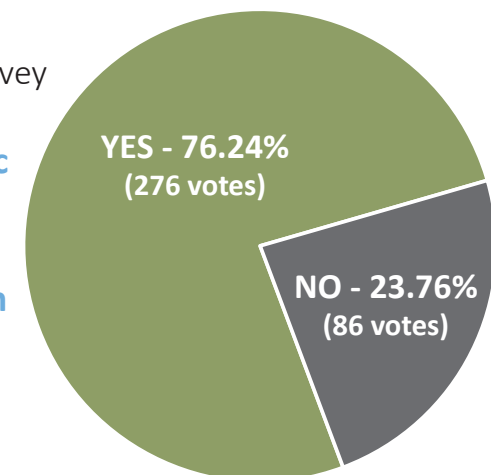
- Survey Respondent

**Figure 3.8:** Would you support the use of public funding to remove dilapidated housing?



**Figure 3.9:** Would you support the use of public funding for housing rehabilitation or renovation?

**76%** of survey respondents support **public funding** for **housing rehabilitation programs**



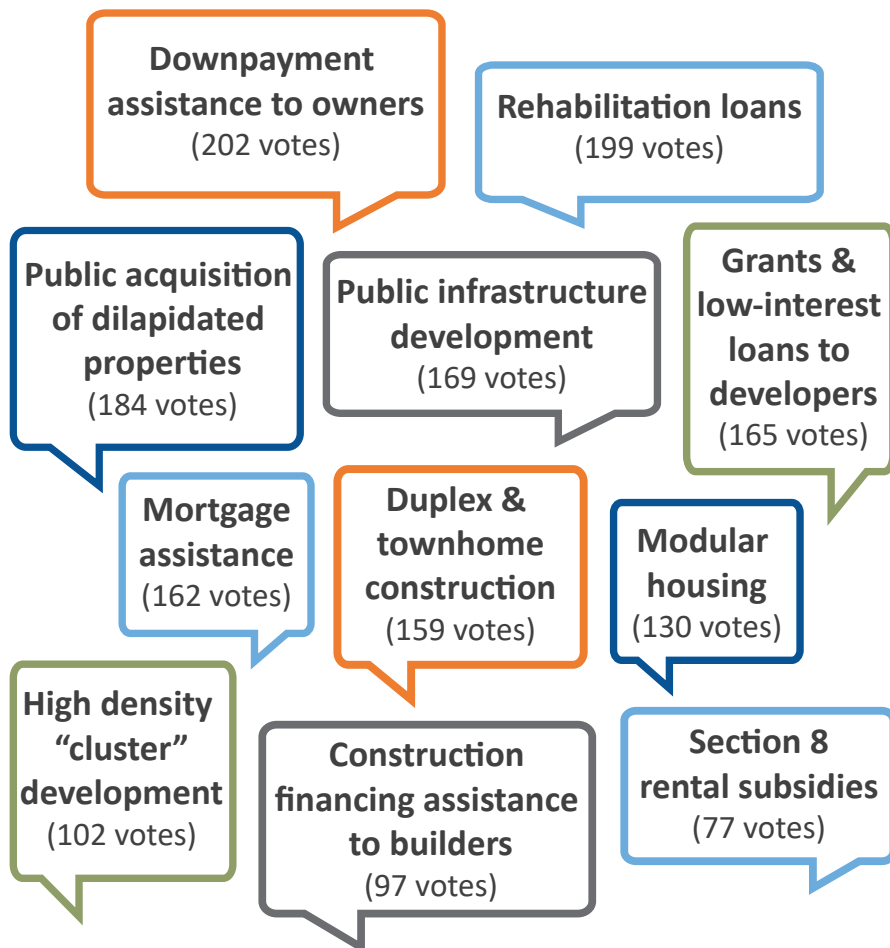


## Support for Housing Solutions

Questions were asked to further understand public support for initiatives to promote affordable housing in Enid.

**Most supported.** Down payment assistance to owners, rehabilitation loans, and public acquisition of dilapidated properties.

**Least supported.** Section 8 rental subsidies, construction financing assistance to builders, and high density "cluster" development.







OPPORTUNITIES,  
ISSUES & GOALS

## CHAPTER 4 GOALS

The previous chapters established the outcomes of the market analysis and public engagement process which brought to light a variety of issues Enid will need to navigate in the years to come. At the same time, this process identified key assets and opportunities that community leaders can leverage to ensure a healthy housing market. The purpose of this chapter is to explore the primary issues and opportunities gathered from the previous chapters and identify the strategic housing goals that will guide the policies and initiatives that will be outlined in the following chapter.

### DEFINING HOUSING ASSETS AND CHALLENGES

The following section summarizes Enid's primary resources, assets, and challenges.

#### Housing Assets

**Reasonable supply of affordable housing.** Enid has a good number of homes priced below \$200,000 and with rents below \$1,000 a month, but these units are occupied or in poor condition. Households remain in these affordable units for several reasons.

- They see no other alternative that fits their stage of life.
- The amount of equity in the home is not enough to purchase or rent a new unit.
- They like their neighborhood and the financial security they feel they have.

A number of the city's more affordable units need improvements ranging from structural issues to cosmetic and modern updates.

**Strong Economy.** Oklahoma has a labor force participation rate of 61% and Garfield County has a 3.5% unemployment rate. Numerous employers are looking to hire. It appears that to fill these jobs, Enid will need to attract and retain workers to the community. Quality, attainable housing will be needed to meet the demands of this workforce.

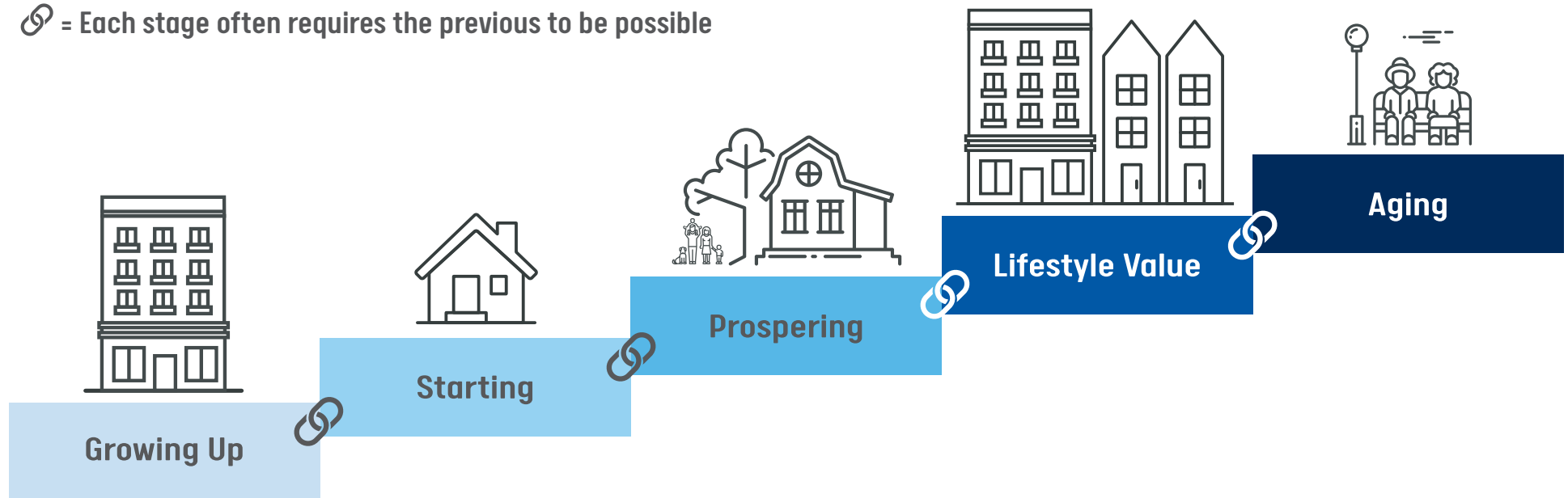


**Strong Partners.** There are several community partners with records of success and a willingness to partner on addressing housing issues. Community Development Support Association (CDSA) is an example of this type of organization. They have successfully built affordable housing and helped households reinvest in older homes for many years. Partnerships between the city, non-profit, philanthropic community, and private sector will be essential to addressing the city's housing challenges.

**Vibrant Commercial Districts.** Enid's core commercial areas, especially Downtown, have remained strong. The downtown has a tremendous opportunity to capture future housing opportunities. Over the last decade several business and civic entities have reinvested in downtown. The district boasts a nice variety of restaurants and entertainment options. The next step in the district's evolution should be additional housing. Housing will add a 24/7 vibrancy to the district and support a variety of business and services outside of the traditional workday hours.

# Housing Stages

🔗 = Each stage often requires the previous to be possible



## Challenges

**Older housing stock.** Nearly 70% of the city's housing stock is over 40 years old. These units have a mixture of structural and non-structural deficiencies. The city's older housing stock is the best source of affordable housing. Preservation of these units should be a top priority. When units are beyond rehabilitation, removal of these units is essential to preserve the economic value of surrounding properties.

**Lack of housing variety.** A healthy housing market is one where residents can find housing that fits their stage of life. Over the past decade, Enid has seen the construction of "prospering" and some "growing up" but there have been few "lifestyle" options. Greater housing diversity includes low-maintenance and smaller square footage in both renter and owner markets.

**Real and perceived process issues.** The development community often has concerns with the process and cost of regulations. These costs are always passed on to the consumer and thus impact housing affordability. Whether issues with the development process are real or perceived, they need to be addressed if strong partnerships are going to be created.

**Shortage of rental options.** Since the completion of the last housing study, hundreds of multi-family units have been constructed. Based on the landlord interviews and discussions with community stakeholders, vacancy rates remain very low and demand high. There is some seasonal fluctuation in the market based on Vance classes but even outside of these times demand remains high. The shortage of units often creates a market environment that encourages investors to purchase older homes for use as rentals. This removes potential first-time homebuyer option or can even result in units remaining on the market that should be demolished.





**Shortage of ready to build lots (infill and greenfield).** A dwindling lot supply is a serious challenge and the policies and strategies for lot development is directly impacted by a community's absorption rate. The current cost of lot development and a slower absorption rate will make it difficult for the private market to carry the debt of a new subdivision. Lot variety is also needed to support housing variety. If these are seen as riskier, then partnerships will be essential to sharing this risk. However, lot development should not be seen as coming only in the form of new "greenfield" lots. Infill lots provide a great opportunity to reuse infrastructure and stabilize neighborhoods.

### HOUSING GOALS

It is important to note that there is no single solution to all aspects of the housing market. For example, actions in one community, or even the Oklahoma City area or Stillwater, can influence the housing market in Enid. Further, elements of the housing market, such as high-end housing products, do not require policy interventions for more supply since the market is producing them today.

Building on the opportunities and issues identified in the planning process the following goals should guide community leadership's housing policies and strategies. This next section expounds on policies that build on the assets and seeks to address the challenges in Enid's housing market.



## 1. Share risk with the private market when appropriate

Housing supply and rehabilitation will not occur at a significant scale without the ability for developers or contractors to make a profit, which is ultimately the goal of any private business. The risks associated with development of moderate to lower price-point units often is high, with a loss or very small profit margins more likely. Some risk factors include rising material, labor, and land cost; neighborhoods with lower values and perceptions of less stability/safety; soft cost such as fees, regulatory timelines, insurance, and contracting services; and state and federal regulations. Rising land cost and fluctuating interest rates also have a significant impact on the amount of risk that the financing community will allow. Pre-development planning and setup is the riskiest part of the development and where financing can be most difficult. Lowering and dispersing some of these risks can be essential to creating new product types and lower price-points.

### Objectives:

1. Laying the groundwork for the next two goals.
2. Expand the awareness and partnerships in addressing the city's housing needs.
3. Lower the risk and therefore incentivize more private market involvement in housing production.
4. Lower the risk of developing under-built housing products that fill local needs.







### 2. Increase housing production and variety

Issues of affordability and availability are tied directly to housing options. In essence, the existing housing stock is held in stalemate when households do not have options that meet their current stage in life. Historically, Enid has built single-family detached homes and apartment complexes. Different ownership options outside of single-family detached has been missing in the market. A healthy housing market should allow a resident to transition through several homes in accordance with their lifecycle - from an affordable apartment, to a family home, and eventually to a lower maintenance option for their senior and empty-nester years.

#### Objectives:

1. Address the need for over 560 units of affordable housing in the next decade.
2. Build and free up more housing for middle income as well as those that do not qualify for low-income programs.
3. Address the need for options beyond apartments and detached single-family, including duplexes, townhomes, and downtown living.
4. Increase the number of universally designed products.



### 3. Preserve existing housing and strategically reinvest in neighborhoods

The production of new units will not fully address the need for units affordable to households making less than 120% of AMI. Securing and conserving existing housing is a way to provide affordable housing and reduce the impact on the environment. The most affordable and sustainable unit is one that already exists. Traditionally, the preservation of existing units through maintenance was enough to ensure a supply of affordable housing. However, due to low number of houses built during the 1980s, many people who could afford to move up are staying in place due to a lack of options.

#### Objectives:

1. Maintain and protect the most attainable housing in the city.
2. Target programs to strategic areas of most need and opportunity.
3. Stabilize neighborhoods to create healthy and vibrant areas.
4. Increase affordable housing in proximity to jobs, services, and community destinations.
5. Ensure zoning regulations do not limit affordability and housing variety.







# STRATEGIC MARKET APPROACHES



### CREATING A STRATEGY

The information in the previous chapters indicates the market is not providing enough quality housing. Understanding the housing gaps means little without a plan to address them. The private market alone is unable to fill these gaps. Therefore, this chapter's strategies explore how local governments, organizations, builders, and other partners can work together to meet the housing needs of Enid. It begins with targeted strategies for the Garfield-Longfellow Neighborhood. Once momentum is built in this neighborhood these strategies can be taken to other neighborhoods.

### Market Influences

Many forces influence the housing market and often these are outside of local control, such as the cost of lumber. The strategies laid out in this chapter focus on policies, actions, and incentives that local governments and organizations can use to influence, direct development, and/or help offset housing market inefficiencies. A few examples include:

- Pooling resources and funding mechanisms to encourage housing products that are otherwise difficult for the private market to produce.
- Managing the cost of housing projects intended for entry-level owners.
- Assisting with workforce development to meet the needs of builders and subcontractors.



## GARFIELD-LONGFELLOW NEIGHBORHOOD POLICY AREA

A community's older neighborhoods speak to the history of the residents that built a city. In a neighborhood like the Garfield-Longfellow, homes were simple and reflected that hard working residents lived in the neighborhood. These residents built and attended the churches, raised their families, attended events at the neighborhood schools, and shopped within the neighborhood or in nearby Downtown Enid.

Over time, as new housing options were constructed in other parts of the city, homes were purchased by investors who did not always maintain the homes at the same level. Today the neighborhood has some of the most affordable housing but disinvestment has resulted in deteriorated structures and vacant lots where homes have been removed. While the neighborhood has issues, it also offers tremendous resources and opportunities.

### Key Assets

- The neighborhood has some of the most affordable housing within Enid.
- Garfield Elementary and Longfellow Middle School are two central nodes in the neighborhood.
- The small grid pattern makes the neighborhood highly walkable but quality sidewalk do not always exist..
- New multifamily has been built on the southside of the neighborhood.
- Individuals can be seen reinvesting in their houses.

### Key Concerns

- Visibly blighted housing and vacant lots throughout the neighborhood.
- Low value to income ratio (1.6) indicating that infill development will be harder to finance
- The railroad separates the neighborhood from jobs and services.
- The neighborhood lacks many neighborhood services and commercial uses are marginal.

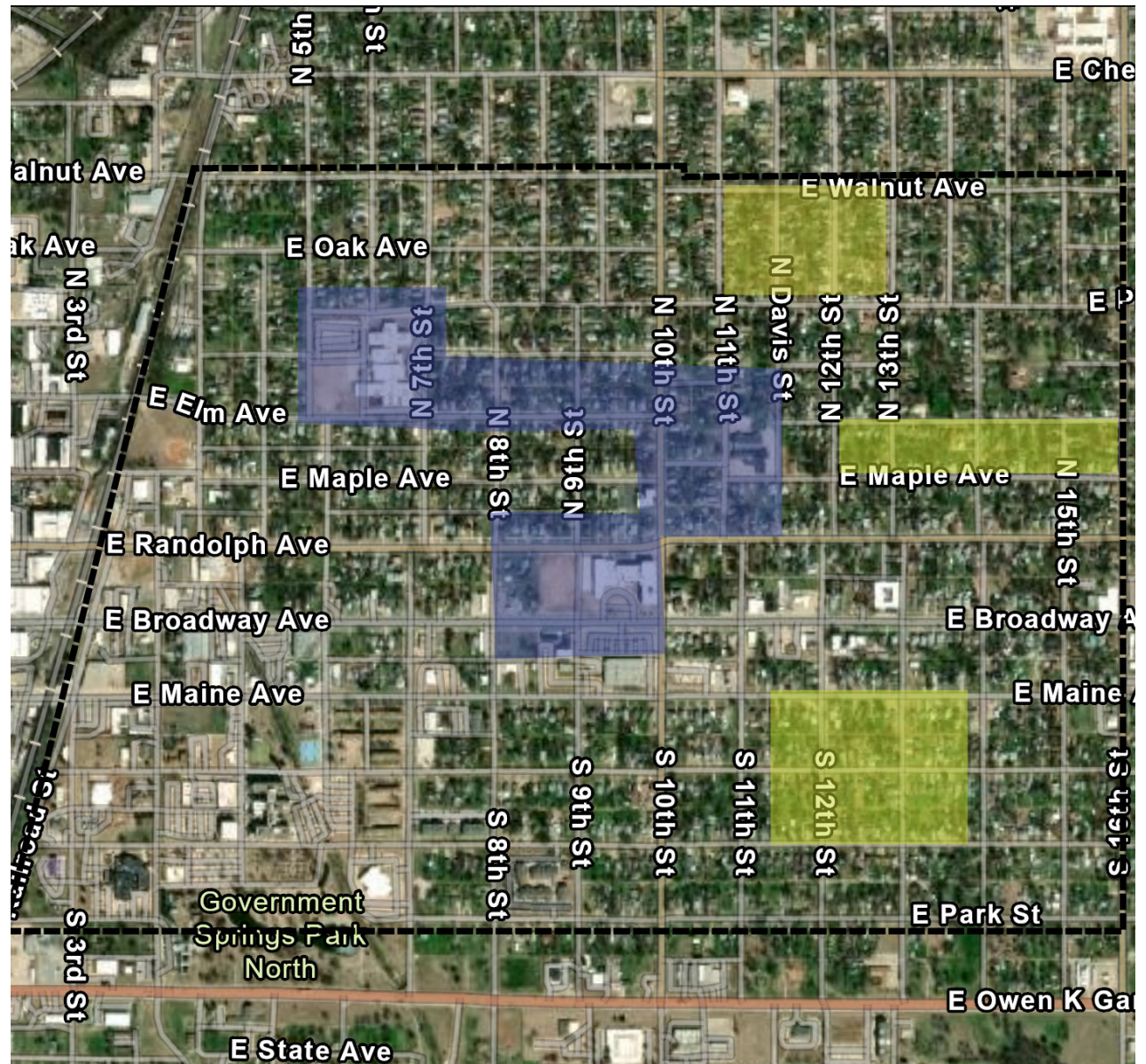


Strategies for the neighborhood should be built upon these assets and challenges. Based on this approach, three policy areas identified. These areas have commonalities around which strategies and policies are developed. It should be noted that for all of these areas, strategies should and actions should build momentum that can be taken to the broader neighborhood and eventually to other neighborhoods in the city.



**Map 5.1:** Garfield-Longfellow Neighborhood Policy Areas

- Anchor Area.** Starting point from which to build momentum. Focus on existing destination in the neighborhood and mixed-use opportunities.
- Reinvestment/Redevelopment Areas.** Focused on areas with more blighted and vacant parcels. The area south of Broadway contains more visible vacant parcels.
- Rehabilitation Areas.** Rehabilitation areas make up the rest of the neighborhood. These areas are in better shape and focus should be on housing stabilization, energy efficiency, and accessibility improvements.





## ANCHOR AREAS

Anchor Areas are spaces to start reinvigorating the neighborhood.

### Objectives:

**Define a critical starting point from which other reinvestment initiatives radiate.** The Anchor Area is one of the busiest sections within the neighborhood and Elm Avenue and 10th Street provide key access to the neighborhood schools. Reinvestment and renewal in this area can have a highly visible impact. Visible improvements in a neighborhood build confidence for others to invest and improve properties and can create momentum to invest in adjoining areas.

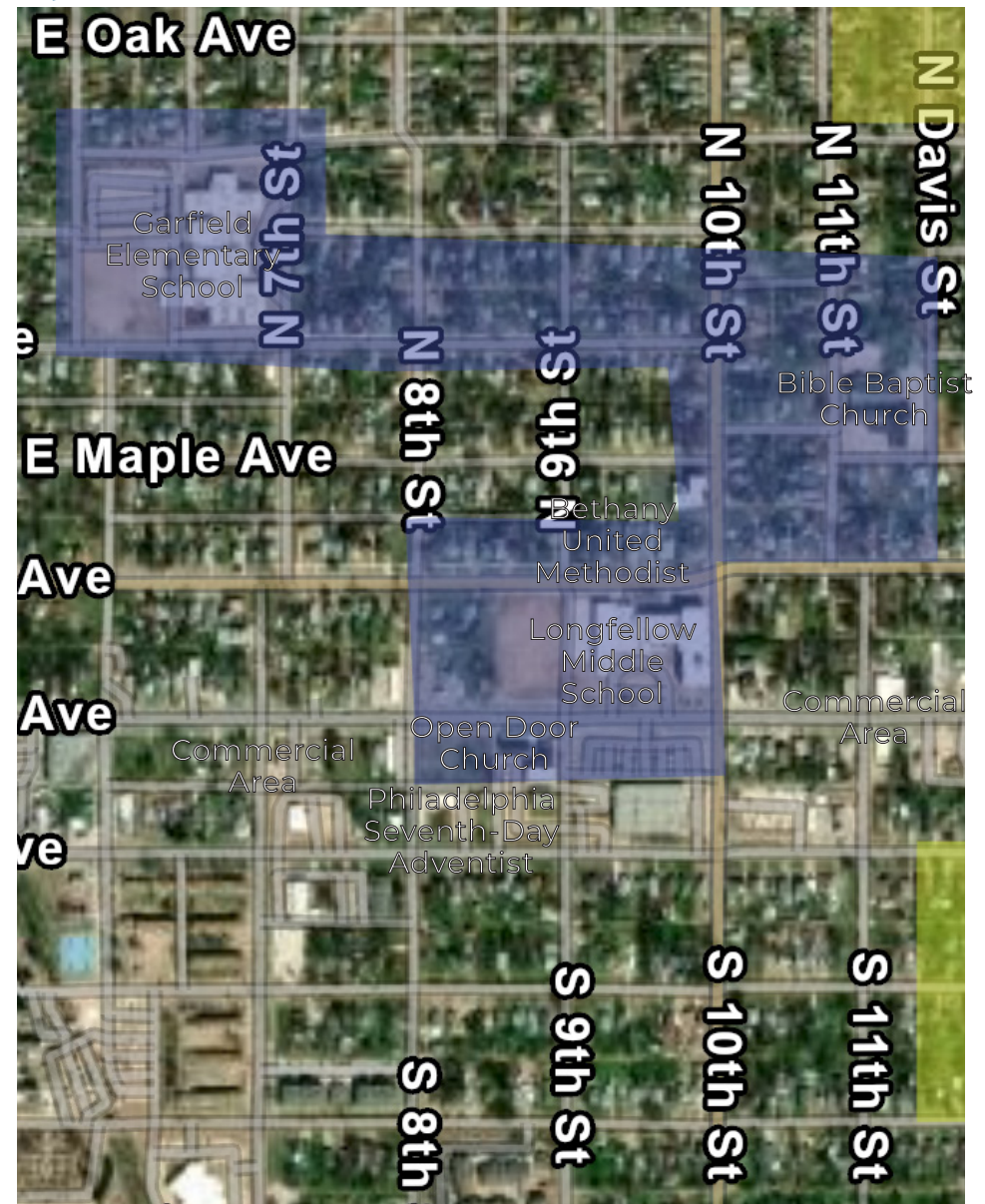
**Reinforce neighborhood destinations.** This neighborhood is home to Garfield Elementary and Longfellow Middle School along with four churches and several businesses surrounding it. In the last several years these destinations have made investments to their buildings. Investment in the surrounding housing should build off of these investments and continue the momentum.

**Upgrade parts of the public environment to reinforce existing businesses, schools, homeowners, and encourage reinvestment in residential prosperities.** Making sure public property, infrastructure, and right-of-way presents itself in a way that encourages private investment at equal or greater measures.

**Assemble vacant properties and minimize blighting influence.** Assembling vacant lots is one of the biggest hurdles for developers and builders. By assembling lots, the city can encourage infill development within the neighborhood at a scale developers need.

**Develop needed infill housing on a small-scale, low-risk basis.** Work with non-profit and for profit developers to share risk and create infill housing that is affordable and unique to Enid.

Map 5.2: Anchor Areas





### Policies:

**Remove slum and blight conditions through clean-ups, rehabilitation, and, if needed, demolition.** This policy should:

1. Preserve what is sometimes referred to as naturally occurring affordable housing or housing that is affordable because it was built at a time when material and labor were less expensive.
2. Limit the amount of materials going to a landfill.
3. Create more energy efficient homes.
4. Preserve historic features.

**Rehabilitation of streets and sidewalks should be prioritized.** This highly used infrastructure creates a safer environment for children walking to school, residents getting to jobs or public transportation, and anyone wanting to walk their dog or get some exercise. As much as possible these improvements should be coordinated with potential investors. This strategy should avoid cutting into or replacing new infrastructure. However, improvements should not be held just to wait for redevelopment.

**Partner on infill project on site with obsolete structures.** To make projects financially feasible the city may need to assist with infrastructure upgrades or replacements.

**Encourage mixed-use for infill/redevelopment sites along Broadway, Main, and Randolph Ave.** Mixed-use developments along the main corridors can add vibrancy to these areas and provide a different kind of housing product. Mixed-use development also adds people or "rooftops" that can help support the commercial spaces.

**Enable increased densities when impacts such as parking and access are addressed.** Density can help add more affordable units and vibrancy to the neighborhood. Ensuring that density's impacts, like parking, are taken care of in a way that respect the existing neighborhood is vital.

**Prohibit and transition any light industrial uses/activities.** This area should be primarily residential with commercial, residential, and civic uses along the main corridors.

**Partner with schools and churches on active neighborhood beautification efforts.** The schools and churches provide focal points within the area and partnering with them to do clean-up events, house painting, and other similar activities can build community and help beautify the neighborhood.





## REINVESTMENT/INFILL AREAS

Reinvestment/infill areas focus on sections with more property issues and vacant lots.

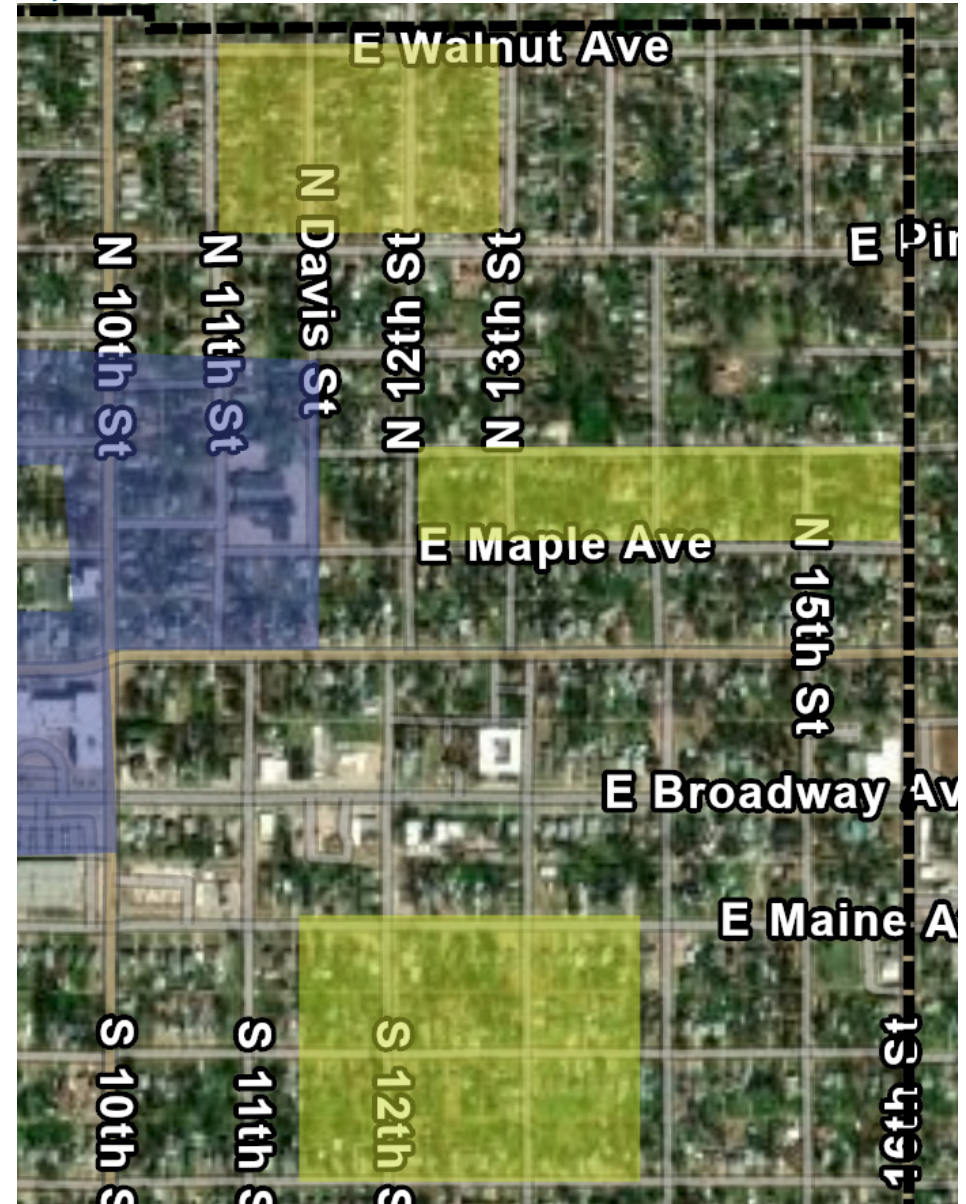
### Objectives:

**Create focused areas for neighborhood reinvestment.** These areas have some of the highest concentrations of property issues and vacant parcels. More focused attention is needed to help rehabilitate homes and stabilize these areas.

**Leverage the potential to assemble lots and dilapidated structures to build the economy of scale necessary for redevelopment.** These areas, especially on the southern portion of the neighborhood, have more vacant lots. Assembling lots under common ownership or control, lowers the risk for a potential developer. Developers are unlikely to have the financial capacity or the time it can take to assemble several lots for a significant development. When a group, like a land bank, can do this the site becomes more feasible for the private market.

**Create a significant neighborhood reinvestment in a visible portion of the neighborhood.** Reinvestment areas will need more attention, funding, and time to rehabilitate some of the houses within these areas. Having an increased level of visibility can help show changes happening and keep people engaged and invigorated in the reinvestment

Map 5.3: Reinvestment/Infill Areas





### Policies:

**Remove dilapidated structures via targeted initiatives.** These reinvestment areas have disproportionately more dilapidated homes that may be beyond rehabilitation. Demolishing dilapidated homes can help preserve the area around it. Special care and attention must be taken to ensure displacement is minimal and safe, affordable housing options are available to those who live in any of these structures.

**Assembly of vacant lots to be packaged into a single site for development.** The City of Enid should look to leverage an Urban Renewal Authority (URA). Assembling lots is one of the biggest hurdles for developers and an URA could help package lots and remove this hurdle or risk.

**Specific standards for projects that leverage "shovel ready" lots.** Access to assembled lots or other incentives must come with some expectations. Standards or requirements might include:

- Designs that match the architecture of the area
- A certain percentage of affordable units or a specific price point
- Units that incorporate universal design standards
- A certain percentage of units that address a specific market need, such as multi-generational housing.

**Invest in streets, sidewalks, and stormwater to support private market reinvestment in the area.**

**Sensitive to any displacement that may occur because of redevelopment.** As stated above, the Garfield-Longfellow Neighborhood has some of the most affordable housing in Enid, and many residents might struggle to find affordable housing in other neighborhoods. Special care and attention must be taken to ensure displacement is minimal and safe, affordable housing options are available to those who might be displaced.





## REHABILITATION AREAS

Rehabilitation Area makes up the rest of the neighborhood. These areas are in better shape and focus on housing stabilization, energy efficiency, and accessibility improvements.

### Objectives:

**Preserve affordability of existing housing.** These areas have naturally occurring affordable housing and ensuring it remains affordable is important.

### Prevent any further housing deterioration.

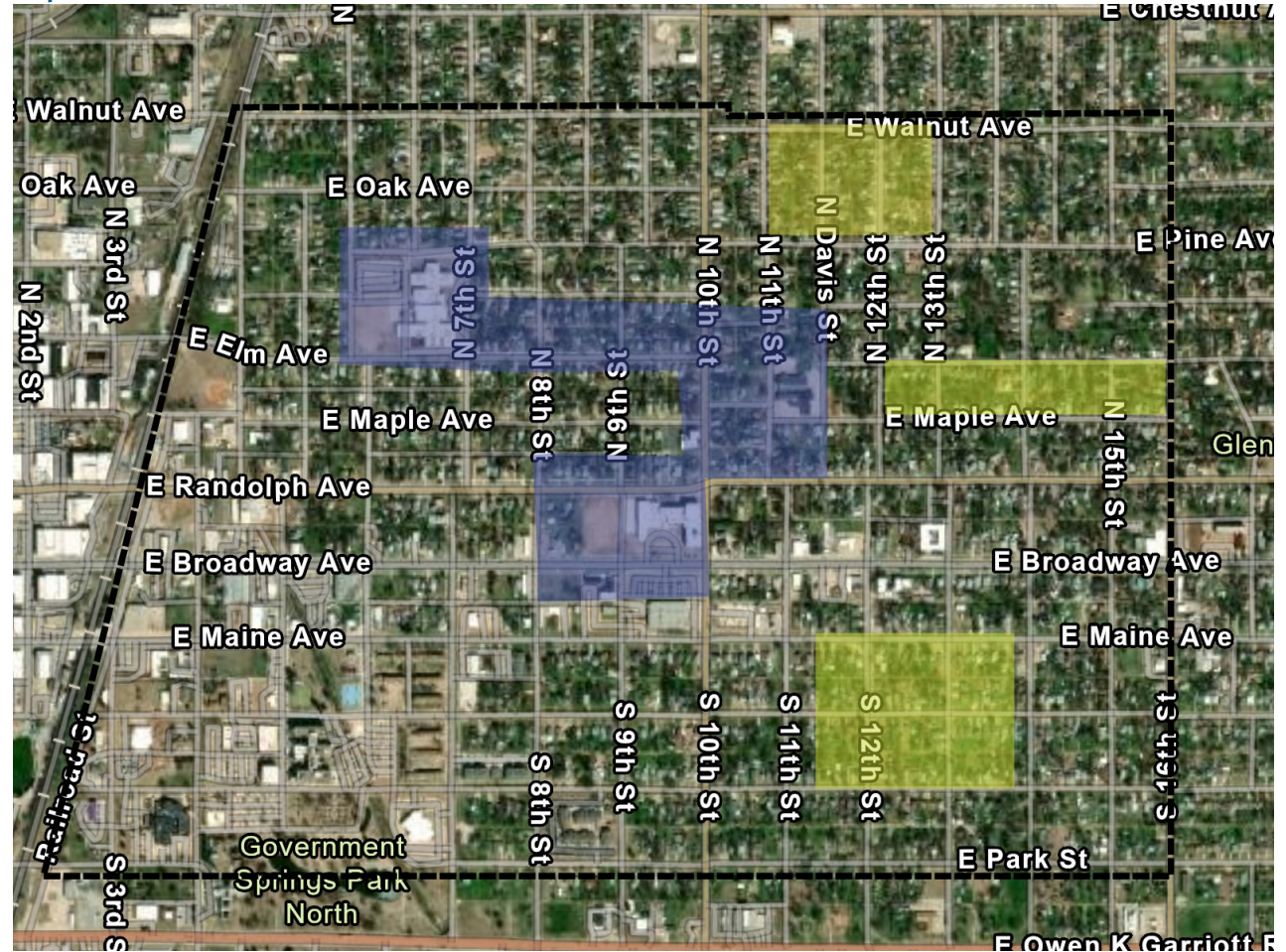
Rehabilitation areas are comparably more stable than other sections of the neighborhood and rehab should occur to keep stability and increase housing quality.

### Expand opportunities for first time home buyers.

Many homes have been purchased by investors and converted into rental properties. The affordability of these homes make great opportunities for first-time home buyers. Rentals are good for any neighborhood but should be encouraged while also creating opportunities for home ownership and equity building.

**Evaluate current program guidelines to prioritize reinvestment over removal.** Older houses are some of the most affordable houses. Rehabilitation should be promoted over demolition in housing program guidelines to help keep existing affordable housing.

Map 5.4: Rehabilitation Areas





### Policies:

**Reinforce public features and amenities to encourage private market action.** The city should lead through example, by investing in public infrastructure and amenities to help raise the quality of life within the neighborhood.

**Target property maintenance initiative on properties with moderate infractions.** To ensure hot spots of blight do not appear in the rehabilitation areas, the city might consider targeted property education followed by enforcement if necessary.

**Engage the neighborhood on initiatives and programs.** Building and maintaining lines of communications between the city and neighborhood resident should ensure residents voices are heard and concerns addressed.

**Adequately fund programs to ensure sufficient and long-term impact.** The Garfield-Longfellow Neighborhood will take time, effort, and sufficient funding of programs to create long-term impact.



## STRATEGIC HOUSING PROGRAMS

A housing market is a complex and ever-changing landscape of countless variables including economic factors guiding production, rehabilitation, and demand. Social factors also influence housing preferences, as does home buyers' willingness to adapt to new products, and the perceptions of the community.

The following section explores housing interventions and partnerships that can be used to generate energy in the market. It is important to note that there is no one perfect solution to address issues and capitalize on strengths, nor is there one entity that can be responsible for all strategies. Therefore, the following tools are included as a menu of options that will need to be combined and altered to meet the unique aspects of different communities.

The following section is built around the key themes that emerged and informed the strategic goals identified in the previous pages.

## WHAT HOUSING STRATEGY CAN AND CANNOT DO

The strategies identified in this study will not overcome all housing challenges but should be seen as a first step in a journey that is regularly re-evaluated. The Enid Regional Development Alliance led the creation of this Study but many others (city, state, developers, nonprofits, philanthropic community, etc.) play a role in implementation. It should also be noted that macroeconomic situations at the state and national level also influence the housing market and are often out of the control of local leaders and advocates.

### What the Housing Strategy CAN do

- Establish a blueprint for new public policy and programs geared toward the housing goals.
- Stimulate conversation on existing programs and level of funding.
- Show builders and developers the high demand for different products, and the price points needed.
- Motivate other partners to get involved in solutions - whether staff assistance, housing development, or direct funding of programs.

### What the Housing Strategy CANNOT do

- Force builders or developers to construct a certain housing product, or housing at all.
- Affect challenges at the national level including interest rates, lending standards, raw material costs, and federal funding sources.
  - › However, it can help organize policy/programs that decrease risk in lending, create gap financing methods, and offset material costs when appropriate.
- Require redevelopment of any specific site or building.

### *Share risk with the private market when appropriate*

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The policies and programs that help achieve this goal should:

- Focus on affordable low and moderate-income housing.
- Support unusual or relatively new to the market project types.
- Lower the risk related to infrastructure and public improvements in ways that help share the cost and address housing shortages.
- Provide gap financing to neighborhoods and infill reinvestment
- Increase the capacity of nonprofit development partners

#### **HOUSING PARTNERSHIPS**

The housing market touches many organizations, both directly and indirectly. Because the housing market impacts each partner, it is in the collective interest that each partner takes on a responsibility in a housing partnership to share some of the risk and pursue the community's housing goals.

Any partnership should begin by seeking to establish a shared purpose between each stakeholder. In other words, each organization should participate in the effort to improve the housing market.

A housing partnership should include the following organizations:

- Enid Regional Development Alliance (ERDA)
- City representatives
- Major employers (private & public)
- Banking community
- Realtors, builders, & developers

#### **City Representatives**

The City of Enid is responsible for promoting the health, safety, and welfare of current and future generations through its policies and investments in community services. Involvement by the City may

vary based on the type of project but could include any of the following as needed:

- Review of land development regulations and guidelines to eliminate barriers to infill and affordable housing development.
- Assist with the acquisition and site preparation of infill redevelopment sites.
- Technical assistance and expedited land development processes for innovative proposals.
- Assistance with subdivision development through infrastructure and technical assistance. It is well-established that cities can support housing development of a certain type through the provision of infrastructure. This support can also be delegated to other partnerships.
  - › Often communities are concerned with “subsidizing” the developer at the cost of current residents, however, risk sharing is about understanding the difference between a subsidy and an incentive. A risk sharing incentive pushes the market in a direction that will ultimately have a return on investment for the entire community through greater property and sales tax returns.
- Code enforcement on property maintenance standards and conditions.



## Major Employers (private & public)

One of the main reasons this study emerged was the growing awareness that the housing market impacts major employers in recruiting and retaining. Each company invests a significant amount of time, energy, and money into training their employees. Therefore, it is in their interest to support all aspects of retention, including housing. While many recruitment and retention elements fall within the company walls, including wages, workplace culture, and opportunities for advancement, many employers have begun to recognize that housing (quality, affordability, and availability) plays a major role in their ability to recruit and retain talent.

Employers can play multiple roles in the housing partnership:

- Direct construction of new ownership or rental units or support other partners to construct new affordable housing products.
- Rent subsidies and down payment assistance for employees residing within the county. Certain employers operate a housing plan, much like a 401(K) plan. The employer provides a matching contribution to be used for a down payment on a home within the community or a specific part of the city.
- Marketing local housing opportunities including rental and ownership options, rehabilitation, or other programs that form in the future.
- Help integrate new employees into the community through driving-tours of the city, welcome-liaisons, and social connections to local organizations such as young professional organizations.

## Employer Assisted Housing

**Saint Louis University** has provided a housing benefit to its employees through an Employer Assisted Housing Program (EAHP). The EAHP provides three benefits for the University employees:

- Housing information and education on home ownership
- When available, preferred rates and reduced closing costs on mortgage and refinancing costs through partnering institutions
- When available, forgivable loans for eligible employees, applicable towards the purchase of a new home located in the designated neighborhoods near campus

This program applies to all current, full-time faculty and staff members. Properties eligible for the forgivable loan program must be located with specific revitalization areas. In the SLU program the percentage of the loan that is forgiven increases with the number of years of employment after origination of the loan, up to 100% of the loan after five years of employment.

**Streck Inc.** is a biotech company in La Vista, Nebraska announced in October 2021 that they would be building an 84 unit apartment building adjacent to their Sarpy County facility. The units will be rented to their employees at a discount with any unfilled units available to other workers in the area.



**STRECK INC.:** Units under construction in the Spring of 2022

### Economic Development Officials

Enid Regional Development Alliance (ERDA) seeks to create a positive business environment in Enid and advance the community's quality of life. Housing in Enid represents a significant economic factor in the actual construction of housing and the impact of housings on providing a place for employees to live.

The role of ERDA and other economic organizations in a housing partnership may, or already does, include the following:

- Marketing opportunities and shovel ready sites for development and redevelopment.
- Educating the public and partners on the importance of housing to the overall economy and inviting them to expand their role.
- Promoting housing incentive programs to employers and their employees.

### Non-Profit Developer

Often the establishment of a non-profit developer is recommended, however, Enid has this with Community Development Support Association (CDSA). CDSA has many roles in the affordable housing realm but one of the most important is as a developer, working in the areas where the private market cannot be successful.

- It should be noted that CDSA is at capacity and to add services or projects will require additional funding and staffing.

### Banking Community

The banking sector is involved in all aspects of the housing market. While many aspects of their business are tightly regulated, other aspects permit innovation and proactive participation in the housing market. The role of the banking sector in a housing partnership may include:

- Creating a lending consortium to allow the community to share investment risk across multiple lenders.
- In particular, banks can help finance non-traditional projects by pooling their resources to finance new development and reduce the risk for any one financial institution.

### Realtors, Builders, & Developers

The role of real estate agents, builders, and developers in the partnership will be as the contractors, marketers, and when appropriate, as financial partners. In particular, real estate agents play a vital role in a housing partnership that involves informing builders, the city, and ERDA on the preferences of buyers. The secondary role of real estate includes marketing new housing, or rehabilitated homes, to potential residents, and working with employers to match recruits with housing that fits employees' needs.

## COMMUNITY BASED ACTION AND RISK SHARING

Risk sharing is noted throughout the strategies and goals to address housing challenges. However, communities cannot simply wait around for development opportunities and developer interest. Residents and stakeholder within several communities in Iowa are recognizing the need to take action by pooling their own resources and expertise to act as the developer of new lots. Two examples are described below:

- **Fairfield, Iowa.** A group of local stakeholders combined equity stakes to act together as the developer and builder of 27+ townhomes and duplexes in Fairfield. Risk sharing included private equity, City TIF funds, tax abatement, and Iowa Workforce Housing Tax Credits. Units were priced between \$160K-\$220K.
- **Humboldt, Iowa.** Similar to development in Fairfield, local stakeholder pooled equity to finance 32 single-family and duplex units. The City helped share risk through TIF financing and tax abatement. Units are priced between \$230K-\$280K.

These are a couple examples of local action to share risk and start a grassroots, proactive effort to housing development. These projects were assisted in part by 571 Polson Developments, LLC. For more information on these and similar projects in Iowa go to:

<https://571polson.com/>



## REDUCING SITE COST

Reducing the cost to develop a site leads to lower lot costs and subsequently lower costs per housing unit. Examples for developing new subdivisions include.

- **Special assessment.** Special assessments can be used to finance infrastructure. While assessments reduce the initial purchase price of the house, they are repaid through monthly payments and add to the monthly and overall cost of the house. Thus, special assessments are not useful tools to target the lowest income household but rather those that have adequate monthly funds but they do limit the amount of debt a developer must carry. While the developer does not carry the debt for the infrastructure, they do have to pay the special assessment as long as they hold the lots.
  - » The City could waive the special assessments on a certain percentage of lots to support more affordable housing. This tool requires working with the developer on the type and price of these units, likely below \$250,000 to waive the special assessment.
- **Tax Increment Financing (TIF).** TIF allocates the added taxes created by a redevelopment project to retire debt for site preparations, public improvements, infrastructure development.
- **Front-end financing of infrastructure.** For Enid this should be tied to the number of moderate to affordable units. High income housing will normally take care of itself because the high profit margins and lower risk match up with the main driving factors for developers and builders. Moderate to low-income housing has smaller profit margins, so helping share cost of infrastructure and financing can help increase the production of these units. Repayment is from the added property taxes created by new development.
- **Lot assembly.** Lot assembly is often one of the hurdles for infill development. By being able to assemble lots can help increase economy of scale for developers and increase their likelihood of making a profit, and therefore be more willing to take on infill development projects.



## RISK SHARING POLICIES

Establishing a clear set of policy or guidelines on sharing risk will be important. This is especially true for the City, where a standard approach creates clarity for all involved. The following table 5.1 outlines policies and incentives based on price point.

Table 5.1: Policy Approaches			
Price Range	% of Demand	Policy	Incentives
<b>High Market:</b> Over \$350,000 or rents \$1,500	10%	<ul style="list-style-type: none"> <li>• Must be contiguous with existing city services to receive incentives.</li> <li>• May receive incentives if the project avoids displacement within infill or downtown areas</li> </ul>	<ul style="list-style-type: none"> <li>• Special assessments if contiguous and urban density.</li> <li>• May receive front-end infrastructure financing if a small part of a more affordable development or providing a product new to the Enid market.</li> </ul>
<b>Market:</b> \$250K-\$350K or rents between \$1K-\$1,500	23%	<ul style="list-style-type: none"> <li>• Must be contiguous with existing city services.</li> <li>• Eligible for incentives within infill and downtown areas</li> </ul>	<ul style="list-style-type: none"> <li>• Special assessments.</li> <li>• Front-end financing of infrastructure when producing new to market or filling housing gap.</li> <li>• Lot assembling and site prep assistance in infill and downtown locations.</li> <li>• Gap financing for redevelopment areas.</li> </ul>
<b>Moderate-cost:</b> \$200K-\$250K or rents \$500-\$1K	21%	<ul style="list-style-type: none"> <li>• Must be contiguous with existing city services.</li> <li>• Eligible for incentives within infill and downtown areas.</li> </ul>	<ul style="list-style-type: none"> <li>• Front-end financing of infrastructure tied to the number of moderate to affordable units.</li> <li>• Lot assembling and site prep assistance in infill and downtown locations.</li> <li>• TIT</li> <li>• Gap financing for redevelopment areas.</li> </ul>
<b>Affordable</b>	45%	<ul style="list-style-type: none"> <li>• Eligible for all city incentives if located close to jobs and / or transit services.</li> <li>• Must be contiguous with existing city services.</li> </ul>	<ul style="list-style-type: none"> <li>• Front-End financing of infrastructure tied to the number of moderate to affordable units.</li> <li>• Lot assembling and site prep assistance in infill and downtown locations.</li> <li>• -TIF</li> <li>• Gap financing for redevelopment areas.</li> </ul>



## *Increase housing production and variety*

The policies and programs that help achieve this goal should:

- Lower the risk of developing under-built housing products that fill local needs.
- Increase the number of accessible units
- Ensure zoning regulations are not barriers

### **POLICY**

Whether coming from the City or the housing partnership funding for housing should prioritize projects that:

- Add variety to the housing market, especially focused on low-maintenance ownership options or missing middle housing
  - › Missing middle is a range of house-scale buildings with multiple units—compatible in scale and form with detached single-family homes—located in a walkable neighborhood. ([missingmiddlehousing.com](http://missingmiddlehousing.com))
- Provides a price point that is affordable to households making less than 120% of the area median income (AMI)
- Preserve existing housing

### **FUNDING HOUSING PRODUCTION**

Across all strategies, Enid must continually explore creative approaches to financing projects and initiatives. To avoid strains on public or organizations' budgets, devoted funding pools are often the most secure and flexible to finance housing development projects. A lending pool is an ideal instrument to:

- Provide a source of seed capital, unconstrained by program regulations, for a developer or development corporation to use for developing needed housing types.
- Finance the additional capital necessary to “fill the gap” between the cost of housing and appraisal. Gap financing should be used when the cost of construction is more than the finished value of the home or when developers are tasked with building more affordable housing options or housing untested in the local market.
- Provide short-term financing or “patient financing” for builders and contractors in the community, and to provide interim financing for projects developed by local housing partnerships or the city.
- Offer down payment assistance for new homeowners. A major hurdle for many young or lower-income households looking to buy



### **MODULAR CONSTRUCTION**

There are several new and older techniques that are being refined in the building trades. Modular construction is one of those techniques that has been refined over the years. Modular construction is a process in which a building is constructed off-site, under controlled plant conditions, using the same materials and designing to the same codes and standards as conventionally built structure. Often this approach to building can take half the time. Building components, from individual apartment units to bathrooms for a multi-unit structure, are then put together on site. This type of construction can add affordability if the manufacturing facility is close in order to control shipping costs. Expansion and attraction of these types of businesses to Enid can be one way to expand production options.

### Permanent Affordability

Shared equity housing is a way to provide permanent affordability to housing units. There are several models:

- **Community Land Trust (CLT).** In this model the CLT retains ownership of the land, homeowners purchase the improvement, and there is a 99-year ground lease.
- **Limited Equity Cooperative.** The co-op owns the buildings and the land underneath, tenant-shareholders own a share of the corporation and receive a long-term “proprietary lease” to their units, and is democratically governed by tenant-shareholders.
- **Classic Deed Restriction.** Homeowner holds title to both the land and the home, deed includes restrictive covenants 30-99 years, and tend to be embedded within a larger organization or government.

### Lawrence Community Housing Trust - Lawrence, KS

The Lawrence Community Housing Trust (LCHT) in Lawrence, KS offers a stock of affordable renovated or newly constructed homes at subsidized sale prices to buyers with low to moderate incomes. The homes are built or renovated by Tenants to Homeowners, a local non-profit housing developer. The buyers agree that at resale they will sell to another income-eligible buyer at a formula price that provides affordability but allows the seller to gain some equity. This provides a permanent affordable unit.

includes saving enough money to make a down payment, even though these households may not meet federal criteria to be considered low income. Assistance in the form of grants or forgivable loans helps these households get into housing ownership and begin to build equity in the market. Local lenders will offer a deeper understanding of this issue when forming the consortium. They may view this as a lower priority as other programs exist at the state and federal levels.

- Funding to non-profits for the preservation of existing housing and the maintenance of affordability that these units naturally have.

There are several approaches that can be taken to creating a housing development fund.

- **Housing Development Fund** pools together local funding, similar to an economic development fund, in order to share risk.
- **Lending Consortium** is a cooperative venture among lending institutions active in the market to spread individual risk.
- **Housing Trust Fund** can be generated in several ways, including dedication of a specific share of local option sales taxes, fees, local revenue bond issues, or grants and charitable contributions.

## REGULATIONS

Nationally, there is a growing discussion regarding the negative impact ordinances have on the development of affordable housing. As shown in this study, there are numerous factors affecting the ability to produce affordable housing exclusive of codes. However, cities need to make sure that once these hurdles are overcome, the zoning code does not prohibit or add time to the development of affordable housing.

### Permitted Residential Uses

Communities should broaden residential permitted uses by-right under certain contexts and design standards.

- Focus on relationships to downtown, major streets, schools, and parks. Many communities now recognize that single-family, small lot development, multi-plexes, and even apartments can fit well in most areas of a city, are lower cost, and align with younger and older households preferences. Higher density in traditional residential zoning districts may be prioritized near high use areas and public spaces.
- Administrative site plan approval when housing meets city's comprehensive plan goals and targeted housing needs. If the comprehensive plan is regularly updated with community input then there should be little need to push projects through an extended development review process. Site plans that meet the intent of the comprehensive plan should not require a public hearing by city council. Of course, some site plans should still require city council approval such as those with:

## Opportunity Housing Ordinance

### Bloomington, MN

In February 2019 the City of Bloomington passed the Opportunity Housing Ordinance requiring all new housing and substantial housing rehabilitation projects with 20 or more newly created units to offer at least 9% of units at affordable rates of 60% AMI or less. The ordinance took several years to develop and included developers, affordable housing experts, and other stakeholders in the process.

To offset costs, developers can use incentives and financing options like housing tax increment financing, land write-down, and project based housing vouchers. Incentives include:

- Density bonuses
- Floor Area Ratio Bonuses
- Height Bonuses
- Parking Reductions and Enclosed Parking Allowance
- Minimum Unit Size Reduction
- Alternative Exterior Materials Allowance
- Storage Space Reductions
- Landscape Fee In-Lieu Reduction
- Development Fee Reimbursement and/or Deferment
- Expedited Plan Review

The amount of incentives available to the project is directly correlated to the number of affordable units or the amount of affordability. Developers have the option of contributing land or money to the affordable-housing trust fund at a rate of \$9.60 per square foot of market-rate housing they build.

Enid's market is different from Bloomington, a more suburban community. For this reason direct application of this type of program may not have the same results. However, development of an affordable housing fund that is supported by developments designed for households making over 120% AMI could create a pool of funding for affordable housing and encourage development of more affordable housing.

[www.bloomingtonmn.gov/oh/opportunity-housing-creation-and-preservation](http://www.bloomingtonmn.gov/oh/opportunity-housing-creation-and-preservation)

- › A rezoning application
- › Potential significant traffic or parking areas
- › Deviation from the comprehensive plan
- Focus on design, not density. Evaluate lot size and setback reductions to ensure that the market can respond to both the need and desire for smaller lot sizes. Reducing minimum lot size requirements does not mean all developments will occur at the minimum. However, it gives developers an option to create more diverse neighborhoods. Generally, 6,000 square-foot lots are more than enough to accommodate single-family homes with adequate spacing, yards, and neighborhood character. Ideally, parking and garages are on a rear alley.
- Balance expanding housing options with neighborhood character. Many pre-1940 neighborhoods were developed with a variety of housing types. The neighborhoods often had 4-plexes on corners, duplexes in the heart of a block, and accessory dwelling units scattered throughout a neighborhood. This mix of housing gave neighborhoods variety and character. The desire to add these options and use infrastructure more efficiently has many looking to add density to existing neighborhoods. For current residents, this raises many questions and concerns about what infill and redevelopment would mean to their neighborhood.
- › It is important to complement the character of the existing neighborhood and provide appropriate transitions where needed. Principles that should be considered include:
  - » Transitions. Provide a transition between higher intensity uses and lower intensity uses to address compatibility issues.
  - » Scale. The size and height of new buildings are in keeping with surrounding buildings or the context of the neighborhood.
  - » Context. The design fits the housing styles around a site even if the type of units are different. Other context variables on a site may include views that enhance the site or stormwater facilities that add open space amenities.

### MISSING MIDDLE FOR CHATTANOOGA, TN

With help from the Incremental Development Alliance, Chattanooga leaders and stakeholders undertook an intensive developer workshop to identify solutions for missing middle housing types. The process resulted in a development packet that lays the framework for a developer to pursue these projects including:

- Picking a building type based on the developer's financing options and site circumstances
- Guides and site plans for good urban design amid traditional single-family neighborhoods.
- Technical considerations for packaging development applications.
- Bank packages for different building types to show how to bring the project to life by proving profits for lenders.

Learn more at Chattanooga Neighborhood Enterprise or Incremental Development Alliance



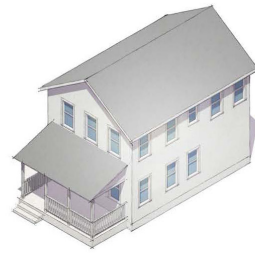
## Prepackage Site Plans & Development Agreements

With prepackaged site plans communities show what will get approved and trigger interest by potential investors. Development agreements can also be leveraged to produce greater variety.

- **Site Plans.** The development approval process can be further streamlined by having prepackaged site plans available. Builders will often continue to build what they know - single-family homes or large apartments - because of historical consistency in profits and evidence of past local approvals. By creating a package of example site plans and products that will get approved, a level of risk is taken off the builder. The city or ERDA could go as far as to release a request for proposals (RFP) to develop assembled sites under specific criteria and standards. Both methods are straightforward ways to eliminate approval risks.
- **Pre-purchase Sites.** For infill development projects, assembling a site can remove a significant time and cost barrier to a builder. Most builders do not have the capacity to work with multiple land owners, negotiate purchases, and prepare sites. Removing this hurdle makes infill development more cost effective and gives the city or economic development group the opportunity to establish what they would like to see on a site. The same can be said for a new development areas. In this case it would be no different than the creation of an industrial or commercial park as an incentive to attract a business to a community.

### The Narrow House I

The 2-bedroom Narrow House provides an efficient, yet comfortable detached, fee-simple option that allows development of the city's most skinny infill lots. The massing and elevation options reflect a simple vernacular character present throughout South Bend's neighborhoods.



#### ZONING DISTRICTS ALLOWED

SI SE U1 U2 U3 MF NC DT



Option A



Option B



Option C



Ground Floor



Second Floor

Building Type Overview	
Building Dimensions	
Building Height	2 story
Building Width	20'
Building Depth (incl. porch)	36'
Program	
Unit Configuration	2 bed / 1.5 bath
Unit Size (finished gross)	1,120 sq. ft.
Basement (unfinished)	560 sq. ft.
Porch (unconditioned)	136 sq. ft.
1st Floor	560 sq. ft.
2nd Floor	560 sq. ft.
Lot Standards	
Lot Width (min.)	30'
Lot Width (max.)	60'
Cost Assumptions	
Preliminary Construction	\$200,000 -
Estimates *	\$250,000
Financing Options	30-yr mortgage

\*Numbers shown are for basic estimation purposes only. Pricing is based on Fall 2021 cost assumptions and are subject to future market variation.

## PRE-APPROVED HOUSING - SOUTH BEND, IN

Facing a shortage of affordable housing and hundreds of potential infill lots, the City of South Bend, Indiana developed a set of pre-approved, ready to build housing plans. The plans are small to middle scale housing developments or what the city has described as a "Sears Catalog" of housing options that are contextually appropriate to South Bend's neighborhoods and fit with local building materials and techniques. The plans can be used in any zoning district that allows the selected building type per the current zoning ordinance.

- **Development agreements.** A development agreement should be used any time the city uses a tool like TIF or assistance with infrastructure. Under this agreement the city can set the mix of housing products and in some cases even the maximum price points for those homes.

### *Preserve existing housing and strategically reinvest in neighborhoods*

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The policies and programs that help achieve this goal should:

- **Improve overall housing quality, especially for the city's most vulnerable populations**
- **Encourage and fund housing rehabilitation over demolition**
- **Facilitate reinvestment in older neighborhoods**

#### **REHABILITATION PROGRAMS**

The best source of affordable housing is the existing housing stock. Land and material costs make it challenging, and sometimes impossible, to produce housing priced below \$225,000 or rents below \$1,000 without some assistance. Therefore, maintaining Enid's existing housing stock will be essential in meeting the demand for more affordable housing.

#### **Rehab Programs - Owner**

Maintaining housing and improving units that are in disrepair should stabilize neighborhoods and encourage private investment. Sustainable funding will be essential for these programs to make a longterm impact.

- **Direct rehabilitation loan program.** This program would make direct forgivable loans and grants to homeowners, traditionally from Community Development Block Grant (CDBG) funds. The program is most appropriate to homeowners with low incomes who are not otherwise eligible for bank loans. These efforts should generally be focused in strategic areas where loans support other area investments, such as a substantial infill development.
- **A leveraged rehabilitation loan program.** This approach leverages private loan funds (often through the FHA Title I Home Improvement Loan program) by combining private loans with CDBG or other public funds to produce a below-market interest rate for homeowners. The program works most effectively in moderate income neighborhoods with minor rehabilitation and home improvement needs. The program is effective in expanding the number of improvements completed by a fixed amount of public funding. Loans in a leveraged loan program can be originated through individual lenders or the proposed housing development fund.
- **Energy efficiency loans.** Funding may be leveraged through the region's utility providers to offer loans that improve older homes' energy efficiency. These low-interest or no-interest loans can replace windows, heating and

cooling systems, or any other upgrades that enhance the energy efficiency of the home.

- **An emergency repair program.** For very low-income residents, an emergency repair program should be established. This type of program is usually funded through Community Development Block Grant (CDBG) funds in grants or forgivable loans. However, leveraging local funds would provide greater flexibility and would likely require less staff time to manage. Emergency repair programs are designed to meet critical individual needs and keep viable housing from deteriorating further. Thus, when funds are limited, assistance should be focused on fundamentally sound structures.

Most federal and state funding sources will not allow funds to be used on manufactured homes (mobile homes), but if using local funds, a community can decide how to approach manufactured homes. Emergency repair dollars should not be used on manufactured homes that are not HUD certified. If a unit is certified the soundness of the unit should be evaluated. For those units not in sound quality emergency rehousing programs may need to be used.

### **First-Time Homebuyer Rehab Program**

Traditionally housing rehabilitation programs target low to moderate-income (LMI) neighborhoods and households that make less

than 50% AMI. These programs are great for those households already owning units, but today many households in this range cannot find housing to purchase or qualify for conventional lending. A program should be established, likely funded by the housing development fund, to provide additional flexibility. Two approaches could potentially be taken:

- Expansion to households making between 50% and 80% AMI. These households traditionally qualify for assistance under existing purchase-rehab-resale programs administered by CDSA but demand does exist with households, especially low-income seniors, who are already in a home.
- Expansion to include first-time home-buyers earning between 80-100% AMI. These households may be able to assemble the down payment and qualify for lending but would not qualify for the additional funding needed to make improvements to an older unit. A low-interest loan or deferred loan, paid out at the time of sale, would create an incentive for more modest income households to purchase and rehabilitate older housing units. Many of these households are currently living in rental units that would be affordable to households making less than 80% AMI. Thus by transitioning them into different housing units, an affordable rental unit is once again available. Requirements can also be put in place regarding residency and penalties for sales that occur with five years to discourage the use of the program by investors.

## **Phase 2 Program**

Sioux City, IA

The Sioux City Phase 2 program is designed to preserve and improve properties currently tagged as uninhabitable. The program does so by providing funds to new owners to bring the property into compliance with applicable building codes and standards. Applicants are required to be a new owner of the property or developer who intends to repair and sell the home.

Currently the program provides up to \$40,000 per home, as a forgivable loan over ten years. Owners must address the building code deficiencies first, then can use the remainder of the funds for additional exterior and interior improvements.

A primary reason for the program adoption was to repair rather than demolish units. Funding for Phase 2 comes from City general funds, money that was previously budgeted for annual demolition of tagged homes not brought into compliance.

[www.sioux-city.org/home/showdocument?id=3644](http://www.sioux-city.org/home/showdocument?id=3644)

### Rehab Programs - Renter

With Enid's low rental vacancy rate and continued demand for quality units, there can be limited incentive for rental property owners to make improvements. Rental rehab program should be established with funding either through federal or state dollars, the city, or the housing development fund. Learning from other programs and feedback from stakeholders the program should consider certain policies:

- All or a majority of the units rehabilitated must be affordable to households making less than 80% AMI for either five years or the loan period plus some additional time.
- Properties should be available for inspection by either the city or a third party. Any property that receives funding must be maintained to basic standards.
- Affordability should be connected to the unit. Under many programs if a household finds a better job or receives a raise they will no longer qualify to live in the unit. Finding quality affordable units for households making between 80-100% AMI is also challenging. In the last two years rental inflation has far outpaced increases in income. Allowing a household to improve their financial footing without immediately losing their housing should be encouraged. Additionally, the paper work of checking each residents income on an annual basis can discourage some property owners from participating in the program. Only requiring income verification at the time of the rental application can remove some of these hurdles. This type of approach is usually

not allowed with the use of federal dollars and therefore would require local funding.

### Purchase-Rehab-Resale Programs

Currently, CDSA administers a purchase-rehab-resale program. Under this program, houses are acquired and sold in a rehabilitated or "turnkey" state to owner-occupants. The model recognizes the limited number of prospective buyers who want to carry out a major home rehabilitation project. The program works best when candidate houses can be purchased at relatively low-cost, usually due to their quality. In some neighborhoods in Enid, the competition with investors looking to purchase homes and convert them to rentals can drive-up prices limiting the effectiveness of the program. These types of programs often depend on federal dollars which limit the use of the funds to specific income ranges or non-rental units. By leveraging more local dollars, the program could be expanded with the focus on transitioning income-stable households out of affordable rental units and preserving the city's stock of existing affordable ownership housing. This could potentially be merged with the first-time homebuyer rehab program and administered by CDSA.

### Code Enforcement

Code enforcement, specifically the expansion of code enforcement, especially with regards to rental properties, was noted by a number of stakeholders. Like most cities, Enid's code enforcement is complaint based. In other words, when a complaint is submitted to the city, it is investigated and enforced. Expanding that mission to include proactive enforcement and engagement of property owners, identification of problems, and development of resources to help owners solve those problems could help preserve and improve more existing affordable housing. This will likely require additional funding for added staff and training.

Landlords have a critical interest in keeping their properties well-maintained. Developing additional resources for property improvements in exchange for rent ceilings for a period of time would help preserve and improve low-income housing. A rental inspection program could be established through a landlord association. The association would establish a set of criteria that could even include issues the city and Department of Health find difficult to monitor/enforce like mold. On a regular basis (annually or bi-annually), units would be inspected. When the units pass they would receive some type of "seal of approval." This recognition could then be used by different organizations or agencies when they receive inquiries about rental housing. It should be noted that this type of program is likely not to have as far reaching effect on housing quality and there is no repercussion for not getting the seal.









# APPENDIX