

HOUSING COMPONENT

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HOUSING COMPONENT

INTRODUCTION:

Housing is recognized as a basic human necessity. Additionally, housing, in its varied forms, is a dominant pattern of land use and physical feature which influences the appearance and character of the City of Elko.

A key purpose of the Housing Element is to review and inventory characteristics and conditions that contribute to the City's residential quality of life as well as the historical trends that have led to the present status and condition of housing in the community. Collection and analysis of data have been used to identify and evaluate Elko's housing issues in a number of areas. These areas include an analysis of the demographic conditions of the community; housing profile and supply for all income groups; an overview of housing conditions in the community; current and future needs for the provision of affordable housing for a variety of groups, including the elderly, the disabled, low income and single parent families.

The Housing Component is also intended to be fully integrated with other critical components of the City's Master Plan such as land use, transportation, public services and facilities and provide the guidance and policy to aid City officials, housing developers, private groups, public service agencies and residents in the decision making process relative to housing needs and suitability of location within the community. Further, it is a document that evaluates and reports historical trends and existing conditions in Elko's housing market, and based on this data, makes suggestions for alternative policies, programs, and actions targeted for the future which the community can use in the comprehensive planning process for the benefit and welfare of all its citizens.

GOAL:

To provide for diversity of housing types throughout the City in areas suitable for residential development that fulfill the needs of all citizens and income groups.

OBJECTIVES:

- To provide adequate residentially zoned property to accommodate a variety of housing types throughout the community.
- To locate housing that is fully integrated with the land use, transportation and public facilities and other components of the Master Plan.
- To protect the character and integrity of residential neighborhoods from the intrusion of non-residential uses.
- To discourage or limit housing in hazardous areas such as flood plains, areas characterized by unstable soils and areas in close proximity to the airport.

- To encourage programs of affordable housing that address the needs of the elderly and low and moderate income families and individuals.
- To encourage the restoration and rehabilitation of existing older housing stock throughout the community.
- To promote planned residential developments and in-fill residential projects in close proximity to employment centers, shopping and retail facilities and other service areas.
- To encourage provision of an adequate supply of quality rental housing to meet the needs of the community.

DEMOGRAPHIC OVERVIEW

According to the 1990 U.S. Census, the population of the City of Elko was determined to be 14,736. However, according to the Elko County Assessor, there was a large area within the City north of Interstate 80 that was omitted from the census survey. This exclusion, in turn, fostered the belief that population estimates generated by the 1990 census were low.

Other subsequent population forecasts have supported such a contention. The Sierra Pacific Power population survey is based on the total number of residential utility service hook-ups in the City. With 6,096 residential hook-ups and an average of 2.67 persons per household, population for approximately the same time was established to be 16,398, an 11% difference.

Another source is the Nevada State Demographer’s Office, which estimated population in the City of Elko in 1990 to be 14,950, consistent with the U.S. Census. Population updates from the State are provided on an annual basis and are listed as follows:

<p align="center">Table 1 CITY OF ELKO MASTER PLAN Housing Component</p>		
<p align="center">POPULATION ESTIMATES ACCORDING TO THE STATE DEMOGRAPHER’S OFFICE</p>		
<u>YEAR</u>	<u>POPULATION</u>	<u>% INCREASE/DECREASE</u>
1990	14,950	---
1991	15,730	+5.2
1992	16,270	+3.3
1993	16,570	+1.8
1994	17,110	+3.3
1995	18,000	+5.2
1996	18,570	+3.2
1997	19,670	+5.9
1998	18,420	-6.3

Other significant factual information pertaining to demographics includes the following:

- ✓ *According to census data, between 1950 and 1990, Nevada recorded the greatest percentage of growth among the fifty states with a 650.8% increase. Nevada also had the highest growth rate between 1980 and 1990 with a 50.4% increase.*
- ✓ *According to data from the State Demographer's Office between 1980 and 1990, the population of Elko County escalated from 17,269 to 33,770, representing a percentage increase of 95%. Between 1990 and 1996 County population levels increased to 45,360 representing an additional 34% increase within that time frame.*
- ✓ *According to data from the State Demographer's Office, the population of the City of Elko between 1980 and 1990 increased from 8,758 to 14,950, representing a percentage increase of 70%. The City's population, between 1990 and 1996 increased to 18,570, representing a 24% increase within that time frame.*

HOUSING PROFILE

Housing statistics for the City of Elko have been compiled from the following sources; the 1990 U.S. Census, Census Bureau based estimates and projections, the Nevada Department of Taxation and the Nevada State Demographer's Office.

Households

- *According to the 1990 Census, there is a total of 5,816 housing units in the City of Elko.*
- *Of the total number of units, 93.2% or 5,419 dwelling units are occupied.*
- *Of the total number of units, 60.4% or 3,274 dwelling units are owner occupied.*
- *Of the total number of units, 39.6% or 2,145 dwelling units are renter occupied.*
- *The average household size within the City of Elko (2.69 persons per household) is slightly smaller than for Elko County (2.70 persons per household.)*

Table 2
CITY OF ELKO MASTER PLAN
Housing Component

HOUSING STATISTICS
1990 U.S. Census

Total Housing Units	5,816	100.00%
Occupied Housing Units	5,419	93.2%
Vacant Housing Units	398	6.8%
Owner Occupied Housing Units	3,274	60.4%
Renter Occupied Housing Units	2,145	39.6%
Total Persons In Owned Units	9,356	63.5%
Total Persons In Rented Units	5,236	35.5%

Housing Types and Supply

- ✓ *Of the 5,816 existing housing units within the City of Elko, 51% or 2,943 dwelling units are single family.*
- ✓ *22% or 1,303 dwelling units are multiple family.*
- ✓ *27% or 1,570 dwelling units consist of mobile homes.*
- ✓ *A significant share of the detached housing supply consist of mobile homes. However, since 1990 a larger percentage of new single family housing have been site constructed units.*

Table 3
CITY OF ELKO MASTER PLAN
Housing Component

HOUSING UNITS BY TYPE
1990 U.S. Census

	No. of Units	% of Units
Single	2,943	51%
Multiple	1,303	22%
Mobile	1,570	27%

Building Permits

Before 1993, Elko City Building Department did not keep accurate records of the number of single family, multiple family and mobile home units for which building permits were issued. Since 1993, the Department records each permit by unit type, location, number of units and valuation.

- ✓ *According to the 1990 census, the median priced home in Elko was \$69,000.*
- ✓ *However, the average loan in 1995, according to several local lending institutions, was \$102,182.*
- ✓ *In 1996 the average home loan was \$112,166.*

Table 4			
CITY OF ELKO MASTER PLAN			
Housing Component			
BUILDING PERMIT ACTIVITY			
Year	Permits Issued		Total Units
1988	157		290
1989	385		571
1990	130		186
1991	79		82
1992	57		57
Year	Single Family Units	Multi Family Units	Mobile- Home Units
1993	44	19	0
1994	85	8	0
1995	84	28	0
1996	74	3	0
1997	59	4	0
1998	52	0	0

1990 Renter Profile

- ✓ *According to the 1990 U.S. Census, 40% of the total housing units within the City of Elko are renter occupied, representing 35% of the population.*
- ✓ *Owner occupied units average 2.86 persons per households; renter occupied units average 2.44 units per household.*
- ✓ *In 1990, average rental rates were \$481 per month.*
- ✓ *40% of rental households paid between \$300 and \$499 per month.*
- ✓ *40% of rental households paid between \$500 and \$750 per month.*
- ✓ *Less than 16% of the rental households paid less than \$300 per month.*

These statistics are unavailable for more recent years. Building permit analysis shows a market trend toward single family units, suggesting a shift to more conventional types of housing including manufactured or factory built housing.

A more recent estimate of rental rates from 1997 is provided on Table 5.

Table 5			
CITY OF ELKO MASTER PLAN			
Housing Component			
ESTIMATED BASE RENTS			
<u>Complex Name</u>	<u>1-Bedroom</u>	<u>2-Bedroom</u>	<u>3-Bedroom</u>
*Aspen Heights	\$370	N/A	N/A
*Cedar	N/A	\$445	\$480
*Cimarron North	\$370	N/A	N/A
College Park Apts	\$375	N/A	N/A
*Diana Arms II	\$455	\$490	\$520
*Green Acres	\$555	\$640	N/A
Monte Carlo	\$495	\$600	\$720
Parkway	N/A	\$580	\$665
*Pinion Apts	N/A	\$500	\$525
Riverview	\$550	\$650	N/A
*Sage West 1 & 2	\$335	\$365	N/A
*Sunrise	\$360	\$400	N/A
Town Park 1 & 2	N/A	\$548	\$585
The Willows	N/A	\$570	\$670
*Woodlands	\$385	N/A	N/A
* Designates that government funding has been used and these properties have units that are affordable to low income and very low income households.			

Housing Conditions

The following housing survey matrix addresses the general physical appearance and structural integrity of the existing housing stock and helps to categorize the range of housing conditions throughout the community.

SOUND

Residential units appear well maintained and structurally sound. Siding, gutters, trim, windows, doors, and yard in good repair with good exterior paint condition. The foundation and exterior portion of the building appear structurally sound with straight, solid roof lines. Minor problems such as small areas of peeling paint, and other maintenance items are allowable in this category.

MINOR

Residential units that are structurally sound. Some signs of minor disrepair, deferred maintenance or lack of upkeep.

MODERATE

Residential units structurally sound, but with one or more building component such as roofing, electrical, or building envelope, in need of rehabilitation.

SUBSTANTIAL

Residential units experiencing structural degradation with several major building components such as complete or partial foundation framing, exterior siding, or reconstruction of roof deck prior to replacement of shingles, complete rewiring or replumbing.

DILAPIDATED

Residential units appear to have serious structural problems and require many repairs and major rehabilitation. Cost of repairs and rehabilitation may equal or exceed the value of the residential unit.

Housing conditions vary considerably throughout the community. The Land Use Component of the City's Master Plan recognizes a series of existing and emerging neighborhoods. Housing conditions within these neighborhoods are summarized as follows:

Northwest Neighborhood

The neighborhood is bordered on the south by Interstate 80 and by Mountain City Highway on the east. The area is dominated by recently constructed housing in sound condition. A majority of housing units are single family detached. A small percentage of the housing consists of a larger complex of attached apartment units.

North Central Neighborhood

This neighborhood is bordered on the south by Interstate 80, Mountain City Highway on the west and Ruby View Golf Course on the east. This neighborhood is also characteristic of housing construction and development of a recent vintage in sound condition or in need of minor repair. A majority of the housing units are single family detached; however, there is a greater diversity of housing variety in this area which includes a significant portion of manufactured units.

Northeast Neighborhood

This neighborhood is bordered on the south by Interstate 80 and Ruby View Golf Course on the west. Housing types in this area are predominantly single family detached. Some attached housing consisting of apartments, townhouses and condominium type units also exists. All of the housing in this area is in sound condition.

Central Neighborhood

This neighborhood is bordered by Interstate 80 on the north and Idaho Street and Silver Street on the south. This area is representative of the most diverse as well as some of the oldest housing stock within the community. Housing conditions for the most part fall within the category of sound or in need of minor repair. A small percentage of units are in need of moderate rehabilitation.

Southwest Neighborhood

This neighborhood is bordered by Silver Street and the Humboldt River on the north and South 5th Street/Lamoille Highway on the east. Existing housing stock is mixed and the condition of a majority of housing varies from sound to moderate. This area includes a significant segment of mobile home and manufactured home housing. Pockets of existing housing fall into the substantial need category with some units warranting a dilapidated classification, particularly in areas south of downtown and within remnant industrial districts.

Southeast Neighborhood

This neighborhood is bordered by Silver Street and the Humboldt River on the north and South 5th Street/Lamoille Highway on the west. Housing conditions in this area are similar in age and mix to the southwest areas, particularly within and adjacent to the older, core area of the City. Newer housing, however, in the form of attached and detached housing, does exist within the south portion of this neighborhood. Older areas of development are representative of a cross section of housing conditions including pockets of housing within the substantial need category and select dwelling units within the dilapidated category. Housing units associated with newer areas of development are in sound condition.

AFFORDABLE HOUSING

According to Nevada Revised Statute 278.0105, “Affordable Housing” is defined as “housing affordable for a family with a total gross income less than 110% of the median gross income for the county concerned based upon the estimates of the United State Department of Housing and Urban Development of the most current median gross family income for the county.” Estimates of the most current median gross family income for Elko County are included in the Housing Resource Information addendum.

The issue of affordable housing in Elko is important to the social and economic well being of the community as a whole. When housing needs are ignored or improperly met, people suffer and neighborhoods can be subject to deterioration and social problems such as increased crime and unemployment. If the City desires to accommodate a diverse work force, it will be critical to have a diversity of housing available to attract larger businesses to Elko. Most larger corporations have employees representative of a cross-section of income levels. A new company would want to be assured that a diverse housing market is readily available throughout the community to support its employees.

The degree of support needed to offset any undesirable effects of a deficiency in housing diversity can be determined from comparisons between distributions of income, cost of housing and the amount of affordable housing available.

The Federal and State governments publish income limits and rent limits annually. The limits published January 27, 1999 are attached and referenced as resource information.

Inventory of Affordable Housing

- Table 5 lists housing projects throughout the community that address housing needs for low income and very low income households.
- Table 5 also lists estimated base rents for a number of multiple-family developments throughout the community.
- According to the Elko County Association of Realtors, the average selling price of a single family dwelling within the City of Elko, as determined at the end of the first quarter of 1999, was \$118,000.
- Assuming that housing expenditures should not exceed 30% of a household’s gross annual income; and, in recognition and application of current median income limits as established and defined by State Statute, it can be determined that a significant portion of the housing stock within the City of Elko (in excess of 50%) is affordable.

Land Characteristics

Physical land characteristics of the City of Elko that affect siting and placement of all types of residential development include flood plains, drainage basins, water table and geothermal features, unstable soil conditions, topography and steep hillside terrain. Cost effective developments, inclusive of affordable housing, should seek locations minimally influenced by such physiographic features.

Affordable Housing Impediments

Key factors which may provide challenges to the development of affordable housing include the following:

- Age and obsolescence of public infrastructure particularly the sewer and water collection and service system.
- Proximity and availability of public services to undeveloped areas.
- Practical applicability of zoning regulations and other site development standards primarily as they may affect older established neighborhoods and areas in transition.
- Topography and other physical features, particularly as they may affect and influence site preparation.

Current Needs/Future Planning for Affordable Housing

- Given current demographic characteristics, income levels, housing profiles and statistics, it can be determined that a significant portion of the affordable housing need in the community, as defined by State Statute, is being addressed and satisfied. However, additional affordable housing needs exist, particularly in the area of housing for low income and very low income households.
- Future need and demand for affordable housing will be contingent upon any major shifts in median income levels and in the housing and demographic profile of the area.
- Future planning to ensure the continued availability of affordable housing should include the following considerations:
 - ▶ Support and encouragement for diversification of business and industry as a means of stabilization and enhancement of household median income levels.
 - ▶ Continued assessment of aging infrastructure, particularly sewer and water, and the ongoing refurbishment of the sewer and water collection and service system when feasible.
 - ▶ Continued assessment of the pertinence and applicability of zoning and other site development standards, particularly for older areas and neighborhoods, areas in transition and the creation of special standards that will promote new development, housing rehabilitation and, in turn, affordable housing.
 - ▶ Support and encouragement for in-fill type development and projects adjacent to existing urban development in order that public services and infrastructure can be provided more efficiently and economically.

POLICIES/ACTION STRATEGIES:

The following items represent basic strategies for implementation of the identified goals and objectives of the Housing Component:

1. The City will ensure an adequate diversity of residentially zoned property to accommodate a mixture and variety of housing types through the community.
2. The City will work cooperatively with the County, the State and other agencies in the assessment of a broad range of housing needs for the community.
3. The City will monitor and keep accurate records of residential building permit activity as a means of tracking housing trends in the community.

Housing Resource Information

INCOME LIMITS BY FAMILY SIZE							
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
Effective 1/27/99							
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person
Median Income	40,500	46,200	52,000	57,800	62,400	67,000	71,700
Moderate Income	32,350	37,000	41,600	46,250	49,950	53,650	57,350
Low Income	24,300	27,720	31,200	34,680	37,440	40,200	43,020
Very Low Income	20,250	23,100	26,000	28,900	31,200	33,500	35,850

When determining whether a family is income eligible the participating jurisdiction must use the following definitions of “annual income”. Participating jurisdiction is recognized as the state or a local municipality; or a housing authority or housing consortium appointed by the state or a local municipality.

- Wages, salaries, tips, commissions, etc.;
- Self-employment income from owned non-farm business including proprietorships and partnerships;
- Farm self-employment income;
- Interest, dividends, net rental income, or income from estates or trusts;
- Social security or railroad retirement;
- Supplemental security income, aid to families with dependent children, or other public assistance or public welfare programs;
- Any other sources of income received regularly, including veterans’ (VA) payments, unemployment compensation, and alimony; or
- Adjusted gross income as defined for purposes of reporting under Internal Revenue Service (IRS) Form 1040 series for individual Federal annual income tax purposes.

The participating jurisdiction must calculate the annual income of the family by projecting the

prevailing rate of income of the family at the time the family is determined to be income eligible. Annual income shall include income from all family members.

A participating jurisdiction may use funds for tenant-based rental assistance only if the participating jurisdiction makes the certification about inclusion of this type of assistance in its consolidated plan and specifies local market conditions that lead to the choice of this option.

The participating jurisdiction must select families in accordance with written tenant selection policies and criteria that are consistent with the following;

- “Low income families” tenant-based rental assistance may only be provided to very-low and low-income families. The participating jurisdiction must determine that the family is very-low or low-income before the assistance is provided. During the period of assistance, the participating jurisdiction must annually determine that the family continues to be low-income.
- “Federal Preferences”. At least 50 percent of the families assisted must qualify. These are families that occupy substandard housing (including families that are homeless or living in a shelter for homeless families); families that are paying more than 50 percent of their annual income for rent; or families that are involuntarily displaced.
- The rental assisted units in a rental housing project must be occupied only by households that are eligible as low-income families and must meet the following requirements to qualify as affordable housing:
 - ✓ A rent that does not exceed 30 percent of the adjusted income of a family whose annual income equals 65 percent of the median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit. The rent limits provided by HUD will include average occupancy per unit and adjusted income assumptions.
 - ✓ In rental projects with five or more rental assisted units, 20 percent of the units must be occupied by very low-income families and meet one of the following requirements:
 - ✓ The rent does not exceed 30 percent of the annual income of a family whose income equals 50 percent of the median income.
 - ✓ The rent does not exceed 30 percent of the family’s adjusted income. If the unit received federal or state project-based rental subsidy and the very low-income family pays as a contribution toward the rent nor more than 30 percent of the family’ adjusted income, then the maximum rent (i.e., tenant contributions plus project-based rental subsidy) is the rent allowable under the federal or state project-based rent subsidy program.

The participating jurisdiction must establish maximum monthly allowances for utilities and services (excluding telephone) and must ensure that the rents do not exceed the maximum rent minus the allowances.