AN ASSESSMENT OF SHERIDAN COUNTY HOUSING NEEDS AND STRATEGIC POLICY ACTION RECOMMENDATIONS

A Report to

CITY AND COUNTY OF SHERIDAN

from

GRUEN GRUEN + ASSOCIATES
Urban Economists, Market Strategists, and Land Use/Policy Analysts

December 2021

C1575

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CHAPTER I

PURPOSE, PRINCIPAL FINDINGS, AND STRATEGIC POLICY ACTION RECOMMENDATIONS

INTRODUCTION AND PURPOSE

This report presents information on both existing and future housing needs and existing and likely future supply of housing in Sheridan County. This report identifies the problems or deficiencies in meeting housing needs and the factors contributing to these problems or deficiencies. This report provides strategic recommendations for alleviating the identified problems.

HOUSING AND ECONOMIC DEVELOPMENT

Economic Effects of an Uncompetitive Housing Market

Sheridan currently has nearly 1,100 job openings.[1] Interviews with employers in the manufacturing, banking, healthcare, and construction sectors suggests potential employees not located in Sheridan have declined employment opportunities in Sheridan because of the difficulty in securing suitable housing. A community or region without adequate affordable housing choices will be at a competitive disadvantage in attracting and retaining beneficial economic development. Attracting and retaining an adequately sized, quality labor force requires a diverse and competitively priced housing stock. The supply and price of housing available affects the ability of firms to attract and retain labor (and how much it costs to employ that labor). When an insufficient amount of affordable housing is available, workers, especially lower-waged workers[2], must share housing to reduce costs or seek housing further away which creates longer commutes and makes workers less productive as well as increases traffic congestion. Fewer workers able to live in a community makes it more difficult for local employers to hire and retain workers. If workers are forced to spend more of their incomes on housing because of a lack of a competitive functioning housing market, they spend less on other goods and services in the local economy. The reduction in demand means fewer retail, restaurant, service, recreation or other providers of goods and services will be supportable in the community.

The resulting smaller base of services and amenities and the higher wage and salary requirements due to an insufficient supply of housing discourage business attraction and expansion because companies dependent upon talented and productive workers to be innovative and competitive consider quality of life and affordable housing factors in making site selection and facility decisions. Just like public infrastructure such as roadways and interchanges and adequate utilities, housing bears on the competitiveness and productivity of private sector business. Businesses evaluate the ability of a community to draw and retain labor necessary to compete in a knowledge-based economy. This is particularly true for firms that export their goods and services beyond the community or region. A local firm that purchased a firm located outside the region has delayed in moving the firm's principal operations to Sheridan because of the limited supply of available housing causing it to be less efficient than it would be if the entities were consolidated in Sheridan.

[1] Wyoming State Labor Dept.; https://www.wyomingatwork.com.

[2] During the week of October 6, 2021, Sheridan County had 1,057 job openings. About one-quarter of the job openings are in the Healthcare Practitioners and Technical occupations.

The process of building new housing, in and of itself, also stimulates local economic activity, providing jobs and incomes along a wide skills spectrum. New housing development activity generates direct employment and income, but it also generates employment and income opportunities indirectly. These indirect effects of housing development activity occur as: (1) builders purchase materials, equipment, and services from other firms in the regional economy; and as (2) workers spend some of their earned income locally - on everything from retail goods and services to healthcare and their own housing. Affordable housing also reduces the propensity and incidence of foreclosure risks and the associated economic, social, and fiscal costs with foreclosures.

Improving Place Competitiveness Through Facilitating an Adequate Supply of Housing

While seeking better ways to use government and non-profit resources to provide subsidized housing for the poor will always be important, seeking ways to encourage housing developers to sometimes build more housing than is immediately absorbed is also necessary. Improve place competitiveness through price lowering downward filtration by facilitating those households which can afford higher priced housing to move from existing units to newer or new units. From the creation of the new units, existing units will be made available to households which cannot afford the cost of new housing.

A perceived shortage of readily developed land for new housing and a limited supply of existing available housing relative to demand gives owners of existing housing stock less competitive pressures or incentives to invest in maintenance and quality improvements of their residences. This condition exists in Sheridan and explains why occupancy rates and prices are so high for even what would otherwise be considered in some cases obsolete housing stock. Only 124 active for-sale home listings at the end of September, and no widely advertised rental units were available in the County. This implies a vacancy rate of less than one percent exists in the County's housing stock. The County does have an increasing inventory of lots for sale but the majority of lots in the City of Sheridan are priced around $100,000 or higher.

APPROACH

We define general housing need broadly as the total number of housing units required by the future population of households with workers and households with no employed members. We estimate effective housing demand; that is, the number of households who can afford to pay for available standard housing. We then compare the estimated total housing need to the estimated effective demand to identify the number of units needed but not being provided under current market and regulatory conditions. While this approach provides unique insight for guiding policy to increase the production of housing, it does not explicitly account for overcrowding or households living in substandard units. Therefore, we also consider this humanitarian element of need in the report by estimating the amount of obsolete or uninhabitable units that require replacement. We also present an analysis and estimate of housing need attributable to "senior" households.



This report presents an analysis of the existing City and County of Sheridan housing stock by price and tenure in comparison to the existing income characteristics of the household base of the City and County of Sheridan and therefore the ability to pay for housing. Estimates are made of the number of households which can afford housing at various prices and the number of housing units at these price points so that the shortfalls between units needed at various prices and units available at those price points are identified. Estimates are also made of the number of "cost-burdened" or income-constrained households spending 30 percent or more of their income on housing.

WORK COMPLETED

To accomplish the study objectives, GG+A completed the following principal tasks:

1. Toured residential developments and neighborhoods and areas within Sheridan County;

2. Conducted interviews with residential Realtors™, residential developers and builders, area employers, executives with financial institutions, and city, county, and economic development, non-profit community foundations, and tourism officials. We directed these interviews toward gaining information and insights about: (a) the likely growth in employment in Sheridan County; (b) relevant geographic market areas for housing; (c) past and present patterns of housing investment and economic change; (d) housing development costs and financing parameters; (d) the demographic make-up, geographic origins, and motivations of buyers and renters; (e) building permit trends, vacancy rate trends, sales volume trends, time on the market patterns, occupancy and absorption rate trends for rental units, sales price and rent trends; and (f) factors and policies that discourage or encourage the development of market-rate and affordable housing within Sheridan County communities. We also directed interviews with builders to obtaining information on the real estate economics of new housing development;

3. Reviewed the comprehensive plans for the City and County of Sheridan County and other background materials, including prior housing related studies which are summarized and commented on in Appendix A;

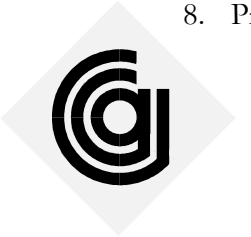
4. Analyzed historical household and population change, the economic base, labor force trends, and household characteristics of Sheridan County;

5. Identified the number of cost-burdened households and identified the existing shortfall or "gap" in the amount of affordable housing;

6. Drawing on a synthesis of the Wyoming Department of Workforce Services "Occupational Projections 2018 to 2028", analysis of the changing economic base, and our interviews, estimated employment growth for Sheridan County in order to estimate the labor force increases upon which the need for additional housing is based;

7. Projected new households in Sheridan based upon forecast employment growth and migration;

8. Projected the growth in housing demand attributable to "Senior Households";



9. Estimated replacement demand[3] for new housing based upon estimated annual loss of housing stock;

10. Distributed forecast new households into income groups to estimate housing demand by price range;

11. Analyzed Sheridan County's existing housing inventory including characteristics related to age, tenure, and vacancy of existing housing stock and sales and price trends;

12. Identified potential new supply of housing in Sheridan County, including projects under construction or planned and potential supply of land available to meet forecast housing needs;

13. Compared forecast housing needs to the estimated present supply of housing to identify deficiencies in supply relative to needs by price range or affordability level; and

14. Synthesized the research and analysis to reach judgments about existing and future housing needs and policies and actions likely to best encourage the production of housing, positive neighborhood change, and increases in housing quality

We also studied whether, and if so, what types of housing products can currently be profitably developed given the typical costs, prices, and regulations that apply. The policy recommendations also reflect the results of this analysis summarized in a companion report.

REPORT ORGANIZATION

The analysis on which we base the conclusions and recommendations is presented in the following chapters:

- Chapter II presents an analysis of demographic trends and conditions in Sheridan County including population and household characteristics, employment base composition and past trends, workforce and labor force characteristics and wage levels, jobs-housing balance, and current job openings in Sheridan County;

- Chapter III summarizes the County's current housing supply characteristics including number and type of units, age, value, tenure arrangement, and occupancy status. This chapter also presents findings drawn from our interviews with land developers, builders, and real estate brokers, about the residential sales and rental markets, and the potential for future residential development in Sheridan County including available land supply;

- Chapter IV presents an analysis of Sheridan County's housing affordability conditions including the proportion of cost-burdened households. This chapter also presents findings on the gap between existing housing inventory by price point in comparison to the number of existing households able to afford housing at each price point;

[3] Replacement of existing units lost from the existing housing stock. Some removal of units is related to the age and physical condition of the housing stock.

- Chapter V presents an employment forecast upon which an estimate of future workforce household growth is made. A projection of total population and non-workforce household growth including "Senior Households" is also presented; and

- Chapter VI presents the estimate of need for additional housing over the next 10 years by type of housing and income bracket (based on the income distribution of future households), including an estimate of housing replacement need. This chapter also presents a comparison of the housing unit need to available land/lot supply.

STRATEGIC POLICY ACTION RECOMMENDATIONS

(The order of presentation is not necessarily indicative of importance or priority; and generally reflects a sequence from broad housing market strategies to more narrowly or specifically tailored affordable housing market strategies).

ENCOURAGE THE PRODUCTION OF MARKET-RATE HOUSING

When insufficient housing units are available at the higher quality or price ranges, some higher-income households will substitute to housing units at the next quality or cost tier down, contributing to higher prices of housing units in that tier. Those households outbid for housing in that (second) tier will substitute to housing at the next quality or cost tier down, outbidding lower income households which would otherwise have been able to afford housing in that (third) tier, and so on. Similarly, as new housing is built in the higher or highest cost tiers, some higher-income households will vacate homes in the second tier, which will free up housing units in the second tier for households that may have substituted to housing in the third tier, and so on. Accordingly, the construction of new homes serving higher income households alleviate price and rent pressure in lower tiers in the ladder of the housing market. New homes at the top of the market will increase supply for middle-income households more than for moderate- and lower income households, but lower-income households also benefit from the increase in new housing supply. Mast (2019) provides evidence showing how these filtrations or move chains work in practice; his estimates suggest that for every 100 market-rate units built in a city, 45 to 70 vacancies will open in below-median-income neighborhoods.[4]

Facilitate housing affordability by encouraging builders and developers to construct new homes and multi-family housing units. Although the homes created may be sold or rented at market rates, their creation promotes affordability by helping to satisfy the demand of higher-income households, which would otherwise compete for (and bid up the price of) existing units.

CHANGE PLANT INVESTMENT FEE FROM FIXED TO SLIDING SCALE BASED ON SIZE OF HOUSING UNIT

One-time municipal and utility fees should not add a disproportionate amount to the development cost of a new housing unit. Some jurisdictions impose Plant Investment Fees based on lot size or unit

[4] The Effect of New Market-Rate Housing Construction on the Low-Income Housing Market (upjohn.org); Evan Mast W.E. Upjohn Institute for Employment Research, July 2019, pages 1 and 3.

size for new residential connections.[5] All else being equal, this type of fee structure incentivizes smaller units. Instead of imposing the same fees irrespective of the size or value of the housing unit (e.g., fixed rate for a ¾ inch single-family water meter), consider whether a sliding scale could be adopted so that one-time tap fees are lower for smaller and less expensive housing units.

EXPAND PUBLIC INFRASTRUCTURE TO LOCATIONS THAT WILL ALLOW FOR THE CREATION OF NEW NEIGHBORHOODS AND IN-FILL HOUSING DEVELOPMENTS CAPABLE OF SERVING A VARIETY OF FUTURE HOUSING NEEDS

For potential large-scale developments, proactively investigate public finance options to fund one-time public infrastructure costs such as public roadway or water/ sewer improvements. The State of Wyoming "Business Ready Community Grant and Loan Program" is one option that provides incentives for public infrastructure projects typically up to a maximum of $3 million.[6] For smaller-scale residential projects, consider allocating capital improvement budgets or funds toward assistance with public infrastructure requirements of these projects. In either case, the private development entity should demonstrate the need for such funding.

IDENTIFY LOCATIONS AT WHICH TO INCREASE ALLOWABLE DENSITIES PER ACRE AND CHANGE ZONING TO ENCOURAGE RESIDENTIAL/MIXED USES

If more residential development is not facilitated, land and property prices are likely to increase from the continuity of excess demand over supply. This may affect even some of the currently well-maintained housing. A shortage of land and a limited supply of potential new housing will give owners of existing housing stock less competitive pressures or incentives to invest in maintenance and quality improvements of their residences. Housing shortages will also retard economic development and the expansion of services available to residents and visitors to Sheridan.

Review where it would be appropriate to "Upzone" or, in other words, increase the residential densities allowed under the zoning code to permit a greater amount of housing on a given parcel of land as an incentive to those property owners able to assemble a sufficient amount of property to create a new neighborhood or infill development including removal of older, obsolete housing with new units on the same lot. Upzoning to encourage the assembly and aggregation of smaller properties will provide a potential exit opportunity for existing owners to sell their properties for more than they would be able to obtain selling their properties individually or converting their units to rental tenure. This is because of the potential for the properties to be redeveloped or developed at greater densities to serve households seeking new more affordable housing responsive to contemporary tastes.

Rezone some presently commercial or industrial lands in commercial corridors such as Coffeen Avenue to encourage their redevelopment into residential development and/or mixed-use developments.

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[5] The City of Bozeman, for example, charges tap fees based on residential unit size (square feet of living area) and not meter size. Water and sewer tap fees for a 1,200-square-foot townhome unit would be about $3,100. Fees for a 3,000-square-foot home would be almost double or approximately $6,050. https://www.bozeman.net/home/showpublisheddocument/10962/637459712639230000

[6] Cost of Doing Business - Forward Sheridan

SUPPORT EMPLOYER ASSISTED HOUSING PROGRAMS

Support existing employers including those in the manufacturing, educational, and healthcare sectors, adding jobs and new employers to provide employer-assisted housing by giving economic development or zoning incentives for those employers that do provide such assistance to encourage their retention and attraction. Example of employer assistance for housing include forgivable loans for down-payments, rental assistance in the form of forgivable loans, committing to the rental of apartment units or providing financing for housing development.

Opportunities may exist for local relatively larger employers and educational and healthcare institutions to collaborate more closely with financial institutions and builders to reduce the risks and financing costs of new housing development and redevelopment of existing housing units.

ANTICIPATE THE NEED FOR A GREATER AMOUNT AND VARIETY OF "SENIOR HOUSING" SERVICES

Sheridan is likely to be impacted by increasing life expectancies and older age households. While Sheridan is forecast to experience relatively slow household growth, the proportion of older age households (those above 76 years of age) is expected to continue to increase. Nearly all population change within Sheridan County has been due to an increase in the Age 55+ cohort.

Municipalities should anticipate an increase in request for permits to remodel homes to facilitate older households aging in place, condominium-type services for single-family developments, and an increase in multi-family developments with services geared to the needs of older households as well as a continuum of facilities for serving the needs of the older including frail households.

An increase in the diversity and supply of housing choices and services for the wide continuum of older age households will induce some older households to move from the singe-family homes they no longer want or can readily maintain and free up such housing for households with children or prime working age households.

ENCOURAGE SHARED EQUITY HOMEOWNERSHIP PROGRAMS OR COMMUNITY LAND TRUSTS

Shared equity homeownership offers an alternative option to renting and traditional homeownership. Shared equity programs can create long-term, affordable homeownership opportunities by imposing restrictions on the resale of subsidized housing units. Typically, a nonprofit or government entity provides a subsidy to lower the purchase price of a housing unit, making it affordable to a low-income buyer. In return for the subsidy, the buyer agrees to share at least some of any home price appreciation at the time of resale with the entity providing the subsidy, which helps preserve affordability for subsequent homebuyers.

Typically, shared appreciation loans are in the form of second mortgages provided by a public or nonprofit agency, the principal of which buyers pay in full at the time of resale along with a percentage of home value appreciation. These funds are then reinvested to make homeownership affordable to another low-income buyer. Under the "shared retention approach", resale price restrictions ensure that the subsidy remains with the home.



The most widely implemented subsidy retention programs include community land trusts (CLTs)[7], deed-restricted housing programs, and limited equity housing cooperatives. The city of Sheridan is already in process of establishing a land trust. CLTs increase affordability by removing the cost of the land from the sale price of a home — homebuyers purchase the structure but lease the land from the CLT, which retains ownership. Resale price restrictions are built into the ground lease to maintain affordability for future income-eligible buyers. In a deed-restricted housing program, resale restrictions are recorded with the property's deed and generally remain valid for more than 30 years. Residents of limited equity housing cooperatives are shareholders; instead of a housing unit, buyers purchase a share of stock in the cooperative, which entitles them to occupy one housing unit, at a much lower price. Limits on the resale price of the cooperative shares ensure affordability.

REVIEW REGULATORY STANDARDS FOR MANUFACTURED HOUSING

Today's models of manufactured housing can resemble traditional housing and must satisfy national construction and safety standards. Manufactured housing has a cost advantage relative to traditional single-family housing as a source of affordable housing. Modular solutions also exist to construct larger multi-family housing developments.[8]

The interviews suggest it would be worthwhile to revisit regulatory (zoning) standards to remove barriers that may no longer be appropriate and to attempt to harmonize city, town, and county standards to increase the predictability and consistency of regulations that apply to the siting of manufactured housing developments. The city of Sheridan has already begun to review and clarify its codes related to modular housing. Reducing the barriers to manufactured housing serving as a source of affordable housing would help the potential workforce attracted to local job opportunities move to the area more readily given manufactured housing can be created faster and made available at lower cost than custom homes which comprise the bulk of the housing developed in Sheridan County.

[7] See Housing Toolkit - Wyoming Business Council.
[8] See for example: IndieDwell

FACILITATE THE DEVELOPMENT OF FEASIBLE AFFORDABLE HOUSING PROJECTS

While the Sheridan housing market has produced housing affordable to households with incomes above $100,000**,** new market rate housing is unlikely to be built in substantial quantities to serve lower-income households. Policy actions will be required to motivate developers to add housing for lower-income households. Without suitable available housing for lower-income households, economic development and the provision of hospitality and leisure services and other amenities residents and visitors alike enjoy may be hindered.

Public incentives are frequently required to make affordable housing projects financially feasible. Some incentives are in the form of non-monetary contributions such as changes in parking requirements or expedited permit and entitlement process review. Other incentives that can be considered are monetary in nature such as land grants, tax abatements, lower or abated fees (for permits, water connections, and sewer hookups).

Reducing land costs can be an effective way to facilitate the development of affordable housing developments to serve lower-income residents. To the extent the municipalities in Sheridan County have any surplus properties suitable for creation of affordable housing, such properties can be conveyed for development of affordable housing projects under land grants or long-term leases.

Minimum parking standards can make it more financially challenging to build affordable housing by increasing the overall cost of the development and by reducing the amount of housing that can be built on site. To help ensure that parking requirements do not constrain new affordable housing construction, review and if appropriate reduce parking standards for all new development or reduce or waive standards for certain affordable housing (and housing for older adults) on a discretionary basis.

ASSIST HOUSEHOLDS ACCESSING AND STAYING IN HOUSING

Rising rent burdens result from a mismatch between income and rent growth, not just from rising rents. For households in the lowest-income household categories, provide additional tenant-based financial assistance to help households (especially those with children or elderly) access and stay in housing in the face of job losses or health crises.

As one example, since 2006, Home Forward (the public housing agency for the Portland, Oregon, metropolitan area) has administered the Short-Term Rent Assistance program on behalf of Multnomah County, the cities of Portland and Gresham, and Home Forward. These entities contribute annual funding for the program, which was supplemented in 2009 with federal funds from the American Recovery and Reinvestment Act. The program differs from the federal housing choice voucher program in that it is limited in time as rent assistance is made available for up to 24 months for individuals and families facing a housing crisis. Eligibility is limited to households with incomes at or below 50 percent of the area median income, and assistance can be used for emergency hotel vouchers, rent payment and eviction prevention, and housing placement assistance. Assistance provided through the program can also be used to cover security deposits, application fees, move-in costs, and other supportive services.



ADDITIONAL HOUSING RELATED STRATEGIES

Additional housing related strategies to pursue include:

Promote Mobility for Housing Choice Voucher Holders

Promote mobility for Housing Choice Voucher holders within Sheridan County and encourage private landlords to accept vouchers.[9]

Alter Codes or Fees for Residential Renovations

Altering housing rehabilitation codes to focus code requirements for rehabilitation on key safety issues without requiring buildings to be brought fully up to code and reducing one-time fees are other ways to improve the feasibility of housing preservation.

Consider Real Estate Tax Abatements or Loan Funds to Encourage Investment in Housing Maintenance and Rehabilitation

To encourage upward filtration, several policy actions should be considered and adopted, where appropriate. For example, some communities provide a real estate tax abatement for real property improvements made in distressed areas. To encourage significant remodeling and modernization of existing owner-occupant single-family housing units and the redevelopment of obsolete single-family units, provide a residential tax abatement for 10 years. The abatement would apply to the increase in assessed valuation attributable to the improvements made to the property.

In addition, a revolving loan fund utilizing CBDG Funds or other sources identified could be created to provide low-interest rate loans to existing homeowners to encourage rehabilitation of dilapidated housing stock.

DO NOT ADOPT INCLUSIONARY ZONING POLICIES

Under inclusionary zoning, a fraction of the demand for market rate housing from higher income households is intended to generate a supply of housing units affordable to the middle class. The quantity of "below market" affordable housing created by this regulatory mechanism is so short in meeting the demand that the new units must be allocated through lotteries. In New York City, for example, the odds faced by potential beneficiary households to win the lottery is usually below 1/100,000. Requiring developers to produce units priced below market acts as a tax on the production

[9] Most project-based voucher programs are specific to a single jurisdiction, but the Regional Housing Initiative is a partnership that covers Chicago and Cook County as well as three neighboring counties and four cities. The jurisdictions pool project-based vouchers and maintain a centralized, regional waiting list. Vouchers are only attached to units located in "opportunity communities" of the participating jurisdictions, often in the suburbs which allow tenants to find affordable housing near jobs. Since 2016, the initiative has been used to attach project-based vouchers to 546 units in 34 developments to make them affordable to very low-income households (BRicK Partners LLC 2016) according to ELLEN, LUBELL, AND WILLIS, "THROUGH THE ROOF", POLICY FOCUS REPORT | LINCOLN INSTITUTE OF LAND POLICY, 2021, pages 36 and 37. Through the Roof: What Communities Can Do About the High Cost of Rental Housing in America (lincolninst.edu).

of new market produced units, and therefore reduces the creation of supply. Thus, the impact of inclusionary zoning is to make housing more expensive for those who can afford it and scarcer for those who rely on the program to attain housing. Inclusionary zoning is an example of a well-meaning policy involving housing that may push up prices to such an extent that the negative side-effects are more harmful than the problem the policy is intended to correct.

In essence, inclusionary zoning acts as rent control[10] on the below -market-rate units and a tax on new development.[11] Both of these conditions serve to reduce housing supply, leading to higher prices for households (other than the extraordinary few selected to live in below-market-rate units) who do not get to live in a below-market-rate unit. Because new housing and existing housing are substitutes, the inclusionary tax increases prices regionally, not just in projects that include inclusionary units. Inclusionary zoning policy also incentivizes new developments to be at the highest obtainable price points in order for the developments to subsidize the required below-market-rate units. Given that the policy does not increase the supply of housing but does increase the cost of housing for everyone other than the fortunate few which via lotteries or waiting lists obtain new construction at below market prices, it would be much more economically efficient and fair to target resources to low-income households through income assistance or housing vouchers as outlined above.

[10] See Historic and Contemporary Responses to Housing Shortages: The Impact of Rent Control Using San Francisco as a Case Study | Lambda Alpha International (lai.org).

[11] See the pioneering article entitled "The Irony of Inclusionary Zoning," Robert C. Ellickson, Southern California Law Review Vol. 54:1167, 1981 The Irony of Inclusionary Zoning (yale.edu).

PRINCIPAL FINDINGS

Existing Housing Inventory, Patterns of Change, and Market Conditions

- Over a 20-year period, the Sheridan County's total number of housing units has increased by 18 percent, or about 2,300 units from 12,577 in 2000 to 14,884 in 2020.

- Only five percent of the County's housing stock inventory has been built since 2010.

- Residential permit activity has increased steadily since 2014 but remains far below pre-recession levels of the mid 2000's. Nearly 900 units have been permitted in the County between 2016 and 2020. Recent permit trends are persisting in 2021 and expected to continue in 2022.

- The volume of single-family home sales has increased since 2012 when the market hit a low volume of sales activity. Since 2011, annual sales activity has increased by 72 percent with more than 550 sales occurring in 2020. In 2017 and 2018, the volume of sales also exceeded 500 with the highest level of sales of 569 recorded in 2018. More than half of single-family homes which sold in the County in 2020 did so in 30 days or less. This compares to 2011 when only about one-third of single-family homes sales in the County were on the market for 30 days or less.

- The increase in sales activity has been accompanied by an increase in average and median home prices. The average home price in Sheridan County in 2020 was $334,113, increasing by 68 percent since 2011 when the average home price was $198,684. The median home price increased by nearly 60 percent between 2011 and 2020. Sales prices have increased every year since 2011.

- The available inventory of existing for-sale housing has declined over time. The multiple listing service data shows only 124 single-family listings are currently actively for-sale in Sheridan County, less than one percent of the County's housing inventory. Only nine listings, or about seven percent of total listings, are for homes priced under $200,000. Another 47 percent of listings are priced between $200,000 and $399,999.

- Two hundred ninety-two (292) new lots are available or expected to soon be available for development throughout the City of Sheridan. The Town of Ranchester has 77 lots in various stages of planning and development in two subdivisions. The County of Sheridan has one project that was recently approved for the addition of 73 new lots.

- The Sheridan County apartment market inventory totals about 4,300 rental units. The rental market is characterized by smaller developments with low vacancy rates and increasing rents. Very little new apartment supply has been added in Sheridan. Since the Great Recession of 2008-2010, only 250 new attached or multi-family housing units have been permitted in all of Sheridan County (according to U.S. Census Bureau building permit records).

Housing Affordability Conditions and Affordability "Gaps" in Sheridan County's Housing Stock

- Long-term affordability conditions for homeowners have remained relatively stable in Sheridan County. The cost-burden rate increased by about three percentage points between 1999 and 2019. About 19 percent of homeowners were cost burdened in 1999, compared to just under 22 percent by 2019. The majority of existing homeowners (ranging from 53 to 59 percent over the prior 20 years) expend less than 20 percent of their income on housing.

- Affordability conditions for renter households have followed a similar pattern, although a much higher share of Sheridan County renters are cost burdened. Approximately 37 percent of renters were cost burdened in 2019, up slightly from 35 percent in 1999. Compared to homeowners, a much smaller percentage of renters (ranging from about 31 to 38 percent over the prior 20 years) expend less than 20 percent of their income on housing costs.

- Relative to the number of lower-income households in Sheridan which because of their lower incomes expend more than 30 percent of their income on housing[12], Sheridan has an existing shortfall of approximately 150 housing units at deeply affordable prices (below $375 in monthly cost). This compares to 737 units of federally assisted low-income housing in Sheridan. The next two monthly rent categories - $375 to $874 and $875 to $1,279 – show a surplus of rental units, indicating an existing supply exceeding the number of households who can afford rent at these levels.

- At the higher ends of the income spectrum, Sheridan includes an estimated 1,708 households which could afford monthly rents exceeding about $1,200. Sheridan does not include enough units renting at these price points of $1,200 or higher. This circumstance is not unique to Sheridan. The shortfall in higher priced units suggests from the point of view of higher income households in Sheridan that the rental stock is affordable and permits households to spend less than 30 percent of their incomes on housing. It may also indicate potential demand for new high-quality rental product from existing households, which if added to the inventory, could create more availability in the existing rental inventory at lower price points.

- The gap analysis for owner-occupied housing suggests a shortfall in the $75,000 to $170,000 value category. The supply of homes in this category are about 142 fewer than the number of households which can afford homes in this price range. At the lowest price and income bracket, more homes are valued at less than $75,000 than the number of households who can only afford housing units at less than $75,000. This explains the limited inventory of existing homes for-sale in Sheridan County and that a majority of owner-occupied households are expending less than 30 percent of their income on housing.

- In each price bracket of $365,000 and above, more households have incomes sufficient to afford housing at the price ranges than the supply of housing units in these price ranges.

[12] Based on the U.S. Department of Housing and Urban Development's standard definition of housing affordability, in which housing expenses cannot exceed 30 percent of gross before-tax income; households which expend more than 30 percent of their incomes on housing are assumed to be cost burdened.

- This however does not necessarily indicate a deficiency in the housing stock inventory. Rather, it signals an affordable "market rate" housing inventory on the upper end of the pricing ladder that offers the features and quality acceptable to higher-income households at prices that permit allocating far less than 30 percent of their income to housing. The current affordability conditions at higher price points and income levels also indicate that built-in demand for new high-quality housing product may exist from existing households, which could serve to create slack in the existing housing inventory at lower price points.

Projected Housing Need in Sheridan

- Total workforce and senior housing need in Sheridan County over the next 10 years is estimated at approximately 1,000 units as summarized in Table I-1.

- Workforce housing needs are estimated at about 700 units, representing 50 percent of the total projected need. Senior housing and non-workforce housing needs are estimated at about 300 units, representing 21 percent of total projected need.

TABLE I-1: Projected Need for Additional Workforce and Senior Housing over 10 Years (Sheridan County)

	Single-Family # Units	Multi-Family # Units	**10-Year Total # Units**
Below 80% AMI	168	168	**336**
80% to 120% AMI	147	41	**188**
Above 120% AMI [1]	410	58	**468**
TOTAL	725	265	**990**

[1] Category also includes senior households than already own housing free/clear of debt. Income of these households will have less (if any bearing) on housing selection and housing affordability.

Source: Gruen Gruen + Associates

- An additional amount of housing need due to replacement of units may be needed. The size and age distribution of the existing housing stock in Sheridan County suggests an estimated need to replace approximately 360 units over the next 10 years. Approximately 60 percent of the housing replacement need estimate is attributable to the replacement of units that are 65 years or older.

Comparison of Projected Housing Needs to Supply of Land/Lots

Table I-2 summarizes the balance between the estimated future need for housing units and the estimated potential supply of housing if the units are built on the identified existing or planned future lots.

TABLE I-2: Balance Between Potential Residential Land Supply and Need

	Single-Family # Units	Multi-Family # Units
Workforce and Senior Housing	725	265
Housing Replacement	252	107
Total 10-Year Need	977	372
Current Lot Supply or Units in Development	±500	
Potential Future Supply (Longer-Term)[1]	1,800	1,000
Total Potential Land Supply	2,300	1,000
LAND SUPPLY SURPLUS OR (DEFICIT)	**1,323**	**628**

[1] Residential land designations at Wrench Ranch and Cloud Peak Ranch (460 acres total) included as potential single-family supply at an average density of four units per acre. One-quarter of "mixed use" land assumed for multi-family at average density of 20 units per acre.

Source: Gruen Gruen + Associates

The potential demand for an estimated 977 single-family housing units compares to an estimated lot supply or units in development of approximately 500 and a potential longer-term supply of 1,800 lots. While the land supply appears adequate to accommodate future housing needs within the 10-year forecast period, to avoid the perception of land shortages, and price increases, and maintain incentives for existing residential properties to be well maintained and upgraded, more land should be available from a diversity of owners for residential development than the amount estimated to be needed to meet forecast demand.

The potential demand for an estimated 372 multi-family units compares to a land supply which can accommodate about 1,000 multi-family units. This amount of land supply for multi-family housing is also anticipated to accommodate future housing needs within the next 10 years. Again, more land than anticipated to be needed for multi-family housing should be available to help maintain a competitive, well-functioning housing market.



CHAPTER II

DEMOGRAPHIC AND ECONOMIC CONDITIONS AFFECTING HOUSING NEEDS

INTRODUCTION

This chapter reviews characteristics and trends related to population growth and household formation; population change by age; household growth by household size, tenure, family type, and age of householder; household income; and employment and labor force conditions. The purpose of this review is to provide perspective for the forecast of future housing needs.

POPULATION AND HOUSEHOLDS

Table II-1 presents the change in the population and number of households and average household size in the city and county of Sheridan as well as towns of Ranchester, Dayton, and Clearmont from 2000 to 2020.



TABLE II-1: Sheridan County Population and Household Base (2000-2020)					
	Decennial Census Estimates			20-Year Change	
	2000	2010	2020	#	AAGR [1]
City of Sheridan					
Total Population	15,804	17,444	18,737	2,933	0.85%
Household Population	15,457	16,689	18,026	2,569	0.77%
Households	7,005	7,680	8,370	1,365	0.89%
Average Household Size	2.21	2.17	2.15		
Town of Ranchester					
Total Population	701	855	1,064	363	2.11%
Household Population	701	855	1,064	363	2.11%
Households	277	312	402	125	1.88%
Average Household Size	2.53	2.74	2.65		
Town of Dayton					
Total Population	678	757	822	144	0.97%
Household Population	667	757	822	155	1.05%
Households	277	308	336	59	0.97%
Average Household Size	2.41	2.46	2.45		
Town of Clearmont					
Total Population	115	142	116	1	0.04%
Household Population	115	142	116	1	0.04%
Households	50	57	47	(3)	-0.31%
Average Household Size	2.30	2.49	2.47		
Unincorporated Areas					
Total Population	9,262	9,918	10,182	920	0.47%
Household Population	8,905	9,664	10,096	1,191	0.63%
Households	3,558	4,003	4,194	636	0.83%
Average Household Size	2.50	2.41	2.41		
SHERIDAN COUNTY					
Total Population	26,560	29,116	30,921	4,361	0.76%
Household Population	25,845	28,107	30,124	4,279	0.77%
Households	11,167	12,360	13,349	2,182	0.90%
Average Household Size	2.31	2.27	2.26		

[1] Average annual growth rate.

Sources: U.S. Census Bureau; Gruen Gruen + Associates.

The population of the City of Sheridan increased at an average annual rate of less than one percent by 2,933, from 15,084 in 2000 to 18,737 in 2020. The number of households grew at a slightly higher rate, (0.89 percent compared to 0.85 percent), or 1,305, from 7,005 households in 2021 to 8,370 households in 2020. Average household size decreased from 2.21 to 2.15 persons per household.

The total Sheridan County population grew at a slower rate than the population increase of the City. The total County population grew at an average annual rate of 0.76 percent. The County population increased by 4,361 to 30,921 in 2020. The number of total County households increased by 2,182 or 0.90 percent from 11,167 households in 2000 to 13,349 in 2020. The average household size declined from 2.31 persons per household in 2000 to 2.26 persons per household in 2020.

The towns and unincorporated areas within the County have populations with higher average household sizes than households in the City. The population in the unincorporated areas of the County experienced a growth of 920 people to 10,182 and 636 households to 10,096.

The population of the Town of Ranchester comprises about 3.4 percent of the total County population. The population grew off a low base of 701 to 1,064 for an average annual growth rate of 2.11 percent. Total households increased by 125 to 402 households in 2020 for the largest average household size of 2.65 persons per household. The Town of Dayton population grew at almost a one percent average annual growth rate off a low base of 678 people to 822 in 2020. The number of households increased by 59 to 336 for an average household size of 2.45. The Town of Clearmont has a very small population of 116 people and 47 households.

POPULATION BY AGE

Table II-2 presents the Sheridan County population by age cohort for 2000 and 2019[13].

TABLE II-2: Sheridan County Population by Age (2000-2019)

	2000 CENSUS		2019 ACS [1]	
	#	% of Total	#	% of Total
Under 18 years	6,412	24.2	6,436	21.4
18 to 24 years	2,123	8.0	2,281	7.6
25 to 54 years [2]	11,138	42.0	10,682	35.4
55 years and over	6,847	25.8	10,741	35.6
TOTAL	26,520	100.0	30,140	100.0

[1] 5-Year American Community Survey estimates.
[2] Prime working age population.

Sources: U.S. Census Bureau; Gruen Gruen + Associates.

Nearly all population change within Sheridan County has been due to an increase in the Age 55+ cohort. The population of residents aged 55 years and over grew by 57 percent or nearly 3,900 people between 2000 and 2019. By 2019, this population cohort had increased to comprise nearly 36 percent of all Sheridan County residents (up from only 26 percent of residents in 2000).

The prime working age population (age 25 to 54 years) declined by four percent or about 500 people during the same 2000-2019 period. The population aged 25 to 54 represented 42 percent of all Sheridan County residents in 2000 and declined to 35 percent of residents by 2019.

[13] 2020 Census estimates of the population by age have not yet been released.

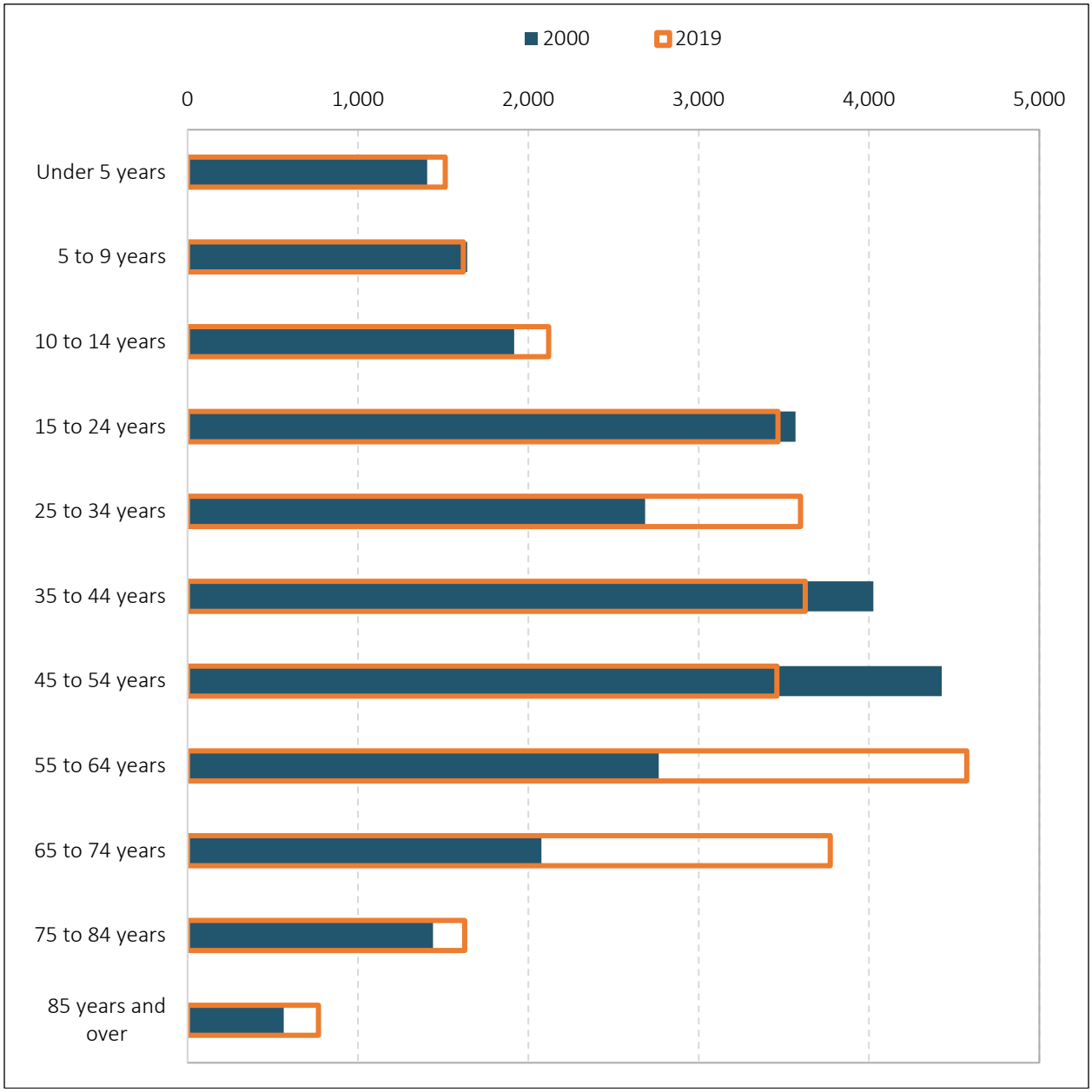
The population in younger age cohorts including children have experienced little population change since 2000. The population under the age of 18 remained essentially stable at 6,400 persons. The population of young adults aged 18 to 24 grew modestly by approximately 150 people between 2000 and 2019.

Net migration based on data reported by the State of Wyoming Community Development Authority, has been especially strong in age groups of 36 years or older.[14] The total amount of net migration was very strong in 2019 and 2020, similar to strong net migration seen in the 2006-2008 period. In 2019, about one-half of the net migration was comprised of residents in the 56+ and older age cohorts. In 2020, these age groups comprised about one-third of net migration with increased net migration in the 36-45 and 46-55 age cohorts.[15]

[14] Net migration is the difference between in-migration and out-migration.
[15] Wyoming Community Development Authority, Sheridan City Profile, March 5, 2021 report, page 6.

Figure II-1 illustrates the shift the County's population by age over the 2000 to 2019 period.

FIGURE II-1: Shift in Sheridan County Population Age Pyramid, 2000-2019



Over the 19-year period, Sheridan County's population has skewed older. In 2000, Sheridan County's large bulge of the population was in the 35-44 years and 45-54 years age categories. By 2019, this population bulge had aged up so that largest population bulges were in the 55-64 years and 65-74 years age categories. This is consistent with State-wide aging trends showing Wyoming has aged faster than other states.[16]

[16] Census Bureau: Wyoming Aging Faster than Any State – Sheridan Media

HOUSEHOLD COMPOSITION

Table II-3 presents Sheridan County household characteristics for family status, age of householder, and household size for 2000 and 2019.

TABLE II-3: Sheridan County Household Characteristics (2000-2019)

	2000 CENSUS		2019 ACS [1]	
	#	% of Total	#	% of Total
Family Status				
Family Households w/ Children	3,169	28.4	3,120	23.5
Family Households no Children	3,910	35.0	4,998	37.7
Nonfamily Households	4,088	36.6	5,133	38.7
Age of Householder				
Householder 15 to 34 years	2,103	18.8	2,531	19.1
Householder 35 to 64 years	6,076	54.4	6,811	51.4
Householder 65 years and over	2,988	26.8	3,909	29.5
Household Size				
1-person household	3,455	30.9	4,024	30.4
2-person household	4,063	36.4	5,305	40.0
3-person household	1,564	14.0	1,646	12.4
4-or-more-person household	2,085	18.7	2,276	17.2
TOTAL HOUSEHOLDS	11,167	100.0	13,251	100.0

[1] 5-Year American Community Survey estimates.

Sources: U.S. Census Bureau; Gruen Gruen + Associates.

The proportion of households with children has remained stable and comprises just under one-quarter of County households. A growing share of households – approximately 77 percent – are either households with no children or nonfamily households.

Consistent with population aging and family status trends described above, the County has experienced a downward shift in the number of households between 35-to 64 years, the prime working age years. The largest increase in households by age have occurred in the 65+ age category. Age 65+ households have increased by about 30 percent or over 900 households. Despite the downward shift in the number of younger age households and the upward shift in older age households, the majority of households remain in the 35 to 64 years age categories.

Consistent with aging and family status trends, the proportion of smaller size households, especially two-person households has increased. Larger three- and four- person households have declined over time from nearly 33 percent in 2000 to nearly 27 percent in 2019. One-person and two-person make up the largest amount of County households at about 70 percent in 2019, up from about 66 percent in 2000.

HOUSEHOLD INCOMES

Table II-4 shows on an inflation-adjusted basis, the distribution of households in Sheridan County has remained relatively constant except for a decrease in the proportion of the lowest income households.

TABLE II-4: Sheridan County Household Income Distribution (2000-2019) [1]

	1999		2019 [2]		Shift
	#	%	#	%	Pct. Points
Less than $15,000	1,103	9.9	1,007	7.6	(2.3)
$15,000 to $24,999	735	6.6	1,264	9.5	3.0
$25,000 to $34,999	1,019	9.1	1,136	8.6	(0.6)
$35,000 to $49,999	1,569	14.0	1,893	14.3	0.2
$50,000 to $74,999	1,945	17.4	2,300	17.4	(0.1)
$75,000 to $99,999	1,523	13.6	1,930	14.6	0.9
$100,000 to $149,999	1,860	16.6	2,357	17.8	1.1
$150,000 or more	1,416	12.7	1,365	10.3	(2.4)
TOTAL	11,169	100.0	13,251	100.0	0.0
Median income (dollars)	$63,584		$62,023		

[1] Income brackets adjusted for inflation to 2020 dollars based on the Wyoming Cost of Living Index.
[2] 5-Year American Community Survey estimates.

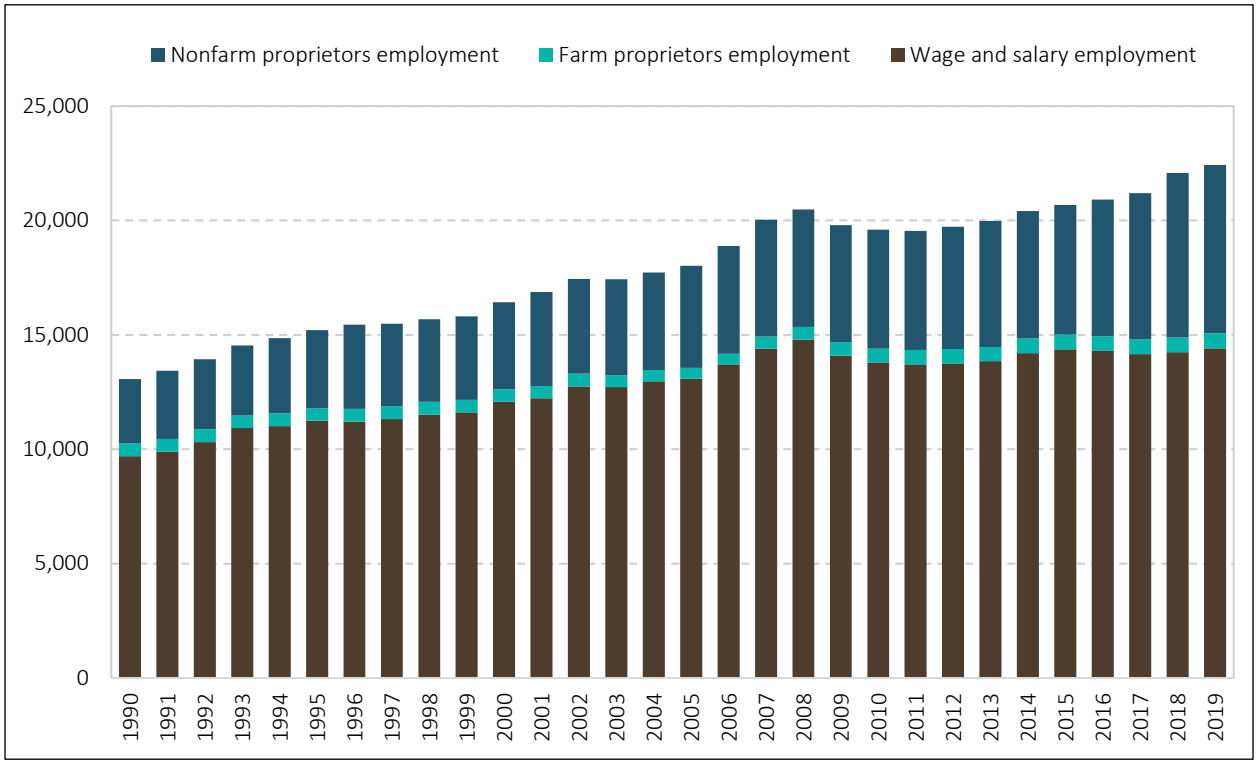
Sources: U.S. Census Bureau; Wyoming Economic Analysis Division; Gruen Gruen + Associates.

The proportion of households below $50,000 has remained at around 40 percent over the 20-year period. Households with incomes of $75,000 or higher has also remained constant at about 43 percent. The share of households with incomes of $150,000 or higher decreased 2.4 percent to 10.3 percent of total households, while the share of households with incomes less than $15,000 declined by 2.3 percentage points (and households with incomes between $25,000 and $35,000 increased by three percentage points). The median household income declined about 2.5 percent from $63,584 in 1999 to $62,023 in 2019.

EMPLOYMENT BASE

Figure II-2 shows long term employment (i.e., number of jobs) in Sheridan County between 1990 and 2019.

FIGURE II-2: Long-Term Employment Growth (Sheridan County, 1990-2019)



Total employment has steadily increased over a 20-year period from 12,823 jobs to 13,491 for a gain of 462 jobs. While wage and salary employment has also increased the growth has leveled off since 2008. Nonfarm proprietors' employment has grown more rapidly over the same period.

Table II-5 presents changes in Sheridan County's employment base by industry sector from 2010 to 2020. With the creation of Sheridan's Hi-Tech Business Park, employment change patterns show a shift toward manufacturing and construction trade sectors and away from the mining/extraction/oil and gas sector.

TABLE II-5: Change in Payroll Employment by Industry Sector (Sheridan County, 2010-2020)

	Employment [1]			10-Year Change	
Industry Sector	2010	2015	2020	# Jobs	%
Agriculture, Forestry, Fishing & Hunting	280	270	266	(14)	(5.0)
Mining, Quarrying, & Oil & Gas Extraction	311	268	66	(245)	(78.8)
Construction	1,063	1,104	1,205	142	13.4
Manufacturing	269	438	641	372	138.3
Wholesale Trade	325	353	246	(79)	(24.3)
Retail Trade	1,645	1,678	1,690	45	2.7
Transportation & Warehousing	371	319	355	(16)	(4.3)
Information	186	184	162	(24)	(12.9)
Finance & Insurance	385	384	449	64	16.6
Real Estate & Rental & Leasing	184	198	196	12	6.5
Professional & Technical Services	629	604	648	19	3.0
Management of Companies & Enterprises	ND	ND	22	N/A	N/A
Administrative & Waste Services	282	377	286	4	1.4
Educational Services (Private)	34	17	43	9	26.5
Health Care & Social Assistance	1,422	1,422	1,421	(1)	(0.1)
Arts, Entertainment, & Recreation	171	198	205	34	19.9
Accommodation & Food Services	1,403	1,562	1,323	(80)	(5.7)
Other Services	428	459	462	34	7.9
Federal Government	776	744	855	79	10.2
State Government	346	347	295	(51)	(14.7)
Local Government	2,358	2,497	2,396	38	1.6
TOTAL [2]	**12,823**	**13,491**	**13,285**	**462**	**3.6**

[1] Average employment for the fourth quarter of each year.

[2] Total includes a small amount of employment in Utilities and unclassified categories.

Sources: Wyoming Department of Workforce Services, Quarterly Census of Employment and Wages (QCEW); Gruen Gruen + Associates.

The mining, quarrying, and oil and gas sector experienced the largest decline over 10 years of nearly 79 percent or 245 jobs to 66 jobs. The manufacturing sector has experienced the largest growth in employment (372 jobs to 641 jobs or a nearly 79 percent increase). Construction employment has increased by 13.4 percent or 142 jobs. Sectors associated with relatively higher salaries and wages – finance insurance and real estate and professional and technical services- registered employment gains over the 10 years.

Table II-6 summarizes average weekly wages by industry sector for Sheridan County for 2020, 2015, and 2020.

TABLE II-6: Change in Average Weekly Wage by Industry Sector (Sheridan County, 2010-2020)

Industry Sector	Average Weekly Wage [1]			10-Year Change	
	2010	2015	2020	Avg. Wage	%
Agriculture, Forestry, Fishing & Hunting	$803	$914	$814	$11	1.4
Mining, Quarrying, & Oil & Gas Extraction	$1,269	$1,514	$1,296	$27	2.1
Construction	$934	$923	$1,070	$136	14.6
Manufacturing	$922	$919	$1,076	$154	16.7
Wholesale Trade	$959	$1,084	$1,353	$394	41.1
Retail Trade	$513	$606	$698	$185	36.1
Transportation & Warehousing	$806	$931	$902	$96	11.9
Information	$886	$840	$952	$66	7.4
Finance & Insurance	$998	$1,212	$1,720	$722	72.3
Real Estate & Rental & Leasing	$491	$589	$876	$385	78.4
Professional & Technical Services	$1,112	$1,210	$1,618	$506	45.5
Management of Companies & Enterprises	NR	NR	$2,557	N/A	N/A
Administrative & Waste Services	$538	$516	$780	$242	45.0
Educational Services (Private)	$1,127	$554	$411	($716)	(63.5)
Health Care & Social Assistance	$826	$791	$853	$27	3.3
Arts, Entertainment, & Recreation	$385	$437	$551	$166	43.1
Accommodation & Food Services	$279	$310	$430	$151	54.1
Other Services	$461	$493	$534	$73	15.8
Federal Government	$1,194	$1,154	$1,518	$324	27.1
State Government	$960	$1,005	$1,016	$56	5.8
Local Government	$853	$919	$1,064	$211	24.7
TOTAL	**$778**	**$815**	**$974**	**$196**	**25.2**

[1] Average wages for the fourth quarter of each year. Wages are not adjusted for inflation.

Sources: Wyoming Department of Workforce Services, Quarterly Census of Employment and Wages (QCEW); Gruen Gruen + Associates.

Total weekly wages have increased from $778 to $974 or about 25 percent over a 10-year period. Employment sectors with the largest increase include real estate/rental/leasing and finance and insurance. Sectors with small wage increases or declining wages include private educational services, agriculture, mining, and health care and social assistance.

WORKFORCE CHARACTERISTICS

Table II-7 summarizes the composition of Sheridan County's employed labor force by occupation between 2000 and 2019.

TABLE II-7: Shift in Workforce by Occupation (Sheridan County, 2000-2019)

Occupation	Workforce [1] 2000	Workforce [1] 2019	Shift Pct. Points
Management, professional, and related	32.3%	41.6%	9.2
Service occupations	17.0%	18.6%	1.6
Sales and office occupations	24.1%	17.8%	(6.3)
Farming, fishing, and forestry occupations	1.8%	1.5%	(0.3)
Construction, extraction, and maintenance	14.5%	10.9%	(3.6)
Production, transportation, and material moving	10.2%	9.6%	(0.6)
TOTAL	**100.0%**	**100.0%**	**0.00**

[1] Percent of the employed civilian population (age 16 and older).

Sources: U.S. Census Bureau; Gruen Gruen + Associates.

Growth in Sheridan County's resident labor force has primarily been in management, professional, and service occupations. The resident labor force engaged in these occupations typically requiring higher educational attainment and associated with higher paying jobs has increased from about 32 percent of the labor force in 2000 to nearly 42 percent by 2019, indicating a nine-percentage point increase. Service occupations also increased as a proportion of the total labor force, from 17 percent in 2000 to about 19 percent by 2019. Sales and office and construction, extraction, and maintenance occupations (primarily mining and oil and gas related) have experienced significant declines in the resident labor force.

JOBS-HOUSING BALANCE

The relationship between the number of jobs and the amount of housing available indicates how well an area provides jobs that enable a high proportion of the resident labor force to work near their place of residence and enjoy a relatively short commute. Interrelated factors including the level and kind of economic development, land use policy, and the amount and type of residential development influence the extent to which a region or area can house jobs. The quality and quantity of the labor force and housing, in turn, bear on the prospects for economic development. The specific characteristics of the labor pool, such as educational level, skill mix, and income range influence the kinds of businesses that can successfully operate in a region.

Table II-8 summarizes the jobs-to-housing ratio for Sheridan County from 2010 to 2020.

TABLE II-8: Sheridan County Employment and Jobs-Housing Ratio (2000-2020)

	2000	2010	2020	Change 2000-2010	
	#	#	#	#	%
Total Employment	16,426	19,595	22,430	6,004	36.6
Total Housing Units	12,577	13,939	14,884	2,307	18.3
Jobs-Housing Ratio	**1.31**	**1.41**	**1.51**	**0.20**	**15.4**

Sources: Bureau of Economic Analysis; U.S. Census Bureau; Gruen Gruen + Associates.

A region is generally considered to have a sustainable jobs-housing balance if the ratio of jobs to housing units is 1.5.[17] While jobs to housing relationships will vary given differences among communities in labor force, social, and economic characteristics, transportation linkages, geographical constraints, and political factors, the generally accepted ratio for a balanced relationship between jobs and housing tends to fall within 1.3-to-1.7-jobs-per-housing unit.[18] Areas with significantly higher jobs-to-housing ratios do not have an adequate amount of housing supply to meet the needs of the local work force. Such areas must either import a higher proportion of labor which, all else being equal, tends to generate greater levels of congestion or will be less able to fill job openings. Increasing jobs-to-housing ratios also tend to put upward pressure on housing costs, as less housing supply is available than typically needed to accommodate typical demands generated by the local employment base.

As shown above in Table II-8, overall, Sheridan County has maintained a reasonable balance between total jobs and housing inventory, although the jobs-housing ratio has steadily increased over time (indicating more employment growth than housing supply added).

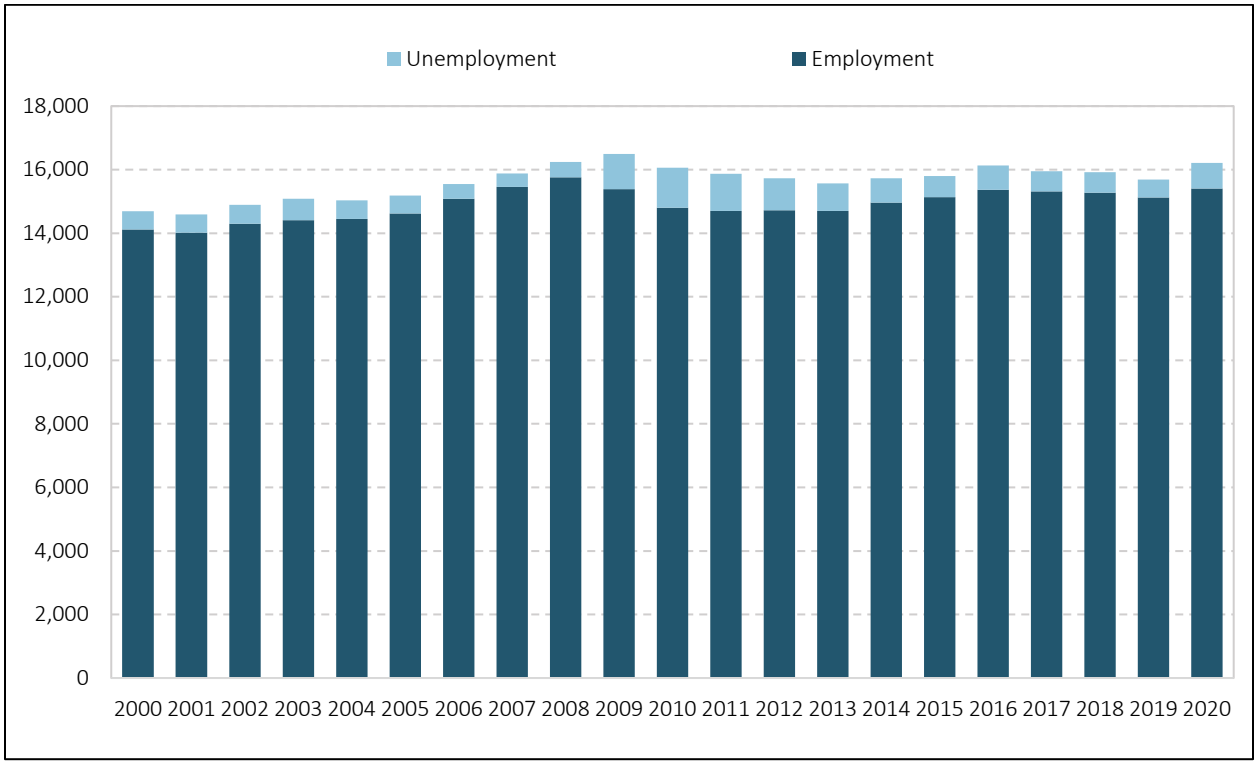
[17] See, for example, "Jobs-Housing Balances and Regional Mobility", Robert Cervero, Institute of Urban and Regional Development University of California at Berkeley, APA Journal, spring 1989, pp.136-150.

[18] The August 2008 Urban Land "Mixing It Up" article indicates the ideal jobs-housing ratio is generally between 1.2 and 1.4 jobs per housing unit and that sites or communities with an integrated set of land uses minimize traffic generation and increase "capture internal rates" for services, retail, restaurants and other uses. ("Mixing It Up," Urban Land, Walters, Jerry, Ewing, Reid. August 2008, p. 126).

LABOR FORCE CHARACTERISTICS

Figure II-3 summarizes resident labor force patterns in Sheridan County since 2000.

FIGURE II-3: Employed and Unemployed Labor Force in Sheridan County



Sources: U.S. Bureau of Labor Statistics; Gruen Gruen + Associates.

Between 2000 and 2009, Sheridan County's labor force increased steadily reaching a peak of about 16,500 in 2009. Since 2009, the resident labor force has declined reaching a low of around 15,500 residents in 2013. More recently, the labor force has grown to about 16,000 but still is below its peak in 2009. Unemployment in the County has been low at about 3.6 percent in 2019 but increased to 4.9 percent in 2020. The increase reflects the effects of the Covid-19 pandemic.

CURRENT JOB OPENINGS

Table II-9 shows current job openings by occupation in Sheridan County.

TABLE II-9: Summary of Sheridan County Job Openings (October 2021)

	Job Postings [1]	
	#	% of Total
Healthcare Practitioners and Technical Occupations	247	23.4
Sales and Related Occupations	80	7.6
Food Preparation and Serving Related Occupations	66	6.2
Office and Administrative Support Occupations	63	6.0
Management Occupations	61	5.8
Healthcare Support Occupations	59	5.6
Transportation and Material Moving Occupations	47	4.4
Building & Grounds Cleaning & Maintenance Occup.	42	4.0
Production Occupations	38	3.6
Personal Care and Service Occupations	37	3.5
All Others	317	30.0
Total	**1,057**	**100.00**

[1] For week of October 6, 2021.

Sources: Wyoming State Labor Dept., https://www.wyomingatwork.com; Gruen Gruen + Associates.

Nearly 1,100 job openings are available in the County, with nearly one-fourth of openings available in the healthcare practitioners and technical occupations category. The amount of job openings exceeds the number of unemployed residents in the labor force indicating that those openings would need to be filled by non-residents which would put demand pressure on the housing market.

CHAPTER III

HOUSING SUPPLY CHARACTERISTICS AND MARKET CONDITIONS

INTRODUCTION

Another critical determinant of housing growth and needs is the supply of housing. A key factor is whether there will be enough housing units and whether those units will be available at prices that make them affordable by households seeking dwellings in the area. This chapter reviews Sheridan County's existing housing supply including historical changes in inventory and unit type and identifies the potential supply of new housing in the County. Market conditions for both rental and for-sale housing are also presented.

SHERIDAN HOUSING STOCK

Table III-1 identifies the housing unit inventory, including occupancy status for 2000, 2010, and 2020.

TABLE III-1: Sheridan County Housing Inventory (2000-2020)

	Decennial Census Estimates			20-Year Change	
	2000	2010	2020	#	AAGR [1]
City of Sheridan					
Total Housing Units	7,413	8,253	9,006	1,593	0.98%
Occupied Housing Units	7,005	7,680	8,370	1,365	0.89%
Vacant Housing Units [2]	408	573	636	228	2.24%
Vacancy Rate	*5.5%*	*6.9%*	*7.1%*		
Other Towns and Unincorporated Areas					
Total Housing Units	5,164	5,686	5,878	714	0.65%
Occupied Housing Units	4,162	4,680	4,979	817	0.90%
Vacant Housing Units [2]	1,002	1,006	899	(103)	-0.54%
Vacancy Rate	*19.4%*	*17.7%*	*15.3%*		
SHERIDAN COUNTY					
Total Housing Units	12,577	13,939	14,884	2,307	0.85%
Occupied Housing Units	11,167	12,360	13,349	2,182	0.90%
Vacant Housing Units [2]	1,410	1,579	1,535	125	0.43%
Vacancy Rate	*11.2%*	*11.3%*	*10.3%*		

[1] Average annual growth rate.

[2] Vacant units include those occupied for seasonal, recreational or occassional use.

Sources: U.S. Census Bureau; Gruen Gruen + Associates.

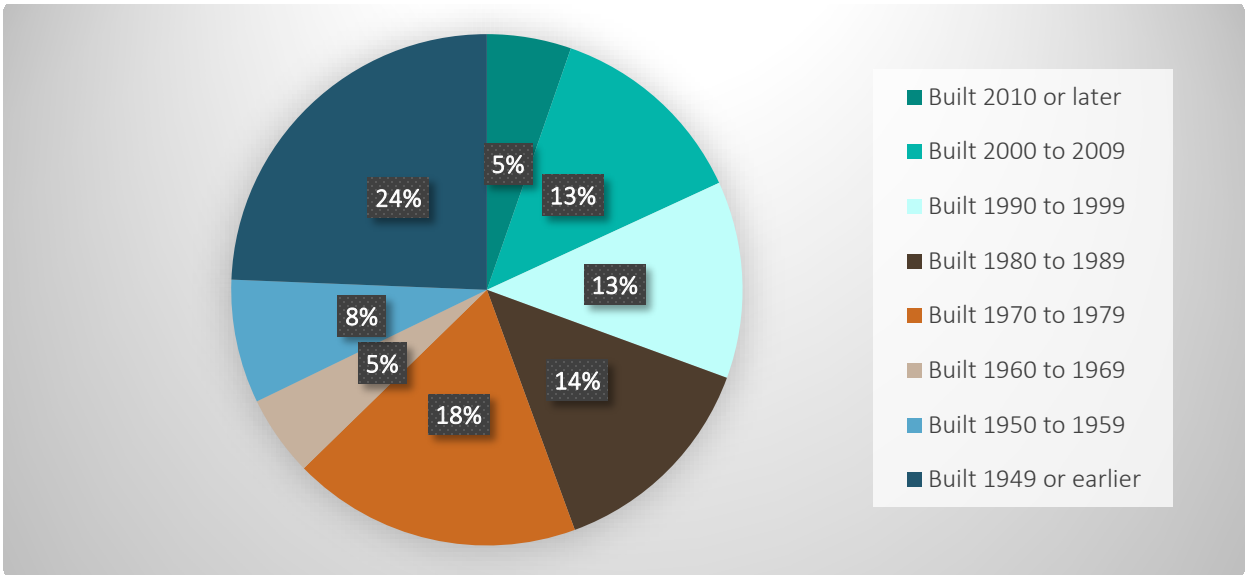
Over a 20-year period, the City of Sheridan's total number of housing units has increased by 21 percent, or nearly 1,600 units from 7,413 in 2000 to 9,006 housing units in 2020. The number of occupied and vacant units increased over the 20-year period. The vacancy rate increased from 5.5 percent in 2000 to 7.1 percent in 2020.
The total number of housing units in other towns and the unincorporated areas of Sheridan County grew by a smaller amount at 714 units from 5,164 in 2000 to 5,878 housing units in 2020. The vacancy rate decreased from 19.4 percent in 2000 to 15.3 percent in 2020.

The countywide vacancy rate which has declined since 2010 is approximately 10.3 percent, but higher for areas outside of the City of Sheridan. The vacancy rate is higher than actual vacancy conditions in Sheridan County. The vacancy rate reported by the U.S. Census Bureau includes occasional, recreational, and seasonal use units.

AGE OF HOUSING STOCK

Figure III-1 summarizes the age of the existing housing stock according to the 2019 American Community Survey estimates.

FIGURE III-1: Sheridan County Housing Inventory by Age



Only five percent of the County's housing inventory was built over the past decade. Nearly a quarter of the housing inventory is 70 years or older.

HOUSING INVENTORY BY TYPE AND TENURE

Table III-2 summarizes the occupied housing inventory by type and tenure for Sheridan County.

TABLE III-2: Occupied Housing Inventory by Type and Tenure (2019 ACS Estimates)

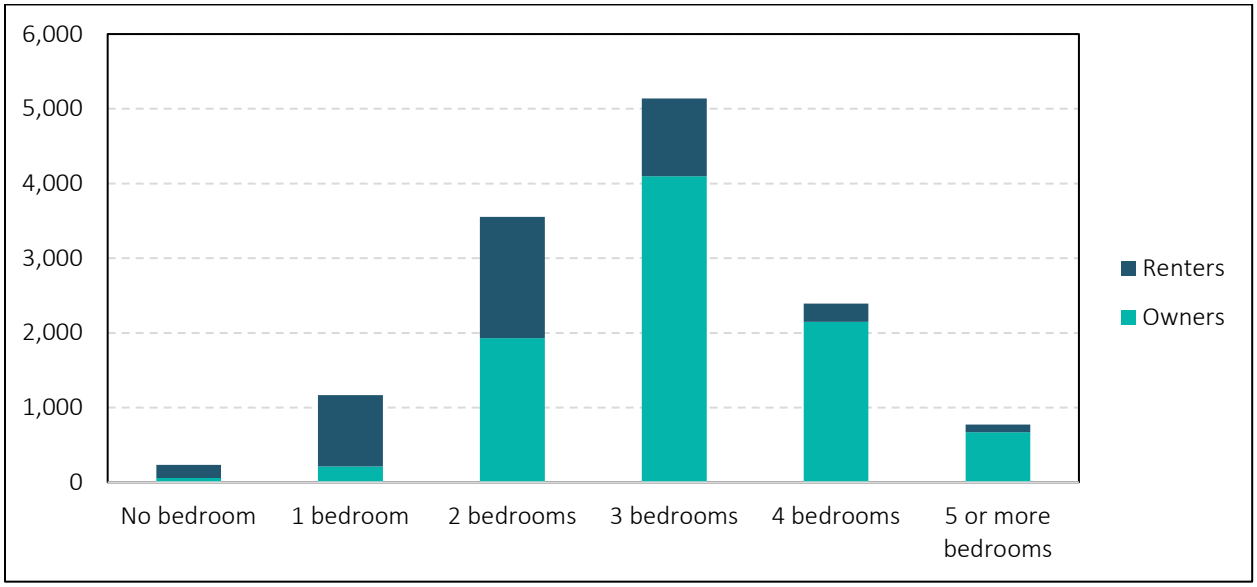
	Owners		Renters		TOTAL	
	#	%	#	%	#	%
Detached Single-Family	7,896	59.6	1,765	13.3	9,661	72.9
Attached Single-Family	252	1.9	221	1.7	473	3.6
Multi-Family (2-4 Units)	46	0.3	710	5.4	756	5.7
Multi-family (5-9 Units)	0	0.0	532	4.0	532	4.0
Multi-Family (10+ Units)	11	0.1	623	4.7	634	4.8
Mobile Home/Other	912	6.9	283	2.1	1,195	9.0
Total	**9,117**	**68.8**	**4,134**	**31.2**	**13,251**	**100.0**

Sources: U.S. Census Bureau; Gruen Gruen + Associates.

Nearly 69 percent of occupied housing units are owner-occupied and 31 percent are renter-occupied. Single-family units make up nearly 73 percent of housing units. Nearly 15 percent of units are multi-family. Less than four percent of units are attached single-family units. Approximately seven percent (912) of owners occupy mobile homes while another 2.1 percent of renters (283) occupy mobile homes. Mobile homes comprise nine percent or 1,195 of the 13,251 total housing units.

Figure III-2 shows the Sheridan County housing inventory by number of bedrooms.

FIGURE III-2: Sheridan County Housing Inventory by Number of Bedrooms in Unit

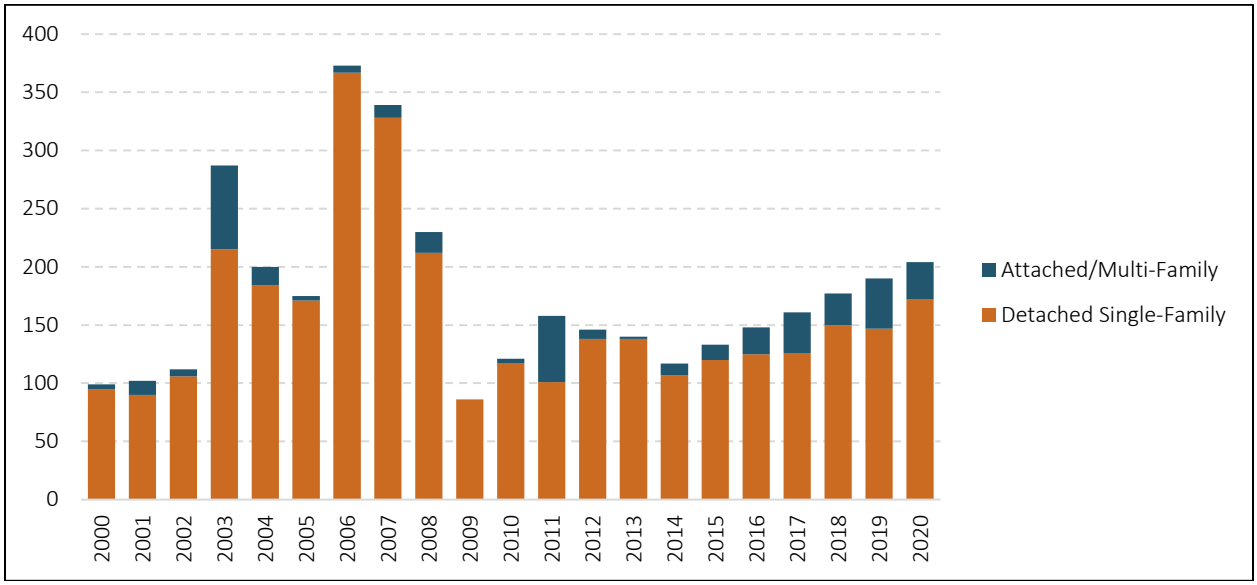


Most owner-occupied units are two, three, and four-bedroom units with the most common size consisting of three- bedroom units. Renter-occupied units are primarily one- and two-bedroom units.

HOUSING CONSTRUCTION ACTIVITY

Figure III-3 summarizes residential building permits by unit type in Sheridan County from 2000 through 2020.

FIGURE III-3: New Residential Building Permits in Sheridan County, 2000-2020



Residential permit activity was very high prior to the Great Recession. The number of permits peaked in 2006 with most permits for detached single-family units. New permits reached a low in 2009 of less than 100 units. Residential permit activity has increased steadily since 2014 but remains far below pre-recession levels of the mid 2000's. Nearly 900 units have been permitted in the county between 2016 and 2020. The trend of increasing permit activity is expected to continue in 2021 and persist into 2022.

Over a 20-year period, the City of Sheridan has issued nearly 2,000 permits while other county areas have issued approximately 1,700 permits. The proportion of permits issued by the City of Sheridan has declined over time. Between 2000 and 2005, most permits were issued in the City of Sheridan, but between 2016 and 2020 the majority of permits were issued in other county areas. These areas include the Town of Ranchester which has experienced residential growth with projects such as Stonebrook and development around Silverton Drive and the Powder Horn Ranch development in the County south of Sheridan City limits.

AFFORDABLE RENTAL HOUSING

Table III-3 summarizes the number of federally assisted housing units by type of funding stream.

TABLE III-3: Existing Affordable Rental Housing Inventory in Sheridan County

	Federally Assisted Units	Share
Major Funding Stream	#	% of Total
Multiple Programs [1]	217	29.4
Low Income Housing Tax Credits (LIHTC)	177	24.0
U.S. Department of Agriculture	171	23.2
Section 8 Voucher Program	142	19.3
Other HUD Assistance [2]	30	4.1
SHERIDAN COUNTY TOTAL	**737**	**100.0**

[1] Some units receive assistance from multiple sources.

[2] Other includes Section 236 HUD Insured Mortgages, Section 202 Direct Loans, and Section 236.

Sources: National Housing Preservation Database (NHPD); Gruen Gruen + Associates.

Sheridan County contains approximately 740 rental units that are publicly assisted of which 93 percent of the units are located in the City of Sheridan. Three properties are located outside the City. The units constitute about 11 percent of the countywide rental housing inventory.

HOUSING MARKET CONDITIONS

For-Sale Market Conditions and Ownership Housing Costs

Table III-4 summarizes for-sale single-family housing trends including the number of annual sales and average and median home prices from 2010 to 2020.

TABLE III-4: Sheridan County Single-Family Market Trends

	Sales	Average Sale Price	Median Sale Price
	#	$	$
2011	321	198,684	184,000
2012	374	214,744	190,000
2013	377	220,594	204,000
2014	410	222,573	202,000
2015	447	246,374	219,000
2016	458	252,377	230,000
2017	516	260,054	234,500
2018	569	268,024	236,000
2019	424	298,256	264,000
2020	553	334,113	294,000
2021 [1]	372	395,599	330,000
9-Yr Increase (2011-2020)	72.3%	68.2%	59.8%

[1] January 1, 2021 - September 23, 2021

Sources: County of Sheridan, https://swy.flexmls.com/ticket; Gruen Gruen + Associates.

The volume of single-family home sales has increased since 2012 when the market hit a low volume of sales activity. Since 2011, annual sales activity has increased by 72 percent with more than 550 sales occurring in 2020. In 2017 and 2018, the volume of sales also exceeded 500 with the highest level of sales of 569 recorded in 2018. More than one-half of single-family homes which sold in the County in 2020 did so in 30 days or less. This compares to 2011 when only about one-third of single-family homes sales in the County were on the market for 30 days or less.

The increase in sales activity has been accompanied by an increase in average and median home prices. The average home price in Sheridan County in 2020 was $334,113, reflecting an increase of 68 percent since 2011 when the average home price was $198,684. The median home price increased by nearly 60 percent between 2011 and 2020. Sales prices have increased every year since 2011.

Table III-5 presents the current available listings of existing single-family homes in Sheridan County.

TABLE III-5: Active Residential Listings by Size and Price

	2BR or less	3BR	4BR or more	**Total**	***% of Total***
Below $200,000	8	1	0	**9**	***7.3***
$200,000 to $299,999	8	16	2	**26**	***21.0***
$300,000 to $399,999	0	19	13	**32**	***25.8***
$400,000 to $499,999	2	2	6	**10**	***8.1***
$500,000 to $749,999	1	8	16	**25**	***20.2***
$750,000 or more	2	8	12	**22**	***17.7***
TOTAL	21	54	49	**124**	***100.0***

Sources: Sheridan Board of Realtors; Gruen Gruen + Associates.

The available inventory of existing for-sale housing has declined over time. The multiple listing service data shows only 124 single-family listings are currently actively for-sale in Sheridan County. Only nine listings, or about seven percent of total listings, are for homes priced under $200,000. Another 47 percent of listings are priced between $200,000 and $399,999. Another 46 percent of active listings are priced at $400,000 or higher. Of the 124 total current listings, housing units including four or more bedrooms comprise 40 percent of the homes for sale. Three-bedroom units comprise 44 percent of the homes for sale.

Housing Lots

Housing units can be created from the development of buildable lots. Newly constructed housing throughout Sheridan County is largely comprised of custom-built homes. An extremely limited inventory of speculative new homes exists anywhere in Sheridan County.

Table III-6 presents a summary of currently active for-sale land development projects with lot availability and pricing.

TABLE III-6: Available and Planned Lot Inventory in Sheridan County

Project/Location	Number of Acres/Lots #	Lot Prices and Lot Sizes	Open Space %
Stonebrook Meadows Town Of Ranchester	24 lots (Phase VI)	$65,000 – 8,441 s.f. to $110,000 – 25,084 s.f.	
StoneRidge Meadows Town of Ranchester	6.72 acres/53 lots	In planning stages; avg. lot size of 4,300 s.f.	
Morrison Ranch City of Sheridan	94.5 acres/43 lots Phase I	$67,500 – 6,300 s.f. to $119,500 – 10,702-13,280 s.f.	25.5
The Crossing at Cloud Peak Ranch City of Sheridan	5.65 acres/30 lots (Phase I)	$100,000 – 0.28 acres to $154,000 – 0.36 acres	
Hidden Bridges at Cloud Peak Ranch City of Sheridan	18.5 acres/74 lots	Home prices advertised at approx. $517,000	8.0[1]
Cottonwood City of Sheridan	10.45 acres – 58 lots (manufactured homes; duplexes)	NA	10.0[2]
Riverstone Park City of Sheridan	25.17 acres/63 lots	Project recently approved by City Council	0 (Project is adjacent to future park and school)
Trailside (affordable) City of Sheridan	24 lots	Home prices can't exceed $250,000; if obtain qualified buyer not exceeding 100% of AMI, 6,000 s.f. lot price will be discounted	
Powder Horn Sheridan County	50 lots under construction; 73 new lots approved	$105,000 -0.5 acres to $165,000 – 0.42 acres	

[1] Although Hidden Bridges project is single-family housing, the project is zoned R-2 which requires 10 percent open space. The amount was reduced because Black Tooth Park was dedicated in previous subdivision.
[2] 10 percent open space required under R-4 zoning.

Sources: Morrison Ranch Price List - Sheridan WY Homes For Sale - Team Westkott; Gruen Gruen + Associates.

Two hundred ninety-two (292) new lots are available or expected to soon be available for development throughout the City of Sheridan. The Town of Ranchester has 77 lots in various stages of planning and development in two subdivisions. Sheridan County has one project that was recently approved for the addition of 73 new lots.

Recent home development in the Town of Ranchester includes the Stonebrook Meadows project and StoneRidge Meadows on Silverton Drive. The Stonebrook Meadows is currently building Phase VI which will add 24 new lots. Stonebrook Meadows V developed two years ago has current listings including a home of 1,305 square feet on a 0.23 acre lot for $310,000 ($238 per square foot). Fifty (50) new lots are planned in the Stoneridge Meadows project with new home prices anticipated of about

$350,000. Two current listings for newly constructed homes of 1,410 square feet each on 0.14 acre lots in the StoneRidge Meadows project are listed for $335,000 each ($238 per square foot).[19]

Morrison Ranch located west of Bighorn Avenue on the south side of the City of Sheridan consists of nearly 95 acres of land planned for 400 housing lots. The current active phase is a 43-lot release. As of June 16, 2021, only 18 lots were available (i.e., not under contract or sold). The project will be a mix of residential uses including 129 low-density single-family units, 163 medium density single-family detached and attached residential units, and 108 high-density residential units. Densities range from two to six units per acre for what City zoning standards consider low-density, three to eight units per acre for what City zoning standards consider medium density, and what City zoning standards consider high density at five to 15 units per acre. Open space has been allocated at about 25 percent of the acreage. Lots are currently being marketed ranging from $67,500 for 6,300 square feet up to $119,500 for 0.25-0.30 acre lots. One current Zillow listing advertises a new construction single-family home of 1,617-square-feet on an 8,736 square-foot lot for $557,800 for a price per square foot of structure of $345. The finished lot sold for $79,500 (equating to 14 percent of the asking sales price.[20] According to the City planning staff, no building permits have yet been issued in the development.

The Crossing at Cloud Peak Ranch is planned for 60 housing lots west on 5th Street. The first phase of 30 lots on 5.65 acres of land is actively being marketed. Current Zillow listings advertise a new single-family home listing of 2,144 square feet on 0.28 acres for $639,000 ($288 per square feet of structure space.[21] The finished lot price was listed at $99,000 (15 percent of the sales price of the house). Currently advertised remaining finished lot prices range from $100,000 (0.28 acres) to $154,000 (0.36 acres).

Hidden Bridges at Cloud Peak Ranch, a 74-lot new subdivision is marketing new housing at over $500,000 per unit. The project is zoned R-2 although the developer will only build single-family homes. One Zillow listing advertises a new construction home of 2,170-square-feet for $517,470 (for a price per structure foot of $238). Home sizes will range from 1,840 square to over 2,000 square feet. Lot sizes will range from about 6,500 to over 12,000 square feet.

While not shown above on Table III-6 above, an example of duplex type housing is Skyview West located near Brundage Lane on the west side of Sheridan. Units in Skyview West Phase II, an existing older development of duplex housing on l6 lots of around 4,000 square feet of land and homes of around 1,500 square feet of structure space sell for around the low $300,000's. The nearly seven-acre project was developed under R-3 zoning. The project is nearly built out with the last four lots/homes being developed. One example of a recent listing is for 1,440-square-foot duplex single-family home on a 3,920 square foot lot asking $370,000 ($257 per square foot of structure space).[22] Finished lot prices range from $75,000 to $85,000 (about 22 percent of the housing unit sales prices).

On the northernmost edge of City at the northwest corner of Decker Road and Dovetail Lane, developers have proposed a new 25-acre residential subdivision The development is located in the Wrench Ranch Master Development Plan area and zoned Gateway District. Average lots sizes are 9,446 square feet of land. The Sheridan City Council recently approved the development.

[19] Residential for sale in Ranchester, Wyoming, 21-733 (westkott.com)
[20] 375 Legacy Rd, Sheridan, WY 82801 | MLS #21-838 | Zillow
[21] Sunrise Ln LOT 16, Sheridan, WY 82801 | MLS #21-1089 | Zillow
[22] 2047 Skyview West Dr, Sheridan, WY, 82801 | realtor.com®

A new 10-acre mobile/manufactured housing development being marketed as affordable housing called the Cottonwood in the City of Sheridan was recently rezoned from R-2 to R-3 and R-4. A planned 58 new lots will accommodate manufactured homes and duplexes. The average lot size will be 0.12 acres. The Cottonwood subdivision totals 51.4 acres and is planned for 248 lots of manufactured housing and duplexes.

Trailside at Woodland Park, a 139-lot subdivision is an affordable housing project limited to $250,000 for new homes. Qualified buyer cannot make more than 100 percent of Area Median Income (AMI). Current Zillow listings show new homes plans of (two-bedroom, one bath) of 975 square feet. The project is currently adding another 24 lots, each of which will consist of 6,000 square feet of land.
In Sheridan County, Powder Horn, a golf course community south of the City limits, is a high-end development. The project has its own central septic system. Current Zillow listing shows new construction home of 2,112 square feet on 0.28 acres of land for $755,000 ($357 per square foot of structure space).[23] Current active listings for finished lots range from $105,000 (0.5 acres) to $165,000 (0.42 acres). An additional 73 lots has recently been approved by the County for new development.

Available Residential Land Supply

Table III-7 presents examples of land supply available in City of Sheridan for future residential development

TABLE III-7: Future Residential Land Supply in City of Sheridan

Project	Number of Acres #
Wrench Ranch	Residential – 103.1 Mixed-Use – 198.5
Cloud Peak Ranch	Residential – 279.9 Residential Estate – 76.1
Source: City of Sheridan	

Two major projects on the City's north and northwest side contain an additional 658 acres of residential zoned land and mixed-use zoned land which could serve future residential development.

[23] 5 Creekside Ln, Sheridan, WY 82801 | MLS #21-840 | Zillow

Rental Market Conditions

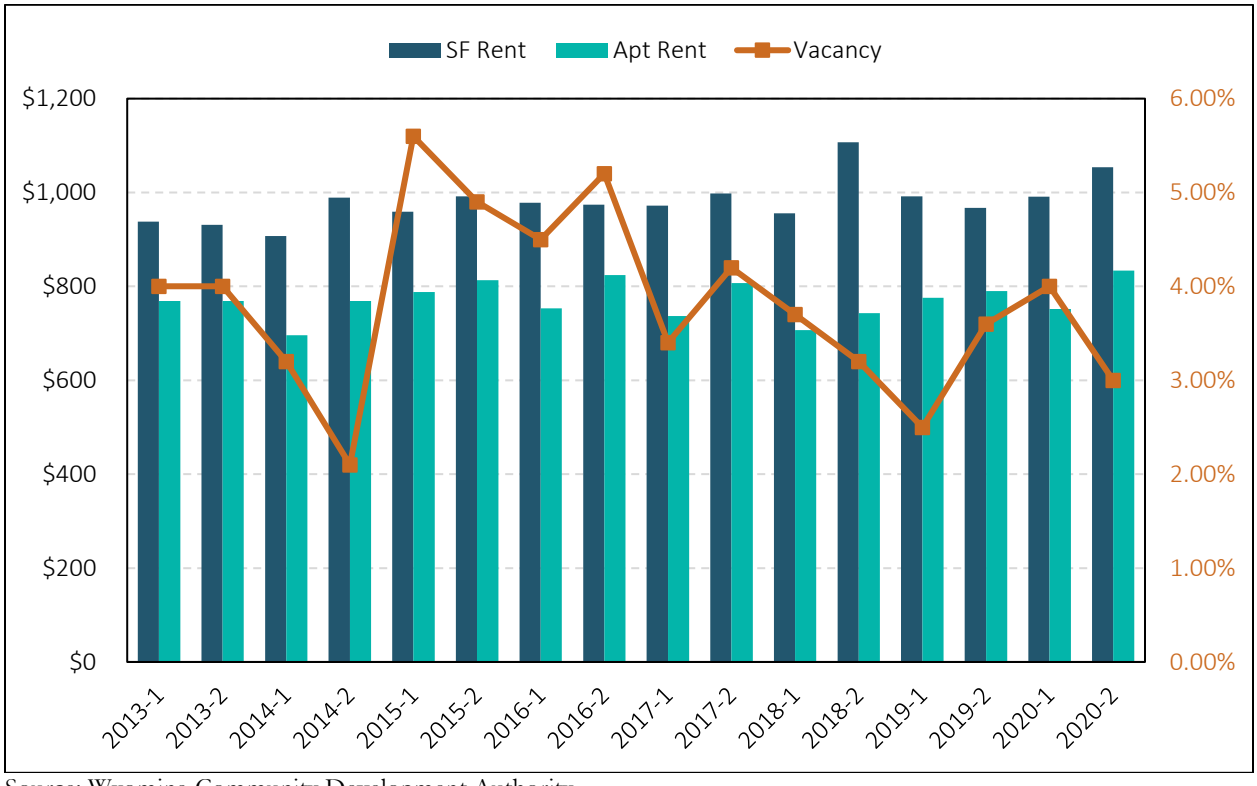
The Sheridan County apartment market inventory totals about 4,300 rental units. The rental market is characterized by smaller developments with low vacancy rates and increasing rents. Very little new apartment supply has been added in Sheridan. Since the Great Recession of 2008-2010, only 250 new attached or multi-family housing units have been permitted in all of Sheridan County (according to U.S. Census Bureau building permit records). A 60-unit affordable apartment project, Big Horn Flats by Blue Line Development, Inc. is currently under construction in Sheridan.

The Wyoming Community Development Authority June/July 2021 telephone survey of rental market conditions in Sheridan County covered 35 rental projects totaling 763 units. The 35 projects included single-family, apartment, and mobile home units with the majority of units surveyed being apartments. The survey reported 10 apartment units were available, resulting in an overall vacancy rate of 1.3 percent for all types of rental units (and a 1.8 percent vacancy rate for apartment units in the survey). This compares to a statewide vacancy rate of three percent for apartment units.

Reported monthly market rate rents for Sheridan County are $1,134 for single-family units and $804 for apartment units. The survey estimates an 80- person waiting list in Sheridan for rental units. Current advertised availability is extremely limited with only one 48-unit income-restricted apartment project advertising two units which are "coming soon".

Figure III-4 illustrates historical rent and vacancy rate trends in Sheridan County.

FIGURE III-4: Historical Rents and Vacancy Rates (Sheridan County)



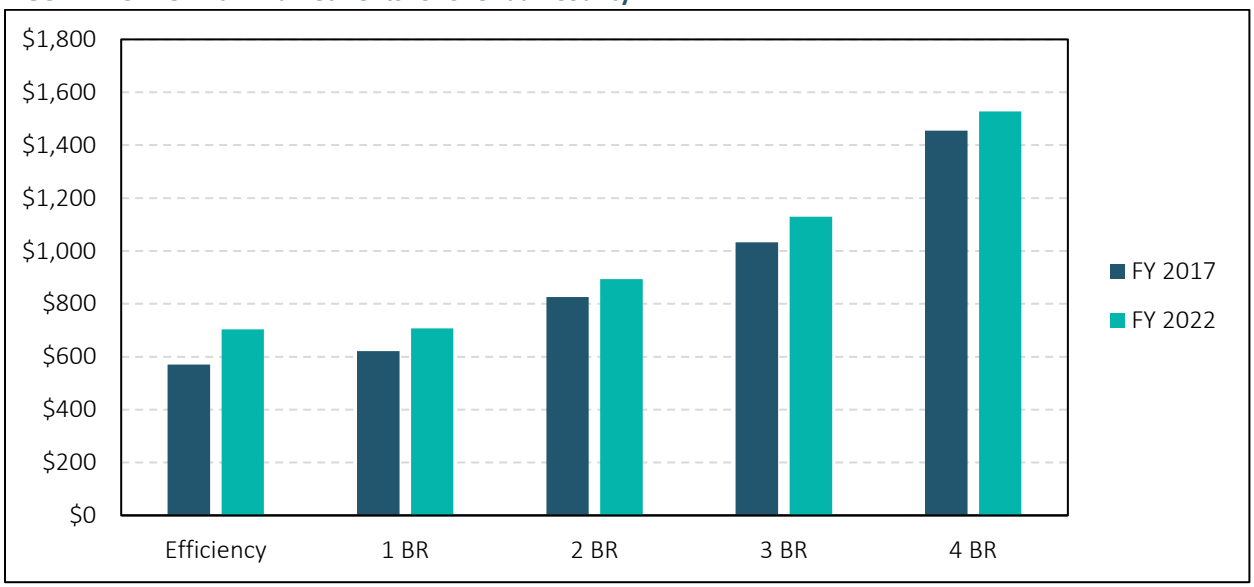
Source: Wyoming Community Development Authority

According to the Wyoming Community Development Authority, since 2013 monthly rents for single-family units in Sheridan County have ranged from approximately $900 to $1,100. Average monthly rents for single-family units increased by about 12 percent between 2013 and 2020.

Similarly, apartment unit rents have remained fairly stable at around $800 per month. Vacancy rates peaked in 2015 at over five percent but have been consistently declining to around three percent in 2020. Discussions with local area realtors, developers, and major employers indicate that the rental housing market is very tight with limited availability of units for rent. Major area employers report that potential new hires have had a difficult time securing rental units which are quickly leased upon becoming available. One newer small six-unit market rate apartment project recently built in Sheridan has obtained monthly rents of over $2,000.

Figure III-5 summarizes HUD fair market rents estimates in Sheridan County for 2017 and 2022. Fair market rents represent the cost to rent a moderately-priced dwelling unit in the local housing market.

FIGURE III-5: HUD Fair Market Rents for Sheridan County



According to HUD, 2017 fair market rents range from $570 per month for an efficiency unit up to $1,455 per month for a four-bedroom unit. HUD's estimates of 2022 fair market rents range from $703 per month for an efficiency to $1,528 per month for a four-bedroom unit. Rents for efficiency units are reported to have increased 23 percent since 2017 while rents for four-bedroom units have increased at a much lower rate of five percent.

CHAPTER IV

HOUSING AFFORDABILITY - COST BURDENED HOUSEHOLDS

HOUSING AFFORDABILITY CONDITIONS

Housing affordability is defined by both the income of a household, or its "ability to pay", and the cost of a housing unit appropriate for that household. If a household spends 30 percent or less of gross (before-tax) income on housing and related expenses (property taxes, insurance, etc.), it is generally considered to be "affordable" under standards defined by the U.S. Department of Housing and Urban Development (HUD). If more than 30 percent of income is spent on housing, households may be defined as "cost burdened." This 30 percent threshold was used throughout this analysis to characterize housing affordability conditions in Sheridan County.

Table IV-1 summarizes current household income limits in 2021 for Sheridan County.

TABLE IV-1: Sheridan County Income Limits (2021)

	Household Size (# Persons)				
	1	2	3	4	5
Extremely Low Income (30% AMI)	$17,050	$19,500	$21,960	$26,500	$31,040
Very Low Income (50% AMI)	$28,400	$32,450	$36,500	$40,550	$43,800
Low Income (80% AMI)	$45,450	$51,950	$58,450	$64,900	$70,100
Median Income (100% AMI)	*$56,800*	*$64,900*	*$73,100*	*$81,100*	*$87,600*

Sources: U.S. Dept. of Housing and Urban Development; Gruen Gruen + Associates.

Household income limits for the Extremely Low-income category – 30 percent or less of Area Median Income (AMI) – range from $17,050 for a one-person household to $31,040 for a five-person household. Limits for the Very Low-income category, which represents 30 percent to 50 percent of AMI, range from $28,400 for a single-person household up to $43,800 for a five-person household.

Limits for the Low-Income category reflecting 50 percent to 80 percent of AMI range from $45,450 for a single-person household up to $70,100 for a five-person household. The limits for the median income category – 100 percent of AMI – range from $56,800 for a single-person household up to $87,600 for a five-person household.

COST BURDENED HOUSEHOLDS

Table IV-2 summarizes the distribution of Sheridan County households (in 1999, 2010, and 2019) by housing tenure and the percentage of household income expended on housing costs. Households spending more than 30 percent of their income on housing are considered "cost burdened."

TABLE IV-2: Housing Costs as Percentage of Household Income (Sheridan County)

	1999 % of Households	2010 % of Households	2019 % of Households
OWNERS			
Less than 20 percent of income	58.9	52.6	55.9
20 to 29 percent of income	22.2	22.4	22.2
30 percent or more of income	**18.9**	**25.0**	**21.9**
RENTERS			
Less than 20 percent of income	38.4	30.6	36.5
20 to 29 percent of income	26.4	29.6	26.4
30 percent or more of income	**35.2**	**39.8**	**37.1**

Sources: U.S. Census Bureau; Gruen Gruen + Associates.

Long-term affordability conditions for homeowners have remained relatively stable in Sheridan County. The cost-burden rate increased by about three percentage points between 1999 and 2019. About 19 percent of homeowners were cost burdened in 1999, compared to just under 22 percent by 2019. The majority of existing homeowners (ranging from 53 to 59 percent over the prior 20 years) expend less than 20 percent of their income on housing.

Affordability conditions for renter households have followed a similar pattern, although a much higher share of Sheridan County renters are cost burdened. Approximately 37 percent of renters were cost burdened in 2019, up from 35 percent in 1999. Compared to homeowners, a much smaller percentage of renters (ranging from about 31 to 38 percent over the prior 20 years) expend less than 20 percent of their income on housing costs.

HOUSING AFFORDABILITY "GAPS"

This section summarizes the Sheridan County housing inventory by price in comparison to existing households by income. The comparison identifies the gaps or the differences between (a) the number of existing households bracketed by affordable housing costs; and (b) the number of units estimated to exist at those affordable price points. The estimates are based on analysis of 2019 American Community Survey data for Sheridan County.



Table IV-3 summarizes estimates of the price of housing currently afforded at various household income levels.

TABLE IV-3: Affordable Housing Prices and Monthly Rents by Household Income Bracket

Household Income	Maximum For-Sale Housing Price [1]	Maximum Monthly Rent
Less than $15,000	Below $75,000	Below $375
$15,000 to $34,999	$75,000 to $169,999	$375 to $874
$35,000 to $49,999	$170,000 to $244,999	$875 to $1,249
$50,000 to $74,999	$245,000 to $364,999	$1,250 to $1,874
$75,000 to $99,999	$365,000 to $484,999	$1,875 to $2,499
$100,000 to $149,999	$485,000 to $729,999	$2,500 to $3,749
$150,000 and Above	$730,000 and above	$3,750 and above

[1] Assumes a 15 percent down payment with a 30-year fixed rate mortgage at an annual interest rate of 3.5 percent. Permanent mortgage insurance is included at 0.8 percent of the loan (current FHA rates) and taxes and home insurance assumed to approximate 0.9 percent of the purchase price.

Source: Gruen Gruen + Associates

The lowest income households with less than $15,000 of annual income can afford no more than $375 in monthly gross rent. Households with $35,000 of annual income could afford up to about $875 in monthly gross rent. Assuming a household with annual income of $35,000 or less could obtain a 30-year mortgage, such a household could likely afford no more than a $170,000 unit. A household with $75,000 of annual income can afford about $1,875 in monthly gross rent or a purchase price of approximately $365,000. Households with $100,000 to $150,000 of annual income (which comprise nearly 18 percent of households in the County) can afford monthly rents of about $2,500 to $3,750 and purchase prices of $485,000 to $730,000. Households with incomes of $150,000 or higher (comprising 10 percent of countywide households) can afford rents of $3,750 or higher and homes prices at $730,000 or more.



Table IV-4 presents a comparison of the housing inventory by price point to the number of households able to afford housing at each price point. The estimates reflect the price of housing that households can potentially afford, not what they will necessarily elect to purchase or rent.

TABLE IV-4: Comparison of Sheridan County Housing Inventory to Households by Price/Rent Afforded

	Existing Supply [1] # Units	Households Able to Afford Units [2] #	Existing Housing Surplus or (Gap) # Units
RENTERS (monthly rent)			
Below $375	557	705	(149)
$375 to $874	2,002	1,090	912
$875 to $1,249	1,083	631	452
$1,250 to $1,874	410	850	(440)
$1,875 to $2,499	83	402	(319)
$2,500 to $3,749	0	293	(293)
$3,750 and above	0	163	(163)
OWNERS (home value)			
Below $75,000	886	312	574
$75,000 to $169,999	1,198	1,340	(142)
$170,000 to $244,999	1,753	1,286	467
$245,000 to $364,999	2,661	1,455	1,206
$365,000 to $484,999	1,366	1,536	(170)
$485,000 to $729,999	789	2,057	(1,268)
$730,000 and above	463	1,131	(668)

[1] Estimate of occupied housing inventory, as of 2019.

[2] Affordable costs equal 30 percent of income. Note that higher-income households can afford housing in lower price brackets.

Sources: U.S. Census Bureau, 2019 American Community Survey; Gruen Gruen + Associates

Sheridan, like most communities, experiences a deficit of rental units available at very low prices. Using the 30-percent-of-income expended on housing standard, Sheridan is estimated to contain approximately 705 renter households which can afford to pay no more than $375 in monthly gross rent. The existing supply of rental units priced below this affordability threshold is estimated at 557 units, indicating a "gap" or deficit of approximately 149 rental units affordable to the lowest income bracket. The next two monthly rent categories - $375 to $874 and $875 to $1,279 – show a surplus of rental units, indicating an existing supply exceeding the number of households who can afford rent at these levels.

At the higher range of the income spectrum, Sheridan includes an estimated 1,708 households which could afford monthly rents exceeding about $1,200. Sheridan does not include enough units renting at these price points of $1,200 or higher. This circumstance is not unique to Sheridan. The shortfall in higher priced units suggests from the point of view of higher-income households in Sheridan that the rental stock is affordable and permits households to spend less than 30 percent of their incomes on housing. It may also indicate potential demand for new high-quality rental product from existing households, which if added to the inventory, could create more availability in the existing rental inventory at lower price points.

The gap analysis for owner-occupied housing suggests a shortfall in the $75,000 to $170,000 value category. The supply of homes in this category are about 142 fewer than the number of households which can afford homes in this price range. At the lowest price and income bracket, more homes are valued at less than $75,000 than the number of households who can only afford housing units at less than $75,000. In each price bracket of $365,000 and above, more households have incomes sufficient to afford housing at the price ranges than the supply of housing units in these price ranges.

This however does not necessarily indicate a deficiency in the housing stock inventory. Rather, it signals an affordable "market rate" housing inventory on the upper end of the pricing ladder that offers the features and quality acceptable to higher-income households at prices that permit allocating far less than 30 percent of their income to housing. The current affordability conditions at higher price points and income levels also indicate that built-in demand for new high-quality housing product may exist from existing households, which could serve to create slack in the existing housing inventory at lower price points.



CHAPTER V

PROJECTED POPULATION, HOUSEHOLD, AND EMPLOYMENT GROWTH IN SHERIDAN COUNTY

INTRODUCTION

The amount of housing needed in a community is influenced by the size of the community's population and the living arrangements of the population. The size of the population, in turn, relates to the size of the community's employment base and the opportunities for housing development, while living arrangements also relate to development opportunities.

This chapter reviews potential future housing needs. GG+A estimates employment growth to derive an estimate of the labor force increases needed to sustain employment growth. Housing needs are based upon the shelter requirements of the required labor force plus retired or unemployed households. Accordingly, GG+A's estimate of housing needs presented in this report includes the estimated housing units required to serve estimated new workers and their households as well as replacements for existing units that are expected to be lost due to age and poor physical condition. We include the number of new housing units required to meet the housing needs of Sheridan County's population not only the units for new households but also units to replace those removed from the housing stock and to allow for vacancies. Vacancies are required both to allow movement among dwelling units and to keep the price of housing from excessively escalating.



SUMMARY OF POPULATION AND HOUSEHOLD GROWTH FORECAST FOR SHERIDAN COUNTY

Table V-1 summarizes the population and household growth 10-year forecast for Sheridan County based on the projected workforce and non-workforce housing needs.

TABLE V-1: Forecast of Population and Household Growth in Sheridan County[1]

	2021 Estimate	2031 Forecast	10-Year Growth	
	#	#	#	%
Population:				
In Workforce Households	25,000	26,800	1,800	7
In Non-Workforce Households	5,700	6,200	500	9
In Group Quarters	800	800	0	0
Total Population	**31,500**	**33,800**	**2,300**	**7**
Households:				
Workforce Households [2]	10,000	10,700	700	7
Non-Workforce Households [3]	3,500	3,800	300	9
Total Households	**13,500**	**14,500**	**1,000**	**7**

[1] Figures are rounded to nearest hundred.

[2] A "workforce household" includes atleast one member that is active in the labor force.

[3] Other "non-workforce households" are those without any labor force participants; primarily senior (age 65+) houseohlds.

Source: Gruen Gruen + Associates

Sheridan County's population is projected to grow by seven percent over the next decade from approximately 31,500 persons in 2021 to 33,800 persons in 2031. Most of the forecast growth is expected to occur from workforce households, increasing by about 1,800 people. Non-workforce households, comprised primarily of senior age households, are projected to increase the County's population by about 500 people.

The County's household base is projected to increase by about 1,000 households, increasing form 13,500 households in 2021 to 14,500 households in 2031.



EMPLOYMENT FORECAST

According to recent projections from the State of Wyoming Department of Workforce Services[24], the employment base in the Northeast Region of the state is anticipated to grow by about 3,300 jobs over 10 years. The production of workforce housing (regionally and locally, within Sheridan County) will influence the ability to realize the projected employment growth potential and maintain a competitive functioning housing market.

Table V-2 summarizes the regional forecast of employment by occupational category. It also presents an estimate for Sheridan County (prepared by GG+A) that reflects the current distribution of employment throughout the region. An assumption is that Sheridan will maintain a stable position in the regional economic base.

TABLE V-2: Forecast of 10-Year Employment Growth in Sheridan County

Occupation	Regional Growth [1] # Jobs	Sheridan County Share [2] % of Region	**Sheridan County Growth # Jobs**
Management, business, science, and arts	1,247	40.0%	**499**
Services	1,267	35.0%	**443**
Sales and office	227	30.0%	**68**
Natural resources, construction, and maintenance	215	20.0%	**43**
Production, transportation, and material moving	310	20.0%	**62**
Total	3,266		**1,115**

[1] Forecast employment growth for the Northeast Region of Wyoming.
[2] Based on 2019 composition of employment within the Northeast Region.

Sources: Wyoming Dept. of Workforce Services; U.S. Census Bureau; Gruen Gruen + Associates.

Based on discussions with local economic development and municipal officials, private sector businesses, and Sheridan Memorial Hospital, we estimate that Sheridan County's employment base can be expected to increase by approximately 1,100 net jobs over the next 10 years. This estimate reflects the assumption that adequate housing will be available to accommodate the additional demand induced by job growth.

[24] Wyoming Dept. of Workforce Services, *Wyoming Long-Term Sub-State Occupational Employment Projections 2018-2028.* Forecast prepared in June 2021: http://doe.state.wy.us/lmi/projections/2021/LT-Substate/2018-2028.htm.

NEW HOUSEHOLDS INDUCED BY EMPLOYMENT GROWTH

Table V-3 summarizes a projection of future workforce households by household size and income bracket. This forecast is based on the Public Use Microdata Samples (PUMS) from the 2019 American Community Survey of existing household size and income characteristics of workforce households in Wyoming.[25]

TABLE V-3: Forecast of Workforce Household Growth in Sheridan County over 10 Years

	10-Year Household Growth by Area Median Income (AMI) Bracket				
Household Size	<50% AMI	50-80% AMI	80-120% AMI	>120% AMI	**TOTAL**
1-Person	49	25	35	31	**141**
2-Person	29	41	66	124	**259**
3-Person	27	17	28	45	**117**
4-Person	12	17	25	60	**113**
5+ Persons	4	*18*	*14*	24	**60**
Total	121	118	168	284	**690**

Source: Gruen Gruen + Associates

A total of 690 new workforce households are projected to be added in Sheridan County between 2021 and 2031. Two hundred thirty-nine (239), or 35 percent of new workforce households are projected to reside in a household that can be considered Low Income earning less than 80 percent of AMI when adjusted for household size. A smaller subset of workforce households, about 18 percent are projected to live in households that can be considered "Extremely Low" or "Very Low" income, earning below 50 percent of AMI. Most forecast workforce households, 452 households or 65 percent of total households, are forecast to earn above 80 percent of AMI. These households are far less likely to be challenged to find affordable housing and will typically not qualify for federal or state housing assistance programs.

Both for households at the lowest (less than 50 percent of AMI) and highest (above 120 percent of AMI) income brackets, small size households of one- or two-people are projected to make up the majority of future workforce households.

[25] The projection of additional workers (Table V-2) is divided by the average number of workers in each household type, resulting in an estimate of additional workforce households. For example:

1. Over the next 10 years, an additional 443 workers are expected in "Service" occupations.
2. Approximately 13% of Service workers live in a two-person household with annual household income above 120% of AMI, suggesting 56 additional workers in this household type.
3. Two-person households with income above 120% AMI contain an average of 1.7 workers, indicating the 56 additional workers will reside in 33 workforce households with these characteristics (>120% AMI, 2-person household).
4. The process is repeated for all other occupational categories and household types, resulting in the estimates presented in Table V-3.

SENIOR AND NON-WORKFORCE HOUSEHOLD GROWTH

Table V-4 summarizes the projected growth in senior and non-workforce households by household size and income bracket.

TABLE V-4: Forecast of Non-Workforce Household Growth in Sheridan County over 10 Years

	10-Year Household Growth by Area Median Income (AMI) Bracket				
Household Size	<50% AMI	50-80% AMI	80-120% AMI	>120% AMI	**TOTAL**
1-Person	90	24	15	15	**144**
2-Person	39	21	39	45	**144**
3+ Persons	3	0	3	6	**12**
Total	132	45	57	66	**300**

Source: Gruen Gruen + Associates

The senior housing need projection is based on an estimate of predicted growth in the senior population in Sheridan County. Like the workforce housing need projection, PUMS data from the most recent American Community Survey was analyzed to identify the household arrangement, size, housing tenure, and income characteristics of senior households in the County. These estimates were then used to quantify how growth in the senior-age population may result in additional housing needed.

An additional 300 senior and non-workforce households are projected to be added in Sheridan County between 2021 and 2031. An additional 132 senior and non-workforce households (44 percent of total) are projected to have incomes below 50 percent of AMI. An additional 45 senior households are projected to have incomes between 50 and 80 percent of AMI. Forty-one (41) percent or an additional 123 senior households are projected to have to have incomes above 80 percent of AMI.



CHAPTER VI

PROJECTED NEW HOUSING UNIT NEED BASED ON FORECAST HOUSEHOLD GROWTH IN SHERIDAN COUNTY

WORKFORCE HOUSING UNIT NEED

Table VI-1 presents the projection of workforce housing unit need by type of unit and income bracket. Existing workforce household characteristics by income and housing occupancy are the basis for the projection.[26]

TABLE VI-1: Workforce Housing Unit Need by Type and AMI Bracket

	<50% AMI	50-80% AMI	80-120% AMI	>120% AMI	TOTAL UNITS
Single-Family[1]	55	69	130	254	**507**
Multi-Family	66	49	38	31	**183**
10-YEAR TOTAL	121	118	168	284	**690**

[1] Includes detached and attached single-family units.

Source: Gruen Gruen + Associates

Single-family housing, with a projected need of about 500 units, comprises about 73 percent of the total additional workforce housing need. Multi-family housing of about 180 units represents the remainder of the workforce housing need.

Given the composition of potential job growth in Sheridan County (and thus, the composition of workforce households likely to be attracted if sufficient housing is made available), some of the workforce housing needed will be at below-market rents or sales prices. About 35 percent of the projected workforce housing need is associated with households below 80 percent of AMI. Existing housing inventory at lower prices (prices lower than required to develop new housing in Sheridan) will need to become available to accommodate this potential workforce growth. This highlights the imperative to not just produce new housing to accommodate growth, but to also provide new construction housing opportunities that respond to needs of existing households already living in Sheridan.

[26] The 10-year projection of additional workforce households by size and income bracket (Table V-3) form the basis for these estimates. Existing relationships between workforce household characteristics and the types of housing occupied are then applied to further differentiate workforce housing needs by type of housing. For example:

1. About 85% of two-person workforce households with annual income exceeding 120% occupy a single-family housing unit.
2. A total of 124 workforce households in this size/income bracket are projected (Table V-3).
3. Thus, these workforce households generate a projected need for 105 single-family units (85% x 124).
4. The process is repeated for all other housing types and income brackets, resulting in the estimates summarized in Table VI-1.

SENIOR AND NON-WORKFORCE HOUSING NEED

Table VI-2 presents the projection of non-workforce housing (predominately senior housing) need by type of housing unit and income bracket. Estimates of housing need are presented separately for households that are likely to already own housing free and clear of debt (because lower incomes in this case may not influence housing affordability or housing selection).

TABLE VI-2: Non-Workforce Housing Unit Need by Type and AMI Bracket

	<50% AMI	50-80% AMI	80-120% AMI	>120% AMI	**TOTAL UNITS**
Households that Own Housing Free of Debt:					
Single-Family[1]	40	23	34	43	**139**
Multi-Family	13	5	3	3	**24**
Subtotal	53	27	37	46	**163**
Households that Rent (or have Mortgage Debt):					
Single-Family[1]	**33**	**11**	**17**	17	**78**
Multi-Family	**46**	**7**	**3**	**3**	**59**
Subtotal	79	18	20	20	**137**
10-YEAR TOTAL	132	45	57	66	**300**

[1] Includes detached and attached single-family units.

Source: Gruen Gruen + Associates

Single-family housing, with a projected total need of 217 units over 10 years, constitutes about 70 percent of additional housing need for seniors and other households not active in the workforce. Multi-family need is projected at about 80 units over the 10-year period.

Most future need or about 54 percent will be associated with senior and non-workforce households that already own housing free and clear of any debt. Given interviews describing senior and empty-nester migration from higher-cost markets, much of this household growth may afford new construction housing product irrespective of the income estimates presented in Table VI-2.

PROJECTED HOUSING REPLACEMENT NEED

While it is difficult to forecast total replacement need accurately because of exogenous or unpredictable factors which can lead to large removals of housing stock (e.g., large floods or fires), some amount of housing replacement need is simply correlated to the declining physical condition of the existing housing stock. Aging and obsolescence of residential structures beyond reasonable repair will generate a continual need to house displaced residents (frequently tenants/renters) irrespective of other housing needs. Changing market dynamics and socioeconomic factors also lead to varying degrees of housing removal. Existing units or lots can be combined, and existing structures may change from their initial use.

National-level data via American Housing Survey samples are periodically evaluated to determine dynamics of housing stock change, including the balance between permanent and temporary housing stock losses and non-construction additions to inventory. Overall, the "Components of Inventory Change: 2015-2017" study sponsored by HUD suggests that the annual nationwide housing loss rate is relatively low at 1.8 units per 1,000.[27]

To make an approximation of housing replacement need over the next 10 years, we apply the net annual housing loss rates to the existing housing stock in Sheridan County summarized in Table VI-3.

TABLE VI-3: Sheridan County Housing Replacement Demand Estimate over 10 Years

Age (in 2021)	Existing Sheridan County Housing Stock [1] # Units	Housing Loss Rate (Annual) [2] %	10-Year Housing Replacement Need # Units
25 Years or Less	3,500	0.00%	0
26 to 35 Years	1,900	0.12%	23
36 to 45 Years	2,300	0.23%	53
46 to 55 Years	1,900	0.29%	55
56 to 65 Years	1,000	0.13%	13
66 to 75 Years	1,100	0.49%	54
75 Years or Older	3,300	0.49%	162
Total	**15,000**		**359**

[1] Existing housing stock based on 2019 ACS estimates.
[2] Derived from HUD "Components of Inventory Change" report, prepared 2020.

Source: Gruen Gruen + Associates

The size and age distribution of the existing housing stock in Sheridan County suggests an estimated need to replace approximately 360 units over the next 10 years. Approximately 60 percent of the housing replacement need estimate is attributable to the replacement of units that are 65 years or older.

[27] Implicitly this indicates that the newest housing units added to inventory will not need replacing within the next 500 years. This is not likely to be the case but the generalization that newer units are less susceptible to abandonment or becoming uninhabitable due to functional obsolescence and disrepair is reasonable.

RELATIONSHIP BETWEEN HOUSING NEEDS AND HOUSING SUPPLY AND LAND SUPPLY THAT COULD BE USED FOR HOUSING IN SHERIDAN COUNTY

Table VI-4 presents the relationship between the estimated potential demand for housing units in the next 10 years with the estimated land capacity potentially developed to add housing units.

TABLE VI-4: Balance Between Potential Residential Land Supply and Need

	Single-Family # Units	Multi-Family # Units
Workforce and Senior Housing	725	265
Housing Replacement	252	107
Total 10-Year Need	977	372
Current Lot Supply or Units in Development	±500	
Potential Future Supply (Longer-Term)[1]	1,800	1,000
Total Potential Land Supply	2,300	1,000
LAND SUPPLY SURPLUS OR (DEFICIT)	**1,323**	**628**

[1] Residential land designations at Wrench Ranch and Cloud Peak Ranch (460 acres total) included as potential single-family supply at an average density of four units per acre. One-quarter of "mixed use" land assumed for multi-family at average density of 20 units per acre.

Source: Gruen Gruen + Associates

The potential demand for an estimated 977 single-family housing units compares to an estimated lot supply or units in development of approximately 500 and a potential longer-term supply of 1,800 lots. While the land supply appears adequate to accommodate future housing needs within the 10-year forecast period, to avoid the perception of land shortages, and price increases, and maintain incentives for existing residential properties to be well maintained and upgraded, more land should be available from a diversity of owners for residential development than the amount estimated to be needed to meet forecast demand.

The potential demand for an estimated 372 multi-family units compares to a land supply which can accommodate about 1,000 multi-family units. This amount of land supply for multi-family housing is also anticipated to accommodate future housing needs within the next 10 years. Again, more land than anticipated to be needed for multi-family housing should be available to help maintain a competitive, well-functioning housing market.



APPENDIX A

REVIEW OF PRIOR HOUSING RELATED REPORTS

Title: Sheridan County Housing Needs Assessment

Author: Community Strategies Institute

Date: January 2006

Client: Sheridan County

Summary:

Demographic Forecast: Sheridan County was projected by the Wyoming Department of A & I, Economic Analysis Division to experience a higher than state average rate of population growth due to energy industry jobs attracting workers. The population was projected to increase by 14 percent from 26,560 in 2000 to 30,336 in 2020. (Actual 2020 population was 30,921).

The lack of natural population growth and influx of retirees to the area was expected to result in the aging of the population. The share of the population 65 years of age or older was forecast to increase from 15. 9 percent in 2000 to 22.2 percent in 2020. (Actual share of population 65 years or older in 2019 was 20 percent).

By 2020 Sheridan County was forecast to contain 14,533 households of which 4,524 (31 percent) would reside in rental housing and 10,009 (69 percent) would reside in owner-occupied housing.

Employment: The growth in the energy industry (coal sector was reported as among the largest source of employment) was expected to cause unemployment in Sheridan to remain persistently low "for many years". The report stated "(t)he opening of P & M Coal Company in northwestern Sheridan County and growth in the energy industry will bring many new households to the area." The company did not open the mine and mining employment declined greatly after 2015.

A report by the Wyoming Department of Employment projected sources of job growth from 2005 to 2012 to include education and health care, leisure and hospitality, and professional, business, and real estate services. The authors indicated the potential for energy to increase employment by 4,000 jobs (not projected by the Department of Employment). The report emphasizes that a "group of residents (is) moving to the area because of employment in the fossil fuel extraction industry. The jobs in the extraction industry are generally well paying. Companies operating in the areas surrounding Sheridan mine coal,



extract natural and coal bed methane gas. Those extraction companies rely on a variety of support companies which operate drilling rigs, pipelines, service the well sites and perform a variety of maintenance and transport functions." (As described above, the Sheridan County economy experienced a prolonged downturn in the extraction and oil and gas sector and a growth in manufacturing employment as well as growth in sectors associated with relatively higher salaries and wages including finance insurance and real estate and professional and technical services.

Income: Per capita income was reported to be $33,461 in 2003; an amount slightly higher than personal income for the State as a whole. Consistent with Sheridan County being an attractive location to which retirees locate and containing a high share of population 65 years of age or older, the authors cite data indicating that non wage income is an important source of income for some households. The data appears to indicate tat job earnings is close to per capita income estimate and no data is presented that shows household income by age or employment status. The report, however, appears to suggest that non-wage workers outbid worker households for available housing. (The employment forecast suggests the non wage older households may indeed generate jobs in the sectors forecast to grow and as smaller, nonfamily households actually prefer and need a different type of housing than job earning households ("Again, this data shows the struggle of those relying on wages to afford a housing market partially driven by other income coming into the county.").

Housing Supply: "Housing production kept pace with population and household growth in Sheridan County during the 1990s. According to the 2000 Census, households grew at a rate of 13 percent while the number of housing units increased by 16 percent. While housing construction has been steady, many homes built in the county are second homes used by homeowners for only part of the year." Prices were consistent with national trends escalating in 2005 and asking prices averaged $159 per square foot. Rental unit vacancy rate reported at a low two percent. Rents, however, were very low, reported to be less than $600 per month for every category, including four-bedroom units.

A survey of mobile home park rents and vacancies found for 525 mobile home spaces five properties, the average space rent was $221 per month. Parks have a vacancy rate of two percent.

Most housing facilities for special needs populations had waiting lists.

Housing Needs Assessment: 60% of households are family households. Analysis appears to reflect percentage of household income relative to family median income rather than percentage of household income relative to housing costs. However, it appears the report indicates that 28.2% of renter households and 20.3% of owner-occupant households were cost burdened in 2005 in Sheridan County. (GG+A's analysis indicates that in 1999 approximately 19 percent of owner-occupant households were cost burdened and 22 percent of owner-households

in 2019 were cost-burdened. The estimates of cost-burdened renter-households are were higher at 35 percent in 1999 and 37 percent in 2019).

A shortage of 483 unit applies to housing units affordable to households earning 30 percent or less of the area median income or rent of $292 after a utility payment. (157 Section 8 rental assistance vouchers were available in Sheridan County).

The report states "there are more rental units affordable at 31 to 50 percent MFI and 51 to 60 percent MFI than there are renter households in these income ranges…" The report also indicates that fewer higher price rentals were available than the number of households with incomes "in the 61 to 80 percent Area Median Income (AMI) and 81 to 115 percent AMI ranges" which could afford higher priced units.

Goals/Strategies: The report outlined broad goals and strategies related to increasing housing supply for very low-income households and special needs populations. For seniors the report suggests developing a housing campus near the Seniors Center. The report suggested building manufactured homes on foundation for low-income households to purchase housing. A "Home Repair Loan Fund" was also suggested (no details provided). Another suggestion was to study how to revitalize the upper floors of downtown buildings for housing, which would require energy related retrofits. Demolition was recommended for housing units not suitable for occupancy and replacement of such housing with duplexes or other multiple dwelling units (no specifics or examples provided). Various partnering and broad action steps were outlined to accomplish the goals.



Title: North Main Neighborhood Focused Housing Study

Author: Business Resource Group

Date: May – August 2011

Client: Sheridan Housing Action Committee (SHAC), through the City of Sheridan

Summary: Prepared a "focused residential needs analysis for the North Main Neighborhood (NMN) Area of Sheridan."

Purpose: A primary goal was to obtain "neighborhood development/improvement grants from federal agencies to assist low- and moderate-income homeowners to improve their property. "The purpose of the study was to evaluate housing conditions, occupancy by income and tenancy, and ascertain the most critical housing needs as expressed by the area residents through a survey instrument conducted in the NMN Study Area."

Findings: 55% of households have lower than 80% of AMI.
66.4% of households above age of 65.
Nearly 84% homeowners.
Over 38% lives at location for more than 20 years and over 58% for longer than 10 years.
Over ½ of the units bult between 1900 and 1940 and vast majority single family units.
Many households smaller sized without children at home.

Survey response rate was very low at 15% (after two separate mailings to a total of 797 addresses).

The report appears to indicate the disproportionate share of responses from older age households reflects that older households responded at a higher rate than younger aged households.

The report dd not address whether the older households reported to have lower income had no or low debt on their homes or other assets that could be sold or which generate non-wage income.

The survey asked respondents to identify repairs needed to their homes. "Maybe" answers were combined with "yes" answers relative to interest in obtaining funding or "sweat equity" for rehabilitation. The definitive yes answers appear to be less than half of responses indicating interest and "no" answers outnumbered "yes" answers. Seat equity was not defined and neither were the terms of the loan program, which could have contributed to the high share of "no" or "maybe" answers.



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