

# HOUSING MARKET ANALYSIS

City of Marion, Iowa

October 31, 2016

**MORNINGSIDE**  
RESEARCH AND  
CONSULTING, INC

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Submitted by

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# 1 EXECUTIVE SUMMARY

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## PURPOSE OF REPORT

The City of Marion commissioned this housing market analysis, a comprehensive housing study and needs analysis, to help decision makers, stakeholders, and community members develop a meaningful understanding of the housing market in the City of Marion, as well as an understanding of key housing issues. The housing market analysis is being conducted to:

- Support and inform community-specific housing priorities, policy alternatives, and intervention strategies based on anticipated future community demographics; and
- Determine whether the City of Marion meets “distressed workforce housing community designation” requirements set forth by the Iowa Economic Development Authority (IEDA) designation in order for housing developers to apply for a relatively new (2014) source of state funds for affordable housing, the state of Iowa Workforce Housing Tax Credits Program.

## ORGANIZATION OF REPORT

The six chapters and three appendices in this report are:

### EXECUTIVE SUMMARY

This chapter provides an overview of the analysis, findings, and recommendations presented in each subsequent chapter of the report, and highlights the sources from which the information was gathered.

### DEMOGRAPHICS

Chapter 2 summarizes the demographic trends in the City of Marion and provides applicable comparative data from the City of Ames, the City of Urbandale, and the Cedar Rapids metropolitan statistical area. The chapter also provides population projections for the City of Marion for the years 2020, 2025, and 2030 based on recent trends in annual growth. The demographic composition of a community impacts the housing market and housing needs; therefore, an overview of the demographic profile of Marion provides context for the analysis and recommendations in this report. Population projections based on the average annual growth rate of 1.5 percent in recent years suggest that Marion could have 40,356 residents by 2020 and 46,835 residents by 2030. Two of the fastest-growing population groups are seniors over the age of 65 and nonfamily households. These changing demographics may impact housing preferences.

### EMPLOYMENT AND INCOME

Chapter 3 summarizes the economic trends that play an important role in housing demand and affordability in the City of Marion and compares these trends with those in peer areas. Although the overall poverty rate in Marion is relatively low and median household incomes and education levels are relatively high, about 18 percent of households have annual incomes below \$25,000 and may have difficulty finding affordable housing.

### HOUSING MARKET TRENDS AND INDICATORS

Chapter 4 provides an overview of the composition of the housing stock, occupancy and vacancy rates, housing conditions, and the availability and cost of rental, homeowner, and subsidized housing in the City of Marion relative to the peer areas. The chapter also provides projections for housing supply and demand based on recent trends in the number of households and housing units. Overall, the data indicate that housing in Marion has

become relatively more expensive since 2000. Inflation-adjusted median home value has increased slightly and median gross rent has remained relatively constant. However, median income in Marion has decreased; meaning the purchasing power of Marion residents in the housing market has effectively decreased since 2000. With an inflation-adjusted median home value of \$149,468, the 18 percent of households with annual incomes below \$25,000 are unlikely to be able to purchase a home.<sup>1</sup>

A gap analysis of the current difference in the demand for and availability of housing at various income levels identified a shortage of rental units for people earning less than 30 percent of the area median income (AMI), as well as a shortage of rental units for people earning between 80 and 110 percent of the AMI. The shortage of housing at higher income levels impacts housing affordability by putting downward pressure on the housing supply as higher income households compete with individuals at lower income levels for housing. Overall, the City of Marion has few affordable housing options. Other cities have used several sources of funding for affordable housing development that could be explored by the City of Marion.

Based on a survey of senior housing facilities in the City of Marion, all of the affordable senior housing facilities in Marion are at full occupancy and most of the market-rate senior housing facilities are at 90 percent occupancy or above. The City of Marion currently has a ratio of one senior housing unit for every 6.28 seniors. As the senior population continues to grow, more senior housing units will need to be built to maintain this ratio.

Because of several new mixed-use development projects proposed in the area, the Uptown Marion district, an area located in the center of the city, is an important component of the current housing market in Marion. Six development projects are being planned for the Uptown Marion district, which would add 55 rental housing units to the area.

## STAKEHOLDER PARTICIPATION

Chapter 5 summarizes the process for engaging stakeholders in the market analysis process and the findings related to the housing and community needs in the City of Marion. This process included interviews, focus groups, an open house meeting, and an online community housing survey. The City of Marion sent invitations to attend the focus groups and interviews to housing development and real estate professionals, community organizations, City of Marion staff, Uptown Marion (a community economic development organization) staff, and Marion Economic Development Corporation (MEDCO) staff. The city encouraged all community members to attend the open house meeting and to complete the survey. Stakeholders cited a lack of variety of housing options in Marion, described barriers to developing a variety of housing, and noted the limited housing for low-income and special-needs populations.

## RECOMMENDATIONS

Based on the analysis in the body of the report, Chapter 6 includes a discussion of the key recommendations for consideration by the City of Marion, including encouraging and supporting more variety in housing options, supporting commercial development near housing, and considering the housing needs of special populations.

## APPENDIX A: ANALYSIS OF THE DISTRESSED WORKFORCE HOUSING COMMUNITY DESIGNATION

An analysis of the Iowa Economic Development Authority (IEDA) distressed workforce housing community designation revealed that Marion could potentially meet the criteria for a distressed workforce housing community as set forth by IEDA, depending on how the relevant data are interpreted. The detailed analysis is shown in Appendix A.

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<sup>1</sup> Inflation adjustment calculated using the June 2016 Consumer Price Index.

## APPENDIX B: PRIORITIZATION FORM

During the public participation process, participants were asked to use this form to identify up to three of the most important housing needs in Marion, whether those needs are for renters, owners, or both, and the location within the City of Marion where the housing is needed. A total of 30 participants from the focus groups, interviews, and open house meeting completed the prioritization form for a total of 89 prioritized housing responses. The form is shown in Appendix B.

## APPENDIX C: CITY OF MARION COMMUNITY HOUSING SURVEY INSTRUMENT

The community housing survey instrument used to gather input from Marion residents and stakeholders on housing needs in the community is shown in Appendix C.

## DATA SOURCES

In order to conduct the housing market analysis, existing data on demographics, employment and income, and housing market trends from a variety of sources were gathered, compared, and analyzed. In addition to the analysis of existing data, housing stakeholders, including city staff, residents, real estate professionals, housing developers, and community organizations, were given opportunities to provide input. In order to provide context for the City of Marion data presented in the report, applicable data from peer cities and the Cedar Rapids metropolitan statistical area are shown for comparison.

The following data sources were used to prepare this report. Specific sources of data are included in footnotes throughout the report.

- U.S. Census data on demographics, income and employment trends, and housing trends
- U.S. Department of Housing and Urban Development (HUD) data on public housing programs and Fair Market Rents
- Iowa public school district data from the Iowa Department of Education
- Residential construction data from the City of Marion
- Iowa Association of Realtors data and information from realtor.com
- Linn County Iowa Sheriff's Department data on foreclosed properties
- Iowa Economic Development Authority data
- U.S. Department of Labor, Bureau of Labor Statistics data
- Iowa Finance Authority data on affordable housing
- Information provided by the City of Marion Planning and Development Department
- Information gathered from a public participation process that consisted of stakeholder interviews, focus groups, a resident survey, and an open house meeting
- Information on current occupancy rates and funding sources gathered from senior housing providers in the City of Marion.
- The 2009 Marion Market Analysis
- A 2015 Comprehensive Needs Analysis for the City of Cedar Rapids

## PEER COMPARISONS

Throughout the report, data on the City of Marion are compared to data from other areas to provide context for current trends in demographics, employment, and housing. The peer cities used for this comparison are the cities of Ames and Urbandale. These were selected out of a list of peer cities on the Marion Public Library website based

on their similar size and similar demographic composition to Marion.<sup>2</sup> Data for the Cedar Rapids metropolitan statistical area, which includes the City of Marion as well as other areas of Linn, Benton, and Jones counties, are also provided to give context for local geographic trends.

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<sup>2</sup> "Comparing the Marion Public Library to the Libraries of Marion's Peer Cities." *Marionpubliclibrary.org*. Marion Public Library, n.d. Web. <http://marionpubliclibrary.org/sites/marionpubliclibrary.org/files/peercitylibraries-strategiccomparison.pdf>. Accessed August 11, 2016.

## 2 DEMOGRAPHICS

The demographic composition of a community impacts the housing market and housing needs. This chapter contains a detailed summary of key demographic trends in the City of Marion, provided in relation to other comparable cities and the Cedar Rapids metropolitan statistical area (MSA), to which Marion belongs.

### POPULATION GROWTH TRENDS

The population of the City of Marion grew considerably from 2000 to 2010, at a rate of 32.2 percent. This growth was comparable to Urbandale, but far outpaced growth in Ames and the Cedar Rapids MSA as a whole. Growth rates slowed after 2010, with the Marion population growing an estimated 7.4 percent between 2010 and 2015. Recent growth in the City of Marion outpaces the growth in the Cedar Rapids MSA, although it is slightly lower than the growth rate in the comparable cities of Ames and Urbandale.

**Table 2-1: Population Trends by Place, 2000 to 2015**

Place	2000 census	2010 census	Change 00-10	2011 (est.)	2012 (est.)	2013 (est.)	2014 (est.)	2015 (est.)	Change 2010-2015
Marion	26,294	34,768	32.2%	35,367	35,850	36,235	36,807	37,330	7.4%
Ames	50,731	58,965	16.2%	60,307	61,325	62,876	64,513	65,060	10.3%
Urbandale	29,072	39,465	35.7%	40,296	41,075	41,794	43,261	44,062	11.7%
Cedar Rapids MSA	237,230	257,940	8.7%	260,896	261,757	262,350	263,974	266,040	3.1%

Sources: U.S. Census Data, 2000 and 2010; U.S. Census Bureau, Annual Estimates of the Resident Population, 2010 to 2015.

### POPULATION PROJECTIONS

Table 2-2 shows annual population growth rates in Marion from 2011 to 2015, as calculated from U.S. Census Annual Estimates and a total population count from the 2016 Special Census in Marion. An analysis of the rates indicates that annual growth has fluctuated slightly with an average rate of 1.50 percent. Table 2-3 shows population estimates for 2020, 2025, and 2030 assuming this average annual growth rate.

**Table 2-2: Annual Growth Rates in Marion, 2011-2015**

Year	Population	Annual Growth Rate
2010 (Base)	34,768	
2011	35,367	1.72%
2012	35,850	1.37%
2013	36,235	1.07%
2014	36,807	1.58%
2015	37,330	1.42%
2016	38,023	1.86%
Average Growth Rate		1.50%

Sources: U.S. Census Bureau, Annual Estimates of the Resident Population, 2010 to 2015; U.S. Census Bureau Special Census, 2016.



**Table 2-3: Population Projections for Marion, 2020, 2025, 2030**

	2016	2020	2025	2030
Population	38,023	40,356	43,475	46,835

Source: Morningside analysis based on U.S. Census Bureau data.

## SCHOOL ENROLLMENT

Along with population growth in Marion, Table 2-4 shows that school enrollment increased in the Marion Independent School District by 15.6 percent and in the Linn-Mar Community School District by 56.5 percent from 2000 to 2016. The Urbandale school district saw enrollment increase by 13.5 percent during the same time period while the Ames and Cedar Rapids school districts saw a decline.

**Table 2-4: K-12 School Enrollment Trends by District, 2000-2016**

School District	2000-2001	2015-2016	Change 00-16
Marion Independent	1,814	2,097	15.6%
Linn-Mar	4,574	7,157	56.5%
Ames	4,702	4,236	-9.9%
Urbandale	3,479	3,949	13.5%
Cedar Rapids	16,200	15,969	-1.4%

Source: Iowa Department of Education, Iowa Public School District PreK-12 Enrollments.

## RACE AND ETHNICITY

Table 2-5 shows the racial and ethnic composition of the population in Marion and comparable communities. Marion shows similar trends to those of the other communities: the White population is decreasing slightly as a proportion of the total population, while the African American, Asian, and Hispanic populations are increasing slightly overall. In 2014, the Marion population was 93.6 percent White, 2 percent Asian, 1.9 percent African American, and 1.5 percent Hispanic.

**Table 2-5: Racial and Ethnic Composition by Place, 2000, 2010, and 2014**

Place	Year	Total Population	White	Black/African American	Native American/Alaskan Native	Asian/Pacific Islander	Hispanic/Latino
Marion	2000	26,294	97.0%	0.6%	0.2%	0.9%	1.1%
	2010	34,768	93.2%	1.8%	0.4%	1.4%	2.5%
	2014	36,807	93.6%	1.9%	0.2%	2.0%	1.5%
Ames	2000	50,731	87.3%	2.6%	0.1%	7.7%	2.0%
	2010	58,965	84.5%	3.4%	0.2%	8.8%	3.1%
	2014	64,513	84.4%	3.4%	0.2%	8.9%	3.2%
Urbandale	2000	29,072	95.2%	1.5%	0.1%	1.8%	1.6%
	2010	39,465	91.1%	2.8%	0.1%	3.5%	3.1%
	2014	43,261	91.6%	3.0%	0.1%	2.8%	2.8%
Cedar Rapids MSA	2000	237,230	93.9%	2.6%	0.2%	1.4%	1.4%
	2010	257,940	92.0%	3.4%	0.3%	1.5%	2.4%
	2014	263,974	91.2%	3.8%	0.3%	1.6%	2.5%

Sources: U.S. Census Data, 2000 and 2010; U.S. Census Bureau, American Community Survey, 2014.

## AGE

Table 2-6 illustrates the age distribution in the City of Marion and comparable communities. The median age in the City of Marion in 2014 (37.1 years) is comparable to the median age in Urbandale and the Cedar Rapids MSA as a whole, while higher than the median age in Ames (23.5 years). It should be noted that Ames is the home of Iowa State University, so a large percentage of its residents are college students.<sup>3</sup> The percentage of residents who are 18 to 29 years old in the City of Marion has decreased since 2000.

**Table 2-6: Age Distribution by Place, 2000 and 2014**

Place	Year	Total Population	Median Age	17 or younger	18-29	30-44	45-64	65+
Marion	2000	26,294	35.1	26.4%	15.7%	24.6%	22.1%	11.2%
	2014	36,807	37.1	26.1%	12.7%	22.9%	24.8%	13.5%
Ames	2000	50,731	23.6	14.6%	48.7%	15.0%	13.9%	7.8%
	2014	64,513	23.5	12.9%	51.1%	13.2%	14.5%	8.3%
Urbandale	2000	29,072	37.0	26.3%	13.5%	24.9%	24.6%	10.7%
	2014	43,261	39.4	25.8%	11.5%	21.4%	28.4%	12.9%
Cedar Rapids MSA	2000	191,701	35.2	25.3%	17.9%	22.4%	22.2%	12.2%
	2014	263,974	37.8	24.0%	15.7%	19.6%	26.5%	14.2%

Sources: U.S. Census Data, 2000; U.S. Census Bureau, American Community Survey, 2014.

Table 2-7 shows the population over 65 in the City of Marion from 2010 to 2014. The data suggest that the population over 65 has been growing by an average annual rate of 4.57 percent. Table 2-8 shows population estimates for the residents over 65 for 2020, 2025, and 2030, assuming this average annual growth rate. The bottom row of the table provides estimates for the population over 65 as a percentage of the total population, as calculated from the total population projections in Table 2-3.

**Table 2-7: Annual Growth Rates of the Population over 65 in Marion, 2010-2014**

Year	Population over 65	Annual Growth Rate
2010 (Base)	4,057	-
2011	4,511	11.19%
2012	4,734	4.94%
2013	4,816	1.73%
2014	4,835	0.39%
Average Growth Rate		4.57%

Source: U.S. Census Bureau, American Community Survey, 2010-2014.

**Table 2-8: Projections for the Population over 65 in Marion, 2020, 2025, 2030**

	2014	2020	2025	2030
Population over 65	4,835	6,321	7,905	9,883
Percent of total population	13.5%	15.7%	18.2%	21.1%

Source: Morningside analysis based on U.S. Census Bureau data.

## PEOPLE WITH DISABILITIES

Census data indicate that an estimated 3,058 people with disabilities live in Marion, making up 8.6 percent of the population. The majority of persons with disabilities in Marion are 18 to 64 years old. Nearly 26 percent of the

<sup>3</sup> "About Ames." Cityofames.org. City of Ames, 2016. Web. <http://www.cityofames.org/about-ames/about-ames>. Accessed August 15, 2016. From the City of Ames website, "Based on the 2010 census, the population for Ames, Iowa, is 58,965. This number includes students attending Iowa State University who reside in Ames during the school year or longer."

population over 65 in Marion is living with a disability. As shown in Table 2-9, the primary disability types in Marion for people in the 18 to 64 age group are cognitive or ambulatory difficulties, while the primary disability types in Marion for people in the 65 and over age group are ambulatory, hearing, and independent living difficulties. As Table 2-10 demonstrates, a larger proportion of the population in Marion is living with disabilities compared to peer cities, but the proportion of the population in Marion living with disabilities is lower than the Cedar Rapids MSA as a whole.

**Table 2-9: Disability by Age and Type in Marion, 2014**

<b>Population Group</b>	<b>Total</b>	<b>Percent with a disability</b>
Total civilian noninstitutionalized population	35,556	8.6%
Population under 5 years	2,103	1.7%
With a hearing difficulty		1.7%
With a vision difficulty		1.7%
Population 5 to 17 years	7,239	4.0%
With a hearing difficulty		0.2%
With a vision difficulty		0.4%
With a cognitive difficulty		3.4%
With an ambulatory difficulty		0.1%
With a self-care difficulty		0.2%
Population 18 to 64 years	21,587	7.2%
With a hearing difficulty		1.0%
With a vision difficulty		0.6%
With a cognitive difficulty		3.4%
With an ambulatory difficulty		3.1%
With a self-care difficulty		1.2%
With an independent living difficulty		2.6%
Population 65 years and over	4,627	25.9%
With a hearing difficulty		11.5%
With a vision difficulty		4.3%
With a cognitive difficulty		4.5%
With an ambulatory difficulty		17.6%
With a self-care difficulty		4.9%
With an independent living difficulty		10.1%

Source: U.S. Census Bureau, American Community Survey, 2014.

**Table 2-10: Disability by Age and Place, 2014**

Population Group	Marion		Ames		Urbandale		Cedar Rapids MSA	
	Total	Percent with a disability	Total	Percent with a disability	Total	Percent with a disability	Total	Percent with a disability
Total civilian noninstitutionalized population	35,556	8.6%	60,976	5.5%	40,896	7.0%	257,848	10.3%
Population under 5 years	2,103	1.7%	2,485	0.8%	2,584	0.5%	16,589	1.0%
Population 5 to 17 years	7,239	4.0%	5,362	2.6%	8,021	3.4%	45,903	5.2%
Population 18 to 64 years	21,587	7.2%	48,190	3.6%	25,141	5.5%	159,785	8.4%
Population 65 years and over	4,627	25.9%	4,939	29.2%	5,150	23.4%	35,571	29.8%

Source: U.S. Census Bureau, American Community Survey, 2014.

## HOMELESSNESS

The majority of emergency shelters and homeless services in Linn County are located in the City of Cedar Rapids, so data on homelessness in the area are only available at the county level and for the Marion Independent School District. Point-in-time counts of the homeless population in Linn County provided by the Linn County Continuum of Care are shown in Table 2-11. These counts were conducted in January of 2014, 2015, and 2016.<sup>4</sup> Overall, the number of individuals experiencing homelessness in Linn County decreased from 2014 to 2016, while the number of students experiencing homelessness in the Marion Independent School District increased during this time period. Data on students experiencing homelessness in the Linn-Mar Community School District are not collected for the Continuum of Care reports.

**Table 2-11: Point-in-Time Homeless Statistics for Marion and Linn County, 2014-2016**

	January 2014	January 2015	January 2016
Total number of homeless served in Linn County	448	461	400
Homeless served in emergency shelters in Linn County	132	107	105
Homeless students in Marion Independent School District	22	31	32

Sources: Linn County Homeless Point-in-Time Reports, 2014-2016.

The 2016 point-in-time data for Linn County also provided information pertaining to some of the special needs of the individuals experiencing homelessness as shown in Table 2-12. These data indicate that substance abuse, mental health, and domestic violence services are high priority needs for the homeless population in Linn County. Table 2-13 provides the self-reported reasons for homelessness provided by homeless and near homeless individuals and families in a survey conducted in 2015.<sup>5</sup>

<sup>4</sup> Breaking the Cycle of Homelessness in Linn County: Homeless Point in Time. Linn County Continuum of Care, January 2016. PDF File.

<sup>5</sup> Individual & Family Needs Survey Results. Linn County Continuum of Care, July 2015. PDF File. Web. <https://sleepoutcr.org/wp-content/uploads/2015/10/Needs-Survey.pdf>. Accessed August 12, 2016.

**Table 2-12: Special Needs of People Experiencing Homelessness in Linn County, 2016**

Special Need	Percent Reported
Chronic substance abuse issues	20.8%
Victim of domestic violence	8.3%
Suffering from severe mental illness	15.5%
Veterans	2.0%
Chronically homeless individuals	4.8%
Chronically homeless families	1.3%
Unaccompanied youths	0.3%

Source: Linn County Homeless Point-in-Time Report, 2016.

**Table 2-13: Reported Reason for Homelessness in Linn County, 2015**

Reason	Homeless	Near Homeless
Unable to qualify for affordable housing	42%	52%
Other	29%	36%
Drugs and/or alcohol	29%	13%
Family or domestic abuse issues	25%	27%
Criminal history	18%	20%
Mental health	18%	19%
Medical problem or disability	14%	11%

Source: Linn County Continuum of Care Individual & Family Needs Survey, 2015.

## POVERTY

According to the U.S. Census Bureau, poverty is defined as an annual income below \$12,071 for an individual or an annual income below \$15,379 for a two-person household.<sup>6</sup> As shown in Table 3.12, an estimated 6.3 percent of the population in Marion lives below the poverty level, an increase of 1.1 percentage points from 2000. Another 3.3 percent of the population in Marion lives below 50 percent of the poverty level. In comparison to the other peer communities and the Cedar Rapids MSA as a whole shown in Table 2-14, the poverty rate in Marion (6.3 percent) is lower than in the Cedar Rapids MSA (9.5 percent), and lower than in Ames (30 percent), but slightly higher than in Urbandale (5.8 percent).

**Table 2-14: People Living in Poverty in Marion**

Place	2000			2014		
	Number below poverty level	Percent below poverty level	Percent below 50% of poverty level	Number below poverty level	Percent below poverty level	Percent below 50% of poverty level
Marion	1,374	5.2%	1.4%	2,225	6.3%	3.3%
Ames	8,507	20.4%	9.8%	15,932	30.0%	17.8%
Urbandale	1,071	3.7%	1.7%	2,378	5.8%	3.7%
Cedar Rapids MSA	12,150	6.5%	-	24,169	9.5%	4.1%

Sources: U.S. Census Data, 2000; U.S. Census Bureau, American Community Survey, 2014.

<sup>6</sup>Poverty Thresholds by Size of Family and Number of Children: 2014." Census.gov. U.S. Census Bureau, 2016. Web. <http://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html>. Accessed August 15, 2016.

Table 2-15 shows the differences in poverty rates by age. Children in Marion, particularly children younger than five, are slightly more likely to be living in poverty compared to adults or seniors. Single female-headed households are far more likely to live in poverty than other adult groups with children and children in these households experience considerably higher poverty rates. However, overall child poverty rates and poverty rates in single female-headed households in Marion are lower than in comparable communities.

**Table 2-15: Poverty Rates for Individuals and Families by Place, 2014**

City	Age Group					Female Householder Families		
	Adults 18-64	65+	Children under 18	Children under 5	All people	All	With children under 18	With children under 5
Marion	6.4%	5.2%	6.4%	7.8%	6.3%	15.6%	22.8%	20.0%
Ames	36.4%	2.5%	14.2%	18.9%	30.0%	31.2%	43.5%	42.3%
Urbandale	4.5%	5.0%	9.4%	11.7%	5.8%	16.3%	23.5%	0.0%
Cedar Rapids MSA	9.7%	5.8%	11.2%	12.4%	9.5%	23.5%	32.0%	50.5%

Source: U.S. Census Bureau, American Community Survey, 2014.

## HOUSEHOLD STRUCTURE AND SIZE

Table 2-16 depicts household structure in Marion, an important indicator of housing need, particularly housing size. In Marion, the average household size has remained fairly constant in recent years, with an average of 2.50 people per household in 2000 and an estimated 2.43 in 2014. Average family size has also remained fairly constant, decreasing slightly from 3.04 in 2000 to an estimated 3.02 in 2014. Note that average family size will generally be larger than average household size since it excludes single person and nonfamily households.

**Table 2-16: Average Household and Family Size in Marion, 2000 and 2014**

	2000	2014
Average Household Size	2.50	2.43
Average Family Size	3.04	3.02

Sources: U.S. Census Data, 2000; U.S. Census Bureau, American Community Survey, 2014.

As demonstrated in Table 2-17, 64.7 percent of households in Marion are families. Over half of family households in Marion are made up of three or more persons, indicating the need for larger family housing, particularly two to three bedroom and larger units. Most nonfamily households are made up of single person households, and nearly half of family households are made up of two persons, indicating a need for efficiency and one-bedroom housing as well. As demonstrated in Table 2-18, when compared to peer communities, Marion has a slightly smaller proportion of family households, with the exception of Ames.

**Table 2-17 Household Size in Marion, 2000 and 2014**

	2000	2014
Total Households	10,458	14,590
Family Households	68.5%	64.7%
2-person	29.7%	29.1%
3-person	15.3%	14.8%
4-person	15.3%	12.7%
5-person	6.1%	5.8%
6-person	1.9%	1.6%
7-or-more person	0.3%	0.7%
Nonfamily Households	31.5%	35.3%
1-person	25.8%	28.6%
2-person	4.9%	5.3%
3-person	0.6%	1.0%
4-person	0.1%	0.3%
5-person	0.0%	0.0%
6-person	0.0%	0.0%
7-or-more person	0.0%	0.0%

Sources: U.S. Census Data, 2000; U.S. Census Bureau, American Community Survey, 2014.

**Table 2-18: Household Type by Place, 2000 and 2014**

	Marion		Ames		Urbandale		Cedar Rapids MSA	
	2000	2014	2000	2014	2000	2014	2000	2014
Total Households	10,458	14,590	18,085	23,566	11,484	16,289	76,753	105,376
Family Households	68.5%	64.7%	49.7%	43.9%	70.7%	70.0%	65.6%	66.7%
Nonfamily Households	31.5%	35.3%	50.3%	56.1%	29.3%	30.0%	34.4%	33.3%

Sources: U.S. Census Data, 2000; U.S. Census Bureau, American Community Survey, 2014.

According to the U.S. Census Bureau, a nonfamily household “consists of a householder living alone (a one-person household) or where the householder shares the home only with people to whom he/she is not related.”<sup>7</sup> The proportion of nonfamily households in the City of Marion has grown in recent years. Table 2-19 shows the annual growth of nonfamily households, as compared to the growth in total households. Calculating the average of these rates reveals that nonfamily households have grown at an annual rate of approximately 2.9 percent. Table 2-20 shows projections for the nonfamily population based on this rate, indicating that nonfamily households will grow to 43.4 percent of total households by 2030. This will likely affect housing demands in the City of Marion, as nonfamily households are more likely to pursue multi-family and rental properties.<sup>8</sup>

<sup>7</sup> “Glossary.” *Census.gov*. U.S. Census Bureau, n.d. Web. [https://www.census.gov/glossary/#term\\_Nonfamilyhousehold](https://www.census.gov/glossary/#term_Nonfamilyhousehold). Accessed August 2016.

<sup>8</sup> *Housing Demand: Demographics and Numbers Behind the Coming Multi-Million Increase in Households*. Mortgage Bankers Association, July 2015. PDF File. Web. [https://www.mba.org/Documents/Research/15292\\_Research\\_Growth\\_White\\_Paper.pdf](https://www.mba.org/Documents/Research/15292_Research_Growth_White_Paper.pdf). Accessed August 2016.

**Table 2-19 Nonfamily Household and Total Household Annual Growth Rates, 2010-2014**

Year	Nonfamily Households	Nonfamily Household Growth Rate	Total Households	Total Household Growth Rate
2010 (Base)	4,601	-	13,712	-
2011	4,945	7.48%	14,021	2.25%
2012	4,786	-3.22%	14,019	-0.01%
2013	4,976	3.97%	14,218	1.42%
2014	5,144	3.38%	14,590	2.62%
Average	-	2.90%	-	1.57%

Source: U.S. Census Bureau, American Community Survey, 2010-2014.

**Table 2-20: Nonfamily Household and Total Household Projections, 2020, 2025, 2030**

Year	Projected Nonfamily Households	Projected Total Households	Projected Percent of Nonfamily Households
2014 (Base)	5,144	14,590	35.3%
2020	6,107	16,019	38.1%
2025	7,045	17,317	40.7%
2030	8,127	18,720	43.4%

Source: Morningside analysis based on U.S. Census Bureau data.

## CONCLUSION

The City of Marion’s population grew by 32.2 percent from 2000 to 2010, and by 7.4 percent from 2010 to 2015. The growth rate in the City of Marion from 2000 to 2010 was considerably higher than in peer communities, with the exception of Urbandale, which had a slightly higher growth rate. The growth rate in the City of Marion from 2000 to 2015 was lower than in peer cities, but was higher than the Cedar Rapids MSA as a whole. Population projections based on the average annual growth rate of 1.5 percent in recent years suggest that Marion could have 40,356 residents by 2020 and 46,835 residents by 2030.

Along with population growth, school enrollment increased in the Marion Independent School District by 15.6 percent and in Linn-Mar Community School District by 56.5 percent from 2000 to 2016, in contrast to Ames and Cedar Rapids, which saw a decline in school enrollment. The median age of Marion residents increased from 35.1 in 2000 to 37.1 in 2014, which is comparable to the median age in peer communities, with the exception of Ames, which has a younger population due to the university located there. The average household size in the City of Marion is an estimated 2.43 in 2014, which represents a slight decrease since 2000. About 65 percent of households in the City of Marion are families, which is slightly less than in peer communities, with the exception of Ames.

Similar to peer communities, Marion’s race and ethnicity characteristics show a slightly decreasing proportion of the White population and slight increases in the Hispanic, Asian, and African American populations. The most recent data indicates the City of Marion population is 93.6 percent White.

Approximately six percent of the population in Marion lives below the poverty level and three percent of the population lives below 50 percent of the poverty level. These rates are lower than in the Cedar Rapids metropolitan statistical area (MSA), lower than in Ames, but slightly higher than in Urbandale. Children, particularly children under five, are more likely to be affected by poverty in Marion, as are single, female-headed households. However, overall child poverty rates and poverty rates in single, female-headed households in Marion



are lower than in comparable communities. Nearly nine percent of the population in Marion is living with a disability. Point-in-time counts of people experiencing homelessness in Linn County conducted in January of 2014, 2015, and 2016 indicate that the number of individuals experiencing homelessness that are receiving homeless services and emergency shelter in Linn County decreased overall from 2014 to 2016, while the number of students experiencing homelessness in Marion schools increased during this time period.

### 3 EMPLOYMENT AND INCOME

In addition to demographic changes, economic trends play an important role in housing demand and affordability. This chapter summarizes the economic trends in the City of Marion compared to peer communities and the Cedar Rapids metro area as a whole.

#### INCOME TRENDS

Table 3-1 shows the area median household incomes for 2000 and 2014. Adjusting data from 2000 and 2014 for inflation based on the June 2016 Consumer Price Index (CPI) and expressed in 2016 dollars shows that median income in the City of Marion decreased by 6.4 percent during this period. This decrease was comparable to the Cedar Rapids MSA as a whole, although higher than in Urbandale, and considerably lower than in Ames.

**Table 3-1: Median Household Income by Place, 2000 and 2014**

Place	Median Household Income			Median Household Income in 2016 Dollars		
	2000	2014	Percent Change	2000	2014	Percent Change
Marion	\$48,591	\$62,532	28.7%	\$68,015	\$63,668	-6.4%
Ames	\$36,042	\$42,373	17.6%	\$50,450	\$43,143	-14.5%
Urbandale	\$59,744	\$79,909	33.8%	\$83,627	\$81,361	-2.7%
Cedar Rapids MSA	\$46,206	\$59,000	27.7%	\$64,677	\$60,072	-7.1%

Sources: U.S. Census Data, 2000; U.S. Census Bureau, American Community Survey, 2009-2014; U.S. Department of Labor, Bureau of Labor Statistics, CPI Inflation Calculator, [http://www.bls.gov/data/inflation\\_calculator.htm](http://www.bls.gov/data/inflation_calculator.htm). Adjusted for inflation using the June 2016 Consumer Price Index. Median income value for 2000 based on 1999 data.

#### INCOME DISTRIBUTION

Income distribution is shown in Table 3-2. From 2000 to 2014, the proportion of households in the City of Marion earning less than \$25,000 annually decreased by 2.9 percent and the proportion of households making over \$75,000 a year increased by 15.9 percent. The City of Marion had a lower proportion of households in 2014 making less than \$25,000 when compared to the Ames and the Cedar Rapids MSA as a whole, but a slightly higher proportion of households making less than \$25,000 when compared to Urbandale. A higher proportion of households in the City of Marion are making more than \$75,000 per year when compared to Ames and the Cedar Rapids MSA, although Urbandale has a higher proportion of households earning more than \$75,000 per year than Marion. During the same period that income has increased, the poverty rate in Marion increased from 2000 to 2014 as discussed in Chapter 2.

**Table 3-2: Household Income Distribution by Place, 2000 and 2014**

Place	Year	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more
Marion	2000	3.9%	4.3%	12.4%	12.0%	18.9%	23.7%	13.5%	11.3%
	2014	3.7%	3.8%	10.2%	9.1%	13.3%	19.1%	16.4%	24.3%
Ames	2000	11.6%	8.0%	16.2%	12.7%	14.9%	17.8%	9.1%	9.7%
	2014	14.3%	7.2%	12.3%	10.2%	11.7%	15.3%	10.6%	18.4%
Urbandale	2000	3.0%	2.6%	7.8%	10.2%	15.3%	24.8%	18.4%	17.9%
	2014	2.2%	1.9%	5.4%	6.9%	12.5%	18.5%	13.9%	38.7%
Cedar Rapids MSA	2000	5.9%	5.6%	12.2%	13.3%	18.8%	23.4%	11.6%	9.2%
	2014	4.8%	4.5%	9.5%	9.7%	13.3%	20.1%	15.2%	23.0%

Sources: U.S. Census Data, 2000; U.S. Census Bureau, American Community Survey, 2014.

## MAIN SECTORS OF EMPLOYMENT

Table 3-3 shows the percentage of jobs by industry from 2010 to 2014. Major employment sectors in the City of Marion include Education and Health Services (21.2 percent of employed population), Manufacturing (17.8 percent of employed population), and Trade (15 percent of employed population). As demonstrated in Table 3-4, the major employment sectors in the City of Marion are comparable to those in Urbandale and the Cedar Rapids MSA as a whole, with the exception of the Manufacturing industry. Manufacturing in Marion (17.8 percent of employed population) and the Cedar Rapids MSA as a whole (17.1 percent) is more than double the Manufacturing sector (6.8 percent) in Urbandale.

In the City of Marion from 2010 to 2014, slight declines in employment can be seen in the Manufacturing; Professional and Business Services; Finance, Insurance, and Real Estate; Transportation, Warehousing, and Utilities industries; and Information, while employment has grown steadily for the Trade; Leisure and Hospitality; Construction; and Public Administration industries.

**Table 3-3: Percentage of Jobs by Industry, City of Marion, 2010-2014**

	2010	2011	2012	2013	2014
Civilian employed population 16 years and over	17,562	17,977	18,021	18,245	18,775
Education and Health Services	21.2%	20.8%	20.2%	20.5%	21.2%
Manufacturing	18.2%	18.5%	18.8%	18.3%	17.8%
Trade: Wholesale and Retail	13.8%	14.7%	15.3%	15.7%	15.1%
Professional and Business Services	9.6%	9.2%	9.3%	9.2%	9.1%
Leisure and Hospitality	7.7%	8.3%	7.8%	8.0%	8.6%
Finance, Insurance, Real Estate	8.7%	8.4%	8.1%	7.8%	7.6%
Construction	5.4%	5.3%	5.7%	6.0%	6.7%
Public Administration	2.6%	3.3%	3.5%	3.6%	4.0%
Transportation, Warehousing, Utilities	4.5%	4.0%	3.8%	4.0%	3.7%
Other Services	4.2%	3.8%	3.7%	3.5%	3.0%
Information	3.5%	3.2%	3.2%	2.9%	2.5%
Agricultural	0.6%	0.5%	0.7%	0.5%	1.0%

Source: U.S. Census Bureau, American Community Survey, 2010-2014.

**Table 3-4: Percentage of Jobs by Industry by Place, 2014**

	Marion	Ames	Urbandale	Cedar Rapids MSA
Civilian employed population 16 years and over	18,775	33,655	22,837	136,266
Education and Health Services	21.2%	41.5%	21.1%	21.6%
Manufacturing	17.8%	7.8%	6.8%	17.1%
Trade: Wholesale and Retail	15.1%	11.0%	14.0%	15.4%

Source: U.S. Census Bureau, American Community Survey, 2014.

## PRIMARY EMPLOYERS

Because of its size, authoritative data on the major employers in the City of Marion was not available. However, because is in the Cedar Rapids MSA, Marion residents are employed by many of the same employers or employer types. Table 3-5 lists the top employers in the Cedar Rapids metro area. According to this data, the largest employer is Rockwell Collins, which employs approximately 8,700 workers. Other large employers in the Cedar Rapids metro area include Transamerica (3,800 workers), UnityPoint Health (2,979 workers), and the Cedar Rapids Community School District (2,879).

**Table 3-5: Major Selected Employers in the Cedar Rapids Metro Area**

Company	Employees	Industry
Rockwell Collins	8,700	Electronic Equipment and Design
Transamerica	3,800	Insurance/Financial
UnityPoint Health – St. Luke’s Hospital	2,979	Healthcare
Cedar Rapids Community School District	2,879	Education
Nordstrom Direct	2,150	Logistics/Distribution
Mercy Medical Center	2,140	Healthcare
City of Cedar Rapids	1,309	Government
Four Oaks	1,100	Non-Profit
Linn-Mar Community School District	987	Education
Quaker Foods and Snacks	920	Food Processing

Source: Cedar Rapids Metro Economic Alliance, 2016, <http://www.cedarrapids.org/Content/Maps-Data/Largest-Employers-in-Cedar-Rapids-Metro.aspx>.

## EMPLOYMENT AND WAGES

Table 3-6 lists the median annual employee wage in each major employment sector in the City of Marion compared to the overall median annual wage for the employed population. Two of the three largest employment sectors in the City of Marion, Education and Health Services (\$34,479 median annual wage) and Retail Trade (\$20,754 median annual wage), pay wages lower than the overall median annual wage of \$39,080. However, the second largest employment sector in the City of Marion, Manufacturing, pays wages higher (\$61,265 median annual wage) than the median annual wage. Of the 13 employment sectors listed in Table 3-6, seven pay less than the median annual wage. Although the unemployment rate in Marion is relatively low (see Table 3-8), the lower wages paid in some of the main employment sectors may impact the ability of some workers to afford housing in the city.

**Table 3-6: Employment and Median Annual Wages by Industry, City of Marion, 2014**

	Number Employed	Median Annual Employee Wages
Civilian employed population 16 years and over	18,775	\$39,080
Education and Health Services	21.2%	\$34,479
Manufacturing	17.8%	\$61,265
Retail Trade	11.7%	\$20,754
Professional and Business Services	9.1%	\$38,271
Leisure and Hospitality	8.6%	\$12,423
Finance, Insurance, Real Estate	7.6%	\$51,493
Construction	6.7%	\$38,002
Public administration	4.0%	\$49,158
Transportation, Warehousing, Utilities	3.7%	\$50,882
Wholesale Trade	3.3%	\$41,698
Other services, except public administration	3.0%	\$27,005
Information	2.5%	\$47,339
Agricultural	1.0%	\$21,408

Source: U.S. Census Bureau, American Community Survey, 2014.

Table 3-7 compares the median annual wages paid in the top three major employment sectors in the City of Marion, as well as the overall median annual wage in the City of Marion, to peer communities. The overall median annual wage in the Marion (\$39,080) is higher than in Ames (\$20,600) and the Cedar Rapids MSA as a whole (\$36,259), but lower than in Urbandale (\$46,596). When considering median annual wages in the three primary employment sectors in the City of Marion, the overall median annual wages for each sector is higher in Marion than in Ames and the Cedar Rapids MSA as a whole, but lower than in Urbandale. The only exception is in the Manufacturing industry, where wages are higher in the City of Marion than in all of the peer communities.

**Table 3-7: Employment and Median Annual Wages by Industry by Place, 2014**

	Marion		Ames		Urbandale		Cedar Rapids MSA	
	Number Employed	Median Annual Employee Wages	Number Employed	Median Annual Employee Wages	Number Employed	Median Annual Employee Wages	Number Employed	Median Annual Employee Wages
Civilian employed population 16 years and over	18,775	\$39,080	33,655	\$20,600	22,837	\$46,596	136,226	\$36,259
Education and Health Services	21.2%	\$34,479	41.5%	\$22,510	21.1%	\$42,462	21.6%	\$32,073
Manufacturing	17.8%	\$61,265	7.8%	\$33,642	6.8%	\$42,272	17.1%	\$52,101
Retail Trade	11.7%	\$20,754	10.2%	\$11,115	10.7%	\$27,522	12.6%	\$20,610

Source: U.S. Census Bureau, American Community Survey, 2014.

## UNEMPLOYMENT RATES

Table 3-8 shows that the overall unemployment rate in the City of Marion in 2014 was 4.8 percent, which was below the national rate of 6.2 percent.<sup>9</sup> Unemployment rates in Marion have decreased overall from 2010 to 2014

<sup>9</sup> "Labor Market Information Division." [iowaworkforcedevelopment.gov](http://iowaworkforcedevelopment.gov). Iowa Workforce Development, 2016. Web. <https://www.iowaworkforcedevelopment.gov/labor-market-information-division>. Accessed August 2016; "Labor Force Statistics from the Current Population Survey." [Data.bls.gov](http://data.bls.gov). Bureau of Labor Statistics, 2016. Web. <http://data.bls.gov/timeseries/LNS14000000>. Accessed August 2016.

by less than one percent. Unemployment rates have decreased for the 16 to 19, 25 to 44, 45 to 54, and 55 to 64 age groups. Unemployment rates have increased slightly for the 20 to 24 and 65 to 74 age ranges. The City of Marion has the second lowest overall unemployment among the peer communities after Urbandale.

**Table 3-8: Unemployment Rates by Age by Place, 2010 and 2014**

	Marion		Ames		Urbandale		Cedar Rapids MSA	
	2010	2014	2010	2014	2010	2014	2010	2014
Overall rate (16+ years)	5.3%	4.8%	5.6%	6.2%	2.7%	3.9%	4.9%	5.1%
16 to 19 years	19.5%	14.6%	17.1%	27.1%	7.7%	6.3%	14.9%	15.2%
20 to 24 years	15.1%	15.7%	6.6%	6.5%	3.0%	8.8%	7.7%	9.3%
25 to 44 years	3.3%	3.1%	3.1%	3.5%	2.5%	2.9%	4.1%	4.2%
45 to 54 years	4.4%	3.6%	3.3%	2.2%	3.2%	3.0%	4.0%	4.0%
55 to 64 years	2.5%	2.4%	1.7%	1.9%	0.9%	4.9%	3.2%	3.3%
65 to 74 years	9.0%	10.0%	4.4%	2.7%	4.5%	4.4%	2.9%	4.2%
75 years and over	0.0%	0.0%	0.0%	6.6%	0.0%	10.9%	1.4%	1.5%

Sources: U.S. Census Bureau, American Community Survey, 2010-2014.

While the unemployment rate in the City of Marion is lower than that in peer communities, the unemployment rates in all of these communities in 2014 (except for Urbandale) were high in comparison to the rate for the state of Iowa but lower than national rates.<sup>10</sup> The unemployment rate in the City of Marion reduced even further in 2015 and was below both the state and national rates; the 2015 first quarter (January-March) average unemployment rate for Marion was 3.83 percent, compared with an average of 4.1 percent for the state of Iowa and 5.57 percent for the United States.<sup>11</sup>

## COMMUTE TIME

If affordable or desirable housing is not available near where residents work, commute times may reflect how far residents must live from their jobs to afford housing. In the City of Marion, the majority of workers commute to work in less than thirty minutes (83.6 percent). A small portion of the Marion population (2.9 percent) commutes for over an hour to work. The percentage of residents in the City of Marion who have a short (less than 30 minutes) commute to work is lower than in Ames and Urbandale, but higher than for the Cedar Rapids MSA as a whole.

**Table 3-9: Travel Time to Work in the City of Marion, 2014**

Travel Time	Marion		Ames		Urbandale		Cedar Rapids MSA	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
< 30 Minutes	15,035	83.5%	26,652	83.9%	18,555	87.2%	101,782	79.0%
30-59 Minutes	2,438	13.6%	4,602	14.5%	2,323	10.9%	22,804	17.7%
60+ Minutes	519	2.9%	530	1.7%	394	1.9%	4,252	3.3%
Total	17,992	100.0%	31,784	100.0%	21,272	100.0%	128,838	100.0%

Source: U.S. Census Bureau, American Community Survey, 2014.

## EDUCATIONAL ATTAINMENT

According to Table 3-10, the City of Marion has the highest level of individuals with less than a high school education compared to peer communities, but lower than in the Cedar Rapids MSA as a whole. The City of Marion

<sup>10</sup> "Labor Market Information Division." [iowaworkforcedevelopment.gov](https://www.iowaworkforcedevelopment.gov). Iowa Workforce Development, 2016. Web. <https://www.iowaworkforcedevelopment.gov/labor-market-information-division>. Accessed June 2016; "Labor Force Statistics from the Current Population Survey." [Data.bls.gov](http://data.bls.gov). Bureau of Labor Statistics, 2016. Web. <http://data.bls.gov/timeseries/LNS14000000>. Accessed June 2016.

<sup>11</sup> 2015 data are not included in Table 4.8 because the most recent peer communities' data for 2015 are not yet available through the U.S. Census Bureau.

"Data Tools - Databases, Tables and Calculations by Subject." [Bureau of Labor Statistics](http://data.bls.gov). U.S. Department of Labor, no date. Web. <http://data.bls.gov/timeseries/LNS14000000>. Accessed August 2016;

"Local Area Unemployment Statistics: Iowa." [Data.bls.gov](http://data.bls.gov). Bureau of Labor Statistics, 2016. Web. <http://data.bls.gov/timeseries/LASST1900000000000003>. Accessed August, 2016.

has the highest percentage of residents with some college or an associate's degree. The percentage of Marion residents with a bachelor's degree or higher is lower than in Ames and Urbandale, but higher than in the Cedar Rapids MSA as a whole.

**Table 3-10: Educational Attainment for Population 25 Years and Older by Place, 2014**

Educational Attainment	Marion	Ames	Urbandale	Cedar Rapids MSA
Total	24,203	27,691	28,071	174,172
Less than High School Graduate	4.2%	2.5%	3.1%	6.3%
High School Graduate, GED, or alternative	25.9%	12.0%	19.7%	29.4%
Some college or associate's degree	36.2%	22.7%	28.7%	35.2%
Bachelor's degree	23.9%	33.4%	34.7%	20.4%
Graduate or professional degree	9.7%	29.4%	13.7%	8.8%

Source: U.S. Census Bureau, American Community Survey, 2014.

**Table 3-11: Educational Attainment by Age in the City of Marion, 2014**

	Age					Total
	18-24	25-34	35-44	45-64	65+	
Total Population	2,264	5,446	5,043	8,879	4,835	26,467
Less than High School Graduate	12.1%	20.9%	3.8%	4.1%	7.7%	8.8%
High School Graduate, GED, or alternative	29.8%	19.3%	16.8%	25.9%	42.9%	26.2%
Some college, no degree	41.2%	20.5%	22.7%	24.1%	20.9%	24.0%
Associate's Degree	3.9%	18.0%	16.2%	13.6%	6.7%	12.9%
Bachelor's Degree	12.0%	31.7%	26.0%	21.5%	17.6%	22.9%
Graduate or Professional Degree	1.0%	8.7%	14.4%	10.8%	4.2%	9.0%

Source: U.S. Census Bureau, American Community Survey, 2014.

Median earnings increase based on education level in the City of Marion and all of the peer communities as shown in Table 3-12.

**Table 3-12: Educational Attainment- Median Earnings in Past 12 Months for Population 25 Years and Over, 2014**

Educational Attainment	Marion	Ames	Urbandale	Cedar Rapids MSA
Total	\$40,919	\$38,401	\$49,839	\$39,233
Less than high school graduate	\$14,583	\$10,000	\$23,139	\$23,820
High school graduate (includes equivalency)	\$25,994	\$24,036	\$32,854	\$30,291
Some college or associate's degree	\$39,010	\$30,435	\$42,193	\$36,564
Bachelor's degree	\$52,661	\$40,623	\$60,337	\$51,421
Graduate or professional degree	\$67,362	\$55,633	\$76,250	\$66,136

Source: U.S. Census Bureau, American Community Survey, 2014.

Table 3-13 examines the employment status of people in the prime labor force (civilian population ages 25-64) by their education level. It shows that employment levels increase in each of the peer communities as education increases and conversely as education increases, unemployment rates decrease. Of people with bachelor's degrees or higher in the City of Marion, 86.2 percent are employed and less than one percent are unemployed. This is in

comparison to Marion residents who have not graduated from high school—64.9 percent are employed and 7.2 percent are unemployed.

**Table 3-13: Civilian Labor Force Educational Attainment by Employment Status  
(Population 25-64 years), 2014**

	In Labor Force	
	Employed	Unemployed
<b>Marion (19,368)</b>		
Less than high school graduate	64.9%	7.2%
High school graduate (includes equivalency)	79.1%	6.8%
Some college or associate's degree	83.2%	2.9%
Bachelor's degree or higher	86.2%	0.9%
<b>Ames (22,304)</b>		
Less than high school graduate	50.0%	0.0%
High school graduate (includes equivalency)	70.8%	4.4%
Some college or associate's degree	80.0%	5.2%
Bachelor's degree or higher	84.8%	2.1%
<b>Urbandale (22,780)</b>		
Less than high school graduate	74.3%	13.6%
High school graduate (includes equivalency)	77.6%	4.3%
Some college or associate's degree	84.6%	2.8%
Bachelor's degree or higher	90.4%	2.9%
<b>Cedar Rapids MSA (137,197)</b>		
Less than high school graduate	61.7%	8.9%
High school graduate (includes equivalency)	74.2%	5.9%
Some college or associate's degree	81.8%	4.2%
Bachelor's degree or higher	87.2%	1.8%

Source: U.S. Census Bureau, American Community Survey, 2014.

## CONCLUSION

Median household income in the City of Marion is relatively high when compared to peer cities and to the Cedar Rapids area as a whole. Marion is also a well-educated community with 68.8 percent of adults having at least some college education, 22.9 percent having a bachelor's degree, and nine percent having a graduate or professional degree. This generally leads to higher earnings, as median income for the most educated residents (\$67,362) is well above the median income for residents without a high school degree (\$14,583). One of the four major employment sectors in the City of Marion (Manufacturing) pays wages considerably higher than the median annual wage of \$39,080.

The 2014 unemployment rate in the City of Marion was higher than Urbandale and the state of Iowa, but lower than Ames, the Cedar Rapids metro area, and the national rate. As a whole, Marion residents with higher educational attainments have lower levels of unemployment.

While most Marion residents are able to find housing they can afford, about 18 percent of households in the City of Marion have annual incomes below \$25,000, and these households may have difficulty finding affordable housing.



## 4 HOUSING MARKET TRENDS AND INDICATORS

The most direct insight into the housing market of a community comes from an analysis of historical trends in housing data. This chapter compares housing market trends in the City of Marion to those in peer areas and determines potential housing needs based on these trends.

### CURRENT HOUSING STOCK

#### AVAILABILITY OF HOUSING

Table 4-1 provides a brief summary of recent trends in the City of Marion in population growth compared with the availability of housing. The overall growth in housing units from 2000 to 2014 in the City of Marion (39.9 percent) is comparable to the growth in the Marion population (36.2 percent) and the growth in the number of households (39.5 percent).

**Table 4-1: Summary of Housing Needs in the City of Marion 2000-2014**

Demographics	Base Year: 2000	Most Recent Year: 2014	Percent Change
Population	26,294	35,809	36.2%
Households	10,458	14,590	39.5%
Housing Units	10,968	15,349	39.9%

Sources: U.S. Census Data, 2000; U.S. Census Bureau, American Community Survey, 2014.

#### HOUSING COSTS

While the supply of housing in the City of Marion has grown consistently with population growth, the cost of housing has increased, creating a growing need for affordable housing. Table 4-2 compares housing costs in the City of Marion to median incomes. Adjusting data from 2000 and 2014 for inflation based on the June 2016 Consumer Price Index shows that median home value has increased 1.5 percent in 2016 dollars, while median gross rent has remained relatively consistent, decreasing 0.3 percent. Over the same period, median income in has decreased 6.4 percent in 2016 dollars, meaning the purchasing power of Marion residents in the housing market has effectively decreased since 2000. With an inflation-adjusted median home value of \$149,468, the 18 percent of households shown in Chapter 3 to have annual incomes below \$25,000 are unlikely to be able to purchase a home.

**Table 4-2: Cost of Housing Summary in the City of Marion 2000-2014**

	Median Values			Inflation-adjusted Median Values in 2016 Dollars		
	Base Year: 2000	Most Recent Year: 2014	Percent Change	Base Year: 2000	Most Recent Year: 2014	Percent Change
Median Home Value	\$105,200	\$146,800	39.5%	\$147,254	\$149,468	1.5%
Median Gross Rent	\$456	\$625	37.1%	\$638	\$636	-0.3%
Median Income	\$48,591	\$62,532	28.7%	\$68,016	\$63,668	-6.4%

Sources: U.S. Census Data, 2000; U.S. Census Bureau, American Community Survey, 2014; U.S. Department of Labor, Bureau of Labor Statistics, June 2016 CPI Inflation Calculator, [http://www.bls.gov/data/inflation\\_calculator.htm](http://www.bls.gov/data/inflation_calculator.htm).

#### COMPOSITION OF HOUSING STOCK

As shown in Table 4-3, the housing stock in the City of Marion consists mainly of single-family homes (72 percent in 2014), with multi-family homes making up another 22 percent. This is somewhat similar to peer cities, although

Ames has a higher percentage of multi-family homes, and Urbandale has a higher percentage of single-family homes. Compared to peer cities, Marion has the highest percentage of mobile homes (6 percent in 2014), although this percentage has decreased since 2000.

**Table 4-3: Composition of the Housing Stock by Place, 2000-2014**

Place	Single-family Homes			Multi-family Homes			Mobile Homes		
	2000 census	2010 census	2014	2000 census	2010 census	2014	2000 census	2010 census	2014
Marion	68%	69%	72%	20%	24%	22%	12%	7%	6%
Ames	50%	47%	47%	46%	50%	50%	4%	3%	3%
Urbandale	77%	78%	79%	22%	21%	20%	1%	1%	1%
Cedar Rapids MSA	71%	73%	74%	23%	22%	22%	6%	5%	4%

Sources: U.S. Census Data, 2000 and 2010; U.S. Census Bureau, American Community Survey, 2014.

### HOUSING VACANCY RATES

As shown in Table 4-4, the housing stock in the City of Marion increased by nearly 40 percent from 2000 to 2014, the most recent data available. Since the population grew at a similar rate, this did not lead to a significant change in the percent of vacant housing units. At 4.9 percent in 2014, the combined vacancy rate (the rate for both rental and owner-occupied properties) in the City of Marion was slightly higher than the rates in Ames and Urbandale, but lower than the combined vacancy rate for the Cedar Rapids metro area as a whole. Vacancy rates are determined by a number of factors, including the relative growth of housing and population, affordability of housing, condition of housing, and construction trends, among others.

**Table 4-4: Combined Rental and Owner-Occupied Vacancy by Place, 2000-2014**

Place	Total Housing Units			Percentage of Vacant Housing Units	
	2000 census	2014	Percent Change	2000 census	2014
Marion	10,968	15,349	39.9%	4.6%	4.9%
Ames	18,709	24,481	30.9%	3.5%	3.7%
Urbandale	11,869	17,094	44.0%	3.2%	4.7%
Cedar Rapids MSA	80,551	113,464	40.9%	4.7%	7.1%

Sources: U.S. Census Data, 2000; U.S. Census Bureau, American Community Survey, 2014.

The rental vacancy rate in Marion in 2014 is higher than the combined rate for rental and owner-occupied properties and is estimated at 7.5 percent, as shown in Table 4-5. A low rental vacancy rate is defined by the Iowa Economic Development Authority (IEDA) as five percent or less.<sup>12</sup> The decreasing trend in rental vacancy rates for Marion suggests it could meet this criterion in future years.

**Table 4-5: Rental Vacancy, City of Marion, 2012-2014**

	2012		2013		2014	
	Number	Percent	Number	Percent	Number	Percent
Total Units for rent	4,469	100.0%	3,877	100.0%	3,907	100.0%
Vacant Renter Units	429	9.6%	314	8.1%	293	7.5%
for rent	398	8.9%	314	8.1%	293	7.5%
rented not occupied	31	0.7%	0	0.0%	0	0.0%

Sources: U.S. Census Bureau, American Community Survey, 2014.

<sup>12</sup> Iowa Administrative Code §261—48.1(15). P. 4. Web. <http://www.iowaeconomicdevelopment.com/userdocs/documents/ieda/261-48.pdf>. Accessed August 2016.

The owner-occupied vacancy rate in the City of Marion in 2014 is lower than the combined rate and is estimated at two percent, as demonstrated in Table 4-6. IEDA defines a low homeowner vacancy rate as a vacancy rate of one percent or less; a vacancy rate of two percent is considered to be a “typically acceptable rate.”<sup>13</sup>

**Table 4-6: Owner-Occupied Vacancy, City of Marion, 2012-2014**

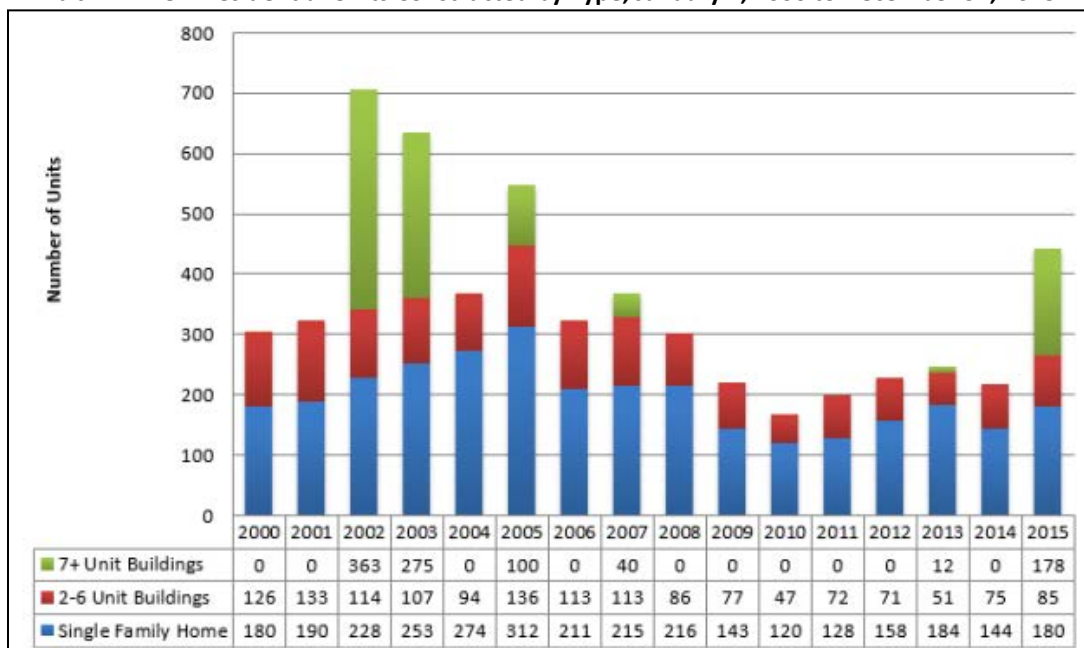
	2012		2013		2014	
	Number	Percent	Number	Percent	Number	Percent
Total Homeowner Units	10,552		11,144		11,442	
Vacant Homeowner Units	238	2.3%	171	1.5%	232	2.0%
for sale	149	1.4%	92	0.8%	168	1.5%
sold not occupied	89	0.8%	79	0.7%	64	0.6%

Source: U.S. Census Bureau, American Community Survey, 2014.

### CONSTRUCTION TRENDS

Exhibit 4-1 shows the trends in residential construction in the City of Marion from 2000 to 2015. The data indicate that the highest volume of construction activity occurred between 2002 and 2005, especially in buildings with more than seven units. Construction slowed from 2006 to 2014 but increased in 2015.

**Exhibit 4-1: New Residential Units Constructed by Type, January 1, 2000 to December 31, 2015**



Source: City of Marion Department of Planning & Development, <http://www.cityofmarion.org/home/showdocument?id=9865>.

Construction trends in the City of Marion suggest a relatively high volume of construction. One way to measure this is by analyzing the annual volume of building permits. According to the Iowa Economic Development Authority (IEDA), an annual low volume of permits is defined as one hundred permits or less or if the number of issued permits is one percent or less of the currently available housing stock in the community.<sup>14</sup> As seen in Table 4-7, the City of Marion had a high volume of permits from 2013 to 2015.

<sup>13</sup> Iowa Administrative Code §261—48.1(15). P. 4. Web. <http://www.iowaeconomicdevelopment.com/userdocs/documents/ieda/261-48.pdf>. Accessed August 2016.

<sup>14</sup> Iowa Administrative Code §261—48.1(15). P. 3. Web. <http://www.iowaeconomicdevelopment.com/userdocs/documents/ieda/261-48.pdf>. Accessed August 2016.

**Table 4-7: Annual Volume of Building Permits in the City of Marion, 2013-2015**

2013		2014		2015
Permits	Percent of Existing Housing Stock	Permits	Percent Existing Housing Stock	Permits
176	1.17 %	173	1.13%	217

Source: City of Marion Monthly Building Reports, <http://www.cityofmarion.org/departments/building-services/documents-and-reports>. Data for the 2015 existing homeowner stock are not yet available.

## HOUSING CONDITIONS

This section provides an overview of housing conditions in the City of Marion as compared to peer cities and the Cedar Rapids MSA as a whole.

### AGE

As shown in Table 4-8, the City of Marion has a relatively large stock of newer homes; most housing (81 percent of owner-occupied and 84 percent of renter-occupied) was built after 1960. This is in contrast to Ames and the Cedar Rapids metro area, where the housing stock, especially owner-occupied units, consists of a large percentage of homes built before 1960. Urbandale has newer housing stock than Marion. Old housing stock can often present a number of safety issues, including an increased risk of lead-based paint hazards, fewer accessibility features, and a higher need for maintenance and repairs.

**Table 4-8: Year Housing Units Built by Place, 2014**

	Marion		Ames		Urbandale		Cedar Rapids MSA	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	10,984	100%	9,787	100%	13,294	100%	78,486	100%
2000 or later	2,981	27%	1,824	19%	3,976	30%	14,403	18%
1980-1999	3,203	29%	2,156	22%	4,653	35%	16,875	22%
1960-1979	2,705	25%	3,123	32%	3,027	23%	19,612	25%
1940-1959	1,241	11%	1,474	15%	1,216	9%	12,973	17%
Before 1940	854	8%	1,210	12%	422	3%	14,623	19%
Renter-Occupied	3,606	100%	13,779	100%	2,995	100%	26,890	100%
2000 or later	874	24%	3,355	24%	458	15%	4,073	15%
1980-1999	1,286	36%	4,581	33%	1,057	35%	6,537	24%
1960-1979	867	24%	3,790	28%	1,087	36%	8,767	33%
1940-1959	417	12%	843	6%	231	8%	3,280	12%
Before 1940	162	4%	1,210	9%	162	5%	4,233	16%

Source: U.S. Census Bureau, American Community Survey, 2014.

### LEAD-BASED PAINT HAZARDS

Housing built before 1978 is considered to have some risk of lead-based paint, but housing built prior to 1940 is considered to have the highest risk. This is because after 1940, paint manufacturers voluntarily began to reduce the amount of lead they added to their paint. Lead-based paint was banned from residential use in 1978. It is difficult to determine the precise number of households at risk of lead-based paint poisoning. However, people living in substandard units or older housing and are low-income are more likely to be exposed to lead-based paint than higher income households living in newer or rehabilitated older housing. As indicated in Table 4-8, 6,246 (43 percent) occupied housing units in the City of Marion were built before 1980; of these, 1,016 units (7 percent) were built before 1940, when lead-based paint was most common.

Table 4-9 provides further data on the potential populations at risk of a lead-based paint hazard in the City of Marion, categorized into owner-occupied and renter-occupied groups. Based on estimates of the percentage of children living in each of these groups of housing, approximately 1,540 (14 percent) owner-occupied and 464 (13 percent) renter-occupied units were built before 1980 and have children present.

**Table 4-9: Risk of Lead-Based Paint Hazard, City of Marion, 2014**

	Owner Occupied		Renter Occupied	
	Number	Percent	Number	Percent
Total Occupied Units	10,984	-	3,606	-
Total Occupied Units Built Before 1980	4,800	43.7%	1,446	40.1%
Estimated Total Occupied Housing Units Built Before 1980 with Children Present	1,540	14.0%	464	12.9%

Source: U.S. Census Bureau, American Community Survey, 2014.

#### ACCESSIBILITY

Older housing stock also poses unique accessibility challenges as older housing is not required to be accessible as defined by the Americans with Disabilities Act (ADA). However, since the housing stock in the City of Marion is relatively new, the accessibility concerns are not as clear. During the public participation process, community members mentioned that upstairs housing found above storefronts in the Uptown Marion area likely does not meet accessibility standards.

#### RENTAL HOUSING OVERVIEW

The following section provides an overview of the availability and cost of rental housing in the City of Marion relative to peer cities and the Cedar Rapids MSA as a whole.

#### MEDIAN RENT

As shown in Table 4-10, the median rent in the City of Marion is lower than the median rents in Ames, Urbandale, and the Cedar Rapids metro area as a whole. When adjusted for inflation, the median rents in the other locations shown have decreased since 2000, while the rent in the City of Marion has stayed nearly the same.

**Table 4-10: Median Gross Rent by Place, 2000-2014**

	Median Rent			Median Rent Adjusted for Inflation		
	2000 census	2014	Percent Change	2000 census	2014	Percent Change
Marion	\$456	\$625	37.06%	\$638.29	\$636.36	-0.30%
Ames	\$600	\$774	29.00%	\$839.85	\$788.07	-6.17%
Urbandale	\$645	\$818	26.82%	\$902.84	\$832.86	-7.75%
Cedar Rapids MSA	\$510	\$676	32.55%	\$713.88	\$688.26	-3.59%

Sources: U.S. Census Data, 2000; U.S. Census Bureau, American Community Survey, 2014; U.S. Department of Labor, Bureau of Labor Statistics, June 2016 CPI Inflation Calculator, [http://www.bls.gov/data/inflation\\_calculator.htm](http://www.bls.gov/data/inflation_calculator.htm).

#### RENT COMPARISON BY UNIT SIZE

Table 4-11 shows the rent charged by size of unit, as well as the number of rental units available at various sizes. Overall, units with one bedroom mostly fall in the \$300 to \$499 price range, while all other units mostly fall in the \$500 to \$749 price range.

**Table 4-11: Bedrooms by Gross Rent, 2014**

	No Bedroom		1 Bedroom		2 Bedrooms		3+ Bedrooms		Total	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total Units	206	100.0%	1,390	100.0%	1,299	100.0%	711	100.0%	3,606	100.0%
With cash rent	206	100.0%	1,377	99.1%	1,299	100.0%	659	92.7%	3,541	98.2%
Less than \$200	0	0.0%	50	3.6%	0	0.0%	0	0.0%	50	1.4%
\$200 to \$299	56	27.2%	66	4.7%	0	0.0%	0	0.0%	122	3.4%
\$300 to \$499	36	17.5%	684	49.2%	95	7.3%	0	0.0%	815	22.6%
\$500 to \$749	60	29.1%	470	33.8%	698	53.7%	64	9.0%	1,292	35.8%
\$750 to \$999	11	5.3%	15	1.1%	336	25.9%	247	34.7%	609	16.9%
\$1,000+	43	20.9%	92	6.6%	170	13.1%	348	48.9%	653	18.1%
No cash rent	0	0.0%	13	0.9%	0	0.0%	52	7.3%	65	1.8%

Source: U.S. Census Bureau, American Community Survey, 2014.

## HOMEOWNER HOUSING OVERVIEW

The following section provides an overview of the availability and cost of owner-occupied housing in the City of Marion relative to peer cities and the Cedar Rapids MSA as a whole.

### HOMEOWNERSHIP TRENDS

Since 2000, homeownership rates in the City of Marion have decreased slightly. In contrast, as seen in Table 4-12, Urbandale and the Cedar Rapids MSA showed a slight increase in homeownership over the same period. Ames showed an even larger decrease.

**Table 4-12: Homeownership Rates by Place, 2000 to 2014**

Place	2000 census	2010 census	2014	Percent Change 00-14
Marion	78.3%	75.8%	75.3%	-3.8%
Ames	46.1%	42.6%	41.5%	-10.0%
Urbandale	77.6%	78.4%	81.6%	5.2%
Cedar Rapids MSA	72.7%	73.8%	74.5%	2.5%

Sources: U.S. Census Data, 2000 and 2010; U.S. Census Bureau, American Community Survey, 2014.

### MEDIAN HOME VALUES

During the same period that homeownership rates decreased, median home values in Marion increased, as demonstrated in Table 4-13. When adjusted for inflation based on the June 2016 Consumer Price Index (CPI), this slight increase of 1.5 percent in median home values was greater than the corresponding change in Ames, but less than that in Urbandale and the Cedar Rapids MSA as a whole.

**Table 4-13: Median Home Values by Place, 2000-2014**

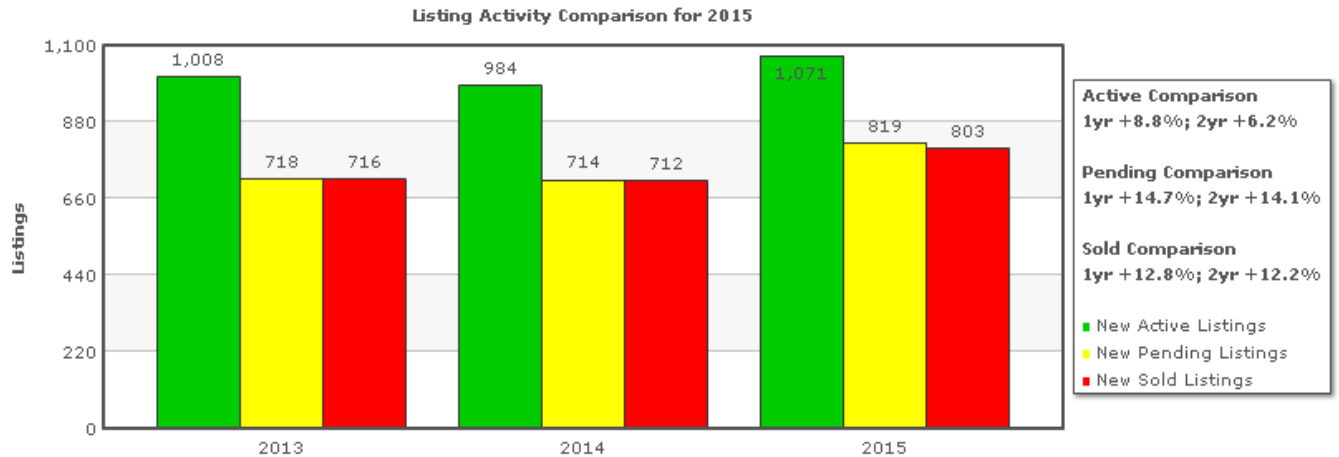
Place	Median Home Values			Median Home Values in 2016 Dollars		
	2000	2014	Percent Change	2000	2014	Percent Change
Marion	\$105,200	\$146,800	39.54%	\$147,254	\$149,468	1.50%
Ames	\$130,900	\$172,600	31.86%	\$183,228	\$175,737	-4.09%
Urbandale	\$133,100	\$192,700	44.78%	\$186,308	\$196,202	5.31%
Cedar Rapids MSA	\$99,400	\$144,000	44.87%	\$139,136	\$146,617	5.38%

Sources: U.S. Census Data, 2000; U.S. Census Bureau, American Community Survey, 2014; U.S. Department of Labor, Bureau of Labor Statistics, June 2016 CPI Inflation Calculator, [http://www.bls.gov/data/inflation\\_calculator.htm](http://www.bls.gov/data/inflation_calculator.htm).

### ANNUAL SALES VOLUME

Exhibit 4-2 shows the annual numbers of active, pending, and sold real estate listings in the City of Marion from 2013 to 2015. Active listings are defined as properties listed for sale, pending listings are defined as properties for which an offer is made, and sold properties are defined as properties for which the sale transaction is completed. These data show that there was an increase in listings and sales in 2015.

**Exhibit 4-2: Active, Pending, and Sold Housing Listings in the City of Marion, 2013-2015**



Source: Iowa Association of Realtors (IAR) Multiple Listing Service database.

Table 4-14 shows the annual volume of homeowner sales in the City of Marion as compared to peer cities and to the Cedar Rapids metro area as a whole. The volume of sales in the City of Marion from 2013 to 2015 was slightly higher than the volume of sales in Ames, but was lower than that in Urbandale over the same period.

**Table 4-14: Annual Volume of Homeowner Sales by Place, 2013-2015**

Place	2013	2014	2015
Marion	716	712	803
Ames	709	671	768
Urbandale	826	826	887
Cedar Rapids MSA	3,699	3,659	4,091

Source: Iowa Association of Realtors (IAR) Multiple Listing Service database.

### HOMES FOR SALE BY AREA

Table 4-15 provides a breakdown of the number of homes for sale by location, price, and type as of August 2016. At the time the data were collected, 19 single-family homes were available in the City of Marion under \$150,000 (slightly above the median home value) and nine were available under \$100,000 (below the median home value).

**Table 4-15: Homes for Sale by Area, August 2016**

Area	Under \$100,000			\$100,000 to \$150,000			\$150,000 to \$200,000			\$200,000 to \$350,000			More than \$350,000			Total
	SF	CM	MF	SF	CM	MF	SF	CM	MF	SF	CM	MF	SF	CM	MF	
Marion	9	4	1	10	9	1	17	22	0	74	8	0	35	2	2	194
Ames	2	1	0	5	5	1	21	3	0	45	11	0	53	1	0	148
Urbandale	0	16	0	14	14	1	36	13	1	92	16	0	178	4	0	385
Cedar Rapids	161	47	8	124	19	4	56	41	0	109	23	2	101	5	1	701

Source: Calculated from home data listed on: <http://www.realtor.com/realstateandhomes-search/lowa>. Accessed August 8, 2016. SF= Single-family; CM = Condominium; MF = Multi-family.

**FORECLOSURE TRENDS**

Table 4-16 includes the number of foreclosures of all property types in the City of Marion and Linn County from 2012 to 2015, as well as the percent of mortgaged housing units that were foreclosed. The number of foreclosures in the City of Marion increased from 2012 to 2013 but decreased from 2014 to 2015, matching the overall trend in Linn County. According to a 2016 National Foreclosure Report by the real estate consulting firm CoreLogic, approximately 1.1 percent of all homes with a mortgage are foreclosed nationally.<sup>15</sup> The data in Table 4-16 suggest that the City of Marion is below this national rate.

**Table 4-16: Foreclosures by Place, 2012-2015**

Place	2012		2013		2014		2015
	Foreclosed Properties	Number of Foreclosed Properties as a Percent of Housing Units with a Mortgage	Foreclosed Properties	Number of Foreclosed Properties as a Percent of Housing Units with a Mortgage	Foreclosed Properties	Number of Foreclosed Properties as a Percent of Housing Units with a Mortgage	Foreclosed Properties
Marion	27	0.35%	78	1.00%	72	0.93%	49
Linn County	183	0.42%	467	1.07%	460	1.03%	335

Sources: Linn County Sherriff's Office sales data, 2012-2015, <http://www.linncounty.org/328/Foreclosure-Sales>. Accessed August 1, 2016; U.S. Census Bureau, American Community Survey, 2012-2014. Data for the 2015 housing units with a mortgage are not yet available.

**SUPPLY AND DEMAND PROJECTIONS**

Table 4-17 shows the annual growth rates of housing units and households in Marion from 2010 to 2014, as calculated from data in the U.S. Census Bureau American Community Survey. An analysis of these rates indicates that housing units have grown at an average annual rate of 1.66 percent, slightly outpacing the average annual growth in households, which averages to 1.57 percent. Table 4-18 shows supply and demand estimates for 2020, 2025, and 2030 assuming these annual growth rates.

<sup>15</sup> National Foreclosure Report. CoreLogic, April 2016. PDF File. Web. <http://www.corelogic.com/research/foreclosure-report/national-foreclosure-report-april-2016.pdf>. Accessed August 15, 2016.



**Table 4-17: Housing Unit and Household Annual Growth Rates, 2010-2014**

Year	Housing Units	Housing Unit Growth Rate	Households	Household Growth Rate
2010 (Base)	14,371	-	13,712	-
2011	14,717	2.41%	14,021	2.25%
2012	15,021	2.07%	14,019	-0.01%
2013	15,021	0.00%	14,218	1.42%
2014	15,349	2.18%	14,590	2.62%
Average	-	1.66%	-	1.57%

Source: U.S. Census Bureau, American Community Survey, 2010-2014.

**Table 4-18: Household and Housing Unit Projections, 2020, 2025, 2030**

Year	Projected Housing Units	Projected Households	Difference
2014 (Base)	15,349	14,590	759
2020	16,943	16,019	924
2025	18,396	17,317	1,079
2030	19,974	18,720	1,254

Source: Morningside analysis based on U.S. Census data.

## AFFORDABLE HOUSING

### SOURCES OF FUNDING FOR AFFORDABLE HOUSING

The main source of funding for affordable housing in most communities comes from the federal government, specifically through the U.S. Department of Housing and Urban Development (HUD). HUD provides federal aid to local housing agencies that then provide and manage housing for eligible low-income residents through public housing programs and through the distribution of housing choice vouchers (also known as Section 8).<sup>16</sup> Furthermore, a variety of housing, economic development, and public services projects for low-income residents are funded through HUD grants in the form of the Community Development Block Grant (CDBG) and the HOME Investment Partnerships Program (HOME). CDBG funds can be used to benefit low and moderate income persons, prevent or eliminate slums or blight, and meet other urgent community development needs.<sup>17</sup> The national HOME objective is affordable housing for low-income households and funds can be spent on homebuyer programs, homeowner rehabilitation programs, rental housing programs, and tenant-based rental assistance.<sup>18</sup>

In addition, Low-Income Housing Tax Credits (LIHTC) are a major source of affordable housing funding in many communities. These tax credits, distributed in Iowa by the Iowa Finance Authority (IFA), provide a federal tax credit incentive for developers to invest in the development and preservation of lower income rental housing.<sup>19</sup> Beyond LIHTCs, the Iowa Finance Authority also administers the State Housing Trust Fund and a variety of other housing tax credit and loan programs.<sup>20</sup>

In 2014, the Iowa state legislature created the Workforce Housing Tax Incentives Program, which provides a refund for state authorized construction fees, along with an investment tax credit that covers up to 10 percent of the

<sup>16</sup> "HUD's Public Housing Program." HUD.gov. U.S. Department of Housing and Urban Development, no date. Web.

[http://portal.hud.gov/hudportal/HUD?src=/topics/rental\\_assistance/phprog](http://portal.hud.gov/hudportal/HUD?src=/topics/rental_assistance/phprog). Accessed August 2016.

2015, and "FACT SHEET: Housing Choice Vouchers Fact Sheet." U.S. Department of Housing and Urban Development, no date. Web.

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/hcv/about/fact\\_sheet](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/hcv/about/fact_sheet). Accessed August 2016.

<sup>17</sup> "Guide to National Objectives and Eligible Activities for State CDBG Programs." HUD.gov. U.S. Department of Housing and Urban Development, no date. Web.

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/communitydevelopment/library/stateguide](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/library/stateguide). Accessed August 2016.

<sup>18</sup> "Home Investment Partnerships Program." HUD.gov. U.S. Department of Housing and Urban Development, no date. Web.

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/affordablehousing/programs/home](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/affordablehousing/programs/home). Accessed August 2016.

<sup>19</sup> "Affordable Rental." [iowafinanceauthority.gov](http://www.iowafinanceauthority.gov). Iowa Finance Authority, no date. Web. <http://www.iowafinanceauthority.gov/Programs/AffordableRental>. Accessed August 2016.

<sup>20</sup> Please see Iowa Finance Authority. "Affordable Rental." [iowafinanceauthority.gov](http://www.iowafinanceauthority.gov). Iowa Finance Authority, no date. Web.

<http://www.iowafinanceauthority.gov/Programs/AffordableRental>. Accessed August 2016.

investment in affordable housing (up to \$1,000,000). The state tax incentive is available to housing developers for rehabilitation and new construction projects. Before a developer can apply for the tax credit for new construction projects, the community in which the project will be located must have applied for and received a “distressed workforce housing community designation,” a determination made by IEDA.<sup>21</sup> Appendix A includes a detailed analysis of whether the City of Marion meets the 10 criteria for a distressed workforce housing community.

A 2013 report on affordable housing listed the following other examples of dedicated revenue sources that have been used by local jurisdictions to fund affordable housing.<sup>22</sup>

- **ACQUISITION FUND FOR PRESERVATION OF EXISTING AFFORDABLE HOUSING.** Denver, Colorado, used this strategy in 2009 to acquire property within a half mile of existing or planned light rail stops and within a quarter mile of high frequency bus stops. The fund was established with a \$2.5 million contribution from the city and \$15 million from philanthropies and banks.
- **LINKAGE FEES ON NON-RESIDENTIAL DEVELOPMENT.** Fairfax County, Virginia, used this approach in redeveloping an area with retail and residential growth. The county implemented a linkage fee requiring that nonresidential developers contribute \$3.00 per square foot to a housing trust fund that would help support low and moderate income housing.
- **TAX ABATEMENT STRATEGIES.** The City of Davenport, Iowa, uses the Urban Revitalization Tax Exemption Program (URTE) to the maximum amount allowed by the State of Iowa. The program is intended to encourage private investment and reinvestment in areas of Davenport by exempting property tax increases that are a result of major property improvements. Portland, Oregon, used this strategy to meet city objectives for affordable homes and community development. As of FY 2010-2011, nearly 14,000 homes in Portland received an abatement designed to meet development goals near transit, home rehabilitation, and other objectives.
- **TAX INCREMENT FINANCING.** The Skillman Corridor Tax Increment Financing (TIF) District in Dallas is located approximately 9.5 miles northeast of downtown and was created in 2005 to enhance the real estate market and encourage new investment by providing a source of funding for public amenities and infrastructure improvements. Twenty percent of all housing units in the Skillman Corridor TIF District using TIF funds must meet the City and County established criteria for affordable housing.
- **HOUSING TRUST FUNDS.** Many governments use these stable sources of funding created for the construction, acquisition, or preservation of affordable housing. For example, Philadelphia established a fund in 2005 financed through document recording fees such as mortgage and deed fees. In fiscal year 2013, these fees generated \$12 million for the Philadelphia fund.<sup>23</sup>
- **EMPLOYER-SUPPORTED HOUSING.** Applied Materials in Santa Clara, California, contributed \$1 million to the Housing Trust of Santa Clara County with the goal of providing down payment assistance for first-time homebuyers and providing incentives for developers of affordable homes.
- **GENERAL OBLIGATION BONDS.** Voters have approved bonds for affordable housing construction and rehabilitation in many cities.
- **DEDICATED TAX REVENUES.** Miami-Dade County, Florida, levies a one percent tax on food and beverage sales at businesses licensed by the state to sell alcoholic beverages for on-premise consumption. The tax is subject to some minimum income requirements, but 85 percent of receipts go to the county homeless trust and 15 percent go to county domestic violence centers.

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<sup>21</sup> For more information on the program, please visit the website of the Iowa Economic Development Authority: <http://www.iowaeconomicdevelopment.com/Community/WHTC>.

<sup>22</sup> City of Austin Neighborhood Housing and Community Development (NHCD). “Attachment 2: Overview of Best Practices in Affordable Housing.” NHCD report submitted to Mayor and Austin City Council on Feb. 14, 2013. PDF file. Web. [http://www.austintexas.gov/sites/default/files/files/Capital\\_Planning/Website/Best\\_Practices\\_in\\_Affordable\\_Housing.pdf](http://www.austintexas.gov/sites/default/files/files/Capital_Planning/Website/Best_Practices_in_Affordable_Housing.pdf) and [http://www.austintexas.gov/sites/default/files/files/Housing/ReportsandPublications/Memos/Memo\\_Election%20Scenarios\\_Feb%202013.doc.pdf](http://www.austintexas.gov/sites/default/files/files/Housing/ReportsandPublications/Memos/Memo_Election%20Scenarios_Feb%202013.doc.pdf). Accessed May 18, 2015.

<sup>23</sup> “Revenues.” Philadelphiahousingtrustfund.org. Philadelphia Housing Trust Fund, no date. Web. <http://philadelphiahousingtrustfund.org/index.php/revenues/>. Accessed June 4, 2015.

## SUBSIDIZED HOUSING FUNDING IN THE CITY OF MARION

The City of Marion does not receive direct funding from the state of Iowa or from the federal government for housing and there is no public housing authority located in Marion. According to the City of Marion Planning and Development Department, the City of Marion has in the past used TIF (tax increment financing) for senior housing projects that have also obtained state or federal tax credits for building affordable units. According to the City of Marion Tax Increment Financing Policy, projects must have a public purpose to receive TIF and the criteria for having a public purpose are defined in the policy.<sup>24</sup>

The City of Cedar Rapids Housing Services Office serves as the public housing authority for Marion in the administration of the Section 8 Housing Choice Voucher Program.<sup>25</sup> In January 2016, according to the housing programs manager for the City of Cedar Rapids, 1,076 tenants were participating in the Section 8 Housing Choice Voucher program, with an additional 875 people on a waiting list. Of the 1,076 participants, 11 percent (120 families) live in the City of Marion.<sup>26</sup> The waiting list for Section 8 housing vouchers is currently closed and has been closed to pre-applications since February 11, 2015, when the list was held open for approximately six weeks and 1,200 pre-applications were accepted during that time.<sup>27</sup> In addition to the limited number of available housing vouchers, those that are able to obtain vouchers may face difficulty using them. The Cedar Rapids housing programs manager has noted that Housing Choice Voucher program participants face barriers including credit checks, payment limits, rental history, and background checks.<sup>28</sup>

## FAIR HOUSING ISSUES IN THE CITY OF MARION

The Marion Civil Rights Commission was established in May 2014. The Commission is focused on eliminating discrimination against protected classes in the City of Marion, particularly discrimination in the areas of employment, housing, credit, public accommodations, and education by serving as a source of information, initiating and investigating discrimination claims, administering the civil rights laws in Chapter 31 of the Municipal Code of the City of Marion, and reporting to the Mayor and City Council.<sup>29</sup> In early 2016, the City of Marion and the City of Cedar Rapids revised their previous 2012 agreement and adopted Chapter 28E Agreement between the cities of Marion and Cedar Rapids for the Provision of Professional Civil Rights Staffing Services, which went into effect on July 1, 2016.<sup>30</sup> In this agreement, among other duties, the Cedar Rapids Civil Rights Commission provides administrative and training support for the City of Marion Civil Rights Commission including processing all intake discrimination claims and forwarding claims to the Iowa Civil Rights Commission or the U.S. Department of Housing and Urban Development (HUD), as appropriate. The Cedar Rapids Civil Rights Commission also provides education and training for new Marion Civil Rights Commissioners and staff. Between February 2015 and February 2016, according to the March 2, 2016, Cedar Rapids Civil Rights Commission Case Report, four Marion discrimination cases were closed, one was settled, and one had a public hearing.<sup>31</sup> The nature of the discrimination claims and other details were not listed in the report.

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<sup>24</sup> "Tax Increment Financing Policy." City of Marion, Iowa, n.d. Web. <http://www.cityofmarion.org/home/showdocument?id=10444>. Accessed August 2016.

<sup>25</sup> "Section 8 Rent Assistance." *City of Cedar Rapids, Iowa*, n.d. Web. [http://www.cedar-rapids.org/local\\_government/departments\\_a-f/community\\_development/section\\_8\\_rent\\_assistance.php](http://www.cedar-rapids.org/local_government/departments_a-f/community_development/section_8_rent_assistance.php). Accessed August 2016.

<sup>26</sup> "Section 8 Housing." *City of Marion, Iowa*, n.d. Web. <http://www.cityofmarion.org/how-do-i/apply-for/section-8-housing>. Accessed August 2016.

<sup>27</sup> "Marion Civil Rights Commission Meeting Minutes." *City of Marion, Iowa*, March 2, 2016. PDF. <http://www.cityofmarion.org/Home/ShowDocument?id=10134>. Accessed July 2016.

<sup>28</sup> "City of Cedar Rapids Section 8 Housing Choice Voucher Program: January 2016 Quarterly Participant Report," *City of Marion, Iowa*, n.d. [http://www.cedar-rapids.org/document\\_center/CommDev/HCV%20Program%20Stats%20Jan.%202016.pdf](http://www.cedar-rapids.org/document_center/CommDev/HCV%20Program%20Stats%20Jan.%202016.pdf). Accessed July 2016.

<sup>29</sup> "City of Cedar Rapids Section 8 Housing Choice Voucher Program: January 2016 Quarterly Participant Report," *City of Marion, Iowa*, n.d. [http://www.cedar-rapids.org/document\\_center/CommDev/HCV%20Program%20Stats%20Jan.%202016.pdf](http://www.cedar-rapids.org/document_center/CommDev/HCV%20Program%20Stats%20Jan.%202016.pdf). Accessed July 2016.

<sup>30</sup> "Marion Civil Rights Commission Meeting Minutes." *City of Marion, Iowa*, March 2, 2016. PDF. <http://www.cityofmarion.org/Home/ShowDocument?id=10134>. Accessed July 2016

<sup>31</sup> "Civil Rights Commission." *City of Marion, Iowa*, n.d. Web. <http://www.cityofmarion.org/departments/city-clerk/boards-commissions/civil-rights-commission>. Accessed August 2016.

<sup>30</sup> "Cedar Rapids Civil Rights Commission Meeting Minutes." *City of Cedar Rapids, Iowa*, March 9, 2016. PDF. <http://www.cedar-rapids.org/Civil%20Rights/Agenda%20Packets/2016/March%202016%20Agenda%20Packet.pdf>. Accessed July 2016.

<sup>31</sup> "Cedar Rapids Civil Rights Commission Meeting Minutes." *City of Cedar Rapids, Iowa*, March 9, 2016. PDF. <http://www.cedar-rapids.org/Civil%20Rights/Agenda%20Packets/2016/March%202016%20Agenda%20Packet.pdf>. Accessed July 2016.

One difference between the Marion regulations and those of Cedar Rapids is that Chapter 31 of the Municipal Code of the City of Marion recognizes lawful source of income as a protected class in addition to age, color, creed, disability, familial status, gender identity, marital status, national origin, race, religion, sex, and sexual orientation.<sup>32</sup> Lawful sources of income include housing subsidies from the federal, state, or local government in the form of rental assistance or Section 8 vouchers. The Marion Civil Rights Commission advocated for the adoption of this rule as a means of preventing discrimination, particularly against residents who use Section 8 housing vouchers to subsidize a portion of their housing costs. As of January 2016, no official complaints have been filed in Marion regarding lawful source of income.<sup>33</sup> Many landlords and property owners who participated in the focus groups, interviews, and open house meeting for this analysis oppose this rule and believe that it should not be mandatory to consider Section 8 housing vouchers. Many participants agreed that due to the very few Section 8 housing vouchers available and the few landlords in the City of Marion willing to accept them, it can be very difficult for low-income residents to find housing.

## SENIOR HOUSING AND ASSISTED LIVING FACILITIES

### AFFORDABLE SENIOR HOUSING

The majority of available subsidized housing in Marion is targeted to the senior population or used primarily by seniors. Based on the Linn County Community Services affordable housing list,<sup>34</sup> the Iowa Health Care Association directory,<sup>35</sup> the City of Marion website,<sup>36</sup> and additional internet research, at least four subsidized senior housing facilities in Marion were identified, with at least an additional two under construction. As seen in Table 4-19, of the four existing affordable senior housing facilities, one was built using HUD Project Rental Assistance Contract (PRAC) financing, two were built with HUD 202 subsidies, and the fourth is a project-based HUD Section 8 housing facility.

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<sup>32</sup> "City of Marion Municipal Code Chapter 31: Civil Rights Commission." *City of Marion, Iowa*, April 21, 2016. p. 10 of 57. PDF. <http://www.cityofmarion.org/home/showdocument?id=930>. Accessed July 2016.

<sup>33</sup> "Cedar Rapids Civil Rights Commission Meeting Minutes." *City of Cedar Rapids, Iowa*, March 9, 2016. PDF. <http://www.cedar-rapids.org/Civil%20Rights/Agenda%20Packets/2016/March%202016%20Agenda%20Packet.pdf>. Accessed July 2016.

<sup>34</sup> "Affordable Housing Resources 2016." *Linn County, Iowa*, n.d. PDF. <http://www.linncounty.org/DocumentCenter/Home/View/139>. Accessed July 2016.

<sup>35</sup> "Provider Finder." *Iowa HealthCare Association, Iowa Center for Assisted Living and Iowa Center for Home Care*, n.d. Web. <http://www.iowahealthcare.org/asp/facilitySearch.aspx>. Accessed July 2016.

<sup>36</sup> "Senior Living Projects." *City of Marion, Iowa*, n.d. Web. <http://www.cityofmarion.org/about/in-the-works/senior-living-projects>. Accessed July 2016.

**Table 4-19: Affordable Senior Housing, Marion, 2016**

Facility Name	Subsidization Funding Source	Number of Units	Annual Income Restriction	Subsidized Cost to Resident	Occupancy Rates
Hill Top Manor	PRAC	53	1 person \$26,700; 2 people \$30,500	30% adjusted monthly income	100%
Marion Senior Living Community - Moundview Manor	HUD 202	40	1 person \$27,350; 2 people \$31,250	30% adjusted monthly income	100%
Marion Senior Living Community - Trinity Pointe	HUD 202	40	1 person \$27,350; 2 people \$31,250	30% adjusted monthly income	100%
Oak Village	Project-based Section 8	46	Qualifying for Section 8	30% adjusted monthly income	100%
<b>Total number of units</b>		<b>179</b>			

Source: Telephone interviews, August 4 to 9, 2016.

Table 4-19 shows that all four facilities are currently at full occupancy. Each facility maintains a waiting list and one facility stated that their waitlist can stretch as long as six months to one year. These facilities subsidize housing to 30 percent of adjusted monthly income, the highest level allowed by the funding sources.

The HUD Section 202 program finances the construction, rehabilitation, or acquisition of structures that will serve as supportive housing of low- and very low-income seniors. The program provides long-term direct loans to nonprofit sponsors of housing facilities.<sup>37</sup> For housing projects supported by PRAC funding, residents must be very low-income (below 50 percent of area median income (AMI) with at least one adult member with a disability (such as a physical or developmental disability or chronic mental illness).<sup>38</sup>

The Arbor at Lindale Trail and Blairs Ferry Senior Apartments are two new senior living projects that are expected to be completed by the end of 2016. The developers of the Arbor at Lindale Trail received HUD HOME funds and additional financing from the Iowa Finance Authority. This project will have 60 affordable housing units and an additional 10 market-rate units. Blairs Ferry Senior Apartments received some financing from the Iowa Finance Authority and will have 57 affordable housing units. The addition of these 117 affordable senior housing units will nearly double the current 179 units to 296. In addition, the City of Marion Planning and Development Department noted that two additional subsidized senior housing sites may be under construction in the next year; however, no further data was available.

#### MARKET-RATE SENIOR HOUSING

In addition to HUD and Iowa Finance Authority subsidized facilities, Marion has at least nine additional market-rate senior group homes, assisted living facilities, and nursing homes, and at least two of the market-rate facilities also provide dementia care. Not all facilities are exclusively for seniors, but the vast majority of the residents are seniors or individuals with a disability.

<sup>37</sup> "Section 202 Supportive Housing for the Elderly Program" U.S. Department of Housing and Urban Development, n.d. Web. [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/mfh/progdesc/eld202](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/progdesc/eld202). Accessed August 2016.

<sup>38</sup> "Section 811 Supportive Housing for Persons with Disabilities" U.S. Department of Housing and Urban Development, n.d. Web. [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/mfh/progdesc/disab811](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/progdesc/disab811). Accessed August 2016.

Table 4-20 was created from data gathered in a series of telephone interviews with Marion market-rate senior housing facilities between August 4 and August 9, 2016. This table includes the number of units, occupancy rates, and cost to residents. As shown in the table, three of the nine facilities are at full occupancy; all but one is consistently at least 90 percent occupied. Many of these facilities also maintain waiting lists, some of which include as many as 40 people or six months of wait time. One interviewee stressed the need for additional Medicaid beds in Marion; the facility at which she works keeps a long waiting list for Medicaid patients.

**Table 4-20: Market-Rate Senior Housing, Marion, 2016**

Facility Name	Number of units	Occupancy Rates	Cost
Bickford of Marion	38	100%	\$99-127/ day for room <b>plus</b> \$30-108/ day for care; not limited to seniors, but most residents are seniors
Crestview Acres	100 beds	90%	Private \$170/day; Semi-private \$163
Linn Manor Care Center	38 beds	95%	Private \$220/day; Semi-private \$205; most residents are seniors or disabled; can take up to 50% Medicaid patients; not limited to seniors, but most residents are seniors
Marion Senior Living Community - Scott Meadows	32	100%	\$300 deposit, and monthly electricity <b>plus</b> 1 bedroom \$470/ month 2 bedrooms \$625/ month; accepts Section 8 vouchers
Summit Pointe Senior Living Community	101	100%	\$2,500-3,300/ month for unit <b>plus</b> \$975-3,900/ month for nursing assistance
The Villages at Marion - Village Place Independent Living Community	42 assisted living; 20 memory care	90-95% assisted living; 100% memory care	\$3,180-3,585/ month for assisted living unit <b>plus</b> \$550-1,000 for assistance; \$4,850-5,780/ month flat rate for memory care units
The Villages at Marion - Village Ridge	79	90%	\$1,135-2,015/ month for apartment; accepts VA assistance
Willow Gardens Care Center	91	80-86%	\$165/day; Accepts Medicare and Medicaid; not limited to seniors, but most residents are seniors
Winslow House Care Center	50 beds	95-100%	Private \$201/ day; Semi-private \$179/day
<b>Total number of units</b>	<b>591</b>		

Source: Telephone interviews, August 4 to 9, 2016.

The cost of market-rate facilities varies greatly. The low end includes Marion Senior Living Community - Scott Meadows which can be as little as \$470 plus electricity per month. The two other facilities in the Marion Senior Living Community are both HUD-subsidized for low-income seniors, and this facility also accepts other subsidies such as Section 8 housing vouchers and Veterans Affairs (VA) benefits. Therefore, although Scott Meadows is

considered a market-rate facility, it is on the less expensive end of the market-rate spectrum. At the higher end, housing and nursing assistance can cost as much as \$7,200 per month, but many market-rate senior housing facilities are about \$3,000 per month.

Some stakeholders stated that there seems to be a real shortage of senior housing in the area due the proliferation of articles in local media about a lack of senior housing. Based on our survey, which found 100 percent occupancy of the affordable senior housing facilities contacted and associated waiting lists, and 90 to 100 percent occupancy and associated waiting lists for most market-rate senior housing options in Marion, demand for senior housing in Marion appears to be high. According to U.S. Census data, the population aged 65 and over in the City of Marion grew from 11.2 percent in 2000 to 13.5 percent in 2014.<sup>39</sup> The projections in Chapter 2 indicate that this will increase to 15.7 percent in 2020, 18.2 percent in 2025, and 21.1 percent in 2030.<sup>40</sup> In the state of Iowa, the population over 65 is currently 15.8 percent, the 13<sup>th</sup> highest percentage among all states.<sup>41</sup>

As seen in Table 4-21, the most recent estimate for the City of Marion population over age 65 is 4,835. With a total of 770 senior housing units displayed in Table 4-19 and Table 4-20, the City of Marion currently has a ratio of one unit per every 6.28 seniors. As the senior population grows, the City of Marion will need to build more senior units to preserve this same ratio. Table 4-21 shows the projected growth in the over 65 population (as calculated in Chapter 2) and how many more units will be needed, assuming these numbers. This does not assume the current ratio is sufficient to meet the need.

**Table 4-21: Projected Number of Additional Units Needed**

Year	Projected Population over 65	Projected Number of Senior Housing Units Needed	Number of Additional Senior Housing Units Needed to Maintain Current Ratio
2014 (Base)	4,835	770	-
2020	6,321	1,007	+237
2025	7,905	1,259	+489
2030	9,883	1,574	+804

Source: Morningside analysis based on U.S. Census Bureau data and data from telephone interviews.

## ANALYSIS OF MARKET GAPS

A housing gap is the difference between the estimated demand for housing and the available housing stock. A housing affordability gap is the difference between what individuals are able to pay versus the actual sale or rental price of housing. Both of these components make up a market gap analysis, which is a tool frequently used by the HUD to help states and local jurisdictions assess market conditions and community development and affordable housing needs. An analysis using this method indicates that Marion has a shortage of housing for low-income and high-income renters.

Table 4-22 shows the maximum rents that residents at each AMI level can afford, as well as the number of units available to renters in these categories and the shortage or surplus of units in each category. A negative number in “gap in units” indicates a shortage of units and a positive number indicates a surplus.

<sup>39</sup> U.S. Census Data, 2000; U.S. Census Bureau, American Community Survey, 2014.

<sup>40</sup> Morningside analysis based on U.S. Census Bureau data.

<sup>41</sup> *Older Iowans: 2016*. State Data Center of Iowa, May 2016. PDF File. Web. <http://www.iowadatacenter.org/Publications/older2016.pdf>. Accessed August 15, 2016.



**Table 4-22: Marion Housing Gap Analysis Overview**

	<b>0-30% AMI (less than \$18,760)</b>	<b>30-50% AMI (\$18,760 to \$31,266)</b>	<b>50-80% AMI (\$31,266 to \$50,026)</b>	<b>80-110% AMI (\$50,026 to \$68,785)</b>	<b>110%+ AMI (more than \$68,785)</b>
Maximum Affordable Rent	\$469	\$782	\$1,251	\$1,720	\$1,720+
Number of Units	839	1,716	874	283	117
Number of Renters	1,043	968	628	350	549
Gap in Units	-204	748	246	-67	-432

Source: U.S. Census Bureau, American Community Survey, 2014

According to this data, 1,043 renters (29 percent of all renters) in Marion have incomes below \$18,760 (30 percent of the AMI of \$62,532). These renters can afford to pay up to \$469 per month in rent without being cost burdened (i.e. spending more than 30 percent of their income on rent). At this price, 839 rental units are available, which leaves a shortage of 204 affordable units for renters at this income level.

A surplus of units is available for renters at 30 to 50 percent AMI (between \$18,760 and \$31,266) who can afford to pay between \$469 and \$782 per month in rent. There are 968 renters in this category (27 percent of all renters) and 1,716 units, which leaves a surplus of 748 rental units.

A surplus of units also exists for renters who can afford to pay between \$782 and \$1,251 per month in rent. These renters have incomes between 50 and 80 percent AMI (between \$31,266 and \$50,026). The gap analysis shows that 874 units (23 percent of all rental units) rent for between \$782 and \$1,251 per month and 628 renters (18 percent) have a monthly limit of affordability in this range. This results in a surplus of 246 units in Marion.

A small shortage of units exists for renters between 80 to 110 percent AMI (between \$50,026 to \$68,785) who can afford to pay between \$1,251 and \$1,720 per month in rent. There are 350 of these renters (10 percent of all renters) and 283 units in this price range, leaving a shortage of 67 units.

Lastly, there is a shortage of high-income rental units relative to the number of high-income renters in Marion. There are 549 renters (16 percent of all renters) who earn more than 110 percent AMI (more than \$68,785). These renters can afford to pay more than \$1,720 per month in rent without being cost burdened. There are 117 units in Marion at this rent level, leaving a shortage of 432 units.

In summary, the City of Marion has a shortage of affordable housing for renters who can only afford to pay up to \$469 per month in rent. The shortage of housing at higher income levels impacts housing affordability by putting downward pressure on the housing supply as higher income households compete with individuals at the 80 to 110 percent AMI level for housing. Given that there is also a shortage of units at the 80 to 110 percent AMI income level, there is the potential risk of further downward pressure on the housing supply at the 50 to 80 percent AMI level if available units are exhausted.

## AFFORDABILITY COMPARISONS

Table 4-23 compares the 2016 HUD-determined fair-market rents to average rents in Marion in September and October of 2015, based on a rental market survey conducted by Maxfield Research and Consulting for the City of Cedar Rapids.<sup>42</sup> Market rents from this survey represent the average rates from a sample of 6,060 units in Marion

<sup>42</sup> Update of Comprehensive Needs Analysis for Cedar Rapids, Iowa. Maxfield Research and Consulting, October 2015. PDF File. Web. [http://www.cedar-rapids.org/document\\_center/CommDev/2015%20Housing%20Market%20Analysis.pdf](http://www.cedar-rapids.org/document_center/CommDev/2015%20Housing%20Market%20Analysis.pdf). Accessed August 12, 2016.



and Cedar Rapids. Fair-market rents are calculated by HUD and signify the maximum amount of rent covered by housing choice vouchers in Linn County.

Table 4-23 shows that market rents (what people are actually paying in rent) are consistently below fair market rents (HUD-determined maximum rent for housing choice vouchers), indicating that people with vouchers would be able to cover rent for a range of bedroom sizes without being cost burdened. However, in January 2016, only 120 Marion families out of the 1,076 participants serviced by the Cedar Rapids Housing Services Office received vouchers, and an additional 875 people are on the waiting list for vouchers.<sup>43</sup>

**Table 4-23: Rental Assistance Gap, Marion, 2014**

	Market Rent	Fair-Market Rent	Difference
0 Bedrooms	\$447	\$451	-\$4
1 Bedroom	\$499	\$546	-\$47
2 Bedrooms	\$615	\$731	-\$116
3 Bedrooms	\$780	\$1,046	-\$266

Sources: Department of Housing and Urban Development Fair Market Rates, Linn County, IA, [https://www.huduser.gov/portal/datasets/fmr/fmr\\_il\\_history/data\\_summary.odn?inputname=METRO16300M16300\\*Cedar+Rapids%2C+IA+HUD+Metro+FMR+Area%2B1911399999&data=2014&fmrtype=%24fmrtype%24&fmr\\_year=2016&il\\_year=2016&area\\_choice=hmfa&hmfa=Yes](https://www.huduser.gov/portal/datasets/fmr/fmr_il_history/data_summary.odn?inputname=METRO16300M16300*Cedar+Rapids%2C+IA+HUD+Metro+FMR+Area%2B1911399999&data=2014&fmrtype=%24fmrtype%24&fmr_year=2016&il_year=2016&area_choice=hmfa&hmfa=Yes); Maxfield Research and Consulting, [http://www.cedar-rapids.org/document\\_center/CommDev/2015%20Housing%20Market%20Analysis.pdf](http://www.cedar-rapids.org/document_center/CommDev/2015%20Housing%20Market%20Analysis.pdf).

Table 4-24 shows the rental affordability gap by AMI and illustrates the difference between the market-rate rents for a range of unit sizes and the maximum rent affordable to individuals and families according to their AMI. For example, a household earning less than 30 percent AMI would be short \$30 in their ability to afford a one-bedroom and short \$146 in their ability to afford a two-bedroom unit. This gap increases as the size of the unit increases, up to \$311 for a three-bedroom unit; families at this income level would be in need of higher levels of rental assistance to afford market rents. As income levels increase to the 30 to 50 percent AMI level, families are able meet the market rent thresholds, although a family in this range could only just afford a three-bedroom unit. Since the gaps are not large, a small amount of rental assistance applied to negative differences in this table would increase housing affordability.

<sup>43</sup> "Marion Civil Rights Commission Meeting Minutes." *City of Marion, Iowa*, March 2, 2016. PDF File. Web. <http://www.cityofmarion.org/Home/ShowDocument?id=10134>. Accessed July 2016. "City of Cedar Rapids Section 8 Housing Choice Voucher Program: January 2016 Quarterly Participant Report," *City of Marion, Iowa*, n.d. [http://www.cedar-rapids.org/document\\_center/CommDev/HCV%20Program%20Stats%20Jan.%202016.pdf](http://www.cedar-rapids.org/document_center/CommDev/HCV%20Program%20Stats%20Jan.%202016.pdf). Accessed July 2016.

**Table 4-24: Rental Affordability Gap by Area Median Income, Marion, 2015**

	0-30% AMI	30-50% AMI	50-80% AMI	80-110% AMI	110% AMI+
	\$469	\$782	\$1,251	\$1,720	\$1,720+
Difference between Market Rent and Maximum Affordable Rent					
0 Bedrooms (Market Rent \$447)	\$22	\$335	\$804	\$1,273	\$1,273+
1 Bedroom (Market Rent \$499)	-\$30	\$283	\$752	\$1,221	\$1,221+
2 Bedrooms (Market Rent \$615)	-\$146	\$167	\$636	\$1,105	\$1,105+
3 Bedrooms (Market Rent \$780)	-\$311	\$2	\$471	\$940	\$940+

Sources: U.S. Census Bureau, American Community Survey, 2014; Maxfield Research and Consulting, [http://www.cedar-rapids.org/document\\_center/CommDev/2015%20Housing%20Market%20Analysis.pdf](http://www.cedar-rapids.org/document_center/CommDev/2015%20Housing%20Market%20Analysis.pdf).

## UPTOWN MARION

The following section details the zoning, existing housing units, and potential development projects in the Uptown Marion district, an area located in the center of the city. Since 2013, the area has been considered a Main Street District by IEDA, a designation that encourages economic development in the context of historical preservation.<sup>44</sup> Because of several new mixed-use development projects proposed in the area, the Uptown Marion district is an important component of the current housing market in Marion.

### ZONING

Exhibit 4-3 on the following page shows a color-coded zoning map of the Uptown Marion district and a legend explaining each color. The Uptown Main Street District, as determined by IEDA, is outlined in black. Most of this area is classified as “Central Business District Commercial”, defined by City of Marion zoning ordinances as “a convenient and attractive central business district offering a wide range of concentrated retail, office, and service uses.”<sup>45</sup> A part of the district is also classified as “General Commercial”, defined by zoning ordinances as a commercial area “where customers reach individual business establishments primarily by automobile.”<sup>46</sup> A small pocket is zoned residential between 9<sup>th</sup> Avenue and Central Avenue.

### UPTOWN MARION HOUSING

Although the Uptown Marion district is mostly commercial in nature, it contains some existing housing units. These units include both owner- and renter-occupied properties, and can be found both in the residentially-zoned pocket and in mixed-use buildings across the district. Table 4-25 provides a summary of data on the housing units in the area, as determined by tax records from the Linn County Assessor. According to the data, residential units are predominately owner-occupied by single families, while mixed-use properties (in which units are often located on the second floor of retail storefronts) are predominately renter occupied.

<sup>44</sup> “Main Street Iowa.” *Iowaeconomicdevelopment.com*. Iowa Economic Development Authority, 2016. Web. <http://www.iowaeconomicdevelopment.com/mainstreetiowa>. Accessed August 10, 2016.

<sup>45</sup> “Zoning Regulations.” *Cityofmarion.org*. City of Marion, 2016. Web. <http://www.cityofmarion.org/departments/planning-development/zoning-regulations>. Accessed August 10, 2016.

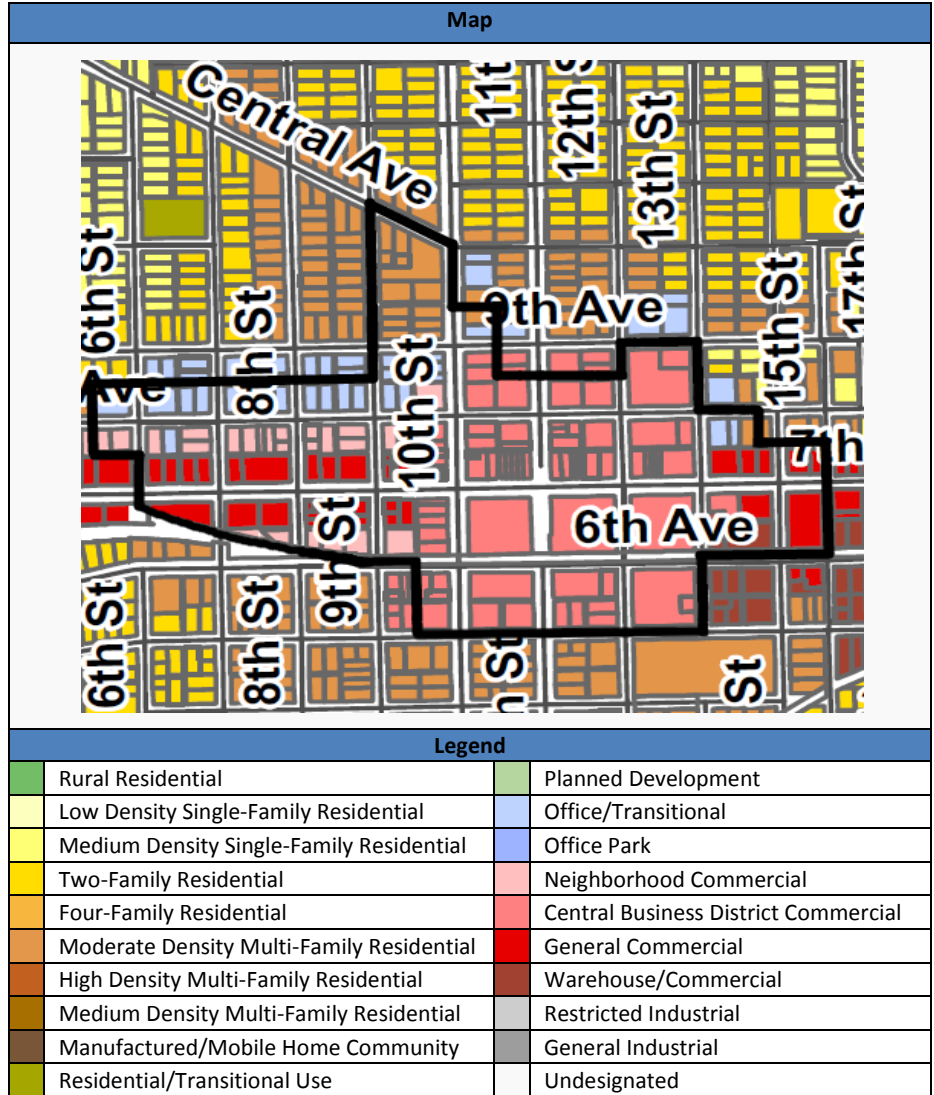
<sup>46</sup> “Zoning Regulations.” *Cityofmarion.org*. City of Marion, 2016. Web. <http://www.cityofmarion.org/departments/planning-development/zoning-regulations>. Accessed August 10, 2016.

**Table 4-25: Existing Housing Units in Uptown Marion**

	Residential	Mixed-Use
Owner-Occupied	48	11
Renter-Occupied	0	12

Source: Linn County Assessor Real Estate Search, <http://linn.iowaassessors.com/search.php>.

**Exhibit 4-3: Main Street Uptown District Zoning Map**



Source: City of Marion.

## PUBLIC LIBRARY MIXED-USE DEVELOPMENT

One of the largest projects planned in the Uptown Marion district is a redesigned mixed-use public, commercial, and housing complex. The proposed complex is being developed by a large national housing development company and will include a 10,250 square foot grocery store and a 42,500 square foot public library on the lower floors, with 36 residential units on the upper floors.<sup>47</sup> The project intends to capitalize on increased foot traffic to create a more walkable, residentially-oriented Uptown Marion area. The City of Marion and the developer are currently in the process of seeking input on the plan from the public. The plan currently includes bond financing from the City of Marion and will need to go to a public vote before being implemented. Based on a discussion at the October 20, 2016, Marion City Council meeting, the development company plans to include a total of 80 residential units and has specified that the 10,250 square feet of retail space will be for mixed retail, not just a grocery store.<sup>48</sup> However, no new planning documents have been released.

## OTHER MIXED-USE PROJECTS

In addition to the library project, there are several other mixed-use developments proposed for Uptown Marion. Table 4-26 outlines these various projects and the number of new housing units they will create.

**Table 4-26: Mixed-Use Development Projects in Uptown Marion**

Name	Address	New/Proposed Development	Number of Units
Marion Public Library	1095 6 <sup>th</sup> Ave	Grocery store, library, and upstairs housing	36
11 <sup>th</sup> Street Parkade and Mixed-Use Redevelopment	11 <sup>th</sup> and 12 <sup>th</sup> St, south of 8 <sup>th</sup> Ave	New building with retail, commercial space and upstairs housing, 300 new parking spaces	8
The Cobban-Harvey Building	1138 and 1144 7 <sup>th</sup> Ave	Renovation of two first-floor commercial storefronts and four second-floor apartments	4
The Weichman Building	1180 7 <sup>th</sup> Ave	Renovation of two first-floor commercial spaces and three second-floor condos	3
The Owen Block Building	1000 7 <sup>th</sup> Ave	Renovation of existing upper-story apartments	3
Memorial Hall Building	760 11 <sup>th</sup> St	Renovation of two first-floor commercial spaces and one large second-floor condo.	1
<b>Total number of units</b>			<b>55</b>

Sources: City of Marion Iowa Reinvestment District Application, <http://www.cityofmarion.org/home/showdocument?id=6116>; The Cedar Rapids Gazette, <http://www.thegazette.com/subject/news/business/four-downtown-marion-building-get-makeovers-20150823>.

## CONCLUSION

The City of Marion experienced considerable population growth from 2000 to 2014 that was, for the most part, matched by a growth in the total number of housing units. However, after adjusting for inflation, it is clear that median incomes decreased and median home values increased over this period, making it effectively more expensive to buy a home in the City of Marion. Although median rent remained constant over this time, renting became relatively more expensive for the average Marion resident due to the decrease in income and consequent decrease in purchasing power.

The housing stock in the City of Marion consists primarily of single-family homes. The composition is somewhat similar to that of peer cities, although Ames has more multi-family housing and Urbandale has more single-family homes. Housing vacancy rates remained relatively consistent from 2000 to 2014.

<sup>47</sup> Iowa Reinvestment District Application: Marion Central Corridor. City of Marion, 2015. p. 15. PDF File. Web. <http://www.cityofmarion.org/home/showdocument?id=6116>. Accessed August 10, 2016.

<sup>48</sup> Pluckhahn, Lon. "Housing Market Analysis – final report." Message to Morningside Research and Consulting. October 20, 2016. Email.

Construction trends indicate a relatively high volume of construction in the City of Marion from 2000 to 2015. The city saw a boom in construction from 2002 to 2005 and again in 2015. Overall, most of the housing in the City of Marion has been built after 1960, meaning it has a newer housing stock than Ames and the Cedar Rapids metro area as a whole. This generally means there is less concern for some of the issues that affect older housing, including lead-based paint hazards and accessibility. However, 14 percent of owner-occupied units and 12.9 percent of renter-occupied units in Marion potentially place children at risk of being exposed to lead-based paint.

A low median rent in the City of Marion indicates that renting is relatively affordable. In Marion, units with one bedroom mostly fall in the \$300 to \$499 price range, while all other units fall in the \$500 to \$749 price range. The rental vacancy rate is high, suggesting it does not take long to find a place to rent.

Home values in the City of Marion increased from 2000 to 2014 and homeownership rates went down over this period. Although the current volume of housing sales is similar to peer areas, recent housing unit growth slightly outpaces household growth, suggesting an increasing surplus in the supply of housing for 2020, 2025, and 2030. The number of foreclosures in the City of Marion increased from 2012 to 2013 but decreased from 2014 to 2015, matching the overall trend in Linn County.

Based on the average annual growth in housing units of 1.66 percent, the number of housing units in the City of Marion is expected to reach 16,943, 18,396, and 19,974 by the years 2020, 2025, and 2030, respectively.

The analysis of housing market gaps identified a shortage of 204 rental units in the City of Marion for low-income renters and a shortage of almost 500 units for high-income renters. For middle-income families, a surplus of almost 1,000 rental units exists. The shortage of housing at higher income levels impacts housing affordability by putting downward pressure on the housing supply as higher income households compete with individuals at lower income levels for housing.

Average market rents (what people are actually paying in rent) are shown to be lower than fair market rents (HUD-determined maximum rent for housing choice vouchers), indicating that people able to obtain HUD housing vouchers would be able to cover rent for a range of bedroom sizes without being cost burdened. However, there are very few subsidized housing vouchers available and 875 households are on the Cedar Rapids waiting list.<sup>49</sup> Due to the lack of subsidized housing vouchers, some individuals and families at lower income levels cannot afford housing in the City of Marion. Overall, City of Marion has few affordable housing options to meet the housing needs of lower-income residents. Several sources of funding have been used for affordable housing development in other cities that could be explored by the City of Marion.

Based on a survey of senior housing facilities in the City of Marion, all of the affordable senior housing facilities in Marion are at full occupancy and most of the market-rate senior housing facilities are at 90 percent occupancy or above. According to U.S. Census data, the population aged 65 and over in the City of Marion grew from 11.2 percent in 2000 to 13.5 percent in 2014.<sup>50</sup> Projections indicate that this will increase to 15.7 percent in 2020, 18.2 percent in 2025, and 21.1 percent in 2030, creating a growing need for senior housing.<sup>51</sup>

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<sup>49</sup> "Marion Civil Rights Commission Meeting Minutes." *City of Marion, Iowa*, March 2, 2016. PDF. <http://www.cityofmarion.org/Home/ShowDocument?id=10134>. Accessed July 2016.; "City of Cedar Rapids Section 8 Housing Choice Voucher Program: January 2016 Quarterly Participant Report," *City of Marion, Iowa*, n.d. [http://www.cedar-rapids.org/document\\_center/CommDev/HCV%20Program%20Stats%20Jan.%202016.pdf](http://www.cedar-rapids.org/document_center/CommDev/HCV%20Program%20Stats%20Jan.%202016.pdf). Accessed July 2016.

<sup>50</sup> U.S. Census Data, 2000; U.S. Census Bureau, American Community Survey, 2014.

<sup>51</sup> Morningside analysis based on U.S. Census Bureau data.

## 5 STAKEHOLDER PARTICIPATION

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This chapter summarizes the process and findings of stakeholder and resident input solicited to identify the housing needs in the City of Marion.

### OPPORTUNITIES FOR STAKEHOLDER PARTICIPATION

The stakeholder consultation and citizen input process for the housing market analysis included the following opportunities:

- Community meetings, including one public meeting in the form of an open house, one focus group of housing development and real estate professionals, and one focus group of community organizations to discuss housing and community development needs. The meetings were held on July 18 and 19, 2016, at Marion City Hall, an accessible, City-owned building in the Uptown Marion district.
- Interviews with key stakeholders included City of Marion Planning and Development staff, Uptown Marion (a community economic development organization) staff, Marion Economic Development Corporation (MEDCO) staff, housing development companies, and real estate professionals.
- An online community housing survey was distributed to obtain direct feedback from City of Marion community members and stakeholders on housing and community development issues.

Community members and stakeholders were encouraged to get involved in the housing market analysis process and were given the opportunity to communicate their opinions to the City of Marion. Community members and stakeholders in the City of Marion were notified about the housing market analysis process via news release, social media, eNewsletters, local media outlets, and the City of Marion website. Residents and stakeholders were also notified that they could contact City of Marion staff directly by phone or email if they had questions about the housing market analysis.

### OPEN HOUSE MEETING

To invite the public to the open house meeting, City of Marion staff posted or communicated public invitations through a variety of internal and external sources, including two news releases, the City's Facebook and Twitter accounts, City of Marion Engineering Project Updates (three times), City of Marion eUpdate, Marion Chamber of Commerce Update, MEDCO eUpdate, WMT AM radio interview, Corridor Business Journal eUpdate, Marion Times newspaper, and the City of Marion website ([www.cityofmarion.org](http://www.cityofmarion.org)), an online hub that residents can use to stay informed of City of Marion projects. City staff also sent email invitations to area nonprofits, elected officials, housing developers, realtors, the Chamber of Commerce, local foundations, and the Civil Rights Commission to encourage their members and associates to attend.

Eighteen residents and stakeholders attended the open house, which was held on July 18, 2016, at Marion City Hall. The City of Marion invited interested parties to drop in at any time between 5 and 7 pm to participate in activities with facilitators and complete questionnaires to provide input on the top housing needs and priorities in City of Marion. Participants represented a range of fields, including independent residents, real estate professionals, housing developers, City of Marion staff, and an Iowa State Senator.

### FOCUS GROUPS

Two focus groups were held, one for housing development and real estate professionals and one for community organizations. City of Marion staff recruited participants through targeted efforts, including email invitations to

representatives from local housing and social services agencies, housing developers and builders, real estate professionals, property managers, local foundations and nonprofits, and the City of Marion Civil Rights Commission.

Five participants representing a variety of organizations attended the community organizations focus group, which was held the morning of July 18, 2016, at Marion City Hall. Participants represented transitional housing providers, youth and family services providers, disability services providers, recovery services providers, and elderly services providers.

Ten participants attended the housing developer and real estate professionals focus group, which was held the afternoon of July 18, 2016, at Marion City Hall. Participants included housing developers, builders, property managers, property owners, realtors, and an architect.

### STAKEHOLDER INTERVIEWS

In order to better understand the housing needs in the City of Marion and the future plans for economic development related to housing, particularly in the Uptown Marion area (central Marion), key stakeholder interviews were conducted with City of Marion Planning and Development staff, Uptown Marion staff, MEDCO staff, housing development companies, and real estate professionals.

### SUMMARY OF FINDINGS FROM THE PUBLIC MEETING, FOCUS GROUPS, AND INTERVIEWS

This section summarizes the comments and discussions from the open house, community organizations focus group, housing developer focus group, and interviews.

During the public participation process, community members and stakeholders participated in discussions and activities designed to solicit information to identify:

- The greatest housing needs in the City of Marion;
- Opportunities and barriers to housing development; and
- The areas of the city most impacted by the issues identified during these meetings.

Based on stakeholder feedback, the lack of housing variety, several barriers to housing development, and limited housing options for low-income and special-needs populations emerged as themes.

### LACK OF VARIETY OF HOUSING OPTIONS

The most frequently cited issue by stakeholders and community members is lack of variety of housing options. Participants believe that the housing market is saturated with single-family homes and single-level condos for sale, with a lack of a variety of options within the single-family home market. Specifically, the City of Marion has a shortage of homes at in the \$150,000 to \$200,000 price range and a lack of a variety of aesthetic choices. Participants also noted that there is a shortage of rental units, particularly high quality rental units.

**SATURATION OF SINGLE-FAMILY HOMES AND CONDOS FOR SALE.** Many participants, including developers and real estate professionals, noted that most recent housing development in the City of Marion has been focused on similar styles of single-family homes and condos for sale. Participants commented that an abundant supply of both types of housing exist and voiced concern that other types of housing, such as multi-family or mixed-use housing (buildings with both commercial and residential spaces), could provide more options as the population and their housing needs and preferences change. For example, participants agreed that young families moving to the City of Marion may be interested in condos for sale due to the lower cost compared to a typical single-family home, but



that the single-level for-sale condos that have been and are continuing to be developed may not appeal to younger home buyers' aesthetic preferences or their desire to live near commercial development and amenities. Participants believe that most condos on the market are currently being sold to "empty nesters" or retirees.

**SHORTAGE OF HOMES FOR SALE AT LOWER PRICE POINTS.** Participants noted that the current market for single-family homes in the City of Marion is made up of homes in the \$300,000 to \$500,000 range and it is difficult to find a single-family home in the \$150,000 to \$200,000 range. Developers and real estate professionals stated that new homes are being built in the \$300,000 to \$500,000 range because the price of land and materials has risen and it is very difficult to build quality homes in the \$150,000 to \$200,000 range and make a profit.

**LIMITED AESTHETIC CHOICES.** Many participants, including some developers and other real estate professionals, described City of Marion housing developers as small, local companies that have built their businesses in response to what the market has demanded in the past rather than forecasting changing housing needs. This was noted as one contributing factor explaining why developers are continuing to build similar single-family homes and single-level condos, rather than multi-family or mixed-use housing. The City of Marion is continuing to work on design standard ordinances to encourage developers to create a variety of different housing types when building new neighborhoods. Housing developers stated that although varying home designs is associated with additional costs, the variety can result in a better return on investment for the developer.

**SHORTAGE OF RENTAL UNITS.** Participants believe that young professionals moving to the City of Marion may not be interested in purchasing homes, but would prefer rental properties with amenities. According to participants, the City of Marion has a shortage of rental properties in general, especially high quality, market-rate or above rental properties with amenities such as pools and shared outdoor space.

#### BARRIERS TO NEW HOUSING DEVELOPMENT

Participants identified several barriers to new housing development projects including a general community resistance to multi-family rental housing, a lack of commercial development to support new housing development, changing housing preferences for millennials, and developer reluctance to accept risks associated with investing in new housing projects in the Uptown Marion area.

**COMMUNITY RESISTANCE TO MULTI-FAMILY RENTAL HOUSING DEVELOPMENT.** Participants noted that many City of Marion residents are resistant to multi-family rental housing developments being located near where they live or own property. Participants stated that it was commonplace for neighborhood groups to form in opposition to new multi-family housing development plans. Participants noted that multi-family developments have a negative reputation based on the perception of the Azure apartments, one of the only large apartment complexes in the City of Marion which some community members associate with low-income residents and high crime rates.

**LACK OF COMMERCIAL DEVELOPMENT TO SUPPORT NEW HOUSING DEVELOPMENT.** Participants frequently noted that new residential construction is concentrated in the areas north of 29<sup>th</sup> street (neighborhood planning areas 4, 5, 6, 7, and 12 identified in the 2010 City of Marion Comprehensive Plan).<sup>52</sup> Many participants noted that a lack of commercial development near or within these residential areas that can provide basic needs, entertainment, or other amenities to residents. Participants frequently cited the Tower Terrace Road corridor as an example of an area with potential for commercial growth that is not being developed. Some participants attribute the lack of commercial development to an existing city ordinance that contains restrictions on hours of operation that affect restaurants, bars, and other entertainment venues that would typically be open at night.

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<sup>52</sup> *City of Marion Comprehensive Plan*. City of Marion, July 2010. p.97-109. PDF File. Web. <http://www.cityofmarion.org/home/showdocument?id=4533>. Accessed August 10, 2016.



According to 2013 City of Marion Ordinance 13-14, businesses are not allowed to operate between 11:00 p.m. and 6:00 a.m. without special approval.<sup>53</sup> Participants stated that the City is in the process of amending this ordinance and that these restrictions may be lifted in the future, which could encourage greater commercial development in the area.

**CHANGING HOUSING PREFERENCES FOR MILLENNIALS.** According to the Urban Land Institute’s 2016 Emerging Trends in Real Estate study, millennials are looking for housing options other than the traditional single-family home.<sup>54</sup> The study states that the 80 million or more people who make up the millennial population tend to prefer urban rentals rather than suburban home ownership. They are interested in housing that is low maintenance, has high walkability to amenities, and is generally smaller than housing options that have been preferred by previous generations. These market trends are somewhat contrary to the single-family homes and single-level condos located further away from amenities that make up the majority of housing that is currently being built in the City of Marion. However, while millennials may currently be seeking rental housing, the report also found that six out of ten millennials expect to live in single-family homes five years from now.

Several participants echoed the shifting trends among millennials to rent rather than own property. Participants stated that millennials are looking for multi-family rental housing that has communal and shared spaces such as green spaces, pools, and fitness centers. Participants described the existing multi-family rental housing properties in the City of Marion as a “series of doors without a sense of community.” Participants suggested that the City of Marion find ways to encourage developers to incorporate these types of community anchoring amenities in new properties.

**DEVELOPERS HESITANT TO BUILD IN THE UPTOWN MARION AREA.** Housing developers agree that there may be a demand for multi-family and mixed-use rental properties, particularly in the Uptown Marion area, but that they are hesitant to develop housing in the area. Developers cite a lack of historical data and slow commercial growth in the area as risk factors. Developers believe that other factors such as the consistent growth in the residential housing market, the strong economy, and the highly ranked schools in the City of Marion all indicate that without incentives from the City of Marion, such as tax increment financing or bond issuance, building new rental housing in the Uptown Marion area is too risky.

One national housing development company is currently proposing plans to the City of Marion to build mixed-use housing in Uptown Marion that is attached to the City of Marion Public Library. Specifically, the company intends to build 36 upstairs residential units and a 10,250 square foot grocery store alongside the redeveloped, 42,500 square foot library.<sup>55</sup> As of August 2016, this project is in the early planning stages. The project would require City of Marion bond financing, so it would need public voting approval for financing before being developed.

#### LIMITED HOUSING FOR LOW-INCOME AND SPECIAL-NEEDS POPULATIONS

Participants noted several issues faced by low-income residents and residents with special needs, including people with disabilities, people with mental illness, people experiencing homelessness, domestic violence survivors, and individuals with a criminal history in the City of Marion, including a lack of low-income housing across the city, landlord resistance to accepting Section 8 housing vouchers, a general lack of awareness of the presence and priorities of special-needs populations, and lack of accessible housing for people with disabilities, especially in Uptown Marion. Some participants suggested that the City of Marion explore creative options, such as micro

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<sup>53</sup> Zoning Ordinance No. 13-14. City of Marion, July 2013. PDF File. Web. <http://www.cityofmarion.org/home/showdocument?id=26>. Accessed August 10, 2016.

<sup>54</sup> *Emerging Trend in Real Estate: United States and Canada 2016*. Urban Land Institute, September 2015. PDF File. Web. <http://uli.org/wp-content/uploads/ULI-Documents/Emerging-Trends-in-Real-Estate-United-States-and-Canada-2016.pdf>. Accessed August 10, 2016.

<sup>55</sup> *Iowa Reinvestment District Application: Marion Central Corridor*. City of Marion, 2015. p. 15. PDF File. Web. <http://www.cityofmarion.org/home/showdocument?id=6116>. Accessed August 10, 2016.

housing or tiny homes, as a way to address some of the housing needs of low-income and special-needs populations.

**FEW LOW-INCOME HOUSING OPTIONS.** Participants stated that very few housing options are available for low-income residents of the City of Marion, especially those who make less than 30 percent of the area median income (AMI). Participants noted that the Azure apartments and the three mobile home parks where low-income residents tend to live are perceived to be low-quality housing units in unsafe areas.

**LANDLORD RESISTANCE TO ACCEPTING SECTION 8 HOUSING VOUCHERS.** Under Chapter 31 of the City's Ordinance Codes, residents with a "lawful source of income" (e.g. housing subsidies from the federal, state or local level, in the forms of rental assistance or Section 8 vouchers) are considered a protected class.<sup>56</sup> The City of Marion Civil Rights Commission lobbied to have this rule adopted as a means of preventing discrimination, particularly against residents who use Section 8 housing vouchers to subsidize a portion of their housing costs. Many landlords and property owners who participated in the focus groups, interviews, and open house meeting oppose this rule and believe that it should not be mandatory to consider Section 8 housing vouchers. Many participants agreed that due to the very few Section 8 housing vouchers available and the few landlords in the City of Marion who are willing to accept them, it can be very difficult for low-income residents to find housing.

**LACK OF COMMUNITY AWARENESS OF ISSUES FOR SPECIAL-NEEDS POPULATIONS.** Advocacy groups and community organizations all stated that they are active in conducting outreach to the community to raise awareness of issues for special-needs populations in the City of Marion. Participants noted that very few housing options are available in the City of Marion for special-needs populations, including people with disabilities, people with mental illness, people experiencing homelessness, domestic violence survivors, and individuals with a criminal history due at least in part to a general lack of awareness and understanding of the prevalence of individuals facing these challenges in the City of Marion and their housing needs.

**AMERICANS WITH DISABILITIES ACT (ADA) COMPLIANCE FOR UPTOWN MARION RENOVATIONS.** Some participants noted that, because current housing in Uptown Marion is mainly limited to dwellings above shops, there is a lack of accessibility for people with disabilities who are not able to use stairs. As upstairs housing units are renovated, they will likely need to be retrofitted to meet federal ADA requirements.

**CREATIVE IDEAS FOR LOW-INCOME AND SPECIAL-NEEDS HOUSING.** Some participants suggested that the City experiment with alternative housing options to help special-needs populations, particularly people experiencing homelessness. Several participants suggested micro housing or tiny homes. Tiny homes are a notable trend in the U.S. housing market, popular among millennials of all income levels, and have been used in some cities as a means of addressing homelessness.<sup>57</sup> A Tiny House Work Group was created in 2016 by City Councilwoman Susie Weinacht with the purpose of creating a tiny home neighborhood in the Cedar Rapids area.<sup>58</sup> Another tiny home community has been proposed in the Des Moines area.<sup>59</sup> Participants emphasized the importance of the sense of ownership for people experiencing homelessness and that a tiny home with a key could be very beneficial to helping people learn how to own and maintain a home before they move on to more traditional housing options.

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<sup>56</sup> Chapter 31: Civil Rights Commission. City of Marion, n.d. p. 10-57. PDF File. Web. <http://www.cityofmarion.org/home/showdocument?id=930>. Accessed August 10, 2016.

<sup>57</sup> Several tiny home communities have been started across the nation for the purpose of combating or preventing homelessness including but not limited to Community First! In Austin, Texas (<http://mlf.org/community-first/>); Dignity Village in Portland, Oregon (<https://dignityvillage.org/>); Occupy Madison in Madison, Wisconsin (<http://occupymadisoninc.com/>); Opportunity Village in Eugene, Oregon (<http://www.squareonevillages.org/>); Quixote Village in Olympia, WA (<http://quixotevillage.com/>); and Second Wind Cottages in Ithaca, New York (<http://www.secondwindcottages.org/>).

<sup>58</sup> Zabel, Liz. "Tiny home movement gains momentum in the Corridor." The Gazette Jun 24, 2016 at 3:57 pm: n. page. Web. <http://www.thegazette.com/subject/life/home-garden/tiny-home-movement-gains-momentum-in-the-corridor-20160624>. Accessed August 2016.

<sup>59</sup> "Tiny Home Villages." Joppa Outreach, Inc., n.d. Web. <http://www.joppa.org/tiny-home-villages>. Accessed August, 2016.

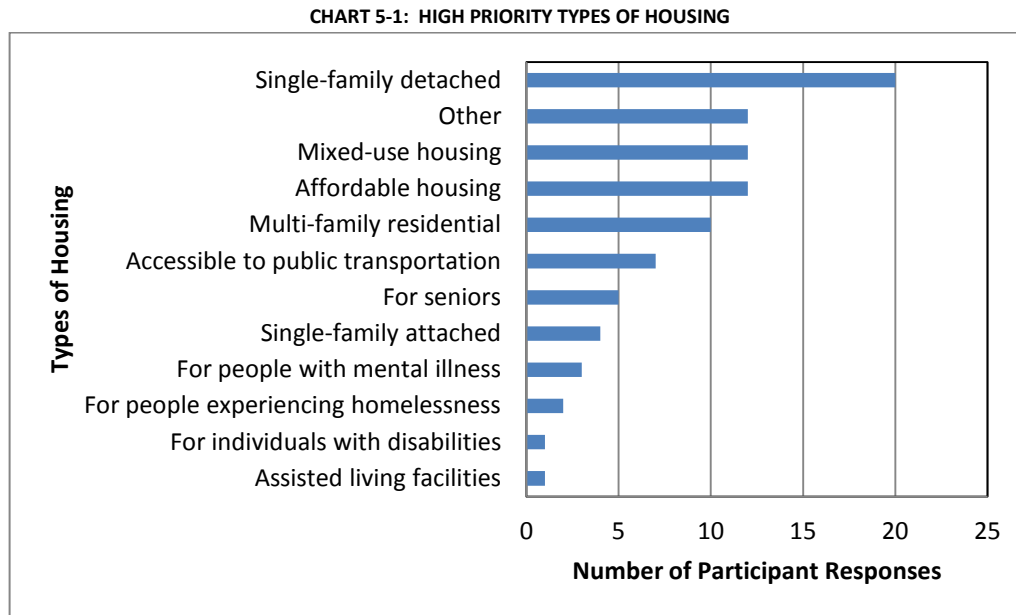
## PRIORITIZING HOUSING NEEDS

During the focus groups and open house meeting, participants were asked to participate in exercises to prioritize housing needs. The exercises included the completion of a form for the prioritization of different types of housing, a bean counting exercise designed to have participants allocate housing resources, and a mapping exercise to identify areas of the City of Marion where different types of housing are needed. The results from all three exercises were very similar. More participants completed the prioritization form than the other two exercises, so only the results from the prioritization form are reported below.

On the prioritization form, participants were asked to identify up to three of the most important housing needs in the City of Marion, whether those needs are for renters, owners or both, and the location within the City of Marion where the housing is needed. Thirty participants from the focus groups, interviews, and open house meeting completed the prioritization form for a total of 89 prioritized housing responses. The prioritization form is shown in Appendix B.

**PRIORITIZING HOUSING TYPE.** Participants indicated that the top housing priorities in the City of Marion should be single-family homes, mixed-use housing, affordable housing, and multi-family housing. In addition to choosing which types of housing participants believe are high priorities, they were also asked to identify whether units are needed for renters, owners or both. About 40 percent of participants believe that both rental and for sale units are needed, about 30 percent believe that only for sale units are needed, and about 30 percent believe that only rental units are needed.

Chart 5-1 shows the number of participants who believe that each type of housing should be a high priority in the City of Marion.

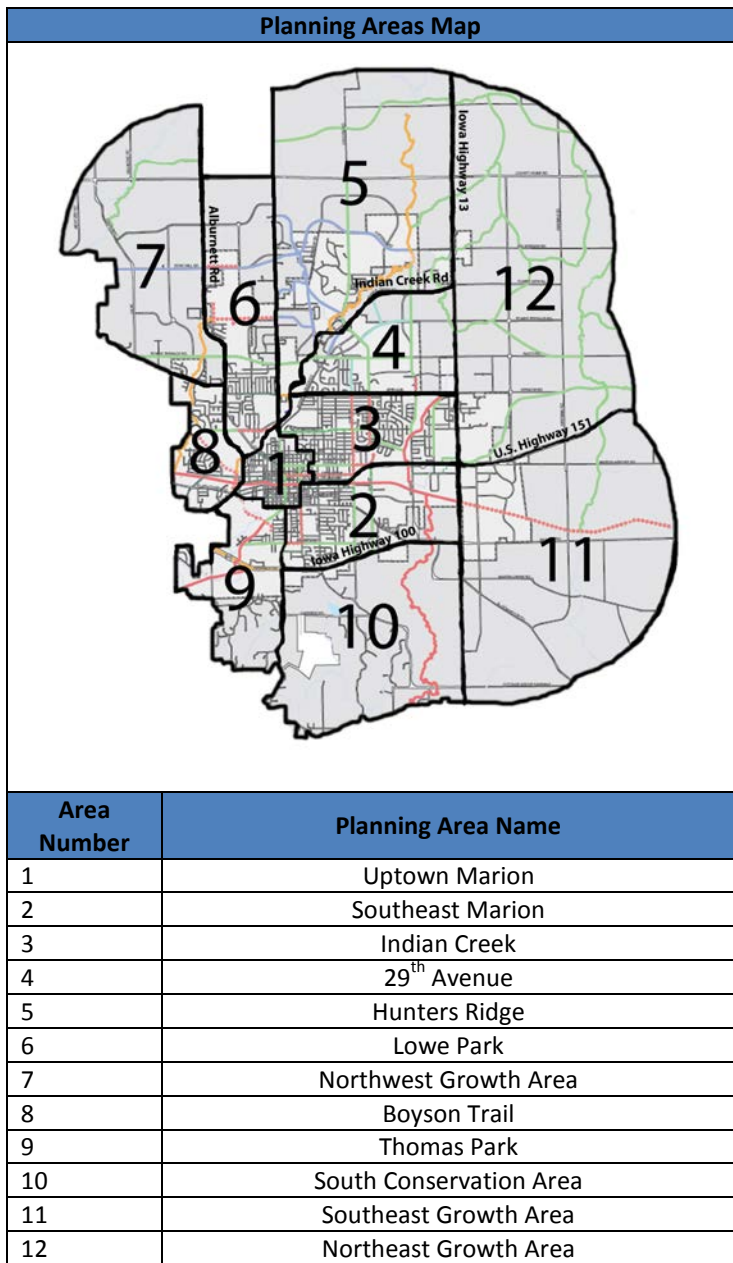


Source: Morningside Research and Consulting, 2016.

Participants could write in other types of housing they believe should be top priorities in the City of Marion and responses included housing for veterans, tiny homes, urban lofts, workforce housing, small townhomes, and special-needs populations. Other responses also included descriptions of quality, such as “quality multi-family homes” or “character-infused homes.”

**PRIORITIZING LOCATION.** Participants in the focus groups, interviews, and open house meeting were asked to identify areas where they would like to see housing efforts focused. This exercise used the 12 neighborhood planning areas defined in the 2010 Comprehensive Plan as shown in Table 5-1.

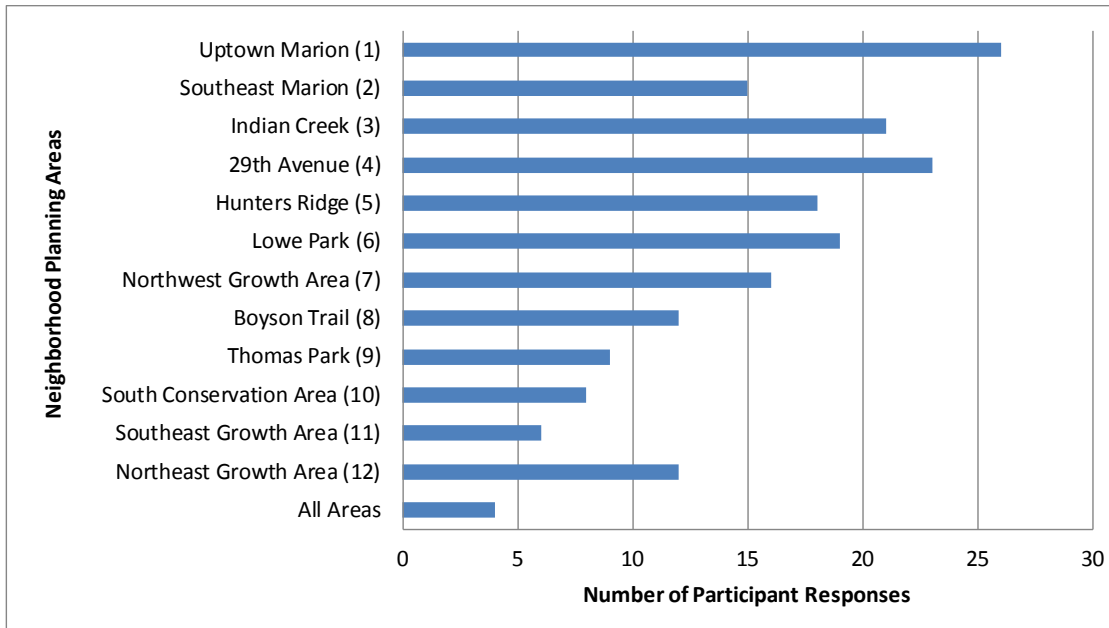
**TABLE 5-1: CITY OF MARION NEIGHBORHOOD PLANNING AREAS**



Source: "City of Marion Comprehensive Plan." *City of Marion*, July 15, 2010. <http://www.cityofmarion.org/departments/planning-development/comprehensive-plan>. Accessed July 2016.

Chart 5-2 shows that participants identified areas in central Marion, including Uptown Marion (planning area 1), Indian Creek (planning area 3), and 29<sup>th</sup> Avenue (planning area 4) as high priority areas for new housing development.

CHART 5-2: HIGH PRIORITY AREAS FOR NEW HOUSING DEVELOPMENT



Source: Morningside Research and Consulting, 2016.

#### SUMMARY OF THE TOP HOUSING PRIORITIES

Based on the prioritization forms completed and confirmed by the other participation activities, stakeholders believe that the top housing needs for the City of Marion are:

- **SINGLE-FAMILY HOUSING.** Despite discussions that developers are primarily building single-family detached homes, this type of housing was the most frequently cited housing priority, listed 20 times (22 percent of all responses). Some participants may have prioritized single-family homes because of concerns raised about the impact of multi-family and mixed-use housing on their own neighborhoods. Participants who prioritized single-family housing indicated that it should be focused in 29<sup>th</sup> Avenue, Hunters Ridge, and Low Park (neighborhood planning areas 4, 5, and 6, respectively).
- **HOUSING FOR PEOPLE WITH SPECIAL NEEDS.** Special-needs populations include persons with disabilities, seniors, families, minority groups, survivors of domestic violence, people with mental health issues, and veterans. As a group, people with special needs were prioritized by participants 15 times (17 percent). Participants want to see special needs housing efforts in Uptown Marion, Indian Creek, Low Park, and Northwest Growth Area (planning areas 1, 3, 6, and 7, respectively).
- **MIXED-USE HOUSING.** Mixed-use housing (buildings with both commercial and residential spaces) was the third highest prioritized housing need (tied with affordable housing); it was prioritized 12 times (14 percent). Participants believe that mixed-use housing efforts should be concentrated in Uptown Marion and Northeast Growth Area (planning areas 1 and 12) and include both rental and for sale units.
- **AFFORDABLE HOUSING.** Affordable housing was the third highest prioritized housing need (tied with mixed-use housing); it was prioritized 12 times (14 percent). Participants believe that affordable housing efforts should be focused in Southeast Marion, Indian Creek, and 29<sup>th</sup> Avenue (planning areas 2, 3, and 4, respectively) and that affordable housing is needed for both renters and owners.
- **MULTI-FAMILY HOUSING.** Multi-family housing was the next highest priority for housing efforts as indicated by participants. This type of housing was selected 10 times (11 percent) by participants. Participants believe

that this type of housing should be concentrated in Boyson Trail, Thomas Park, and Northeast Growth Area (planning areas 8, 9, and 12, respectively) and is needed for both renters and owners.

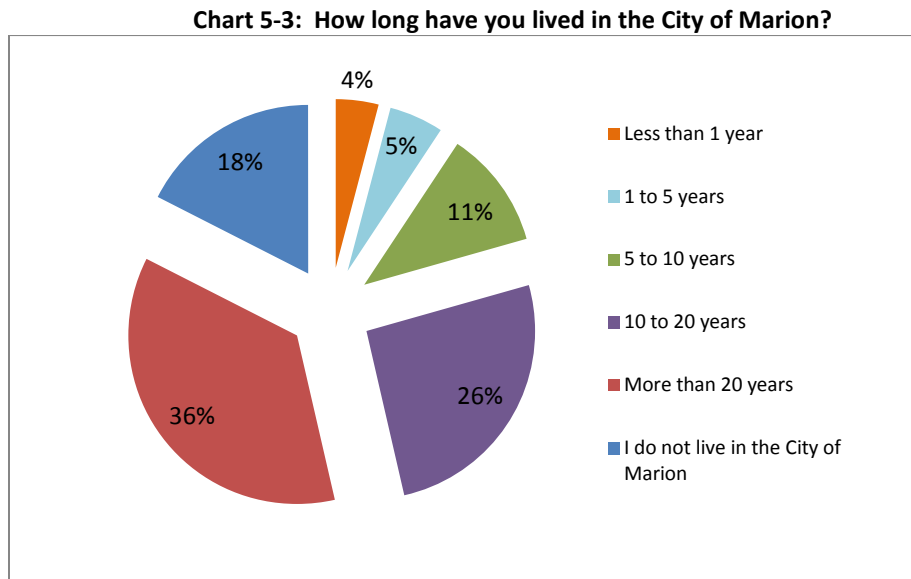
## SUMMARY OF FINDINGS FROM COMMUNITY HOUSING SURVEY

A survey of community stakeholders in Marion was conducted in July 2016 to obtain feedback on housing needs in the community. The survey was available online and was marketed through the City of Marion Today website, social media, local media outlets, eNewsletters and news releases.

The survey was open between July 11, 2016, and July 29, 2016. During this time, 137 stakeholders responded to the survey. Because the survey was voluntary, the results are not necessarily representative of Marion residents or the community overall. The Marion Community Housing Survey is shown in Appendix C.

### DEMOGRAPHICS

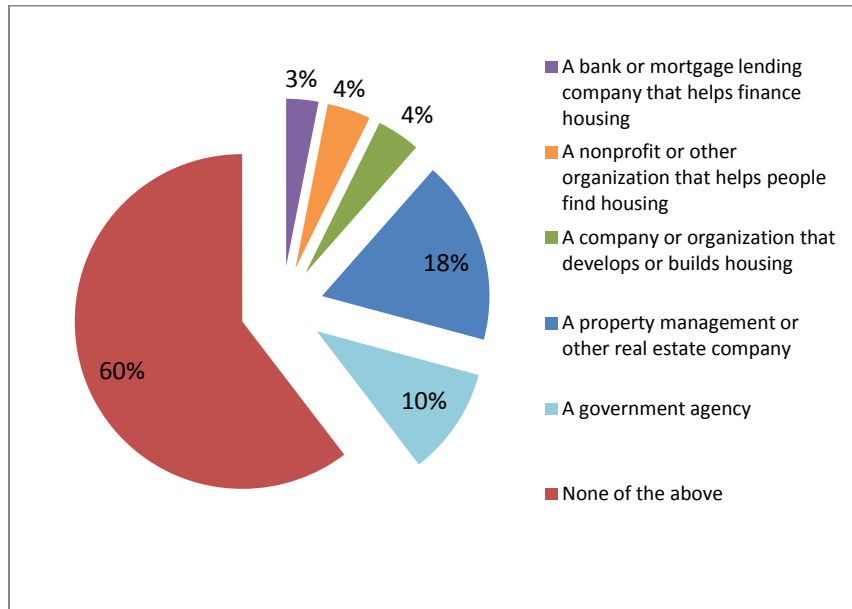
**LENGTH OF RESIDENCY IN MARION.** Of the 97 survey respondents who answered this question, one-third have lived in Marion for more than 20 years, about a quarter have lived in Marion between 10 and 20 years, and just under one-fifth do not live in the City.



Source: City of Marion Community Housing Survey, Morningside Research and Consulting, 2016.

**EMPLOYMENT.** Most of the respondents to the survey do not work within the housing industry. Almost one-fifth work for a property management or real estate company.

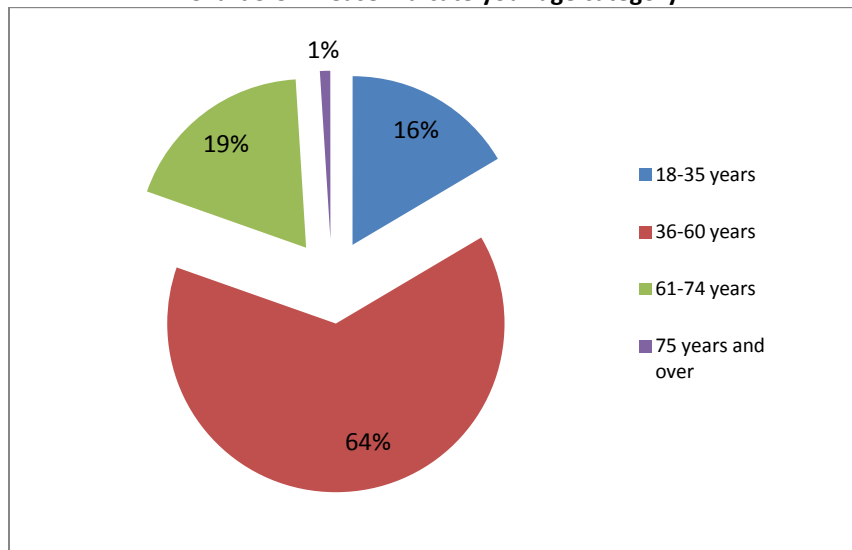
**Chart 5-4: I work for:**



Source: City of Marion Community Housing Survey, Morningside Research and Consulting, 2016.

**AGE CATEGORY.** Of the 97 survey respondents who reported their age, most are between 36 and 60 years old. Very few respondents are over the age of 75.

**Chart 5-5: Please indicate your age category.**

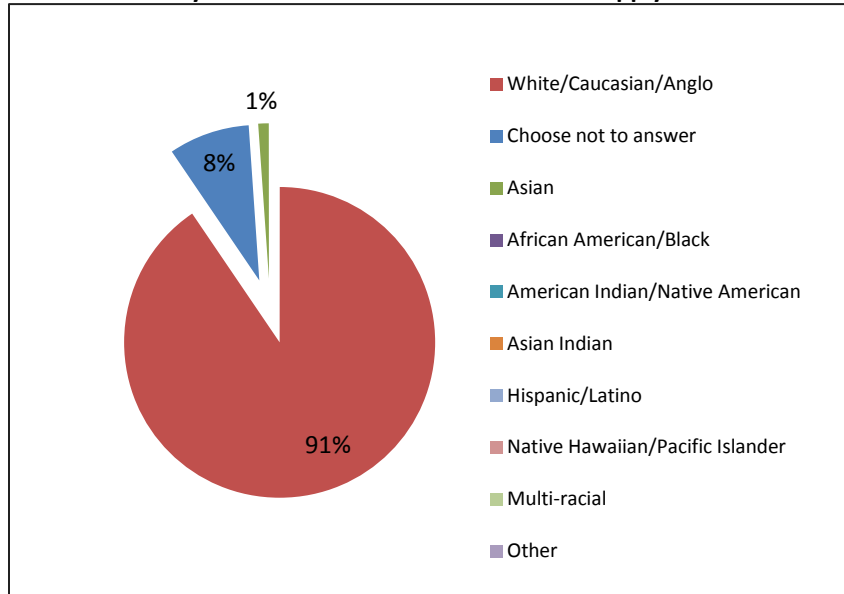


Source: City of Marion Community Housing Survey, Morningside Research and Consulting, 2016.

**RACE AND ETHNICITY.** Of the 95 survey respondents who reported their race and ethnicity, 91 percent are White and 1 percent are Asian. Respondents are slightly less diverse than the population of the City of Marion as a whole, in which 1.9 percent of the population is African American, 1.5 percent is Hispanic, 0.2 percent is Native American, 2.0 percent are Asian/Pacific Islander, and the remaining 93.6 percent are White.<sup>60</sup>

<sup>60</sup> U.S. Census Bureau American Community Survey, 2014

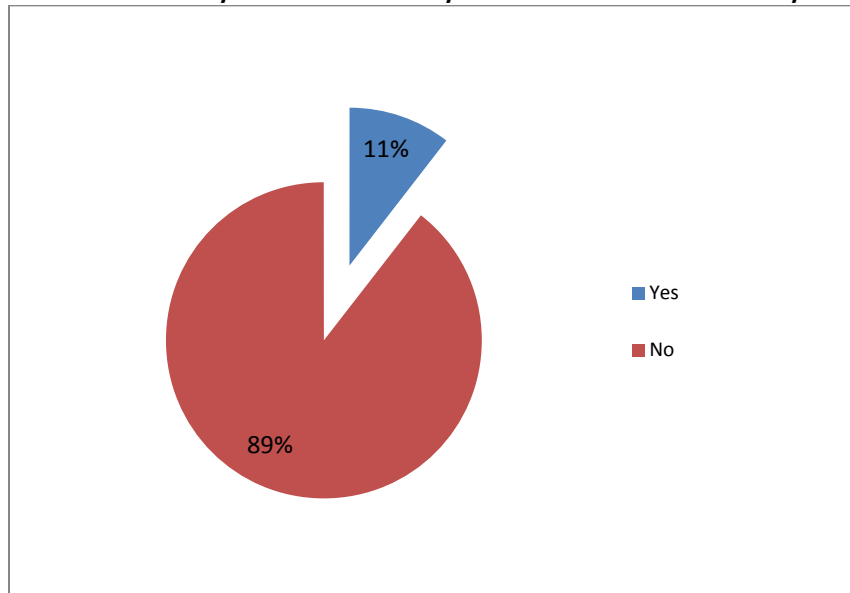
**Chart 5-6: Which racial or cultural group do you consider yourself a member of? Select all that apply.**



Source: City of Marion Community Housing Survey, Morningside Research and Consulting, 2016.

**DISABILITY.** Of the 95 survey respondents who answered the question, 11 percent identified that they have or a disability or a member of their household has a disability.

**Chart 5-7: Do you or a member of your household have a disability?**



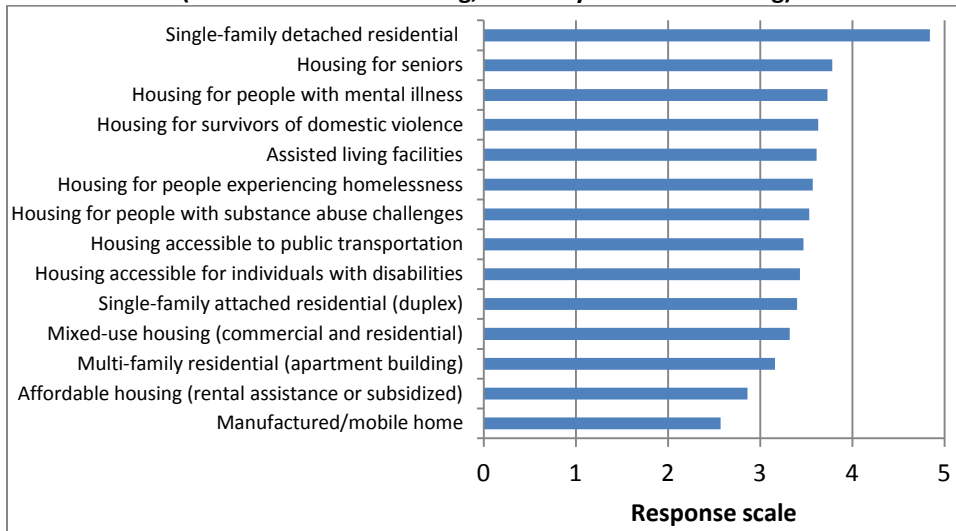
Source: City of Marion Community Housing Survey, Morningside Research and Consulting, 2016.

**HOUSING**

**WHERE NEW RESIDENTS WOULD LIKE TO LIVE.** The 133 respondents who answered this question believe that most new Marion residents are seeking single-family detached housing. A separate question asking about what current residents are seeking yielded almost identical results.



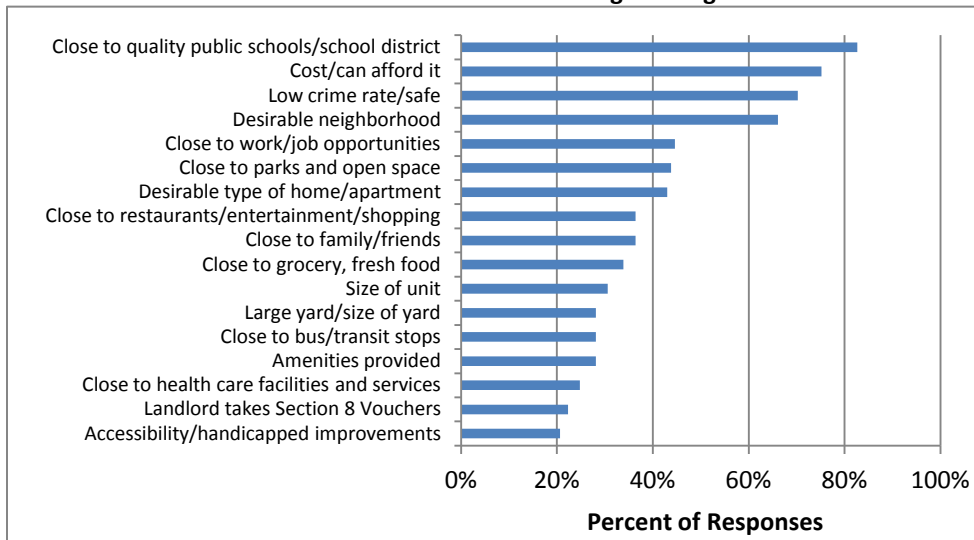
**Chart 5-8: Please rate the following types of housing that new residents of Marion would most like to live in on a scale of 1 to 5. (1 = Few residents seeking, 5 = Many residents seeking)**



Source: City of Marion Community Housing Survey, Morningside Research and Consulting, 2016.

**FACTORS IN CHOOSING HOUSING.** Respondents were asked to choose the top five most important factors for current and new residents in choosing housing in Marion. The factors that received the highest rankings were “Close to quality public schools/school district”, “Cost/can afford it”, and “Low crime rate/safe”. The factors that received the lowest rankings were “Accessibility/handicapped improvements”, “Landlord takes Section 8 Vouchers”, and “Close to health care facilities and services”.

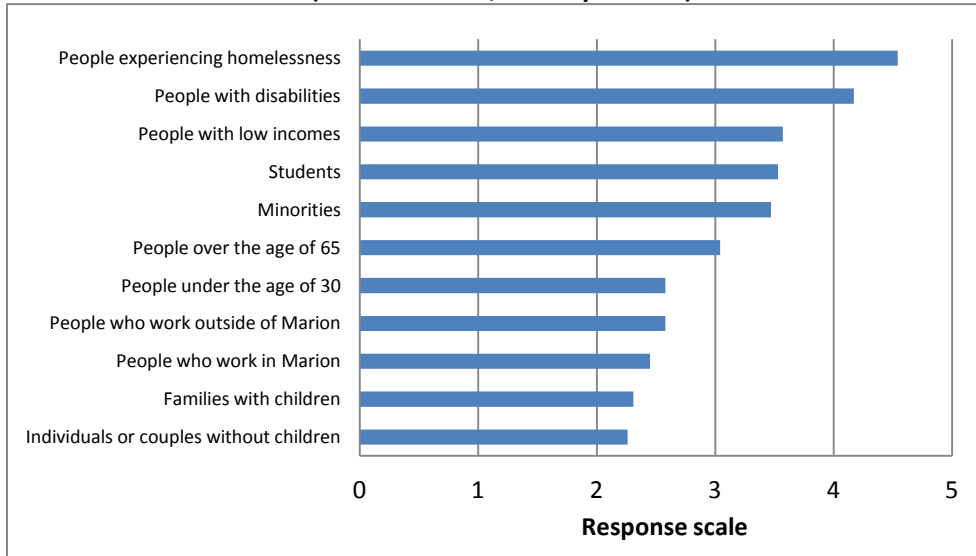
**Chart 5-9: Please choose the TOP FIVE factors in order of importance for current and new residents in choosing housing in Marion.**



Source: City of Marion Community Housing Survey, Morningside Research and Consulting, 2016.

**DIFFICULTY FINDING HOUSING.** Data from the 120 respondents who answered this question indicate that people experiencing homelessness, people with disabilities, people with low incomes, students, and minorities have the most difficulty finding a place to live in Marion.

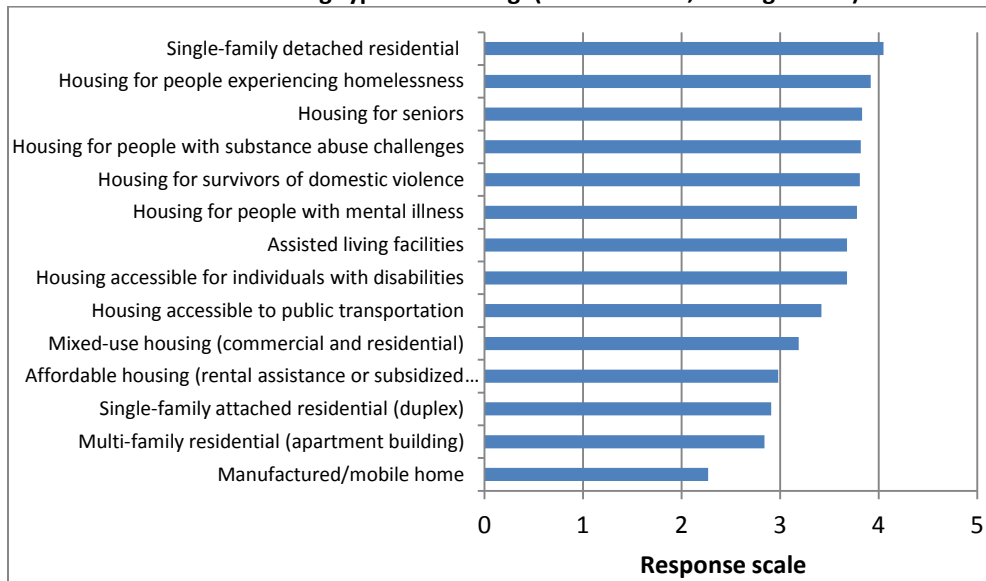
**Chart 5-10: How difficult is it for the following people to find housing in Marion?  
(1 = Not difficult, 5 = Very difficult)**



Source: City of Marion Community Housing Survey, Morningside Research and Consulting, 2016.

**TYPE OF HOUSING NEED.** The 120 respondents who answered this question believe that the highest need for new housing development in Marion is for single-family housing and the lowest need is for multi-family housing and manufactured or mobile homes. The responses indicate a need for housing for many special-needs populations.

**Chart 5-11: Please indicate on a scale of 1 to 5 how much need there is in Marion  
for the following types of housing. (1 = Low need, 5 = High need)**



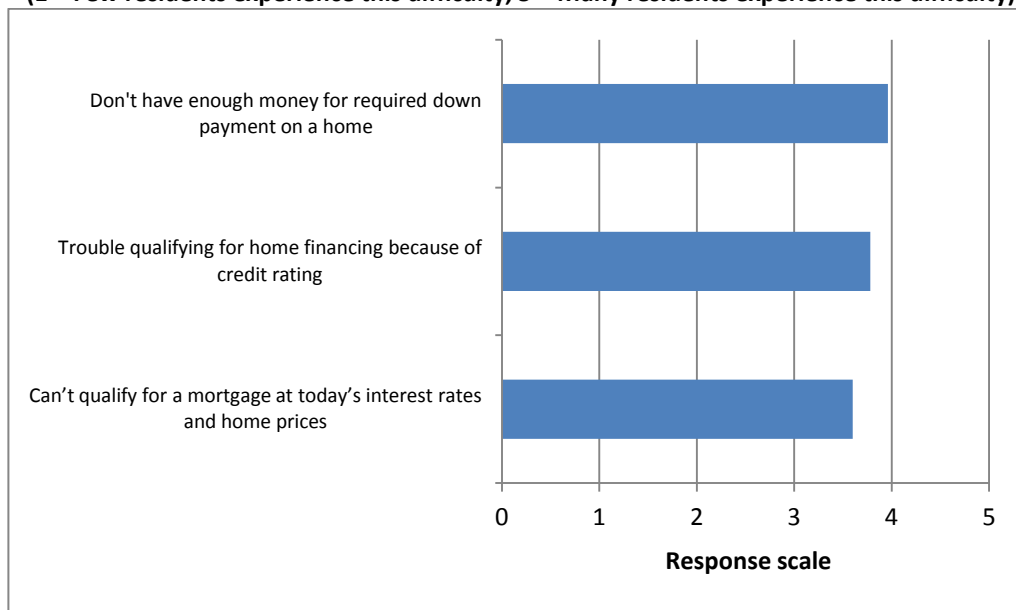
Source: City of Marion Community Housing Survey, Morningside Research and Consulting, 2016.

**PLANNING AREAS.** Respondents were asked to indicate which types of housing are needed in each of the Marion neighborhood planning areas as shown in Table 5-1 earlier in this chapter. Data from the 64 respondents who answered this question indicate there is a high need for single-family housing in Area 5 (Hunters Ridge) and Area 7 (Northwest Growth Area), a high need for mixed-use housing in Area 1 (Uptown Marion), and high need for

housing accessible to public transportation in Area 1 (Uptown Marion), Area 2 (Southeast Marion), and Area 6 (Low Park).

**DIFFICULTY IN BUYING A HOME.** Data from the 92 stakeholders who responded to this question indicate that the most common difficulty for Marion residents in buying a home is not having enough money for a down payment.

**Chart 5-12: Do residents of Marion experience any of the following difficulties in buying a home?**  
Please indicate on a scale of 1 to 5.  
(1 = Few residents experience this difficulty, 5 = Many residents experience this difficulty)



Source: City of Marion Community Housing Survey, Morningside Research and Consulting, 2016.

**GREATEST HOUSING NEED.** Respondents were asked an open-ended question about what they believed was the greatest housing need in Marion. Although the responses varied widely, a common answer was that there is a need for affordable single-family housing. As one respondent writes, “There are no single-family detached homes available at an affordable price point, which pushes everyone into cookie-cutter condos.” This echoes the data from previous survey questions that indicated that most residents of Marion are seeking detached single-family housing.

Several respondents also mentioned subsidized housing in Marion. According to one respondent, there are “widespread misconceptions about what subsidized housing is, how it impacts the local economy, and why it's a good thing for the community...when subsidized housing is maintained well, tenants have an opportunity to keep things nice and no one can tell what is subsidized and what isn't.” Another emphasized the need for subsidized housing that is high quality and not “shabby and embarrassing”.

## 6 RECOMMENDATIONS

The following recommendations address Marion’s housing market and housing-related needs based on information gathered throughout the housing market analysis process, including information from existing data sources and input from citizens and stakeholders.

The City of Marion can work to facilitate action, but cannot be solely responsible for carrying out the recommendations. Table 6-1 shows an overview of the recommendations and responsible parties. These recommendations are areas in which the City of Marion should prioritize efforts based on the needs identified in this report.

**Table 6-1: Recommendations Overview**

City of Marion Housing Market Analysis Recommendations Overview	
Recommendations	Responsible Parties
1. Encourage and support more variety in housing options. <ul style="list-style-type: none"> <li>a. Continue to develop and implement design standards for single-family and for-sale condo development</li> <li>b. Encourage the development of a variety of types of rental housing</li> </ul>	<ul style="list-style-type: none"> <li>▪ City of Marion Planning and Development Department</li> <li>▪ Housing developers</li> </ul>
2. Support commercial development near housing.	<ul style="list-style-type: none"> <li>▪ City of Marion Planning and Development Department</li> <li>▪ Marion Economic Development Corporation</li> <li>▪ Housing developers</li> <li>▪ Commercial property developers</li> <li>▪ Private businesses</li> </ul>
3. Consider the housing needs of special populations. <ul style="list-style-type: none"> <li>a. Expand the amount of affordable housing for the low-income population</li> <li>b. Continue to support the development of affordable and market-rate housing for seniors</li> <li>c. Collaborate with community organizations to assess the housing needs of other special-needs populations</li> </ul>	<ul style="list-style-type: none"> <li>▪ City of Marion Planning and Development Department</li> <li>▪ Housing developers</li> <li>▪ State of Iowa</li> <li>▪ Community organizations</li> </ul>

### 1. ENCOURAGE AND SUPPORT MORE VARIETY IN HOUSING OPTIONS

The most frequently cited issue by stakeholders and community members during the stakeholder input process is a lack of variety of housing options in the City of Marion. Participants believe that the housing market primarily consists of single-family homes and single-level condos for sale, and that within these types of housing, there is a lack of a variety of aesthetic choices. Participants also noted that other types of housing, such as multi-family and mixed-use rental housing with amenities, may be needed to meet future demand and changing housing preferences.

#### A. CONTINUE TO DEVELOP AND IMPLEMENT DESIGN STANDARDS WHICH ENCOURAGE A VARIETY OF AESTHETIC CHOICES WITHIN SINGLE-FAMILY AND CONDO DEVELOPMENT

According to stakeholders, including housing developers themselves, developers are continuing to build similar single-family homes and condos in the City of Marion based on the success they have had selling these types of housing. According to the City of Marion Planning and Development Department, the City of Marion is currently developing design standard ordinances for residential development to encourage developers to create a variety of different housing types when building new neighborhoods. Housing developers stated that although varying home designs is associated with additional costs, the variety can result in a better return on investment for the developer.

A large number of survey respondents mentioned aesthetic concerns with the housing stock in Marion, noting the homogeneity of housing units and the perception of older housing as run-down and dilapidated. Although there are some efforts toward restoration, one resident wrote in a survey response, "I see old homes that could have been beautifully restored but are probably past the point of return...sad to see and makes it hard for the rest of us to invest a lot in our homes if we won't see the return in our investments."

#### B. ENCOURAGE THE DEVELOPMENT OF A VARIETY OF TYPES OF HOUSING

Although demand for single-family homes may continue due to the strong job market and highly ranked school districts in the City of Marion, stakeholders and research suggests that housing preferences among younger populations are changing. Participants stated that millennials who may consider moving to Marion are looking for higher-end multi-family rental housing located near entertainment and amenities such as communal outdoor space, pools, and fitness centers. The City of Marion and a large national housing development company are currently in the planning process to develop a mixed-use rental housing project in the Uptown Marion area which includes bond financing from the City of Marion.

### 2. ENCOURAGE AND SUPPORT COMMERCIAL DEVELOPMENT NEAR HOUSING

As new housing development continues to expand to the northern areas of Marion away from centralized amenities, the City of Marion should encourage and support commercial development in those areas which can provide amenities to residents near where they live.

Stakeholders frequently cited the Tower Terrace Road corridor in Northeast Marion as an example of an area where housing is being developed that also has potential for commercial growth. Some participants attribute the lack of commercial development in that area to an existing city ordinance that contains restrictions on hours of operation that affect restaurants, bars, and other entertainment venues that would typically be open at night. Participants stated that the city is in the process of amending the ordinance and these restrictions may be lifted in the future, which could encourage greater commercial development in the area.

The City of Marion should continue to encourage and support commercial development in the Uptown Marion area as mixed-use housing projects are being planned, and consider other areas of the City where commercial development could support housing development.

### 3. CONSIDER THE HOUSING NEEDS OF SPECIAL POPULATIONS

Based on the analysis of market gaps in Chapter 4, the City of Marion should focus on expanding the amount of available affordable housing, particularly housing affordable to individuals and families earning less than 30

percent area median Income (AMI). In addition to affordable housing for low-income residents, the City of Marion should consider the housing needs of seniors and special-needs populations, including people with disabilities, people with mental illness, people experiencing homelessness, domestic violence survivors, and individuals with a criminal history.

#### A. EXPAND AFFORDABLE HOUSING IN THE CITY

According to analysis of market gaps in Chapter 4, 1,043 renters (29 percent of all renters) in Marion have incomes below \$18,760 (30 percent of the AMI of \$62,532). These renters can afford to pay up to \$469 per month in rent without being cost burdened (i.e. spending more than 30 percent of their income on rent). At this price, 839 rental units are available, which leaves a shortage of 204 affordable units for renters at this income level.

According to feedback from housing developers during the public participation process, the primary barrier to affordable housing development in Marion is funding. Housing developers noted that the City of Marion is very easy to work with and that regulatory barriers are not a problem, but that there is simply not enough available funding for developing affordable housing. The City of Marion (in collaboration with state partners and housing developers) should explore new sources of potential funding for affordable housing development including those listed in Chapter 4.

The City of Marion should maintain the ordinance under Chapter 31 of the City's Ordinance Codes, that prohibits discrimination of residents with a "lawful source of income" (e.g. housing subsidies from the federal, state or local level, in the forms of rental assistance or Section 8 vouchers).<sup>61</sup> Maintaining this ordinance to ensure landlords consider renters with Section 8 vouchers may help more low-income individuals and families find housing.

#### B. CONTINUE TO SUPPORT AFFORDABLE AND MARKET-RATE SENIOR HOUSING

The City of Marion should continue to allow and support the expansion of senior housing, particularly affordable senior housing, where opportunities exist and demand continues. Currently, the lack of vacancies in affordable senior housing facilities, as well as the very low vacancy rates in the senior market-rate properties indicates that demand for housing of this type is still high in the City of Marion.

According to U.S. Census data, the population aged 65 and over in the City of Marion grew from 11.2 percent in 2000 to 13.5 percent in 2014.<sup>62</sup> The projections in Chapter 2 indicate that the portion of the population aged 65 and over will increase to 15.7 percent in 2020, 18.2 percent in 2025, and 21.1 percent in 2030.<sup>63</sup> Using these projections, 237 additional units of senior housing will be needed in 2020 to maintain the same ratio of one unit per 6.28 seniors that currently exists.

#### C. COLLABORATE WITH COMMUNITY ORGANIZATIONS TO ASSESS THE HOUSING NEEDS OF SPECIAL-NEEDS POPULATIONS

During the public participation process, stakeholders noted that very few housing options are available in Marion for special-needs populations, including people with disabilities, people with mental illness, people experiencing homelessness, domestic violence survivors, and individuals with a criminal history. The lack of housing for these populations is due at least in part to a general lack of awareness and understanding of the prevalence of individuals facing these challenges in Marion and their housing needs. The City of Marion should communicate and

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<sup>61</sup> Chapter 31: Civil Rights Commission. City of Marion, n.d. p. 10-57. PDF File. Web. <http://www.cityofmarion.org/home/showdocument?id=930>. Accessed August 10, 2016.

<sup>62</sup> U.S. Census Data, 2000; U.S. Census Bureau, American Community Survey, 2014.

<sup>63</sup> Morningside analysis based on U.S. Census Bureau data.

collaborate with community service providers to further assess the housing needs of special-needs populations in order to plan for responding to current and future needs.

## APPENDIX A: ANALYSIS OF THE DISTRESSED WORKFORCE HOUSING COMMUNITY DESIGNATION

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In 2014, the state of Iowa created the Workforce Housing Tax Credits Program, which provides a refund for state-authorized construction fees, along with an investment tax credit that covers up to 10 percent of the investment in affordable housing (up to \$1,000,000). This program is available to eligible developers for rehabilitation and new construction projects. Before a developer can apply for new construction projects, the community in which the project will be located must have applied for and received a “distressed workforce housing community designation,” a determination made by the Iowa Economic Development Authority (IEDA).<sup>64</sup>

In order to receive the designation, IEDA considers whether the community “has a severe housing shortage relative to demand, low vacancy rates, or rising housing costs combined with low unemployment” by considering ten factors, including the following.<sup>65</sup>

- Results of a housing needs assessment that indicates a distressed housing market in the community
- Volume of annual building permits
- Homeowner vacancy rate
- Annual volume of homeowner unit sales
- Annual average length of time it takes to sell homeowner units
- Annual average rental vacancy rate
- Annual average length of time it takes to lease rental units
- Average housing costs
- Average unemployment rate
- Laborshed wage

A community does not need to meet all ten of the requirements to receive the designation. IEDA scores applications for the designation on a scale from 1 to 100, with each of the ten factors worth up to 10 points. To receive the designation, a community must receive a score of at least 70 points.<sup>66</sup>

The information presented in this Housing Market Analysis report serves as a response to the first requirement, which is to submit a housing needs assessment to IEDA. A summary analysis of the remaining nine factors follows and indicates that the City of Marion could potentially meet at least six of these nine criteria. The analysis shows that the City of Marion may not receive all 10 points for volume of annual building permits, volume of homeowner unit sales, and average unemployment rate. However, because IEDA does not specify how scoring is determined, it is possible that Marion could receive partial scores for these factors that would allow the city to qualify as a distressed workforce community.

**VOLUME OF ANNUAL BUILDING PERMITS.** IEDA considers whether a community has had a low volume of annual building permits over the previous three years, defined as “either 100 permits or less or a number of issued permits that is one percent or less of the community’s currently available housing stock.”<sup>67</sup> Marion did not meet the low volume threshold for 2015, during which 217 building permits were issued. Marion also did not meet the

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<sup>64</sup> For more information on the program, please visit the website of the Iowa Economic Development Authority: <http://www.iowaeconomicdevelopment.com/Community/WHTC>.

<sup>65</sup> Iowa Administrative Code §261—48.1(15). Web. <http://www.iowaeconomicdevelopment.com/userdocs/documents/ieda/261-48.pdf>. Accessed June 2016.

<sup>66</sup> Iowa Administrative Code §261—48.4(2). P.4. Web. <http://www.iowaeconomicdevelopment.com/userdocs/documents/ieda/261-48.pdf>. Accessed June 2016.

<sup>67</sup> Iowa Administrative Code §261—48.4(2). P.3. Web. <http://www.iowaeconomicdevelopment.com/userdocs/documents/ieda/261-48.pdf>. Accessed June 2016.



one percent threshold for 2013 and 2014, during which the number of building permits were 176 and 173, respectively. Building permit numbers in Table A-1 are calculated from single- and multi-family monthly permit reports available on the City of Marion website.<sup>68</sup> Existing homeowner stock is obtained from U.S. Census Bureau data on total housing units, defined as “separate living quarters...in which the occupants live separately from any other individuals in the building.”<sup>69</sup>

**Table A-1: Annual Volume of Building Permits in Marion, 2013-2015**

Permits	Percent of Existing Housing Stock	Permits	Percent of Existing Housing Stock	Permits
2013		2014		2015
176	1.17 %	173	1.13%	217

Sources: City of Marion; U.S. Census Bureau American Community Survey, 2013-2014. Data for the 2015 existing homeowner stock are not yet available.

Because the number of building permits as a percentage of existing housing stock is so close to the IEDA threshold of one percent, it is possible that the City of Marion could receive partial points for this criterion.

**HOMEOWNER VACANCY RATE.** IEDA considers whether a community has a low homeowner vacancy rate, defined as a vacancy rate of one percent; a vacancy rate of two percent is considered to be a “typically acceptable rate.”<sup>70</sup> Based on U.S. Census Bureau data, the City of Marion could meet or partially meet the low homeowner vacancy rate definition with homeowner vacancy rates of 1.4 percent, 0.9 percent, and 1.5 percent in 2012, 2013, and 2014, respectively.<sup>71</sup>

**ANNUAL VOLUME OF HOMEOWNER UNIT SALES.** IEDA considers the volume of annual homeowner unit sales for the most recent three-year period to determine if the community has a low volume of sales. IEDA does not define what constitutes low volume, but notes that data will be considered that provides comparisons to similar communities to determine whether the volume of homeowner unit sales in an applicant community is “‘materially lower’ than the volume of sales in substantially similar communities elsewhere in the state or nation.”<sup>72</sup> Table A-2 shows annual volume of homeowner sales and homeowner sales as a percentage of existing homeowner stock for Marion and the peer cities discussed in this report.

<sup>68</sup> “Monthly Building Reports.” *Cityofmarion.org*. City of Marion, 2016. Web. <http://www.cityofmarion.org/departments/building-services/documents-and-reports>. Accessed August 2016.

<sup>69</sup> “Glossary.” *Census.gov*. U.S. Census Bureau, n.d. [https://www.census.gov/glossary/#term\\_Housingunit](https://www.census.gov/glossary/#term_Housingunit). Accessed August 2016.

<sup>70</sup> Iowa Administrative Code §261—48.4(2). P.4. Web. <http://www.iowaeconomicdevelopment.com/userdocs/documents/ieda/261-48.pdf>. Accessed June 2016.

<sup>71</sup> U.S. Census Bureau, American Community Survey, 2012-2014.

<sup>72</sup> Iowa Administrative Code §261—48.4(2). P.4. Web. <http://www.iowaeconomicdevelopment.com/userdocs/documents/ieda/261-48.pdf>. Accessed June 2016.

**Table A-2: Annual Volume of Homeowner Sales by City, 2013-2015**

	Sales	Percent Existing Housing Stock	Sales	Percent Existing Housing Stock	Sales
City	2013		2014		2015
Marion	716	4.77%	712	4.64%	803
Ames	709	2.96%	671	2.74%	767
Urbandale	826	4.91%	826	4.83%	887
Cedar Rapids	2,126	3.68%	2,159	3.73%	2,361

Source: Iowa Association of Realtors (IAR) Multiple Listing Service database; U.S. Census Bureau, American Community Survey, 2014. Data for the 2015 Existing Homeowner Stock are not yet available.

The City of Marion could receive partial points for this criterion because the city has a lower volume of homeowner sales than the City of Urbandale.

**ANNUAL AVERAGE LENGTH OF TIME IT TAKES TO SELL HOMEOWNER UNITS.** IEDA considers whether the average length of time to sell indicates a high demand for available housing, defined as an average time of 90 days or less. Marion meets this criterion. According to the Iowa Association of Realtors Multiple Listing Service database, the average time on the market for single-family housing units in Marion is 73 days for January through May 2016. The annual average time on the market was 87 days for 2013, 83 days for 2014, and 68 days for 2015.

**ANNUAL AVERAGE RENTAL VACANCY RATE.** IEDA considers whether a community has a low rental vacancy rate, defined as a vacancy rate of 5 percent or less. Historical data from the U.S. Census Bureau indicate that rental vacancy rates in Marion have dropped from 9.6 percent in 2012 to 8.1 percent in 2013 and to 7.5 percent in 2014, suggesting an average annual decrease of 1.05 percent. If rental vacancy continues to decrease at this rate, the City of Marion will have a rental vacancy rate below 5 percent by 2017. Anecdotal evidence from realtors and Marion residents supports this trend in decreasing vacancy, suggesting the currently rental vacancy in the City of Marion could be low enough to meet this criterion.

**ANNUAL AVERAGE LENGTH OF TIME IT TAKES TO LEASE RENTAL UNITS.** IEDA considers whether the annual average length of time it takes to lease rental units indicates high demand for rental housing in the community, defined as an average time of 30 days or less. However, no public data are compiled that measure the amount of time it takes for a property owner to lease rental units. According to a 2015 report by Freddie Mac, the historical average vacancy rate in the United States has been 5.4 percent.<sup>73</sup> This number is widely considered to be a “break-even” or equilibrium vacancy rate indicating that supply generally meets demand. The fact that Marion had a higher vacancy rate 2014 (7.5 percent as mentioned above) could mean that it takes longer for landlords to find tenants because of a surplus of vacant rental units available to lease. It is unknown how IEDA would score this criterion. Following the vacancy rate trend discussed above, the length of time to it takes to lease rental units in the City of Marion may be decreasing.

**AVERAGE HOUSING COSTS.** IEDA considers average housing costs in the community in order to analyze housing affordability. IEDA requires the use of an “industry standard housing affordability index.”<sup>74</sup> Table A-3 shows the “affordability index” for the Cedar Rapids metropolitan statistical area (MSA) from 2012 to 2015 determined

<sup>73</sup> Guggenmos, Steve, Harut Hovsepyan, Sara Hoffman, Jun Li, Dohee Kwon, and Tom Shaffner. 2015 *Multifamily Outlook*. Freddie Mac, February, 2015. PDF file. Web. [http://www.freddiemac.com/multifamily/pdf/2015\\_outlook.pdf](http://www.freddiemac.com/multifamily/pdf/2015_outlook.pdf). Accessed June 2016.

<sup>74</sup> Iowa Administrative Code §261—48.4(2). P.4. Web. <http://www.iowaeconomicdevelopment.com/userdocs/documents/ieda/261-48.pdf>. Accessed June 2016.

annually by the National Association of Realtors for select metropolitan areas.<sup>75</sup> The affordability index provides an estimate of the ratio of median household income (\$59,000 in the Cedar Rapids MSA, according to 2014 U.S. Census data) to the mortgage on a median-priced home. For example, an affordability index of 100 means a family earning the median income has exactly enough income to qualify for a mortgage on a median-priced home. A value over 100 means that a family has excess income necessary to qualify and a value under 100 means a family does not have sufficient income to qualify for a median-priced home. The affordability index assumes a 20 percent down payment and uses current interest rates.<sup>76</sup> The affordability index for the Cedar Rapids MSA indicates that although a family at the median income level could easily afford a median-priced home, affordability has decreased since 2012.

**Table A-3: Affordability Index for the Cedar Rapids MSA, 2012-2015**

	2012	2013	2014	2015
Affordability Index	287.9	256.8	264.9	264.0

Source: National Association of Realtors, <http://www.realtor.org/sites/default/files/reports/2016/embargoes/2015-metro-affordability/metro-affordability-2015-existing-single-family-2015-02-10.pdf>.

Although this index provides some insight into housing affordability in the City of Marion, it is only available for the entire Cedar Rapids MSA, which includes all of Benton, Jones, and Linn counties.<sup>77</sup> The following tables provide more information specifically concerning the City of Marion. Table A-4 displays how median income and housing costs have changed from 2000 to 2014, while Table A-5 displays average housing costs for recent years. As indicated in the percent change of the values in Table A-4, after accounting for inflation, the median income has decreased, while the rent and home values in Marion have remained relatively constant. This suggests that housing has effectively become more expensive for the average resident of Marion. Data in Table A-5 confirm that housing costs in Marion have increased in recent years.

**Table A-4: Median Income and Costs of Housing in the City of Marion, 2000-2014**

	Median Values			Median Values in 2016 Dollars		
	Base Year: 2000	Most Recent Year: 2014	Percent Change	Base Year: 2000	Most Recent Year: 2014	Percent Change
Median Income	\$48,591	\$62,532	28.69%	\$68,016	\$63,668	-6.39%
Median Gross Rent	\$456	\$625	37.06%	\$638	\$636	-0.31%
Median Home Value	\$105,200	\$146,800	39.54%	\$147,254	\$149,468	1.50%

Sources: U.S. Census Data, 2000; U.S. Census Bureau, American Community Survey, 2014; U.S. Department of Labor, Bureau of Labor Statistics, CPI Inflation Calculator, [http://www.bls.gov/data/inflation\\_calculator.htm](http://www.bls.gov/data/inflation_calculator.htm). Adjusted for inflation using the June 2016 Consumer Price Index. Median income value for 2000 based on 1999 data.

**Table A-5: Average Home Sales Price in the City of Marion, 2013-2016**

	2013	2014	2015	2016
Average Sales Price	\$183,383	\$186,652	\$193,541	\$185,557

Source: Iowa Association of Realtors (IAR) Multiple Listing Service database. Data for 2016 is from January 1 to May 31.

<sup>75</sup> "Housing Affordability Index." *Realtor.org*. National Association of Realtors, 2016. Web. <http://www.realtor.org/topics/housing-affordability-index>. Accessed August 2016.

<sup>76</sup> "Methodology." *Realtor.org*. National Association of Realtors, 2016. Web. <http://www.realtor.org/topics/housing-affordability-index/methodology>. Accessed August 2016.

<sup>77</sup> "Metropolitan, Micropolitan, and Combined Statistical Areas." *Iowadatatcenter.org*. Iowa Data Center, n.d. Web. <http://www.iowadatatcenter.org/aboutdata/statisticalareas>. Accessed August 2016.

Given the upward trend in median home value, the downward trend in median income, and the decrease in the affordability index, the City of Marion may receive some points for this criterion.

**AVERAGE UNEMPLOYMENT RATE.** According to calculations based on data from the U.S. Department of Labor Bureau of Labor Statistics, the average 2015 unemployment rate for Marion was 3.14 percent, lower than the 3.62 percent average for the state of Iowa and 5.28 percent for the United States in 2015.<sup>78</sup> The rate in Marion decreased during 2015, dropping from 4.1 percent in January 2015 to 2.7 percent in November 2015 (the most recent month for which data are available).

While low unemployment is generally a positive indicator for the economy, it does not always equate to housing affordability. As shown in Chapter 3 of this report, some industries in Marion pay relatively low median wages, and approximately 18 percent of households have an annual income below \$25,000. This can leave residents with affordability challenges that are exacerbated by housing market dynamics; with too few high-end housing units to match the number of high-income residents, downward pressure on housing demand leaves low-income residents competing with higher income residents for available housing units.

Although the low unemployment rate in Marion suggests that the city is unlikely to receive all ten points on this criterion, the gap analysis in Chapter 4 explains in detail how it can be difficult for residents to find housing even if they are employed. That chapter concludes that affordable housing is lacking in the City of Marion.

**LABORSHED WAGE.** IEDA considers the “laborshed wage” for the community and to what extent low wages have a negative impact on housing affordability. IEDA does not define the thresholds for low wages, but notes that it will consider laborshed wages as calculated by the Iowa Department of Workforce Development, which are available on the IEDA website.

IEDA states that laborshed wages are used to determine program eligibility for the Iowa High Quality Jobs Program, a state financial assistance program that offers qualifying businesses tax credits and other forms of financial assistance to off-set the cost of locating, expanding, or modernizing an Iowa facility. Jobs provided by these firms must meet specific wage requirements.<sup>79</sup> These wages are calculated based on the commuting patterns in an employment area and provide a true representative wage for the businesses eligible for assistance under these programs.

Marion falls into the 20<sup>th</sup> Iowa laborshed, along with the cities of Alburnett, Atkins, Cedar Rapids, Fairfax, Hiawatha, Norway, Palo, Robins, and Walford. Table A-6 shows the average hourly wage rates for the 20<sup>th</sup> laborshed, as compared to the rates for the laborsheds of Ames (6<sup>th</sup>) and Urbandale (49<sup>th</sup>) in fiscal years 2016 and 2017. The data indicate that wages in Marion are similar to those in Ames, less than those in Urbandale, and that wages have increased over the last year.

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<sup>78</sup> “Labor Market Information Division.” *Iowaworkforcedevelopment.gov*. Iowa Workforce Development, 2016. Web. <https://www.iowaworkforcedevelopment.gov/labor-market-information-division>. Accessed June 2016.;

“Labor Force Statistics from the Current Population Survey.” *Data.bls.gov*. Bureau of Labor Statistics, 2016. Web. <http://data.bls.gov/timeseries/LNS14000000>. Accessed June 2016.

<sup>79</sup> “High Quality Jobs Program” *Iowaeconomicdevelopment.com*. Iowa Economic Development Authority, n.d. Web. <http://www.iowaeconomicdevelopment.com/Finance/HQJ>. Accessed June 2016.

**Table A-6: Iowa Laborshed Average Hourly Wage Rates, Fiscal Years 2016-2017**

City	Laborshed	Year	100% Wage	120% Wage
Marion/Cedar Rapids	20 <sup>th</sup>	FY2016	\$19.68	\$23.62
		FY2017	\$20.58	\$24.70
Ames	6 <sup>th</sup>	FY2016	\$20.36	\$24.41
		FY2017	\$20.10	\$24.12
Urbandale	49 <sup>th</sup>	FY2016	\$22.27	\$26.79
		FY2017	\$23.27	\$27.92

Source: Iowa Economic Development Authority, 2016, <http://www.iowaeconomicdevelopment.com/Business/WageRequirements>

In order to obtain financial assistance, employers must pay a starting wage of 100 percent of the laborshed wage (\$19.68) and within three years reach 120 percent of the laborshed wage (\$23.62), unless projects are located in an economically distressed county, in which case 100 percent of the laborshed wage must be met and maintained.<sup>80</sup> Of the 127 Iowa laborsheds, the 20<sup>th</sup> laborshed has the ninth highest laborshed wage for FY2017.

Wages need to be compared to housing costs to understand the impact of wages on housing affordability. In Table A-7, the percentage of median income needed to afford a mortgage is shown for the City of Marion and its peer cities.

**Table A-7: Median Income and Housing Costs by Place, 2014.**

	Median Monthly Household Income	Median Monthly Mortgage	Median Monthly Rent	Mortgage as a Percent of Income
Marion	\$5,211	\$1,328	\$625	25%
Ames	\$3,531	\$1,522	\$920	43%
Urbandale	\$6,659	\$1,511	\$818	23%
Cedar Rapids	\$4,338	\$1,217	\$702	27%

Source: U.S. Census Bureau, American Community Survey, 2014. Values provided are for 2014, the most recent year for which all data are available.

According to the U.S. Department of Housing and Urban Development, families who pay more than 30 percent of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation, and medical care.<sup>81</sup> Based on that definition, homeowners in Marion are not cost burdened, although residents of the City of Marion spend a higher proportion of their income on their mortgage than residents of the City of Urbandale.

Because laborshed wages in the City of Marion are lower than in other areas, and because mortgages make up a higher percent of income in Marion than in some peer cities, the City of Marion may partially meet this requirement.

<sup>80</sup> "Wage Requirements." *iowaeconomicdevelopment.com*. Iowa Economic Development Authority, n.d. Web. <http://www.iowaeconomicdevelopment.com/Business/WageRequirements>. Accessed June 2016.

<sup>81</sup> "Affordable Housing." *Portal.hud.gov*. U.S. Department of Housing and Urban Development. Web. [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/affordablehousing/](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/affordablehousing/). Accessed June 2016.

APPENDIX B: PRIORITIZATION FORM

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# PRIORITIZING THE TOP HOUSING NEEDS IN THE CITY OF MARION

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Step 1 – Using the list of types of housing on the following page as a guideline, please select and write down the 3 most important housing needs in Marion (“types of housing needed”).

Step 2 – Indicate the type of ownership needed for these types of housing (“type of ownership”).

Step 3 – Using the attached City of Marion area map, indicate the area(s) of the city most in need of these housing priorities (“locations of housing needs”).

## Types of Housing Needed

Example: Multi-family residential

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

## Type of Ownership

For each of the three types of housing needs you have identified, please note if the housing need is for rental, owner, or both.

Example: Multi-family residential – both rental and owner

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

## Locations of Housing Needs

For each of the three types of housing needs you have identified, please note in which area(s) of the city the housing is needed (areas 1-12), using the Marion area map on page three.

Example: Multi-family residential – Areas 1 and 7

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

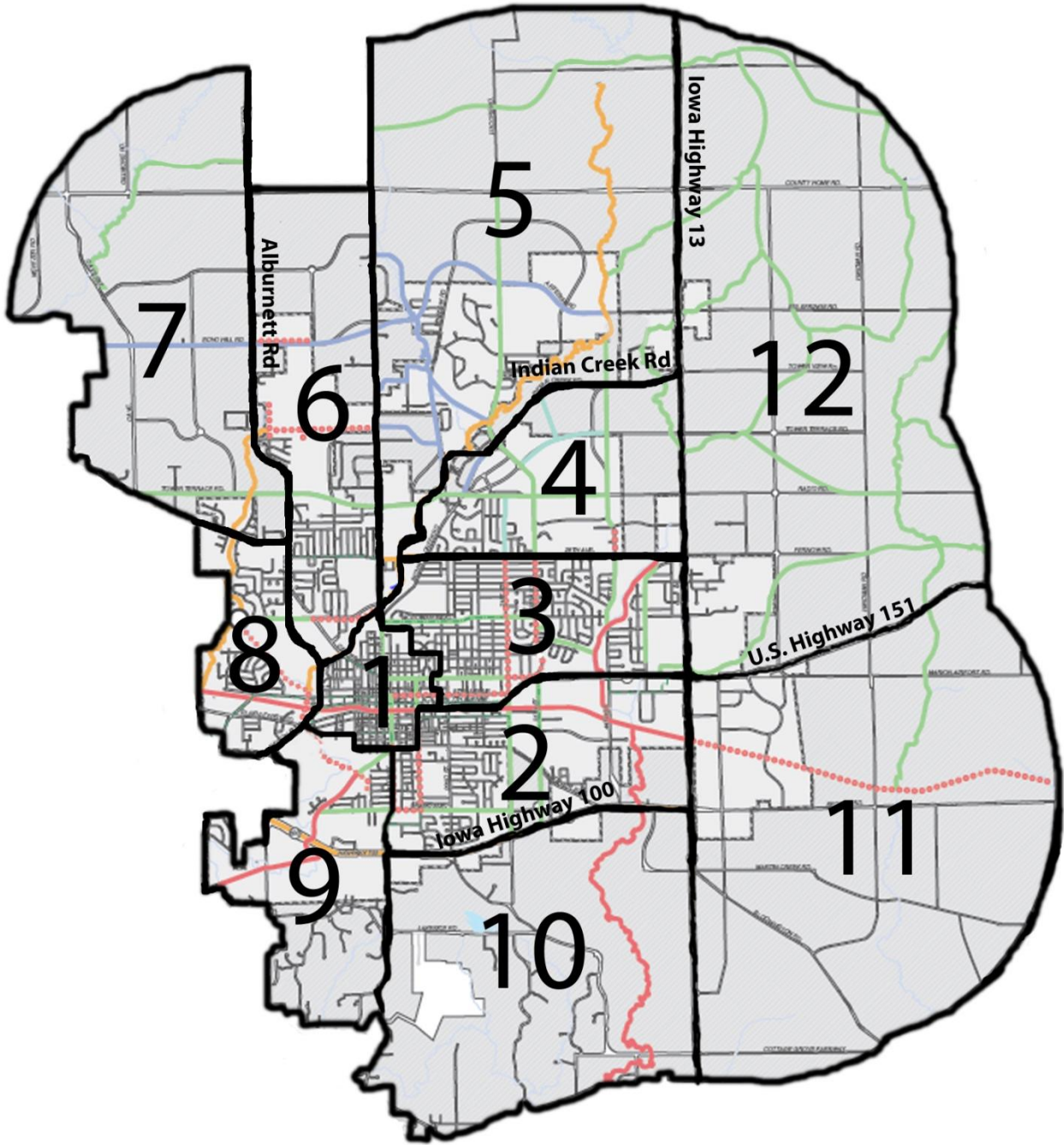
## **Types of Housing**

- Single-family detached residential (separate house)
- Single-family attached residential (duplex)
- Multi-family residential (apartment building)
- Mixed-use housing (commercial and residential)
- Manufactured/mobile home
- Affordable housing (rental assistance or subsidized housing)
- Housing accessible to public transportation
- Housing accessible for individuals with disabilities
- Housing for seniors
- Assisted living facilities
- Housing for survivors of domestic violence
- Housing for people with mental illness
- Housing for people with substance abuse challenges
- Housing for people experiencing homelessness
- Other, please specify

**Please see attached Marion Area Map.**



# MARION AREA MAP



APPENDIX C: CITY OF MARION COMMUNITY HOUSING SURVEY INSTRUMENT

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## City of Marion Community Housing Survey

**Thank you for participating in this survey. The City of Marion wants to include your feedback as part of a housing market analysis. As a member of the Marion community, you have a valuable perspective that will help us understand housing and community needs in Marion, which will help shape housing priorities on behalf of the community.**

**This survey is not associated with any political party or election. It is not a polling instrument and there is no ballot issue associated with this research. There are no right or wrong answers. It is expected that the survey will take approximately 10-15 minutes to complete.**

**Your responses are confidential and will only be reported in combination with other responses. The survey will close at 5:00 p.m. on Friday, July 29th, 2016. If you have any questions about the survey, please contact Amanda Kaufman, Assistant to the City Manager, at 319-743-6303 or by email at [akaufman@cityofmarion.org](mailto:akaufman@cityofmarion.org). Thank you!**





1 (Few new residents seeking)

2

3

4

5 (Many new residents seeking)

I Don't Know

Housing for people with mental illness

Housing for people with substance abuse challenges

Housing for people experiencing homelessness

Other (please specify):

3. Please choose the TOP FIVE factors in order of importance for current and new residents in choosing housing in Marion (please place a 1 next to the most important factor, a 2 next to the 2nd most important factor, etc.):

Accessibility/handicapped improvements

Amenities provided (ex: washer/dryer in unit, fitness center, etc.)

Close to bus/transit stops

Close to family/friends

Close to grocery, fresh food

Close to health care facilities and services

Close to parks and open space

Close to quality public schools/school district

Close to restaurants/entertainment/shopping

Close to work/job opportunities

Cost/can afford it

Desirable neighborhood

Desirable type of home/apartment

Landlord takes Section 8 Vouchers

Large yard/size of yard

Low crime rate/safe

Size of unit



## City of Marion Community Housing Survey

4. How difficult is it for the following people to find a place to live in Marion? (1 = Not difficult, 5 = Very difficult):

	1 (Not difficult)	2	3	4	5 (Very difficult)	I Don't Know
People who work in Marion	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People who work outside of Marion	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People with disabilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Individuals or couples without children	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Families with children	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People over the age of 65	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People under the age of 30	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Students	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Minorities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People with low incomes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People experiencing homelessness	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

If you said that anyone has a hard time finding housing, please explain why:



5. Please indicate on a scale of 1 to 5 how much need there is in Marion for the following types of housing.  
 (1 = Low need, 5 = High need):

	1 (Low need)	2	3	4	5 (High need)	I Don't Know
Single-family detached residential (separate house)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Single-family attached residential (duplex)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Multi-family residential (apartment building)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Mixed-use housing (commercial and residential)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Manufactured/mobile home	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Affordable housing (rental assistance or subsidized housing)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Housing accessible to public transportation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Housing accessible for individuals with disabilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Housing for seniors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Assisted living facilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Housing for survivors of domestic violence	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Housing for people with mental illness	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Housing for people with substance abuse challenges	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Housing for people experiencing homelessness	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

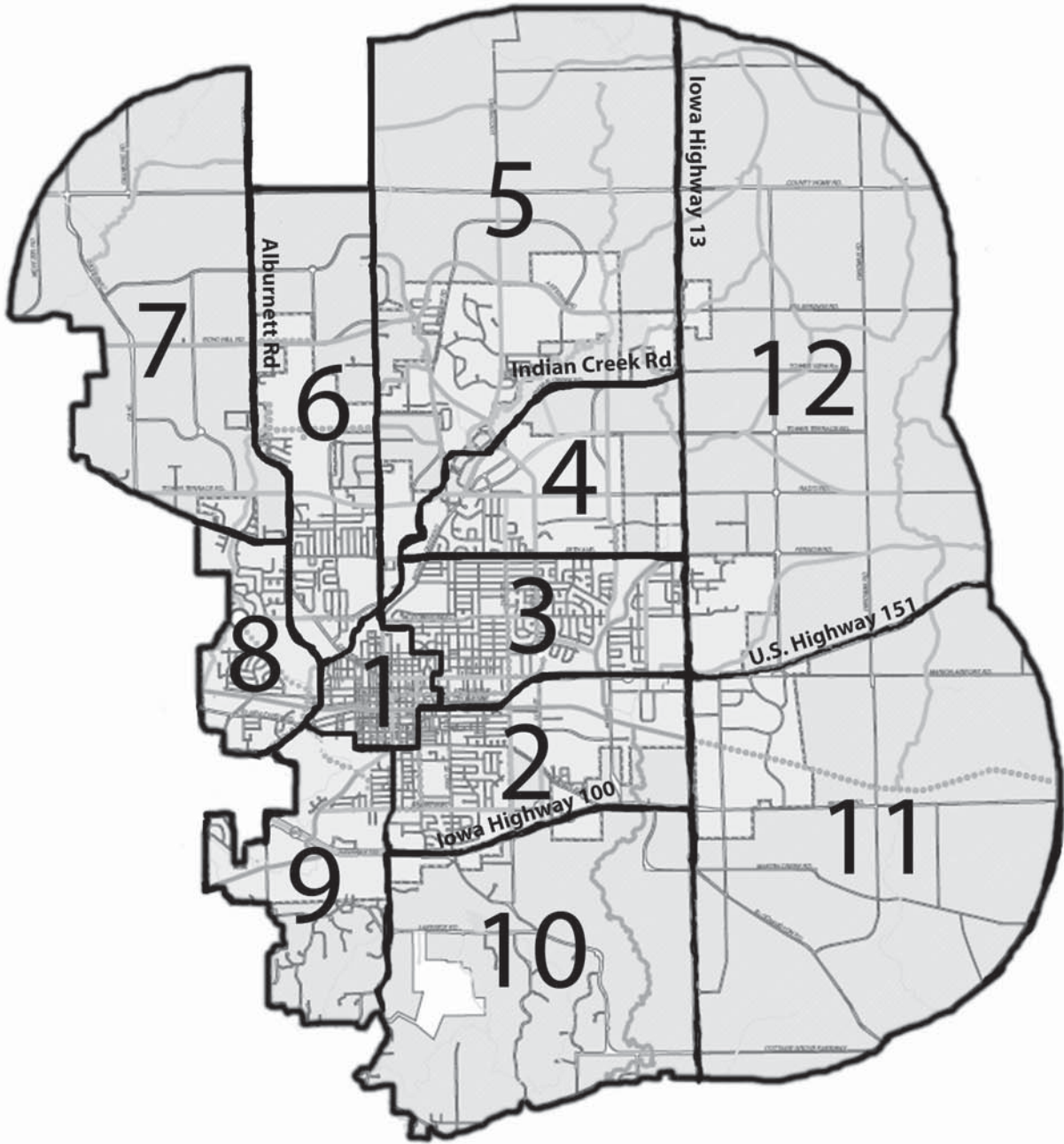
Other area(s) of need (please specify):

6. Using the map below, which areas of Marion are most in need of the following types of housing? (select all that apply):

	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6	Area 7	Area 8	Area 9	Area 10	Area 11	Area 12
Single-family detached residential (separate house)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Single-family attached residential (duplex)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Multi-family residential (apartment building)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mixed-use housing (commercial and residential)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Manufactured/mobile home	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Affordable housing (rental assistance or subsidized housing)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Housing accessible to public transportation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Housing accessible for individuals with disabilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Housing for seniors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Assisted living facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Housing for survivors of domestic violence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Housing for people with mental illness	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Housing for people with substance abuse challenges	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Housing for people experiencing homelessness	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Other types (please specify which area, 1-12):

Marion Area Map





## City of Marion Community Housing Survey

7. Do residents of Marion experience any of the following difficulties in buying a home? Please indicate on a scale of 1 to 5. (1 = Few residents experience this difficulty, 5 = Many residents experience this difficulty):

	1 (Few residents experience this difficulty)	2	3	4	5 (Many residents experience this difficulty)	I Don't Know
Don't have enough money for required down payment on a home	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Can't qualify for a mortgage at today's interest rates and home prices	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Trouble qualifying for home financing because of credit rating	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Other difficulties (please specify):

8. Do you agree that Marion has any of the following housing problems? Please indicate on a scale of 1 to 5. (1 = Not a problem, 5 = Major problem):

	1 (Not a problem)	2	3	4	5 (Major problem)	I Don't Know
Not enough different housing types	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Not enough affordable homes for sale	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Not enough affordable rental units	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Not enough subsidized/assisted housing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Not enough housing for people with disabilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Not enough housing for seniors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Not enough housing accessible to public transportation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Too many poor quality, dilapidated houses	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Too many vacant/abandoned houses	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

9. In your opinion, what is the greatest housing need in Marion?



## City of Marion Community Housing Survey

10. How long have you lived in the City of Marion?

- Less than 1 year
- 1 to 5 years
- 5 to 10 years
- 10 to 20 years
- More than 20 years
- I do not live in the City of Marion

11. I work for:

- A bank or mortgage lending company that helps finance housing
- A nonprofit or other organization that helps people find housing
- A government agency
- A company or organization that develops or builds housing
- A property management or other real estate company
- None of the above

12. Do you work in the City of Marion?

- Yes, I work in Marion
- No, I work outside of Marion

13. Please indicate your age category.

- 18-35 years
- 36-60 years
- 61-74 years
- 75 years and over

14. Which racial or cultural group do you consider yourself a member of? Select all that apply.

- African American/Black
- American Indian/Native American
- Asian
- Asian Indian
- Hispanic/Latino
- Native Hawaiian/Pacific Islander
- Multi-racial
- White/Caucasian/Anglo
- Choose not to answer
- Other (please specify):

15. Do you or a member of your household have a disability?

- Yes
- No



## City of Marion Community Housing Survey

**Thank you for completing this survey! Please contact Amanda Kaufman, Assistant to the City Manager, at 319-743-6303 or by email at [akaufman@cityofmarion.org](mailto:akaufman@cityofmarion.org) if you have any questions.**