

HOUSING

I. INTRODUCTION

The purpose of this chapter is to summarize housing conditions within the City of New Prague and establish goals and work items promoting a healthy residential infrastructure and furthering a variety of life-cycle housing options. This chapter includes:

- An analysis of existing housing conditions including life-cycle housing, New Prague's population characteristics, the existing housing stock, and vacancies;
- Housing affordability;
- A summary of historical building activity,
- An assessment of residential densities;
- A summary of future housing needs; and
- Housing Objectives, Policies and a Housing Plan

The issues have been identified through:

- An analysis of City demographics;
- An evaluation of historical building trends gathered from building permit information on file at the City offices;
- A Housing Study, completed in December, 2011 by Maxfield Research for the Scott County Housing Redevelopment Authority (HRA);
- Input from local realtors, developers and community leaders; and
- Statistics from the National Association of Realtors and Economic Indicators

II. HOUSING CONDITIONS

Life Cycle Housing Variety

The housing stock within a community must be responsive to the needs of its residents. Housing needs are not static but change over time as people move through different stages of their lives. Housing needs tend to evolve from: (1) affordable basic units for young people just beginning to enter the workforce to (2) affordable single family units for first time home buyers and young families to (3) move-up housing for people with growing families and/or incomes to (4) empty-nester dwellings for persons whose children have grown and left home (5) to low maintenance housing options for aging persons as their ability to maintain their property decreases; and finally to (6) assisted living environments to provide health and medical care to the elderly.

To address the life-cycle needs of residents, it is critical that a community provides a wide range of housing:

- **Types** (i.e. apartment/townhome/condominium rental, townhome/condo/single-family owner occupied, assisted living);
- **Sizes** (i.e. one, two, three bedroom rentals; starter homes; move-up homes; and,
- **Values:** (i.e. efficiency – luxury rental units; starter homes – executive homes).

The development of life-cycle housing works to sustain the community by preventing a polarization of residents in one age or income group. As one generation of residents moves through its life cycle it can move into the housing provided by the previous generation, just as the next generation will move into the housing being vacated.

Population Characteristics/Growth

New Prague's existing population as described in the Social Profile (Chapter 3) reports a median age of 32.7 years. The median age in Le Sueur and Scott Counties are 39.8 years of age and 34.8 years respectively, and the State median age is 37.4 years.

The State Demographer's Office projects future population by age group at a counties level between 2010 and 2035. Projections suggest the fastest growing age group in Le Sueur County is anticipated to be those 70-79 years (a 312% increase) and 80+ years (a 237% increase). Within Scott County the same age groups are anticipated to be the fastest growing at 840% and 674.5% respectively. This will have an impact on the type of housing required in the future. It is also noted that within Le Sueur County the 0-4 year old age groups is anticipated to grow the slowest, at 8% growth. Within Scott County this is also the slowest growing age group, but is still anticipated to grow 58.4%.

According to the 2006-2010 American Community Survey 5-Year Estimates, the Poverty Status in the past 12 months reports 455 individuals (6.5%) and 5.5% of families in New Prague are below the poverty level. Of the individuals, 110 are children under the age of 18 years, 233 are between 18 and 64 years of age and 112 are 65 years and over. Of those below the poverty level, 47% are male and 63% are female. 85% of those below the poverty level are white and 14.5% are black.

Existing Housing Stock

The existing housing supply in New Prague includes a variety of housing units, with a majority of the units being one unit detached homes. Over 98% of owner-occupied housing units contain one unit, while over one-fourth of renters are in buildings with 10 or more apartments. According to the 2010 census the make-up of the existing housing stock is as follows:

**TABLE 6-1
TYPES OF HOUSING NEW PRAGUE**

Units in Structure	Total	% All Occupied Hsg Units	Owner-Occupied	% owner	Renter-Occupied	% Renter Occupied
1, detached	1,739	62.3%	1,626	74.9%	114	18.4%
1, attached	639	22.9%	508	23.4%	131	21.1%
2 apartments	131	4.7%	39	1.8%	93	15.0%
3 or 4 apartments	78	2.8%	0	0.0%	77	12.4%
5 to 9 apartments	31	1.1%	0	0.0%	31	5.0%
10 or more apartments	165	5.9%	0	0.0%	165	26.6%
Mobile home or other type of housing	8	0.3%	0	0.0%	9	1.5%
Total	2,791	100.0%	2,171	100%	620	100%

SOURCE: 2010 Census. Occupied housing units.

Of the 2,791 housing units, nearly 77% are owner-occupied and 23% are renter-occupied, the same ratio of owner-occupied to renter-occupied as the City of Shakopee. The percent of owner-occupied in other area cities is as follows: Belle Plaine: 81.1%, Elko New Market: 93.1%, Jordan: 81%, Prior Lake 84.1%, and Savage: 87.1%. The City of New Prague's percent of rental units to total units is higher than Scott and Le Sueur County's make-up, as illustrated in the following table.

**TABLE 6-2
OWNER-OCCUPIED AND RENTAL STATISTICS 2010 CENSUS**

Area	Owner-Occupied	% of Total Units	Renter Occupied	% of Total Occupied Units
New Prague	2,084	76.9%	627	23.1%
Scott County	37,776	83.7%	7,332	16.3%
Le Sueur County	8,911	82.8%	1,847	17.2%

Source: U.S. Census Bureau

As depicted in the following Table, 2010 statistics indicate that just over 70% of all households are family households. Children 18 years and under in age reside in 41.2% of all family households.

**TABLE 6-3
FAMILIES BY PRESENCE OF CHILDREN & FAMILY TYPE, CITY OF NEW PRAGUE – 2010 CENSUS**

Households by Type	Number
Total Households	2,711
Total Family Households	1,910 (70.5% of all total households)
Total Family Households with children under 18 years old	1,117 (41.2% of all total households)
Husband and wife family households with own children under 18 years old	825 (30.4% of all total households)
Male householder, no wife present with own children under 18 years old	92 (3.4% of all total households)
Female householder, no husband present with own children under 18 years old	200 (7.4% of all total households)

Source: U.S. Census Bureau

Younger age groups and persons in transition who are not able to afford to purchase a home typically choose to occupy rental units within multi-unit structures. As a result, higher turnover in housing unit occupants may be expected. Table 6-3 illustrates 2010 Census data which illustrates that nearly 40% of those occupying housing units within the community moved in 2005 or later. Over ¾ of renters moved in during the past seven years, whereas, only 31% of residents in owner-occupied units moved in during the same period.

**TABLE 6-4
NEW PRAGUE HOUSING UNITS
BY YEAR HOUSEHOLDER MOVED IN**

Year Household Moved In	Population in Occupied Units	Percent in Owner-Occupied Units	Population in Renter-Occupied Units	Percent in Renter-Occupied Units	Total Population in Occupied Units	Total Percent in Occupied Units
2005 or later	1,733	31%	1,024	76%	2,757	39%
2000-2004	2,208	39%	132	10%	2,340	33%
1990-1999	760	13%	180	13%	940	13%
1980-1989	456	8%	0	0%	456	6%
1970-1979	201	4%	0	0%	201	3%
1969 or Earlier	303	5%	20	1%	323	5%
Total	5,661	100%	1,356	100%	7,017	100%

Source: U.S. Census 2010

Housing Unit Vacancies

The 2010 Census indicates 151 vacant housing units within the City (5.3% vacancy rate). Of the vacant units, 44 were for rent, 47 were for sale, nine (9) were sold but not occupied, six (6) were seasonal recreational or occasional use and 44 were "other vacancies" (According to the 2010 Census Definitions Other is defined as, "If a vacant unit does not fall into any of the categories specified above, it is classified as "Other vacant." For example, this category includes units held for occupancy by a caretaker or janitor, and units held for personal reasons of the owner."). The homeowner vacancy rate was 2.2% and the rental vacancy rate was 6.5%. With the market decline in 2006, a number of foreclosures occurred; however, a large number of the units were sold and re-occupied.

Affordability - Defined

"Affordable Housing" is defined differently by various organizations. The United States Department of Housing and Urban Development generally defines housing as affordable if it costs less than thirty (30) percent of a household's income. However, HUD's Section 8 Income Guidelines are the basis for most affordable housing programs. Section 8 guidelines define low and moderate incomes on a sliding scale, depending on the number of persons in the family. For example, a four person household is considered 'moderate income' if their family income is 80 percent of the area's median family income. The 2010 Census reports that the median monthly housing costs for occupied housing units from 2006-2010 (American Community Survey 5-Year Estimates) for New Prague was \$1,240 per month, which equates to 28% of the median household income and 22.5% of the median family income. According to the 2010 Census Definitions, "the amounts reported include everything paid to the lender including principal and interest payments, real estate taxes, fire, hazard, and flood insurance payments, and mortgage insurance premiums. It also includes, where appropriate, the monthly condominium fee for condominiums... and mobile home costs... (installment loan payments, personal property taxes, site rent, registration fees, and license fees)."

The U.S. Census Bureau classifies household and family income differently. Household income is defined as total money received in a calendar year by all household members 15 years old and over. Family income is the total income received in a calendar year by family members related by birth, marriage or adoption. Many households are not families, for example single people living alone or with non-related roommates are considered a non-family household. Median household income is often lower than median family income; however, most housing data references family income rather than household income.

'Median' income differs from 'average' income. 'Median' is created by dividing income distribution data into two groups, one having incomes greater than the median and the other having incomes below the median. 'Average' income is calculated by adding all incomes together and dividing the total by the number of responses. The following Tables will compare the City of New Prague and Le Sueur and Scott Counties' housing affordability data in terms of median household income (Table 6-5) and New Prague and Le Sueur and Scott Counties in terms of median family income (Table 6-6).

**TABLE 6-5
AFFORDABLE HOUSING – GENERAL DEFINITION
30 PERCENT OF MEDIAN HOUSEHOLD INCOME**

Area	Median Household Income	"Affordable" Monthly Mortgage Payment*	"Affordable" Home Value at 4% interest/30 year term	"Affordable" Monthly Rent Payment
City of New Prague	\$ 53,305	\$1,333	\$278,800	\$1,333
Le Sueur County	\$ 57,477	\$1,437	\$300,500	\$1,437
Scott County	\$ 82,190	\$2,055	\$429,900	\$2,055
State of Minnesota (2006-2010) 5 year est.	\$ 57,243	\$1,431	\$299,300	\$1,431

Source: U.S. Census – 2010 * Note: Does not include down payment or taxes and insurance which may be reflected in monthly mortgage payment

**TABLE 6-6
AFFORDABLE HOUSING – SECTION 8 DEFINITION BASED ON FAMILY INCOME**

Area	City of New Prague			Scott County			Le Sueur County		
	Income	"Affordable" Home Value at 4% interest/30 year term	"Affordable" Monthly Rent Payment	Annual Income	"Affordable" Home Value at 4% interest/30 year term	"Affordable" Monthly Rent Payment	Annual Income	"Affordable" Home Value at 4% interest/30 year term	"Affordable" Monthly Rent Payment
Median Family Income	\$66,234	\$344,100	\$1,656	\$92,408	\$483,100	\$2,310	68,053	355,800	\$ 1,701
Low income - one person household	\$37,091	\$193,900	\$927	\$51,748	\$270,600	\$1,294	28,582	149,500	\$ 715
Low income - two person household	\$42,390	\$221,700	\$1,060	\$59,141	\$309,300	\$1,479	32,665	170,800	\$ 817
Low income - four person household	\$52,987	\$277,100	\$1,325	\$73,926	\$386,500	\$1,848	40,832	213,500	\$ 1,021
Very low income - one person household	\$23,182	\$121,400	\$580	\$32,343	\$169,200	\$809	23,819	124,400	\$ 595
Very low income - two person household	\$26,494	\$138,500	\$662	\$36,963	\$193,300	\$924	27,221	142,500	\$ 681
Very low income - four person household	\$33,117	\$173,250	\$828	\$46,204	\$241,500	\$1,155	34,027	178,000	\$ 851

Source: U.S. Census & Department of Housing and Urban Development for Income. MDG, Inc. calculations of affordable mortgage and rent rates, based on Section 8 definition of affordable. Affordable mortgage based on 4% interest and a 30-year term, with no money down. Rates may vary depending on strength of borrower, market conditions, etc.

* Note: Does not include down payment or taxes and insurance which may be reflected in monthly mortgage payment.

** "Moderate" income defined here as 80% of median family income for Counties.

*** "Low" income defined here as 50% of median family income for the Counties.

By condensing data above, it is possible to develop a range of affordability for owner-occupied and rental units in the City of New Prague. Table 6-7 depicts the range of affordability for housing New Prague residents can afford, given the assumptions used above.

**TABLE 6-7
CITY OF NEW PRAGUE
RANGE OF HOUSING AFFORDABILITY – FAMILY OF FOUR PERSONS**

	Owner – Occupied Home Value	Monthly Rental Cost
Affordable for Median Incomes	\$344,100	\$1,656
Affordable for Moderate Incomes (80% of Median)	\$277,100	\$1,325
Affordable for Low Incomes (50% of Median)	\$173,250	\$ 828

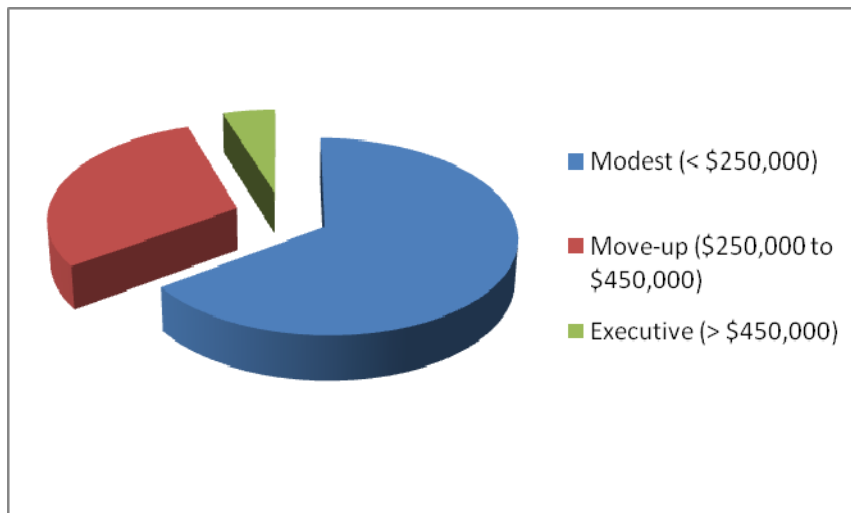
*Note : Affordability does not include down payment, PMI, etc.

Based on 4% interest rate and a 30 year term. Lending requirements vary depending on the borrower.

A cross section of 40 community leaders participated in a survey providing input on current and future housing conditions in the City. Participants included City committee members, realtors, business owners/managers, school administrators, representatives from the medical industry, the Scott County Historical Society, and Chamber of Commerce. Those surveyed were asked to define “affordable owner-occupied housing” in New Prague (as of 2012). 31% felt homes ranging from \$101,000 to \$150,000 would be “affordable”. 23% felt homes \$150,001 to \$175,000 were affordable and 23% felt homes \$175,001 to \$200,000 fell in the affordable price range. 18% of the participants identified “affordable” as prices ranging \$200,001 to \$300,000. 5% felt affordable would be under \$100,000. The average affordable rate per the survey responses was under \$187,180 or less. The local perception of “affordable” is comparable to the calculated “Affordable Housing for Low Incomes (50% of median income). The median value of new homes constructed based on building permits January-October 15, 2012 (without lot value) was \$201,750, suggesting new home construction is affordable.

It is noted most housing affordability programs and data place emphasis on creating owner-occupied units at 80% of the median family income (moderate income) and, rental units at 50% of the median family income (low income). Since low-income persons are typically renters, the definition of ‘low income’ is tied to the number of persons in each unit. Therefore, the Comprehensive Plan as of 2012 will identify “affordable owner-occupied units” as those affordable for moderate income families (80% of median income). Existing and new homes that are ‘affordable’ will be those between \$278,800 (based on median household income) and \$344,100 (based on family income) or an average of \$311,150. Affordable rental units are based on 50% of the median income and will be in the range of \$580 per month to \$828 per month. The Scott County Comprehensive Housing Assessment, Dec. 2012, completed by Maxfield Research suggests a need in New Prague of 235 “Modest” homes with a value of \$250,000 or less, 108 “Move-up” homes with a value of \$250,000 to \$450,000 and 18 “Executive” homes with a value of greater than \$450,000; by the year 2020.

HOUSING DEMAND FOR-SALE, SINGLE-FAMILY UNITS: 2010-2020



*Source: The Scott County Comprehensive Housing Assessment, Dec. 2012, completed by Maxfield Research

It is important to note the definition of ‘affordable’ in terms of a dollar amount will change as the cost of living increases and interest rates change. Therefore, the City should periodically review income/housing statistics and update the definition as warranted. Factors such as interest rates will impact housing affordability.

Affordable Housing in New Prague

The U.S. Census Bureau reports the actual income distribution in the City in terms of both median household and median family incomes. Income distributions can be compared to affordability standards to determine how many households and families in the City of New Prague may require affordable housing. In Table 6-7, households that may require affordable housing (based on household income) are depicted in the shaded areas.

**TABLE 6-8
CITY OF NEW PRAGUE
HOUSEHOLD INCOME AFFORDABILITY**

Annual Household Income	Number of Households in Category	% of Total	Maximum Sustainable Monthly Rent - Efficiency Apt.	Maximum Sustainable Monthly Rent - One Bedroom	Maximum Sustainable Monthly Rent - Two Bedroom	Maximum Sustainable Home Value
Less than \$10,000	96	3%	\$175	\$225	\$250	\$47,000
10,000 – 14,999	116	4%	\$263	\$338	\$375	\$70,700
15,000 – 24,999	259	9%	\$438	\$563	\$625	\$117,800
25,000 – 34,999	387	14%	\$613	\$788	\$875	\$164,800
35,000 – 49,999	439	16%	\$875	\$1,125	\$1,250	\$235,300
50,000 – 74,999	679	24%	\$1,313	\$1,688	\$1,875	\$353,000
75,000 – 99,999	355	13%	\$1,750	\$2,250	\$2,500	\$470,600
100,000 - 149,999	331	12%	\$2,625	\$3,375	\$3,750	\$706,000
150,000 - 199,999	34	1%	\$3,500	\$4,500	\$5,000	\$941,200
200,000 or more	95	3%	\$3,500+	\$4,500+	5000+	Over \$942,000
Total	2,791	100%	--	--	--	--
Median household income for New Prague within Le Sueur County = \$52,227, New Prague within Scott County = \$53,625, and the median household income for the City of New Prague as a whole = \$53,305						

Source: United States Census, 2010 and MDG Calculations of Approximate Maximum Sustainable Home Value based on 4% interest and 30 year term, at 30% of average family income range.

Owner-Occupied Housing Supply

The 2010 Census indicates that of the 2,711 occupied housing units, 2,084 (76.9%) were owner-occupied units. The majority of owner-occupied housing units are single detached units.

The Table below depicts the number of owner-occupied units in the City of New Prague with and without mortgages, and the median value of the units and median monthly housing costs. The actual housing costs in New Prague are within the suggested "Household Income Affordability Guidelines" as illustrated in Table 6-8, above.

**TABLE 6-9
ESTIMATED ACTUAL HOUSING COSTS**

Area	All Occupied Hsg. Units*	Owner-Occupied Units With Mortgage	Owner Occupied Median Value with a mortgage	Median Monthly Housing Cost for Owner-Occupied units with a Mortgage	Owner-Occupied Units Without Mortgage	Owner Occupied Median Value without a mortgage
City of New Prague	2,171	1,618	\$225,200	\$1,748	553	192,900

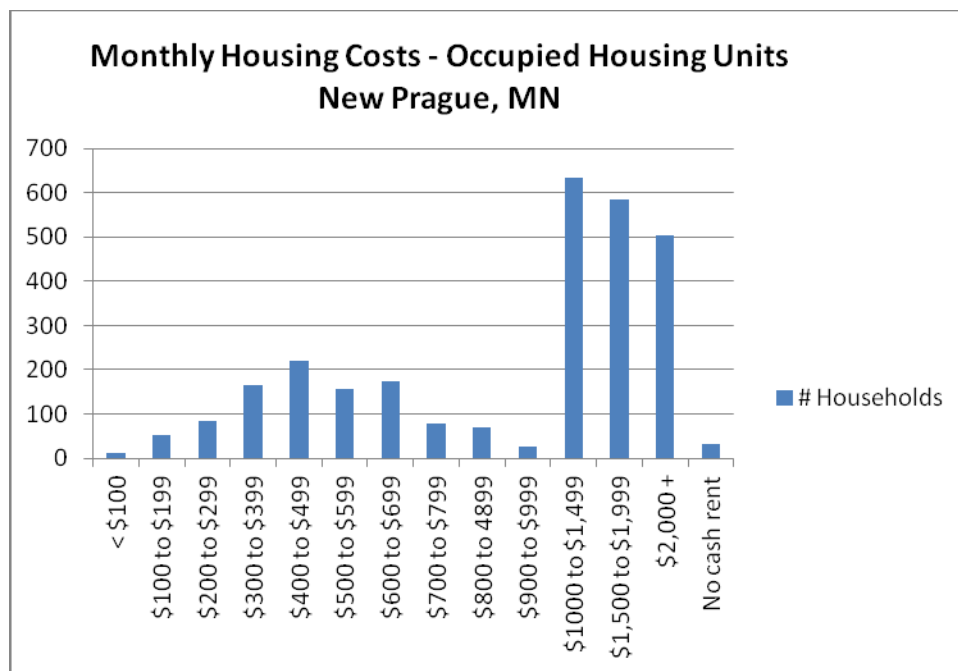
Source: 2010 U.S. Census.

Of the 1,618 housing units with a mortgage, a majority have a mortgage amount of \$75,000 or more. The following table illustrates the size of the mortgage for these households.

**TABLE 6-10
CITY OF NEW PRAGUE MORTGAGE STATUS**

Amount of Mortgage	# of Households	% of Households
< \$20,000	49	3.0%
\$20,000 to \$34,999	137	8.5%
\$35,000 to \$49,999	179	11.1%
\$50,000 to \$74,999	509	31.5%
\$75,000 or more	744	46.0%
Total with a Mortgage	1,618	100.0%

The 2010 Census indicates the median monthly housing costs for all occupied housing units in New Prague was \$1,240 per month (According to the 2010 Census Definition, “The amounts reported include everything paid to the lender including principal and interest payments, real estate taxes, fire, hazard, and flood insurance payments, and mortgage insurance premiums.”). As noted above the median household income in New Prague in 2010 was \$53,305, illustrating 27.9% of household income is being spent on housing.



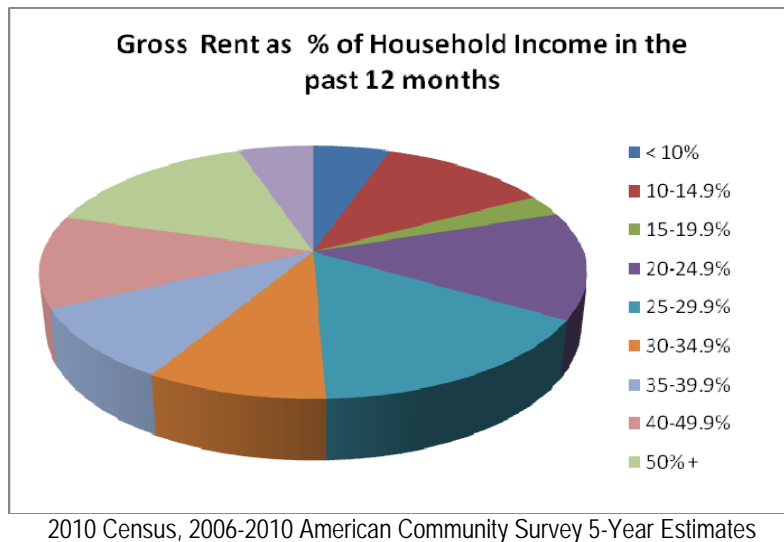
2010 Census, 2006-2010 American Community Survey 5-Year Estimates

Rental Unit Supply

Of the total number of occupied housing units (2,711) in New Prague enumerated in the 2010 Census, 627 (23%) were occupied by renters. The 2010 Census reports the average household size of renter-occupied units was 2.19 people per unit versus 2.81 in owner-occupied units. The vast majority of rental units are contained in multiple-family apartment complexes, however just over 30 units are Main Street

apartments, typically located on the second floor of commercial buildings, which has remained unchanged over the past decade.

The 2010 Census reports that the median gross rent as a percent of household income is 29.4% in the City of New Prague. The Chart below illustrates the gross **rent** as a percent of the household income. Approximately 49% of renter-occupied households are paying less than 30% of their household income on rent, 45% are paying over 30% (5% not computed), with 15% paying over one-half their household income in gross rent.



A summary of New Prague's multiple-family rental unit supply is listed in Table 6-11. New Prague has a number of various rental units, ranging from apartment complexes, to apartments above commercial stores to single family homes used for rental purposes.

Table 6-11 includes apartment buildings with four or more units, or 15 apartment buildings. This includes 394 units. According to a phone survey of apartment building managers/owners in May, 2012, rent rates vary, with subsidized and Section 8 units based on tenant income, and an overall range of \$ 480 to \$966 per month. Assisted living units include two meals per day, housekeeping services, etc and therefore range from \$2,355 to \$3,100 per month. At the time of the survey, managers reported 22 vacancies or a 5.5% vacancy, lower than the 2010 Census rental vacancy rate of 6.5%. It should be noted that the survey did not include rental units in homes or above commercial buildings. New Prague's rental buildings surveyed follows:

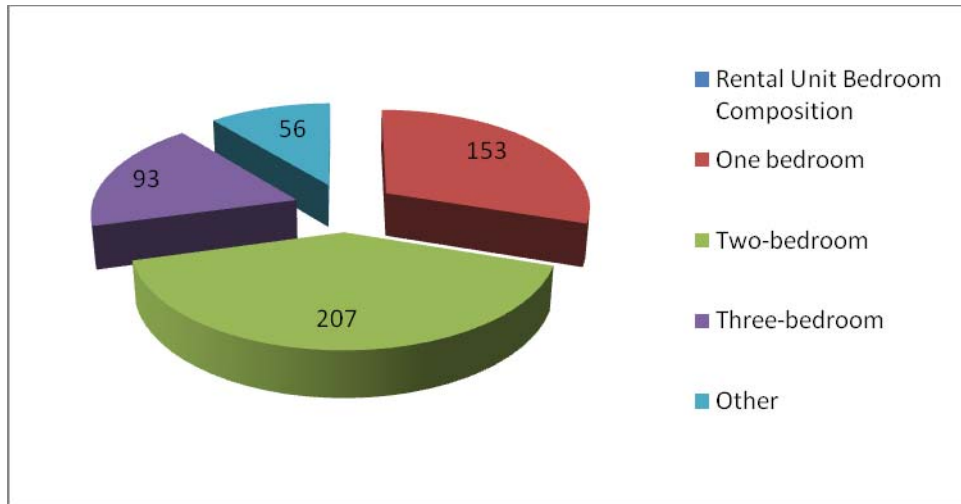
**TABLE 6-11
NEW PRAGUE APARTMENT UNITS**

PROJECT	TYPE OF HOUSING General Occupancy/ Elderly	# of UNITS	BEDROOM MIX				RENT			NUMBER OF VACANCIES	YEAR BUILT	
			STUDIO	1 BEDROOM	2 BEDROOM	3 BEDROOM or 2+ Den	EFFICIENCY	1 BEDRIN	2 BEDROOM			3 BEDROOM or 2 BR+ DEN
Haeg Apartments 309 5 th Avenue	General	4	0	0	4	0	NA	NA	\$595	NA	0	1976
Harvey Manor 305 2 nd Ave. SW	General	9	0	4	2	0	NA	\$500	\$650	NA	6	1912
Highway Apartments 306 4 th Ave. NW												
Millpond 201 1 st Ave, NW	Senior 62+ HUD Section 8	44	0	43	1	0	NA	30% of income	NA	NA	0	1981
Eastgate Estates	Low Income	48	0	0	36	12	NA	NA	725	725	2	1994
Queens Court 311 Columbus Ave. N	Elderly (congregate)	38	0	8	3	27	NA	695	895	NA	2	1989
Northview Apartments 507/509/511 Columbus Ave. N		46	?	?	?	?	NA	\$575 to \$600	\$625 to \$665	NA	4	
Park Center Apartments 310 6 th Ave. NW	General (1/2 subsidized)	20	0	10	10	0	NA	\$480	\$500	NA	0	1987
Westgate Townhouses	General Sec. 8 Subsidized	37	0	0	31	6	NA	NA	\$797 to \$894	\$860 to \$966	0	1981
Hines Apartments	General	4	0	4 with den	0	0	NA	\$575 to \$600	NA	NA	0	1979
Liberty Park Apartments 204 Liberty Lane	31 subsidized 16-30% income	47	0	23	24	0	NA	400	440	NA	0	1976
Phillips Square 116 1 st Ave NW	Elderly 55+ years	55	0	36 (16 with den)	19 (7 with a den)	0	NA	NA	\$700 To \$800	\$700 to \$800	2	2002
Maia Strand 1001 Columbus Ave. N.	Elderly (assisted living)	34	6	26	2	0	NA	\$2,355 To \$2,745	\$3100	NA	6	2003
Jeanette Otting 214 5 th Ave. NW	General	4	0	0	4	0	NA	NA	\$625	NA	0	Moved in early 2000s
Don Yackley 307 5 th Ave. NW	General	4	0	0	4	0	NA	NA	\$525 to \$580	NA	0	1979
Total	--	394	6	154	236	45					22	1912 to 2003

Source: Phone Survey by Municipal Development Group, Inc. May, 2012.

The City adopted a Rental Registration Ordinance to track locations of rental units and keep landlord information on file. As of May, 2012, the City had 501 registered rental units including 153 – one bedroom units, 207 – two bedroom units, 93 – three bedroom units and 56 – other bedroom. It is noted that this does not include some of the rental townhome units in Le Sueur County. Please see **Map 6-1** for locations of rental properties.

Rental Unit Bedroom Composition, 2012



Source: City of New Prague Rental Registrations, 2012

Building Activity

Tables 6-13 illustrate new apartment construction from 1999 to 2011 and reveal sporadic apartment construction, with several years without multiple-family units being constructed. Multiple-family housing construction has constituted only 5.3% of the total new housing units constructed between 1999 and 2011, with 63% of the units being single-family homes and 31.7% being townhouse units.

**TABLE 6-13
NEW APARTMENT UNIT CONSTRUCTION
1999 – 2011**

Year	#	\$ Value
1999	0	0
2000	0	0
2001 (Philipp's Square)	55	4,440,000
2002	0	0
2003	6	100,000
2004 to 2011	0	0
Total	61	4,540,000

Source: City of New Prague Building Permits.

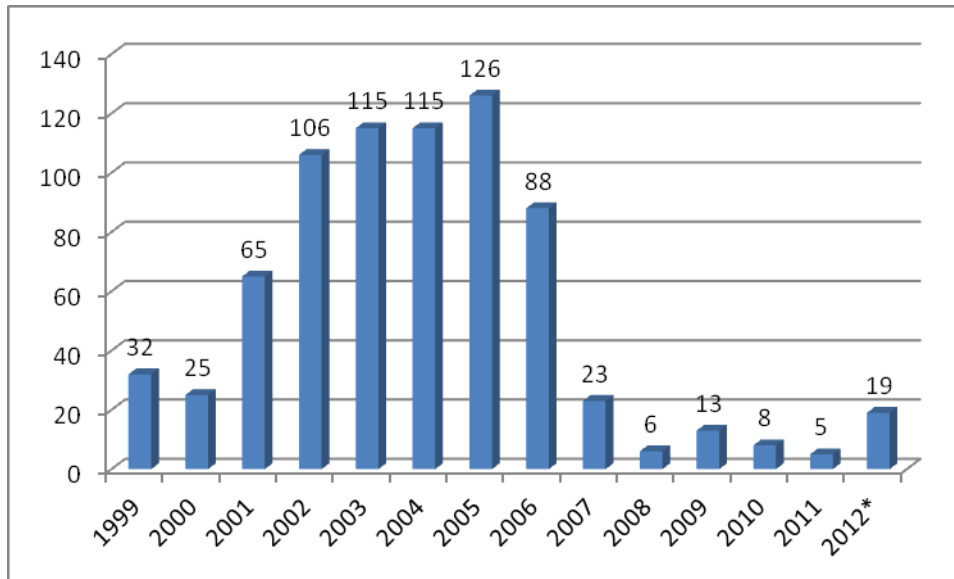
Table 6-14 summarizes new single-family and townhouse owner-occupied residential building permit information for the previous 13 years. The following charts illustrate new single-family home construction trends. The number of new single-family homes constructed peaked between 2002 and 2005, with a significant decline the past five years. The significant spike corresponds with the increased growth in Le Sueur and Scott Counties. Owner-occupied housing construction peaked in 2002-2005, while most multiple-family units were constructed in 2001.

**TABLE 6-14
NEW SINGLE FAMILY & TOWNHOUSE CONSTRUCTION
1999-2011**

Year	Single Family Homes		Townhomes Owner-Occupied	
	#	\$ Value	#	\$ Value
1999	32	3,630,300	22	2,085,000
2000	25	3,576,850	38	4,014,811
2001	65	9,584,459	26	3,582,742
2002	106	1,8454,876	27	3,446,324
2003	115	21,580,398	186	17,909,084
2004	115	23,268,396	29	3,955,100
2005	126	28,852,755	16	2,656,400
2006	88	24,094,123	22	2,250,178
2007	23	4,385,748	0	0
2008	6	837,400	0	0
2009	13	2,025,335	0	0
2010	8	1,509,539	0	0
2011	5	841,562	0	0
2012*	19	3,833,256		
Total	746	146,474,997	366	39,899,639

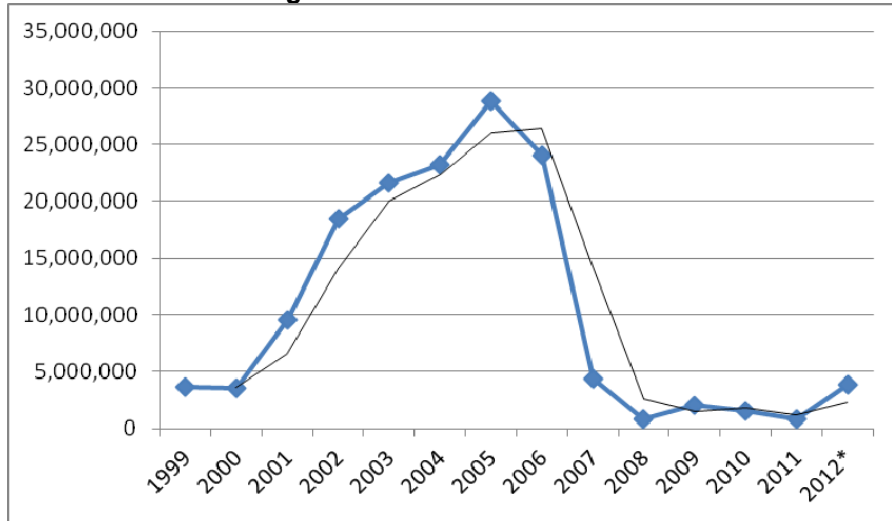
Source: City of New Prague Building Permits. 2012 through October 15, 2012

HISTORICAL NEW SINGLE-FAMILY HOMES, NEW PRAGUE, MN

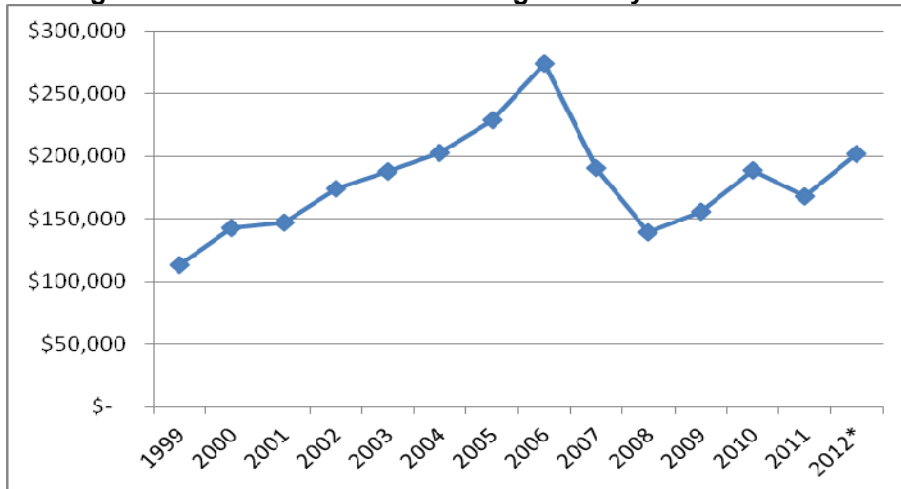


Likewise, the total market value of new single-family and townhouse construction peaked in the early 2000's followed by a sharp decline.

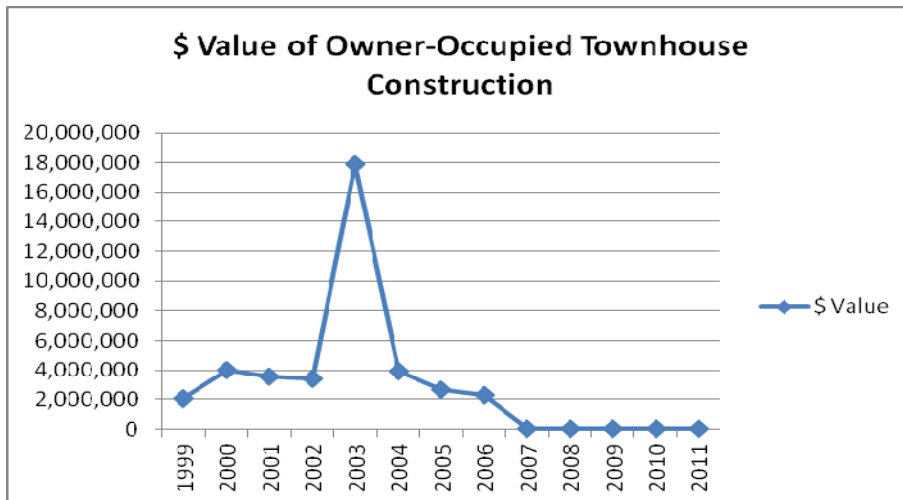
Value of Single Home Construction 1999-Oct. 2012



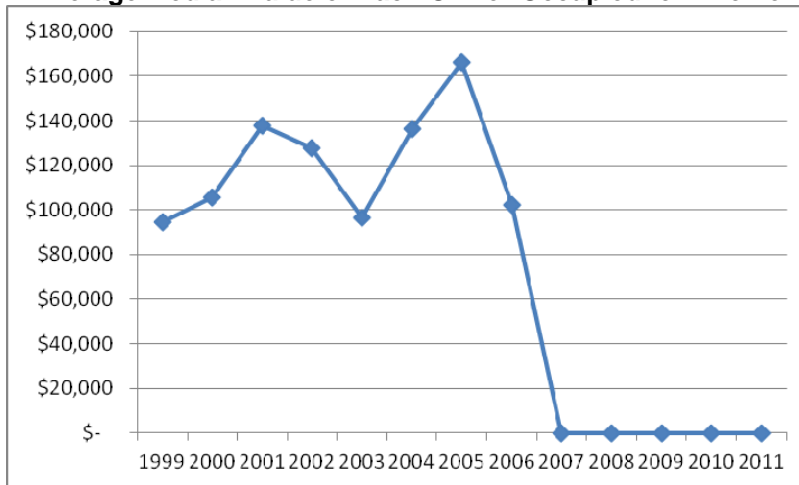
Average Median Value Per Home of Single-Family Home Construction



\$ Value of Owner-Occupied Townhouse Construction



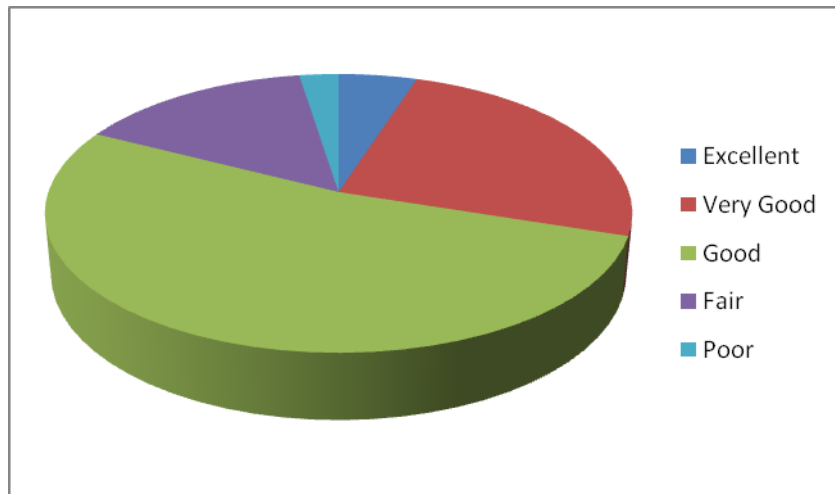
Average Median Value of Each Owner-Occupied Townhome



Condition of Existing Housing Stock

The condition of the existing housing stock in New Prague has been documented to be in generally good condition. A windshield survey of various residential areas conducted in April and May, 2012 reveals that most single-family structures are very well maintained. However, some evidence of deterioration was cited, particularly in home sites in the original portion of the city. As a part of the Comprehensive Plan survey, civic leaders were asked to evaluate the condition of housing in New Prague. Of the 40 participants, over one-half rated housing conditions as “Good”. The pie chart below depicts ratings, 30% rating housing as very good to excellent and 17.5% rating it as fair to poor.

Housing Conditions – Survey Responses



*Comprehensive Plan Survey 2012. Based on 40 Responses from Civic Leaders.

While not necessarily a determining factor of condition, structure age is a good indicator as to the need to aggressively promote maintenance, rehabilitation and even redevelopment; for as a structure ages, maintenance needs increase. Neglected maintenance, especially for older structures, can lead to deterioration that will have a blighting influence to adjacent properties and the entire neighborhood. The City has not adopted a rental housing maintenance code. If the number of renter-occupied housing units increase, this may be something the City will want to research further.

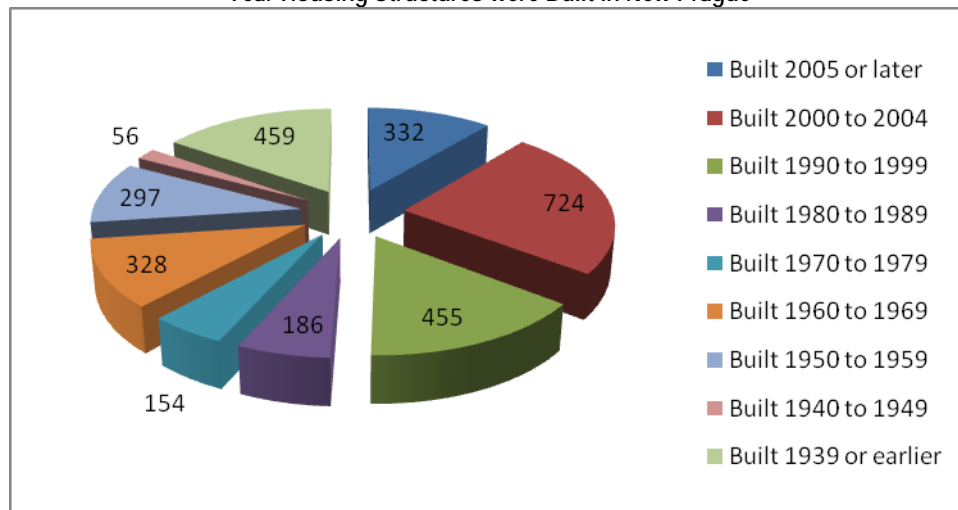
According to the 2010 Census, 35% of all housing units were constructed since 2000; however, no new rental units have been constructed in New Prague the past eight years.

**TABLE 6-15
AGE OF HOUSING STRUCTURES IN NEW PRAGUE**

Year Built	Estimated # of units	% of Housing Units
Built 2005 or later	332	11%
Built 2000 to 2004	724	24%
Built 1990 to 1999	455	15%
Built 1980 to 1989	186	6%
Built 1970 to 1979	154	5%
Built 1960 to 1969	328	11%
Built 1950 to 1959	297	10%
Built 1940 to 1949	56	2%
Built 1939 or earlier	459	15%
Total:	2,991	100%

Source: 2010 Census

Year Housing Structures were Built in New Prague



The 2010 Census gathered data regarding the structural and facility characteristics of housing within the City of New Prague. According to the Census:

- No housing units lack complete plumbing facilities.*
- No housing units lack complete kitchen facilities.
- 9.5% of the occupied housing units have 2 or 3 rooms. No units are one room units.
- Two percent (2%) report no telephone service. Note, this may be due to the use of cell phones versus land lines.
- 13.1% of the units were built prior to 1939.

* The U.S. Census data on plumbing facilities were obtained from both occupied and vacant housing units. Complete plumbing facilities include: (1) hot and cold piped water; (2) a flush toilet; and (3) a bathtub or shower. All three facilities must be located in the housing unit for plumbing facilities to be considered complete.

Density

The City’s zoning ordinance includes five residential zoning districts including three single-family districts, RL-90, RL-84 and RL-70, a medium density district RM, and high density district, RH. The following table depicts the minimum lot sizes and site coverage.

**TABLE 6-16
RESIDENTIAL ZONING DISTRICTS- NEW PRAGUE**

Zoning District	Minimum Lot Size	Estimated Density Allowed
RL-90	9,000 sq. ft	3.4 units per acre to 4.8 units per acre
RL-84	8,400 sq. ft	3.6 units per acre to 5.2 units per acre
RL-70	7,000 sq. ft	4.4 units per acre to 6.2 units per acre
RM	7,000 sq ft. per unit for 1 & 2 units 3,000 sq ft. per dwelling for 3-8 units.	4.4 units per acre to 14.5 units per acre
RH	7,000 for single family 2,000 per unit for multiple family units	4.4 units per acre to 21.8 units per acre

Source: New Prague Zoning Ordinance.

Note: The density range is provided to account for 0% to 30% of the site being reserved for parks, streets and storm water ponding, etc.

Comparing the lot size and densities for these residential districts with neighboring communities of similar sizes it appears New Prague’s ordinance allows for more dense development. The City of Jordan currently requires single family lots to be a minimum of 10,500 square feet and the City of Belle Plaine has two single family districts which require 12,000 square foot minimum lots and 20,000 square foot minimum lots. Single-family residential densities in these communities range from 2 to 4 units per acre.

Comparing the medium density district with area communities, New Prague allows for higher density residential development as the cities of Jordan and Belle Plaine range from 6 to 8 units per acre in the medium density residential districts (minimums of 5,000 to 5,250 square feet per unit versus 3,000 square feet).

The Zoning Ordinance requires a minimum 7,000 square foot lot for a single family home in a high density residential district (RH) or 2,000 square feet per unit. This would allow for densities of 17 to 21 units per acre, again depending on the land required for streets, ponding and parks. New Prague currently allows higher density development in its multiple family or high density districts than area cities which were studied. Jordan and Belle Plaine allow for approximately 12 to 15 units per acre.

Housing Needs:

A Comprehensive Housing Needs Assessment for Scott County was completed by Maxfield Research in December, 2011. It identifies a need for 12,071 new housing units in Scott County between 2010 and 2020, with 6% or 670 of those units in New Prague. It suggests the majority of the new housing units will be in Shakopee, Prior Lake and Savage. The study projects 84% of the housing demand will be for owner-occupied housing with the remaining 16% rental housing (excluding senior rental units).

**TABLE 6-17
PROJECTED HOUSING DEMAND IN SCOTT CO. 2010-2020**

City/Township	# of Housing Units	% of Projected Housing Units
Shakopee	4,115	34%
Prior Lake	2,379	20%
Savage	2,084	17%
Elko New Market	725	6%
New Prague	670	6%
Belle Plaine	627	5%
Jordan	429	4%
High-Growth Townships	786	7%
Low-Growth Townships	256	2%
Total	12,071	100%

Source: Comprehensive Housing Needs Assessment for Scott County; Maxfield Research December, 2011

Based on the Demographic Chapter 3 projections, the City of New Prague projects a need for 834 new housing units between 2010 and 2020 or 19% more than the Scott County study suggests. The Scott County Study suggests a 2020 population in New Prague of 9,000 while Chapter 3, Demographics suggests 9,757. The Comprehensive Housing Study projects the following housing demands for New Prague between 2010 and 2020:

**TABLE 6-18
PROJECTED HOUSING DEMAND IN NEW PRAGUE 2010-2020**

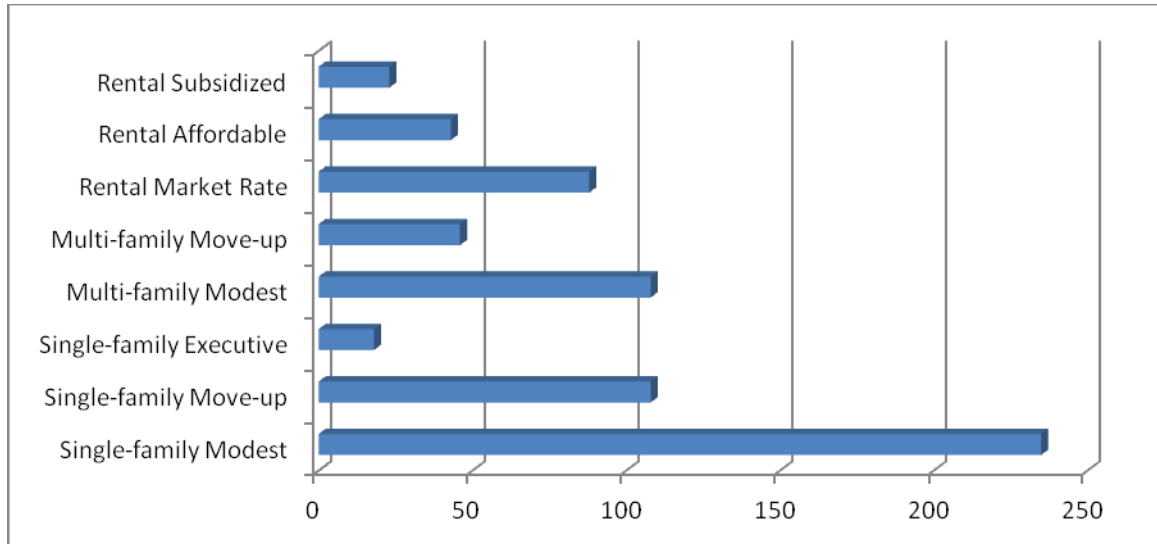
Type of Housing	# of Units	% of Total Units
Single-family Modest	235	34%
Single-family Move-up	108	15%
Single-family Executive	18	3%
Multi-family Modest	108	15%
Multi-family Move-up	46	7%
Rental Market Rate	88	13%
Rental Affordable	43	6%
Rental Subsidized	23	3%
Subtotal	669	95%
Senior Active Affordable	8	1%
Senior Active Adult Rental	9	1%
Senior Congregate Service Enhanced	1	0%
Senior Assisted Living Service Enhanced	0	0%
Senior Memory Care- Service Enhanced	14	2%
Subtotal Senior	32	5%
Total Housing Units	701	100%

Source: Comprehensive Housing Needs Assessment for Scott County; Maxfield Research December, 2011

The Comprehensive Housing Needs Assessment for Scott County notes that, "New Prague has one of the more affordable housing supplies in the County. Hence, New Prague is poised for strong growth as moderate-income households move to the community in search of more housing for their dollar."¹

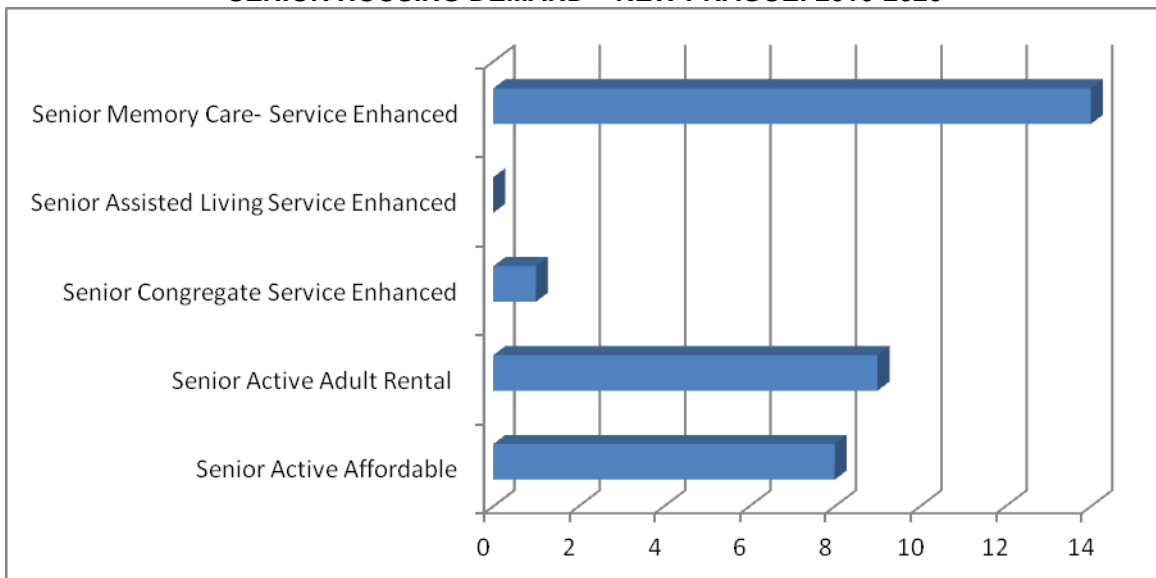
¹, Comprehensive Housing Study for Scott County, Maxfield Research. December, 2011

HOUSING DEMAND – NEW PRAGUE: 2010-2020



Source: Comprehensive Housing Study for Scott County, Maxfield Research. December, 2011

SENIOR HOUSING DEMAND – NEW PRAGUE: 2010-2020



Source: Comprehensive Housing Study for Scott County, Maxfield Research. December, 2011

As a part of the Comprehensive Plan Survey, participants were asked to rank the type of housing they feel will be in the highest demand in New Prague in the next 20 years. Following are the survey results in order of greatest need or demand to lowest housing need:

1. Owner-occupied housing- general
2. Owner-occupied housing for seniors
3. Renter occupied housing for seniors
4. Renter occupied housing, multiple-family
5. Renter occupied housing for one or two person households.

The survey results agree with the Maxfield Research Study suggesting owner-occupied housing will be the greatest demand in New Prague to 2020.

Residential Lot Demand. The Study suggests that of the 669 housing units needed in the decade, 515 will be for sale demand (361 single-family and 154 multiple-family) and 154 rental demand. The City of New Prague currently has 310 vacant residential lots available in the City limits. Seven of the lot are zoned for multi-unit townhomes which could support 42 units. Based on the City's projected demographics and housing needs and Maxfield Research's Comprehensive Housing Needs Assessment, the City should be able to absorb the vacant lot inventory within the next several years. The City and the Housing Assessment both suggest short term growth will be conservative with faster growth occurring from 2015 to 2020. The Housing Assessment suggest the need for future subdivisions to be platted by 2016 to meet housing demands.

Rental demand. The Comprehensive Housing Needs Assessment for Scott County projects a demand for 154 rental housing units. It notes that, "no market rate apartments [have been] built in New Prague since the 1970s and the additional units could be supported".²

V. HOUSING OBJECTIVES

1. Maintain a balanced housing supply with housing available for people at all income levels and unit types which meet the varying life-cycle needs of New Prague residents.
2. Establish a community of well-maintained housing and neighborhoods including ownership and rental housing by promoting on-going maintenance of owner-occupied and rental housing units.
3. Proactively plan for housing needs including maintaining an adequate but not overabundant supply of available residential lots.
4. Establish a housing pattern that respects the natural environment while striving to meet local housing needs and the community's share of the metropolitan area's housing growth.
5. Improve access and linkages between housing, employment and retail centers in New Prague.
6. Protect the integrity of residential neighborhoods by requiring buffers between neighborhoods and high traffic roads or non-compatible land uses.

III. HOUSING POLICIES

1. Maintain zoning and subdivision regulations allowing for the construction of a variety of housing types and price ranges.
2. Continue to utilize City ordinances that allow planned unit developments that provide a mixture of housing types.
3. New Prague currently has a higher ratio of rental units to owner-occupied housing units than Scott County and Le Sueur County. Rental units are predominantly in multiple-family zoning districts. It is a goal to increase the ratio of owner-occupied housing to renter-occupied housing in New Prague from the current 76.9%-23.1% ratio to 85%-15% as the city grows. The City shall promote the development of multi-family housing units in areas that are physically suited to serve higher densities and discourage high concentrations of rental housing in any one area.

² Comprehensive Housing Study for Scott County, Maxfield Research. December, 2011

4. Require the integration of open spaces within residential developments in order to maintain a living environment that is consistent with the City's vision and guiding principals.

IV. HOUSING PLAN

1. Encourage a Balanced Supply of Housing.

The City of New Prague strives to provide life cycle housing for all market needs including affordable basic units for young people just beginning to enter the workforce to (2) affordable single family units for first time home buyers and young families to (3) move up housing for people with growing families and/or incomes to (4) empty-nester dwellings for persons whose children have grown and left home (5) to low maintenance housing options for aging persons as their ability to maintain their property decreases; and finally to (6) assisted living environments to provide health and medical care to the elderly.

Based on 2010 Census data it appears approximately 1,300 single family units are considered in the "affordable" range, when comparing home values with median family and household incomes. The construction values, along with lot prices, increased significantly in 2004 to 2006, but have recently returned to average values similar to 2002. The City has available lots that are smaller to accommodate affordable housing as well as subdivisions with larger lots and covenants to support move up homes.

According to the on-line Multiple Listing Service, as of May 14, 2012 there were 65 homes listed for sale in the city of New Prague. The asking price ranged from \$25,000 to \$315,000, with 75% of the homes (49) considered in the "Modest Housing" category per the Scott County Comprehensive Housing Study (< \$250,000), 25% considered "Move Up Homes" (\$250,000 to \$450,000) and no executive homes (> \$450,000) on the market. There were 146 listed in the New Prague school district boundary ranging from \$25,000 to \$1,260,000.

The City should review the Zoning Ordinance minimum lot sizes to determine if a larger minimum lot size should be included to encourage move-up and executive style housing.

While no new senior rental housing has been constructed in the past eight years, the Comprehensive Housing Assessment for Scott County suggests existing senior living units should serve short term demands.

The Scott County Housing Assessment identifies a need for additional rental units in the New Prague market area. Only 5.3% of the new housing units constructed in New Prague since 1999 has been multiple-family units. The Comprehensive Housing Assessment suggests future housing demands to include 84% owner-occupied and 16% rental units. As the City continues to grow, the demand for additional rental units is likely to increase. In addition, given the current economy rental units are in higher demand than historically. The City should zone land accordingly to accommodate this type of housing.

In order to maintain a balance of housing options available in the City, the future land use plan includes designations for low, medium and high-density residential developments. The amount of land available in each district should be reviewed periodically to ensure the City's objectives are met.

2. Encourage a Variety of Housing Types.

The City of New Prague currently has a variety of housing options available with the 2010 Census reporting 62.3% of the units as detached single-family units, 22.9% of the City's housing units as single-family attached, 4.7% of the units in two-family units, 2.8% of the housing units in three or

four-unit buildings, 7% of the housing units in 5 or more unit buildings and 0.3% manufactured homes.

The types of housing units constructed have changed in the past few years with a larger number of single-family owner-occupied attached units. The style and type of housing constructed has been a result of market conditions. This is anticipated to drive future housing types in the future.

Future housing will occur primarily in newly platted areas, with some housing occurring in infill areas. Section 713 of the City's Zoning Ordinance requires homes, which are moved into existing neighborhoods to be compatible with surrounding housing stock.

3. Promote Well-Maintained Housing

15% of New Prague's housing stock (331 units) was constructed in 1939 or prior to that date (73+ years old). The 2010 Census reported 35% of owner-occupied units (274 units) were constructed after 2000. With the relatively new housing stock, minimum maintenance concerns arise. Even with older housing stock it appears the units have been well maintained.

Typically maintenance concerns are greater with rental units than owner-occupied units due to a higher turn-over rate, as illustrated in Table 6-4.

To address future maintenance of both owner-occupied and rental housing the City should continue to address areas such as outdoor storage, landscaping requirements, parking requirements, etc in its Zoning Ordinance. As the City grows and number of rental units increase, the Planning Commission and City Council may wish to revisit the need and desire for a rental housing maintenance ordinance.

The City should continue to pursue programs such as the Small Cities Development Grant residential rehabilitation grant to encourage residential maintenance and upkeep.

The City should consider the costs and benefits to a rental housing ordinance.

The City should consider architectural and/or design requirement and a review process for multiple-family housing structures to ensure quality materials which are compatible with surrounding structures.

4. Linkages between Housing, Recreation and Employment

One of the goals of the Comprehensive Plan is to improve linkages between housing, recreation and employment. This may be accomplished through subdivision design with collector streets, trail and sidewalk connections.

According to the 2010 Census, of the 3,598 traveling to work in New Prague 236 or 6.6% reported walking to work, while another 176 or 4.9% reported working at home. 2,145 or 59.6% reported they worked outside of the county they lived in.

As the City grows additional industrial and commercial employment opportunities will be available for residents. Providing pedestrian routes for those walking or bicycling, especially along collector streets and arterials will assist in providing important links between residential neighborhoods and places of employment and retail/service.

5. Address Affordable Housing Needs

The Comprehensive Housing Assessment for Scott County suggests a need for 66 affordable to subsidized rental units and eight affordable senior housing units by 2020. Affordable housing programs are coordinated through the Scott County Community Development Agency. The city is also working with Le Sueur County on a housing rehabilitation program. The City should continue to collaborate with Scott and Le Sueur counties on various programs, including but not limited to:

- Housing Rehabilitation Loan Program – This is a Scott County wide program available to families/individuals at 80% of the median area income.
- First Time Homebuyer Program – This is a Scott County wide program available to first time homebuyers at or below 80% of median family income, within all communities in Scott County. The city of New Prague is included in Minnesota Housing's pool of first time homebuyer funds. The CDA has worked with first time homebuyers in New Prague on Youth-build lots and provided a write down for the families.
- Conduit Bond Financing – Scott County Community Development Agency offers conduit bond financing for housing projects within cities in Scott County.
- Housing Vouchers – Scott County Community Development Agency, offers the Housing Voucher Program in New Prague. The federally funded program allows the HRA to pay for up to 70% of a tenant's rent to the landlord, with the balance (up to 30% of the rent) being paid by the tenants. The CDA administers Housing Choice Vouchers in New Prague.
- County owned housing in the community – Scott County Community Development Agency has public housing in various Scott County communities. The Scott County CDA built and owns Phillip's Square, a rental building for those aged 55+ years.
- Rural Development 515 Project – The Scott County Community Development Agency may utilize this federal program.
- In the past, the CDA built and sold workforce housing homeownership (Wencel lots)
- The Scott County CDA has also provides Foreclosure Prevention services.
- The City of New Prague, at the time of this Comprehensive Plan update, was participating in a Le Sueur County Small Cities Development Grant Program for low income residents, on the Le Sueur County side of the city. At this time Le Sueur County Human Services does not coordinate any other housing programs.
- The Minnesota Valley Action Council (MVAC) is a non-profit organization with offices in Le Center and Mankato. They offer a variety of housing programs to residents of New Prague, in Le Sueur County, including but not limited to Section 8 Housing, loan programs, weatherization, homeless prevention housing assistance, and family assets for Independence (FAIM).
- The City may wish to consider housing incentive program which continue to meet life cycle housing goals.



Registered Rental Properties Map August 2011 (2010/2011 Registrations)

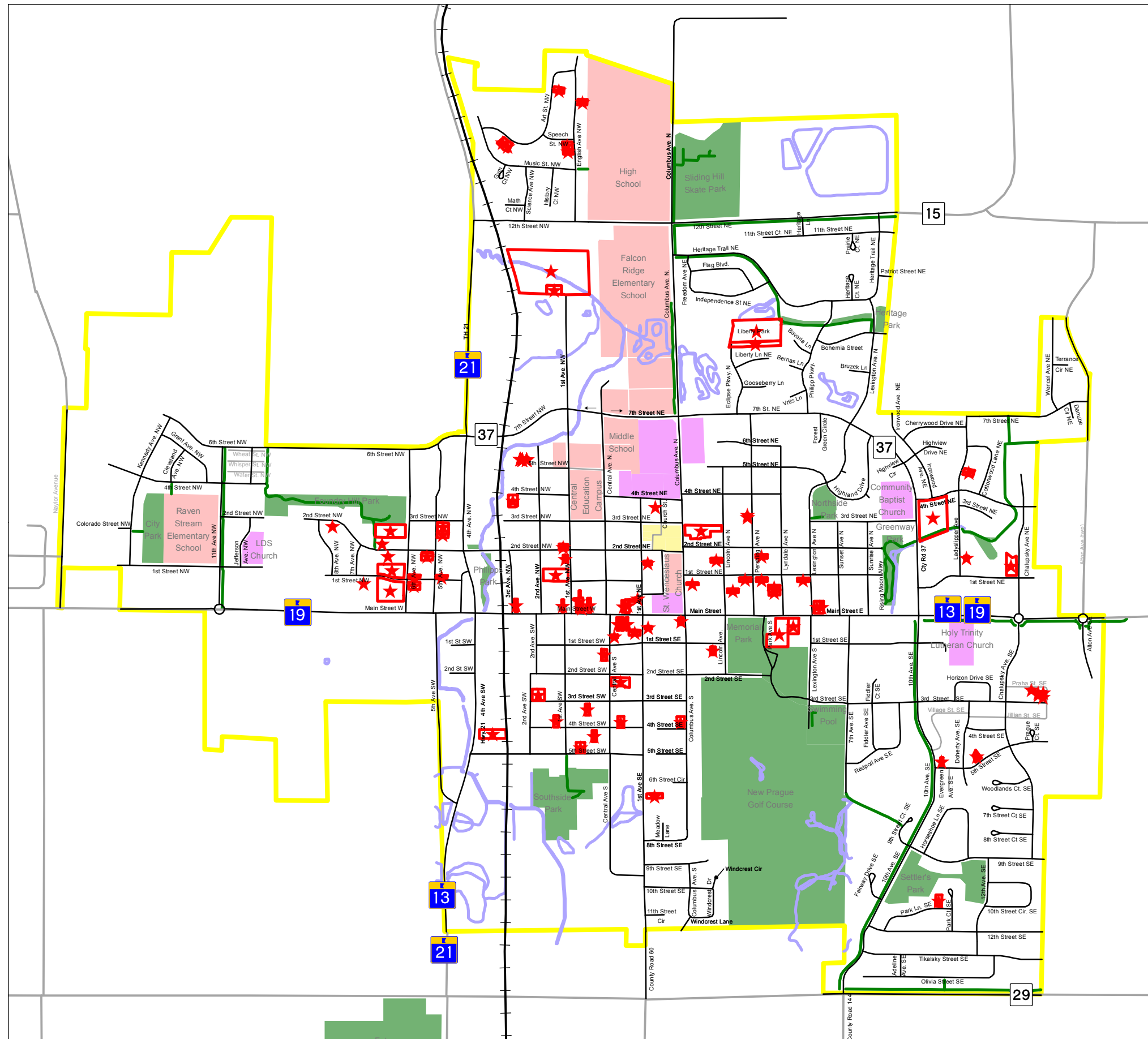
MAP 6-1

As of August 2011:

478 Registered Rental Units

- 1 Bedroom - 139 Units**
- 2 Bedroom - 210 Units**
- 3 Bedroom - 80 Units**
- Other Bedroom - 47 Units**

**(Map does not show location
of some rental townhome units
in LeSueur County)**



0 0.25 0.5 Miles

Current to: August 2011
Prepared by: New Prague Planning Department
File: W:\GIS\Projects\Ixds\RentalRegistrationsMapApril2010.mxd

Disclaimer: This map was prepared using the City's GIS and is based on the County and City Street Data maintained by the County and City. While the City believes that the data is accurate, the City does not warrant that data in the GIS is error free and the City does not represent that the GIS data can be used for purposes such as navigation or any other purpose requiring the exact measurement of distance and direction or the precise depiction of geographic features. This disclaimer is pursuant to Minnesota Statutes 466.03 Subd. 21. The user of this map acknowledges that the City shall not be liable for any damages that may arise from this map or the information it contains.