

2023 HOUSING NEEDS ASSESSMENT



ADAMS COUNTY / QUINCY, IL

BACKGROUND

The COVID-19 Pandemic, vastly changed the housing needs of the City of Quincy and Adams County. The area has witnessed a decline in available housing while residential new construction has slowed and more residents sought to change their living accommodations.

This study evaluated the need for housing in Adams County, Illinois with a focus on Quincy, Illinois. Demand for housing in the same area and gaps between supply and demand. The study evaluates the effectiveness of past programs, while engaging stakeholders on what specific steps the entities could do to encourage additional investments in housing. For those gaps identified, strategies are offered, enabling the client to help close those gaps. The objectives of this study is to gain a better understanding of how the community's area housing market works through data and surveys completed by employers, stakeholders, community members, and people who have relocated to the area recently.

FEEDBACK

- 58% of the community members surveyed were dissatisfied with the availability of quality homes in Quincy and Adams County.
- 66% of the community members surveyed thought they would be looking for a home in the next 10 years.
- 83% of the stakeholders surveyed thought there was not enough affordable housing units to make near-term demands.
- 68% of stakeholders surveyed did not feel zoning was inhibiting development of housing.
- 62% of stakeholders said supply chain delays affected their ability to build homes.
- 75% of the stakeholders surveyed said the lack of available labor, increased cost of supplies and the lack of supplies have all hindered their ability to build homes.

KEY FINDINGS

- Adams County has a very low vacancy rate
- Market rate units have a vacancy of only .7%
- Income based units have a vacancy of only 3%
- Home prices have gone up 8.7% in the last year alone

PROJECTED HOUSING NEED (IN UNITS):

| | 2023 | 2028 | 2033 | TOTAL |
|--------------------------------|------------|------------|------------|--------------|
| SINGLE FAMILY HOUSING | 100 | 150 | 250 | 500 |
| CONDOMINIUMS/TOWNHOMES | 50 | 100 | 100 | 275 |
| MARKET RATE RENTAL HOMES | 75 | 100 | 90 | 265 |
| AFFORDABLE RATE RENTAL HOUSING | 50 | 75 | 75 | 200 |
| SENIOR HOUSING | 125 | 100 | 150 | 375 |
| TOTAL: | 400 | 525 | 665 | 1,590 |

2023

HOUSING NEEDS ASSESSMENT



ADAMS COUNTY / QUINCY, IL

RECOMMENDED STRATEGIES

IMPLEMENT INCENTIVES TO REDUCE THE COST TO BUILD NEW HOUSING UNITS:

The City of Quincy has had success encouraging investments with incentives offered in their Downtown Rental Rehab Program and Small Rental Rehab Program. The local building community has experienced a drastic increase in costs, a strained supply chain and dwindling labor supply. This has reduced the potential return on investment for builders at such a level that serves as a disincentive for home builders to construct new units. The incentive would be well served to encourage single family houses and affordable market rate rentals.

ADOPT A PROGRAM TO REHABILITATE OLDER HOMES

With over 65% of Adams County Seniors still owning their homes and the existing age of the housing stock, one could draw the conclusion there will be an increase in the necessity to rehabilitate homes when a new family moves in. Young Professionals in the area state the cost to rehabilitate homes is making it unaffordable to move out of a rental and into a starter home. This causes a logjam in the rental market. Providing a program to encourage rehabilitation would encourage investment in older homes, thus reducing the chance of a property to become blighted.

ESTABLISHING COUNTYWIDE HOUSING PROGRAMS

The two most successful housing programs have been limited in Quincy to west of 12th street and the downtown. Adams County has many villages which would benefit from similar programs. The housing industry stakeholders also identified many own properties outside of the City of Quincy's core neighborhoods and would utilize housing programs if offered.

CREATE A HOME BUYERS REVOLVING LOAN FUND TO LOWER THE COST OF BORROWING:

Interest rates have climbed over the last two years, making a monthly mortgage payment more expensive for home buyers. A program that would offer below market interest rates, in partnership with the local banking community could see many renters take advantage of the fund, thus creating more vacancies in the rental market. The City of Quincy has a well utilized Economic Development Revolving Loan Fund, which offers below market interest rates to the business community. That program could serve as a template for such a program in the housing market.

PARTNER WITH LOCAL BANKS AND COMMUNITY GROUPS TO RAISE AWARENESS OF STATE AND FEDERAL HOUSING PROGRAMS

There are many programs offered for home buyers that the consumer and home builder may not be aware of. By offering instructional classes and courses the City and County could tap into additional state and federal resources.

CONCLUSIONS

- Adams County needs more housing in the \$100,000 - \$200,000 range.
- Incentives would not only encourage more developers to enter the market, but would make housing more affordable.
- The City should encourage more dwellings on lots, but overall, zoning seems to be deemed as fair.
- Adams County would grow in population if there was available housing for every open job in the market.