

## **Housing Summit opens door to strategic planning**

**Oct. 16, 2017**

It was a packed house for a day-long discussion on Rapid City's housing needs at the King Center Hall of Fame room on Oct. 11.

More than 70 people representing developers, banks, non-profits and city and state government attended the Housing Summit sponsored by Rapid City Collective Impact, the Black Hills Area Community Foundation, Black Hills Knowledge Network, John T. Vucurevich Foundation, Rapid City Economic Development Partnership and West River Business Service Center.

BHACF executive director Liz Hamburg welcomed participants by saying that Rapid City, like any city, would benefit from having housing for a variety of income levels, and RCCI has laid the foundation for a collaborative approach to addressing this issue. But Hamburg also said the task is a difficult one.

"If it were easy, we would be done by now," she said.

System dynamics modeler Don Greer led off the day's presentations by briefly describing his "stock-flow" computer models and the data used to develop his recommendation for intervention.

"The act of acting changes the game," he said, explaining that a city's dynamics are like a living organism, constantly changing.

While the obvious solution to a lack of low-income housing inventory is simply to build more low-income houses, Greer's models suggest, over time, that intervention alone could do more harm to the city than good. For example, a focus on low-income housing means builders wouldn't be able to build as much mid-level and premium housing. It also would impact the types of workers and businesses the city would attract.

Greer's "Optimize the City Scenario" suggests a multi-faceted approach. It incorporates a demolition policy for slum housing and slum business structures, training programs for under-employed workers and labor workers, and the construction of more "new enterprise" business structures. This approach promotes upward mobility for individuals and better quality of life, not just more housing. In regard to housing, Greer recommends creating more opportunities for builders to build, but non-profits to own and manage properties.

Three brief presentations rounded out the morning: RCCI project manager Charity Doyle discussed the proposed transformation campus, which would serve homeless and often homeless people in Rapid City by providing transitional housing and wrap-around services in one location; Rapid City Economic Development Partnership president Ben Snow and Knowledge Network regional economist Jared McEntaffer, Ph.D., previewed the results of a recent wage-gap study; and State Rep. David Lust provided an update on the Legislature’s summer study on housing.

Keynote speaker Rolf Pendall, Ph.D., opened the afternoon with his presentation, “Growth, Diversity and Vulnerability – Implications for Housing in Rapid City.” Pendall is co-director of the Metropolitan Housing & Communities Policy Center at the Urban Institute in Washington, D.C. with research expertise in housing policy and programs, land-use planning and metropolitan growth patterns.

Pendall told attendees how impressed he was that the Rapid City community has embarked on a collective impact project at a systems level, to try to “do the whole enchilada, to try to get an understanding of how the ‘big picture’ works.”

His presentation focused on four areas:

In the first, **Housing and the Life Course**, Pendall asked participants to think about what people *need* from housing at different stages of their lives. “We’re talking about families and the people in them,” he said, reminding the audience to consider how homes allow people to reach their full potential as humans, earners and parents.

Next, Pendall discussed **Growing Households, Growing Diversity**. He said as Baby Boomers age, household heads will be increasingly diverse in age, and the age diversity of renter households will grow even more. He also said more than half of Pennington County’s housing stock is at least 30 years old, and that stock is not keeping pace with the diversification of households.

Third, he commented on **Growing Population, Growing Vulnerability**. Data shows that more than 10 percent of this area’s residents are American Indian or Hispanic. Pendall added that it is a much younger population than the white population, and about half of Natives live below the poverty line. He also said the U.S. Department of Housing and Urban Development calls for special intervention for American Indians and Alaska Natives in both tribal and urban areas because there are often high rates of instability as people transition from place to place.

Lastly, Pendall discussed how growth, diversity and vulnerability matter for Rapid City’s housing policy by sharing his **Pillars of a Holistic Strategy for an Increasingly Diverse Rapid City**. These four recommendations include: keeping up with household growth and diversification by fostering construction and manufactured housing placement with planning and infrastructure investment, and by upgrading older homes and turning more of them into multi-unit buildings; sustaining and expanding commitments to affordability by supporting federal housing assistance programs and complementing them with state and local programs; assuring safe and healthy homes and

neighborhoods, in part by reinvesting in older homes and community infrastructure; and protecting the most vulnerable.

“Congratulations for being ready to roll up your sleeves,” Pendall said, before taking questions.

The day concluded with workshop-style panel discussions facilitated by Eric Abrahamson, board chair for the Black Hills Knowledge Network, and focused on the topics of permitting and regulation, financing, barriers to building and management expertise.

The intent of the afternoon conversations was to identify needs that should be addressed in strategic planning. Suggestions included more education for individuals about personal finance and credit, and more awareness for special home-buying programs; further discussions between developers and city staff to try to reduce some of the costs associated with building; and the creation of more public/private/non-profit partnerships that could do more to address the community’s housing needs – a true collective impact approach.

Summit participants were invited to consider playing a role on a steering committee that will take the work started at the Housing Summit and begin the process of developing a strategic housing plan. Nearly 20 people agreed to the task, and we look forward to sharing more about their efforts in the coming months.