



Finney County
Economic Development Corporation



Housing Issues and Challenges



- Lack of Rental and Transitional Housing
- Shortage of Developable Lots
- Lack of Developers in the Community
- Infrastructure and Finance Issues
- Flood Plain Designations
- Downtown Development

Lack of Rental and Transitional Housing

Rental development in Finney County virtually evaporated during the past 10 years. The result is a severe shortage of acceptable rental settings. Below are a few of the reasons for the current crisis.

- ✓ After the 2000 Con Agra Plant fire rental vacancy rate rose dramatically, which persisted until recently. The current rental capacity rate for Finney County is 96%.
- ✓ New development will not occur when vacancy rates are high.
- ✓ Market Rental Rates must support monthly rents necessary to make projects feasible. Currently typical rental rates are \$450-\$600 which do not support unsubsidized development projects.
- ✓ Tighter credit and tougher underwriting standards have forced more housing consumers into the rental market

Shortage of Developable Lots

Over the past few years Finney County has experienced a continued sustained demand for housing but a diminishing supply of shovel ready lots. While land resources exist the cost of public infrastructure improvements discourage land development, especially in a market with a slow absorption rate and tighter credit demands. Finney County has a multi-year supply of platted lots but the problem is a lack of full public services which increase the cost for development.

Lack of Builders and Developers

Finney County shares the same problem as many other western Kansas communities, a diminishing community of builders and developers. Current development activity is limited to higher end subdivisions and incremental speculative housing. Issues that have slowed housing progress are the housing economics, labor availability and entrepreneurship. The cumulative effect is an industry that now has a difficulty responding to the demands.

Infrastructure and Finance Issues

PUBLIC IMPROVEMENTS—streets, waste water and water are major cost in subdivision developments

In medium sized markets with gradual sales and moderate demands discourages developers from making these front end investments.

Finney County's moderate housing prices also complicate matters of new development. In the moderately priced market these fixed costs are a higher percentage of the sales price, increasing builder risk and decreasing profit margins. Under these conditions the best a developer can hope for is to break even on development cost, which discourages new construction activity.

Flood Plain Designation

Finney County currently is disputing a recent FEMA ruling which resulted in flood plain map amendments that have re-classified a significant portion of Garden City in a 100 year flood plain. This creates a potentially significant housing affordability and marketability issue. Homeowners in this area may be forced to purchase flood insurance adding a significant cost to new development.

Downtown Development

Downtown Garden City has a distinctive district with a strong civic and commercial base along with a supply of architecturally important buildings. Reuse of the two largest of these , the Windsor Hotel and Buffalo Jones Hotel have become substantial challenges. The City is working closely with Downtown Vision to develop second story apartment living along the main street corridor, which has provided needed rental and owner occupied housing.

Finney County

Housing Objectives

- Encourage the production of critically needed rental housing
- Give the City and County the ability to respond to increased housing demand
- Develop infrastructure support necessary to increase the supply of developable lots
- Maximize possibilities for regional collaboration and information sharing
- Implement a community partnership that can address countywide housing needs



Finney County Housing Objectives

- Streamline review and approval process
- Execute a significant downtown revitalization program that includes housing as a key ingredient
- Conserve existing housing stock and use available land that is already served by infrastructure
- Help create greater development balance in small communities

