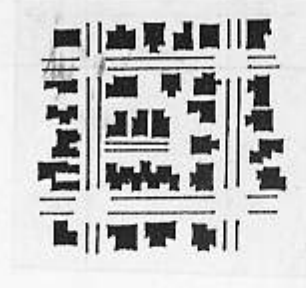
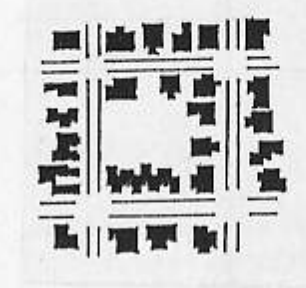
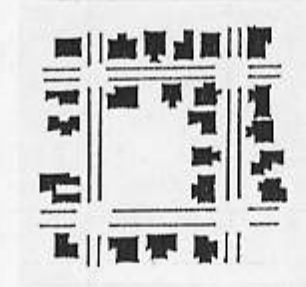
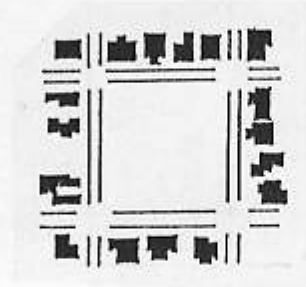


1991 COMPREHENSIVE PLAN
for Georgetown, Sadieville, Stamping Ground,
and Scott County, Kentucky

Adopted by the
Georgetown-Scott County Planning Commission
March 28, 1991



HOUSING ELEMENT / ACTION PLAN

ACKNOWLEDGEMENTS

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The report, "Scott County Faces Its Future: Housing Issues and the Scott County-Georgetown Comprehensive Plan" by Alan Mallach, Edward J. Holmes (Bluegrass Area Development District), and John G. Martinez (Kentucky Housing Corporation), provided valuable background information to the Housing Subcommittee. The report was based on an evaluation of housing information and three days of intensive interviews and round table discussions with state, regional, and local officials and citizens.

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HOUSING ELEMENT / ACTION PLAN

I. INTRODUCTION

BACKGROUND - SCOTT COUNTY HOUSING

Past housing goals, objectives, and policies in Scott County have been implemented primarily through the private market. Decisions as to where to build, how much and at what costs are made primarily by builders, their customers and lending institutions. Similarly, decisions to invest in housing improvements are made by private owners and lending institutions. The definition of a housing plan and program for public action presumes, therefore, the ability to identify critical variables affecting these private decisions which are subject to public guidance and encouragement.

Currently, undergirding public housing policies throughout Scott County is the consensus that every citizen should live in decent, safe and sanitary housing, in an appropriate neighborhood environment, within their financial means. More specifically, it is agreed that every Scott County citizen should live in housing that is:

1. Physically standard and having adequate plumbing facilities (or meeting specified criteria as defined by local building and housing ordinances and codes).
2. Of adequate size relative to the size of the household, designed to prevent overcrowded conditions.
3. Within financial means of the family to pay. (This requirement has been generally interpreted to mean no more than 30 percent of the family's net income for public planning purposes, although this percent of income is high for lower income households and may impose real financial burden and hardship if actually required for housing.)

4. Within proximity to community facilities including shopping, transportation, schools and professional facilities.
5. Within a healthy, natural environment, free from excessive air, water and noise pollution.

The overall perspective of this Comprehensive Plan has been to promote a community that is diversified in terms of professions, cultures, and income-levels. Housing is an issue of critical importance for accomplishing this goal for the future of Scott County. In its efforts to preserve its environment, and ensure that present and future residents can find the quality of life they are seeking, the community must ensure that opportunities exist to provide the housing needed by all of its citizens, as well as to accommodate the demands created by job growth.

This Housing Action Plan summarizes the efforts of the Housing Subcommittee of the Comprehensive Plan Citizen Advisory Committee. Background information and the basis for the plan can be found in the report "Scott County Faces its Future: Housing Issues and The Scott County/Georgetown Comprehensive Plan." The report and this action plan were prepared by a team of housing experts that visited Scott County in December, 1989 to evaluate the county's housing situation and recommend the steps needed to accomplish the community's goals.

During the visit of the Housing Advisory Team, over 80 local, regional, and state people representing government, realtors and developers, the Georgetown Housing Authority, senior citizens, business and industrial leaders,

financial institutions, public services agencies, the education and medical community, the African-American community, and the Planning Commission were interviewed about the housing needs created by Scott County's growth. The consensus of those interviewed was that sufficient housing is not being provided that is affordable to the average Scott County family or new employees wishing to move here. The serious implications of this were explored in "Scott County Faces Its Future," and this Action Plan recommends a new direction for the community.

THE ISSUE - AFFORDABLE HOUSING

Housing for the more affluent present and future residents of Scott County is provided -- for the most part effectively -- by the private market. Not only have large numbers of units been built, but the number of approved but unbuilt lots in the county is such that the anticipated demand for the immediate future is likely to be met, even if no additional approvals are granted.

Affordable housing, however, is less readily available. Because there has been confusion about the meaning of "affordable housing," this plan seeks to define it. In general, the private market can provide for upper-income housing needs with no special government assistance or policies. The Georgetown Housing Authority addresses lower-income housing needs through available federal and state programs. Housing that is affordable to moderate income families tends to fall in the gap between federal low-income housing incentives and market-rate housing. Appendix A defines the current price range of "affordable housing" according to income levels of Scott County residents and new employees.

In practical terms, the shortage of housing affordable to low to moderate income Scott County residents is a serious problem, for a number of reasons.

- The shortage of affordable housing threatens Scott County's ability to maintain its historic

character as a diverse and balanced community, offering living opportunities not only to managers and executives, but to the heart of the community -- industrial workers, nurses and orderlies, policemen and school district workers, and the like.

- The shortage of moderate-income housing is making it more and more difficult for the children of Scott County residents to find affordable housing, and remain in the county where they were born and raised.
- Despite the many efforts that have been made to meet lower income housing needs during the past decades, large numbers of less affluent households in the county still live in seriously substandard and overcrowded conditions. Many others are spending an excessive share of their income for housing costs.
- Special populations such as the elderly and handicapped are increasing in Scott County, and their housing needs are going unmet.
- The shortage of affordable housing makes it difficult for workers employed in Scott County to find housing close to their workplace.

While not every new industrial worker will want to live in Scott County, and while it is certainly not incumbent on the county to accommodate every worker, it is appropriate for those households who are seeking to settle in the county to find the opportunity to do so.

For all of these reasons, the Planning Commission and Scott County local governments should take a more proactive and aggressive role than they have in the past to foster the production -- as well as the conservation and rehabilitation -- of affordable housing in the county. Only through such efforts will the community be able to maintain its diversity and its traditional small town character, both of which could easily otherwise be lost in the pressures of growth and change.

II. HOUSING GOALS SUMMARY

THE NEED FOR DIVERSE, DECENT HOUSING:

A. All Scott County citizens should have safe, sanitary, and decent housing to meet their needs. The new housing demands created by job growth should be accommodated, in keeping with other goals for growth and protection of community character and the environment.

B. Scott County should preserve and expand a diverse housing stock capable of meeting the needs of a diverse population, who vary by income, preference, household size and type, and special housing needs. A diverse housing stock must meet peoples' needs in different ways. It must reflect their ability to pay, as well as their ability to buy -- or their need to rent -- their home. The needs of special populations, including the frail elderly, the developmentally disabled, and the physically handicapped, must also be addressed.

RESPONSIBILITIES OF THE PUBLIC AND PRIVATE SECTOR:

C. The Planning Commission and local governments should take an active leadership role to foster the production, conservation, and rehabilitation of housing affordable to families of moderate and lower income.

D. Scott County governments and business and community organizations should jointly establish a non-profit housing corporation to multiply the institutional resources for affordable housing.

TARGETS FOR PLANNING AND ACTION:

E. Affordable Home Ownership

There is a clear need to increase home ownership opportunities for young couples and families who make up the large middle group of

the county's population and work force -- people working in industry, services, and government, with household incomes typically between \$20,000 and \$30,000. These families want to be homeowners, and can become homeowners if housing can be made available at prices ranging from under \$55,000 to no more than \$75,000.

F. Appropriate Rental Housing

Many families, particularly those earning under \$20,000 per year, are not candidates for home ownership. Others, for reasons of preference, physical condition, or transiency, find home ownership inappropriate. For this population, rental housing should be provided. There is a need for more private market rental housing both for families who can afford market rents, and for low income families holding Section 8 certificates or vouchers. The potential need for additional subsidized housing should be examined, and where appropriate, additional Farmers Home Administration or public housing projects should be pursued. Finally, rental housing is needed for populations with special needs, particularly Scott County's growing senior citizen population.

G. Rehabilitation and Neighborhood Preservation

One of the greatest housing needs in Scott County does not involve new housing: it is the need to maintain and improve existing housing and neighborhoods. There are many substandard housing units that can be rehabilitated to provide sound and decent housing. In addition to house by house rehabilitation, many areas -- such as the Boston section of Georgetown, and the entire community of Sadieville -- demand a comprehensive neighborhood preservation approach, to preserve their strong neighborhood fabric while upgrading existing housing, infrastructure and community services, and creating opportunities for new infill development.

III. HOUSING OBJECTIVES AND ACTION PLAN

This action plan recommends specific steps that must be taken to accomplish the goals for Scott County housing. It is organized according to the various public and private actors that need to become more aggressively involved in housing planning and provision.

PRIVATE, NON-PROFIT HOUSING CORPORATION

1. A key objective of the housing element is to create a private, non-profit housing corporation through joint public/private initiatives to carry out the implementation of affordable housing programs and projects.

1.1 Role of Housing Corporation: Such a corporation, with committed leadership and adequate start-up resources, could carry out many activities in Scott County that are supportive of and not competitive with the private housing market and capable of fostering the principle of affordable housing.

1.2 Leadership: The corporation should be led by a board of directors including committed representation from major businesses, the real estate and building community, and a range of community organizations to ensure broad-based support, with an ex-officio advisory board to focus support of governmental agencies and resources.

1.3 Agenda for the Housing Corporation: The following are some of the main activities for which the corporation should take primary responsibility:

- **Multiply financial options for homebuyers.** Work with private lenders, local governments, and in particular with the Kentucky Housing Corporation to enable first time home buyers to obtain low-interest financing, and to reduce the amount of cash

needed for down payments and closing costs. Administer mortgage assistance programs created to encourage affordable home ownership.

- **Encourage employer involvement in creating affordable housing opportunities.** Major industries and businesses around the country have taken initiatives to provide mortgage and down payment assistance to their employees. The cities and County should create ways through which small employers -- who lack the resources to undertake independent efforts -- can also participate in such programs.
- **Spearhead and coordinate land acquisition and financial packaging for affordable housing development projects,** to be constructed by private sector builders and developers.
- **Collaborate with the Planning Commission to devise affordable housing incentives** available through zoning and subdivision regulations. Work with developers to ensure that the affordable units produced reach households truly in need.
- **Serve as advocate** of significant and innovative affordable housing proposals during the development review process.
- **Collaborate with the Planning Commission in neighborhood planning and assist in targetting resources** for neighborhood revitalization, infill development, and code enforcement efforts.
- **Manage existing projects** where appropriate to ensure that they remain part of the affordable housing stock.

THE PLANNING COMMISSION AND LOCAL GOVERNMENTS

The Planning Commission is encouraged to take an active role in terms of defining the future of the county -- and the specific plans and regulations needed for the county to get there -- rather than wait passively to react to developers' applications. It must develop stronger ties to the community and the many interests represented within it, to build support for and foster active public participation in its efforts.

Specifically, the Commission, with the full and informed support of the Fiscal Court and city councils, must take steps in both the regulatory and planning process to encourage diverse, decent, and affordable housing. The Planning Commission will need the creative collaboration and advocacy of the non-profit housing corporation to accomplish many of these actions.

2. Zoning and Subdivision: Modify the framework of land use regulation to provide for a range of diverse housing needs and to increase opportunities for moderate-income housing. Through a more targeted zoning process, provide specific opportunities for a wider range of multi-family densities, single-family housing on small lots, planned developments and other innovative neighborhood designs, and mobile home parks.

2.1 Development Review Process: Refine zoning and site improvement standards in order to provide greater clarity in the planning process, greater predictability with respect to development regulation, and streamlining of the project review process.

2.2 Multi-Family Zoning Categories: Amend the residential classifications within the zoning ordinance to accommodate a wider range of multi-family zoning categories. Standards for lower density duplex to fourplex housing are needed, and downzoning of some areas now zoned R-2

may be appropriate, based on neighborhood plans. The Planning Commission should also explore whether multi-family densities greater than R-3 (16 units per acre) would be appropriate for this community.

2.3 Innovative Housing Styles: Amend the residential classifications within the zoning ordinance to allow innovative subdivision and mixed-density development design through planned developments. Standards for planned developments should encourage and allow the following:

2.3.1 Additional, higher-density single-family homes on small lots (sometimes called "cottage" or "zero lot line" homes). A planned development category could allow the developer and Commission flexibility to vary standards for lot size, yards and setbacks, streets, parking, landscaping, etc. in order to keep project costs down, as long as the overall goals of an attractive, safe neighborhood with adequate public services are met.

Historic housing patterns in older sections of Georgetown could provide a model. Since architectural design is crucial to the success and community acceptance of these "cottage" neighborhoods, far more so than for standard suburban development, the Planning Commission should consider including basic design guidelines in the planned development regulations.

2.3.2 Cluster urban subdivisions, in which density is shifted from areas to be preserved as private or public open space and concentrated elsewhere on the property (see Growth and Land Use Element, Section III, incentives for cluster development through Transfer of Development Rights).

2.3.3 Other innovative urban design, building, and street and parking layouts which create useable private and semi-public or public open space and green areas.

2.4 Mobile Homes and Manufactured Housing: Recognize the continued use of mobile homes and mobile home parks as a means of meeting affordable housing needs.

2.4.1 Designate appropriate sites for mobile home parks, and draft zoning provisions -- including site planning, landscaping, buffers, and public service and infrastructure needs -- to ensure such development is in keeping with overall housing standards.

- To ensure adequate fire protection, mobile home parks should be served by municipal water and fire hydrants, and a fire station.
- Mobile home parks should be served by municipal sewer, and are not appropriate for septic systems or privately-owned sewage treatment plants.
- Mobile home parks should be visually compatible with the surrounding area, or must be screened to minimize negative impacts.

2.4.2 Encourage the use of modular housing, to create alternatives for rural and urban affordable housing. The proposed non-profit housing corporation should explore creation of a prototype rural modular home that is competitive in price and availability to a mobile home.

2.5 Affordable Housing Incentives: Devise specific incentives that can be offered to developers to encourage the creation of affordable housing units. The Planning Commission should explore, in conjunction with the non-profit housing corporation and developers, incentives that can be offered without impairing other important planning objectives.

2.5.1 Offer zoning incentives, such as density bonuses, for developers who agree to provide a reasonable percentage of their units to sell or rent at an affordable price.

(See the "Transfer of Development Rights Program" in the Growth and Land Use Element.)

2.5.2 In areas where sewage or other infrastructure capacity is limited, priority should be offered to those developers whose projects contain a minimum percentage of affordable housing.

2.5.3 Develop an ongoing process for defining the target price of "affordable housing" to ensure program goals are being met. (See example in Appendix A.) The Planning Commission should re-evaluate and determine the affordable housing target price as needs, incomes, and markets change through time.

2.5.4 Develop a method to ensure that affordable housing will be provided in exchange for the incentives, such as a contract with the developer guaranteeing the initial and resale price or rent of the housing.

3. Housing Planning: Through neighborhood and infill planning, widen opportunities for affordable housing while preserving and strengthening the fabric of existing neighborhoods.

3.1 Neighborhood Planning: Support the concept of neighborhood level planning, incorporating into the Comprehensive Plan more detailed plans capable of maintaining community character while creating new housing development opportunities. Different areas will require different types of planning, including:

- Redevelopment or neighborhood preservation areas, which contain large numbers of substandard units, vacant or underdeveloped lots, and infrastructure deficiencies, in which public investment will be needed, and in which the focus must be on both improving and preserving the community;

- Stable areas, in which careful standards must be set to ensure that private infill and redevelopment activities do not impair the existing fabric of the neighborhood, and the quality of life of present residents;
- In major undeveloped sectors, there needs to be a finer level of small area planning to serve as a guide to future zoning. In these sectors, neighborhood planning should designate areas appropriate for a range of residential densities (low, medium, and high densities) and the arrangement of collector streets, parks, commercial areas, and other public facilities needed to create a complete and well functioning neighborhood. This type of advanced planning will increase predictability and reduce delays in the zoning process.

3.2 Neighborhood Revitalization: Develop a rehabilitation and neighborhood preservation program and strategy.

- Areas such as Sadieville and the Boston neighborhood in Georgetown should be rehabilitated and improved in a coordinated fashion based on a comprehensive plan developed with full participation of neighborhood residents and business people.
- The program of improvement should include rehabilitation of existing housing, upgrading of infrastructure, review of zoned uses and densities, creation of infill housing sites on appropriate vacant parcels and tailoring of standards for infill, improving economic development and job opportunities, and upgrading community facilities and services.
- Neighborhood preservation must be a coordinated effort between the Planning Commission, non-profit housing

corporation, Georgetown Housing Authority, Building Inspection Department, and utility and public service agencies.

- Funds, in addition to the limited Community Development Block Grant funds currently available, must be raised for this effort. A "revolving fund" for housing rehabilitation, site acquisition and preparation, and other capital needs should be established through combined public and private participation.

3.3 Infill Development Planning: Strongly encourage appropriate infill development as a way to provide affordable housing, and apply the following infill policies through the neighborhood planning, zoning, and development review procedure.

3.3.1 Appropriate Infill Densities: Through neighborhood planning, the Planning Commission, in concert with the non-profit housing corporation, should identify neighborhoods with potential for infill development and establish zoning standards with densities appropriate to each neighborhood.

- Neighborhoods with potential for higher density infill are those with a substantial proportion of vacant, underdeveloped, or blighted properties, where there is potential for the entire area to evolve, over time, to a greater density.
- In stable neighborhoods with a high proportion of home ownership, fairly uniform densities, and few available lots, infill should generally maintain the current density and neighborhood character.
- Roads, availability of public services, and the ability to buffer new housing from old with setbacks, landscaping, and separate access should also be considerations in deciding infill density.

3.3.2 Minimize Land Use Conflicts: Encourage beneficial redevelopment and infill which minimizes land use conflicts and stabilizes the area.

3.3.3 Buffering: Minimize negative impacts of infill development upon existing development through effective uses of landscaping and overall site planning. Require the creation of buffers between existing uses and new uses of greater intensity or density.

3.3.4 Circulation: Encourage development of a circulation system which produces safe, efficient movement for both vehicles and pedestrians within infill areas and minimizes negative impacts to the existing system.

- Where feasible, encourage development of a circulation system which minimizes vehicular movement from higher intensity uses through lower intensity uses.
- Promote access at locations which do not require removal of existing residential structures and preserve existing vegetation.
- Require, through a development plan, the specific identification of vehicular circulation.

3.4 Open Space in Residential Planning: Encourage preservation of open space and provision of adequate park and recreation facilities in all residential areas. (See also park standards in Community Facilities Element and open space policies in Environmental Quality Element.)

GEORGETOWN HOUSING AUTHORITY

4. Financial Assistance Programs: Encourage further utilization of Federal and State housing programs to address unmet lower income housing needs in Scott County.

4.1 Efforts to use available Federal programs -- carefully targeted to local needs -- should be accelerated. Senior citizen housing opportunities, using the Farmers Home Administration program as well as the HUD Section 202 program, should be actively pursued. Since it appears likely that Georgetown will lose its eligibility for FmHA programs, a fast track for applications under the Section 515 program should be established.

4.2 Establish an information clearinghouse for financial and technical assistance for stabilization and renovation of urban and rural housing (Federal and State sources: Farmers Home, historic preservation grants, weatherization programs, etc.).

BUILDING INSPECTION

5. Code Enforcement: Encourage rehabilitation of substandard housing and private reinvestment in neighborhoods through a strong housing code and property maintenance enforcement program.

5.1 Establish an on-going code enforcement program in both Georgetown and the County, to support enforcement in smaller communities and rural areas.

5.2 Coordinate code enforcement with the Housing Authority and the proposed non-profit corporation to help property owners find resources for housing rehabilitation, especially for owner-occupied units, and to minimize negative impacts of relocations when these are necessary.

- 5.3 Closely coordinate this program with neighborhood preservation and infill planning.

UTILITY AND PUBLIC SERVICE AGENCIES

6. Infrastructure Costs: The community's policies concerning provision of public services and infrastructure are a key factor affecting housing prices. The Planning Commission should work with utility companies to identify policies to lower financial barriers to affordable housing, while ensuring that development pays its fair share of infrastructure costs.

- 6.1 Give consideration for affordable housing in public capital improvement projects. Local governments and utility agencies need to focus available public funds for major infrastructure improvements in areas where the greatest benefit will result. It is reasonable for developers to pay for the cost

of infrastructure extensions to serve their project. However, major off-site costs, such as for new interceptor sewers, or widening of deficient collector roads, need to be shared through impact fees and public capital improvement projects.

- 6.2 Developers sometimes must pay the cost of improvements that will eventually serve other developments as well as their own. The financial impact of upfront costs should be reduced through methods to reimburse the developer for these improvements. Local government and utility agencies could establish reimbursement funds to repay developers as fees are collected from additional growth. For affordable projects, a payback rate could be guaranteed from the fund.
- 6.3 Develop flexible design standards that aim to minimize costs for on-site infrastructure improvements while ensuring that standards are met.

IV. CONCLUSION

Scott County can solve its housing problems, and provide decent and affordable housing for all its citizens. The issue is a manageable one, if addressed aggressively and in a timely fashion. The number of units involved is not large, compared to large urban areas where the housing deficit is numbered in the hundreds of thousands of units. Although housing costs have risen, the gap between the need and the market is not yet so great that it cannot be bridged.

This plan outlines an ambitious strategy for Scott County, through which it can begin to address its housing needs. It is closely related to the future land use and development options chosen by the county. It calls for a forthright and ambitious commitment by the public and private sectors in the county to better housing and planning policies. It will take effort and resources. The outcome, however, will be well worth the effort: a better Scott County for all of its citizens and workers.

APPENDIX A

DEFINITION OF "AFFORDABLE" HOUSING AND PROJECTED PRICE RANGE OF HOUSING NEEDS FOR SCOTT COUNTY

Two surveys give a basis for projecting housing demand in various price ranges: The University of Kentucky random sample telephone surveys of Scott and surrounding counties and a private survey of new Scott County industrial employees (Table 1). The price range categories used in each study (shown in Column 2) were roughly comparable and can be combined for the purpose of this study. Considering the average responses of both of the surveys, the total percentage of those needing housing in the less than \$80,000 range is 70.10%.

If the survey results and an estimate of maximum housing price affordable to a family making the Scott County median income (below) are combined, this yields a target figure of

\$60,000 as the "affordable" housing price. This is the price of housing that 50% of Scott County households and new employees could afford at this time.

This figure multiplied by the total projected 15 year dwelling unit increase for the medium growth (2800) to high growth (3600) ranges gives a rough estimate of the number of dwellings needed in the \$60,000 and below price range for the next 15 years. The total number of houses needed within this price range according to these figures is 1400 to 1800 units (medium to high growth range). This represents a need of 500 to 600 units within the next five years.

TABLE 1
BREAKDOWN OF PRICE RANGE ACCORDING TO SURVEYS

	<u>Housing Price</u>	<u>% Who Can Afford</u>	<u>15 Year D.U. Demand*</u>
Industrial Study	45 to 55k	24%	
U.K. Survey	Less than 50k	<u>30.7%</u>	
		avg. 27%	760 - 970
Industrial Study	55 to 65k	28%	
U.K. Survey	50 to 65k	<u>22.3%</u>	
		avg. 25%	700 - 900
Industrial Study	65 to 75k	23%	
U.K. Survey	65 to 80k	<u>12.2%</u>	
		avg. 18%	<u>500 - 650</u> 1960 - 2520

*Total projected 15-year dwelling unit demand is 2800-3600 units, based on 17% to 22% 10 year average growth rates. This column shows the number of units that must be produced in each price range, based on the percentages in column 3.

AFFORDABLE HOUSING COSTS BASED ON MEDIAN INCOME

The following reports the results of a study done by Nathan Patton for the Georgetown City Attorney in 1989. According to the University of Louisville Urban Study Center, the median family income for Scott County in 1987 was \$26,190. Adjusting for inflation, the median income was approximately \$27,000 in 1989. (The most recent information received in the Wilkerson survey represents the median income for Scott County residents to be \$35,000. This may be high if the survey underrepresents low income households that do not have telephones.)

Assuming a 5% downpayment, a maximum of 29% of gross monthly income going to house payment, property tax, and insurance, and assuming no more than \$200 per month in other debt payments, with a fixed rate mortgage of 10%, the maximum affordable house price for a family making \$27,000 is \$69,000. This computes out to a house payment of \$627 per month. However, because many families have more than \$200 per month in other debt payments, and because the downpayment cannot be met by some families, \$69,000 would represent the high range of affordability for families making \$27,000. Only roughly one third of families making \$27,000 can afford to purchase a house for \$69,000. Perhaps a more reasonable affordable figure would be \$58,000. A house costing \$58,000 would allow a family to be able to have \$290 per month in other debt service (assuming the same loan guidelines as above) because the house payment would be lowered to \$537 per month. Roughly half of all families making \$27,000 can afford a house costing \$58,000. The two surveys above predict a slightly higher median price range of \$60,000, the amount that about one-half of current and prospective households can afford.

If it is assumed that \$58,000 represents the cutoff for affordably priced housing, Georgetown lacks houses in the affordable range. Housing prices in Georgetown on June 22, 1989 show that only 35 of 134 houses on sale cost less than \$58,000. The percentage of affordable houses on the market might even be smaller when one considers that a number of the houses that are priced under \$58,000 are rather old and require extensive and expensive repairs which could easily drive the homes out of the affordable range.

Most of the new residential development in the last three years in Scott County has been priced out of the affordable range. With the added factors of lot price (approximately 25% of the total cost) and operating expenses and profit for the builder (roughly 15%), a house would have to be constructed for \$40,000 or less in order for its final price to be in the affordable range. Building permit figures show that only a small percentage of single family homes were constructed in Scott County for \$40,000 or less in the last three years: 11% in 1987; 21% in 1988; and 8% for January through March 1989. Furthermore, these percentages probably overstate the number of affordable houses built in Scott County in the last three years because building permit figures have been known to underestimate the cost of construction.

The prices of Georgetown houses listed in the Multiple Listing data base that were sold in the period from January 1988 through March 1989 show that low and moderately priced houses are selling better than more expensive housing. In this period, 26 out of the 48 houses sold cost less than \$57,000. Multiple Listing houses for sale in the affordable range were 5 times more likely to find a buyer than houses priced out of the affordable range. This indicates that there is a need for more affordable housing in Georgetown.

APPENDIX B

CRITERIA FOR CREATION OF A NON-PROFIT HOUSING CORPORATION

A non-profit housing corporation should be created that is committed to the implementation of constructive programs that respond to both community and neighborhood needs. Such a corporation must exhibit stability and managerial competence, established effective local political rapport, and substantial constituencies of public and private residents, and it must draw flexible local matching support. Finally, it should be capable of coordinating and leveraging external resources such as Federal housing programs and programs of the Kentucky Housing Corporation to achieve community objectives for producing affordable housing.

PROCESS FOR ESTABLISHING A NON-PROFIT DEVELOPMENT CORPORATION

If Scott County and the Cities of Georgetown, Stamping Ground, and Sadieville are to be successful in the creation of a non-profit housing corporation, the following process is recommended that can successfully identify and/or create a non-profit housing corporation that is capable of neighborhood or community revitalization. The steps involved in that process include:

A. Creation of a broad based **board of directors** along with an ex-officio advisory board that will be responsible for providing the overall direction and mission of the corporation. The makeup of the board should consist of representatives from the following organizations:

1. Major industries and businesses
2. Builders
3. Financial institutions
4. Real estate and development community
5. Habitat for Humanity

6. Minority organizations
7. Scott County Ministries
8. Senior citizens
9. Other appropriate community organizations to insure broad based participation and support

The following members are recommended to comprise the **ex-officio advisory body**:

1. County Judge-Executive
2. Mayors
3. Planning Commission
4. Building Inspector
5. Georgetown Housing Authority
6. Kentucky Housing Corporation
7. Public Utilities

B. Creation of an **initial start-up base** of public and private seed monies in the amount of \$100,000 to \$150,000 that can be leveraged with other public and private funds for project activities. The focus then will be above all on projects and partnerships that produce equity and revenue for the organization.

C. Appointment of **staff** that initially consists of a director who possesses a strong operational background with experience as a proven public entrepreneur.

D. Identification of public and private **financing tools** and resources that can be readily used for public and private ventures. These sources should include but not be limited to:

1. Kentucky Housing Corporation
2. The new National Affordable Housing Act
3. Farmers Home Administration
4. Community Development Block Grants
5. Foundation Grants
6. Local Lending Institutions
7. Local Businesses

E. Through neighborhood level planning, identify neighborhoods that are experiencing social and physical deterioration.

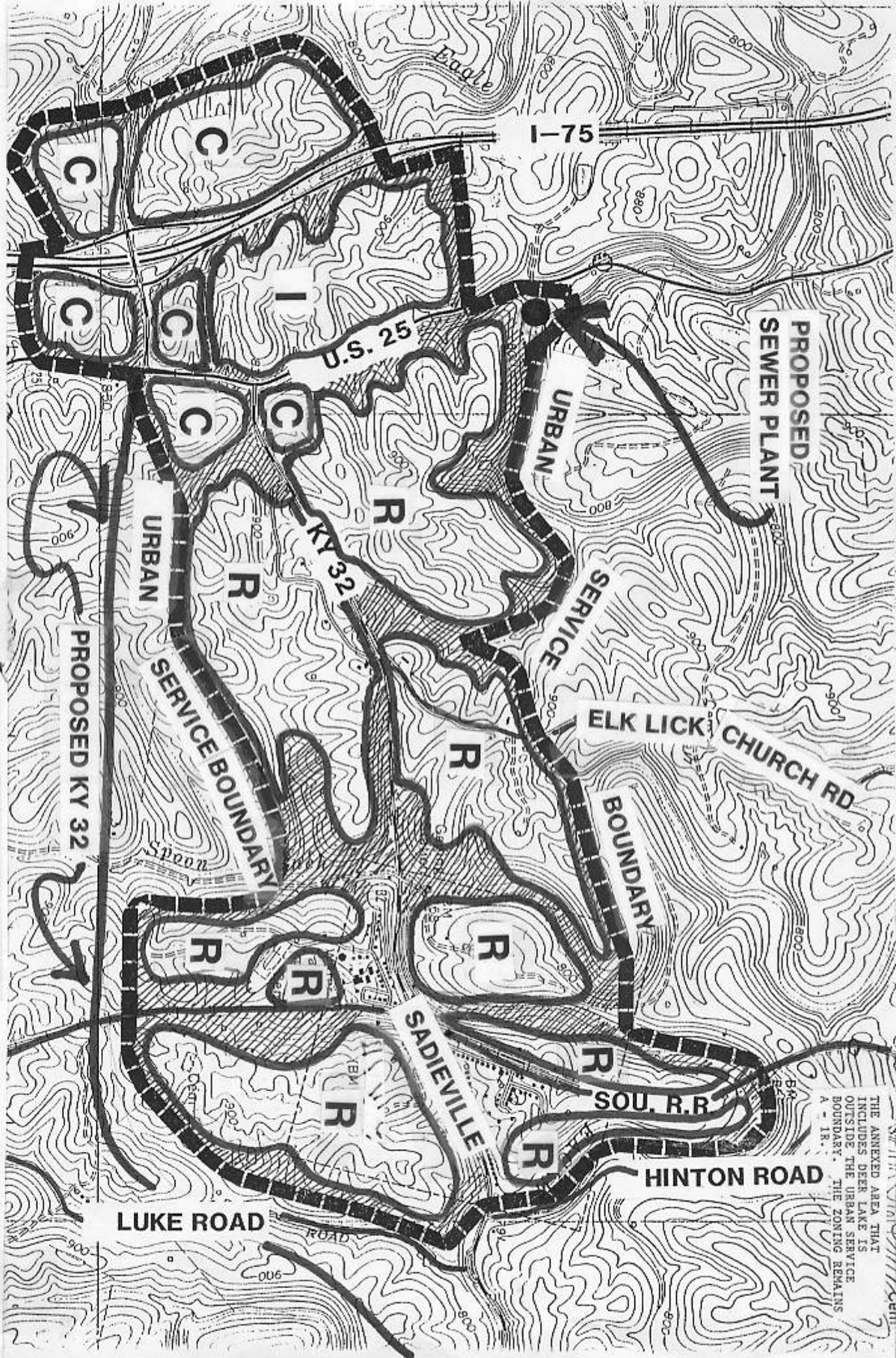
F. Provide assistance in managing physical development programs, including the ability to use internal financial controls.

G. The aggregation of land to assist in affordable housing development.

These characteristics add up to a description of an ideal, fully developed non-profit housing corporation that will have the capacity to meet the needs of Scott County citizens and implement the goals outlined within the Comprehensive Plan.

- R — RESIDENTIAL
 - C — COMMERCIAL
 - I — INDUSTRIAL
 - CONSERVATION
- (100 YR FLOODPLAINS, VEGETATION ASSOCIATED WITH CREEKS, STEEP SLOPES.)

PROPOSED LAND USE PLAN



THE ANNEXED AREA THAT INCLUDES DEER LAKE IS OUTSIDE THE URBAN SERVICE BOUNDARY. THE ZONING REMAINS A-1B.