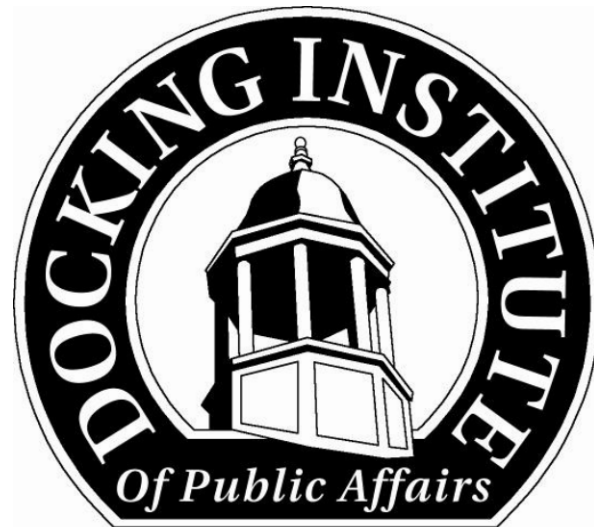


Hill City Housing Study 2023



**Fort Hays State University
600 Park Street
Hays, Kansas**

April 2023

Prepared For
City of Hill City, Kansas

By

**The Docking Institute of Public Affairs
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Mission:
**To facilitate effective public policy decision-making
among governmental and nonprofit entities**

Hill City Housing Study 2023

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Executive Summary

The Docking Institute of Public Affairs was contracted by the City of Hill City to conduct a housing needs analysis for the purpose of documenting the availability of affordable housing for its current and future workforce, facilitating the broader goal of promoting economic development in the region. The analysis found the following:

- The vacancy rates of both owner-occupied and rental units in Hill City were 4.5% and 10.7%, respectively, both higher than the shortage thresholds set in the guidelines provided by the Kansas Rural Housing Incentive District Act.
- Hill City did not appear to have an overcrowding issue for either owner-occupied units or rental units. On average, one person or less occupied a bedroom.
- No housing units lacked complete plumbing facilities or complete kitchen facilities in Hill City.
- Hill City has a high proportion of older housing units, with 64% of the housing units built prior to 1970. Only 2.3% of the housing units in Hill City were built after 2000.
- The ratio of the median value of owner-occupied housing units to the median household income in Hill City was higher than that in all the comparison cities, indicating a relatively high housing cost in Hill City as compared with household income.
- The median monthly housing cost was \$639 in Hill City in 2021, which was higher than most of the comparison cities in the region. Hill City also has a high percentage of households paying \$1,000 or more per month for housing.
- The percentages of low-income families (earning less than \$35,000 per year) paying 30% or more of household income were relatively high in the region.
- 38.2% of Hill City homeowners who had a mortgage on their house spent 30% or more of their household income on housing, higher than all the comparison cities in the region. 10.3% of those homeowners without a mortgage spent 30% or more of their household income on housing, second highest among all the comparison cities.
- 54.4% of renters in Hill City spent 30% or more of their household income on rent, higher than all the comparison cities in the region.
- Households earning less than \$25,000 were faced with a substantial shortage of housing units within their affordable price range, suggesting a strong need for affordable housing among households with very low income.

- Households earning \$10,000 or more were also faced with a substantial shortage of housing units within their affordable price range, suggesting a possible need for new housing, and housing rehabilitation and improvement.
- From 1960 to 2020, on average Hill City population declined by 0.91% annually.
- Assuming a -1.5% annual population change rate in the next ten years, the demand for owner-occupied housing in Hill City would drop from 453 units in 2023 to 396 units in 2033. The demand for rental-occupied housing would drop from 192 in 2023 to 170 in 2033. Despite the decline in the overall demand, there would not be enough owner-occupied housing units for those households earning \$100,000 or more, if the housing stock stayed the same as that in 2021. Shortage would also exist in the rental market for those households earning less than \$25,000 and those earning between \$50,000 and \$100,000. If the population decline rate were slower than 1.5% annually, higher levels of shortage would be expected.
- Approximately 64% of housing units in Hill City were constructed at least 54 years ago, making many highly likely to be suitable for rehabilitation. However, an average of only six remodel permits per year have been issued over the past 5 years, suggesting that additional incentives are required to maintain the quality of the older housing units in Hill City.
- The unemployment rate in Graham County is relatively low. A shortage of suitable housing for the current workforce is likely to increase economic instability and discourage in-migrants from joining the labor force in Graham County and Hill City.
- Hill City offers a variety of recreational and cultural amenities and health care facilities conducive to retaining current residents and attracting new employers and labor. The availability of high-quality housing is one of the obstacles to economic stability and development in Hill City.

Research Objectives and Methods

The City of Hill City, Kansas contracted with the Docking Institute of Public Affairs (Docking Institute) at Fort Hays State University to conduct a housing study. Following the guidelines provided by the Kansas Rural Housing Incentive District Act (Act), the Docking Institute collected data from the U.S. Census Bureau, the U.S. Bureau of Labor Statistics, and official records maintained by the City of Hill City. These data were analyzed to assess Hill City’s current and future supply of and demand for housing, any inadequacies in the supply of housing that may exist, and the importance of quality housing for the economic growth of the city. The Act sets forth guidance with respect to the following four findings:

- I. There is a shortage of quality housing of various price ranges in the city or county despite the best efforts of public and private housing developers;
- II. The shortage of quality housing can be expected to persist and additional financial incentives are necessary in order to encourage the private sector to construct or renovate housing in such city or county;
- III. The shortage of quality housing is a substantial deterrent to the future economic growth and development of such city or county;
- IV. The future well-being of the city or county depends on the governing body providing additional incentives for the construction or renovation of quality housing in such city or county.

To facilitate review, the format of the report mirrors that of the Act guidelines published by the Kansas Department of Commerce.

I. Quality of Housing: “There is a shortage of quality housing of various price ranges in the city or county despite the best efforts of public and private housing developers”

The first guideline provided by the Act asks if there is a shortage of quality housing of various price ranges. “Quality housing” is assessed through aggregated measures on a variety of factors, such as physical defects (for example lacking complete kitchen or plumbing), overcrowded units, excessive cost burden, and age of the houses. Table 1 shows the indicators and thresholds specified in the guidelines to define a shortage of quality housing. The following sub-sections examine the housing conditions in Hill City in regard to those indicators in order to determine the degree to which a housing shortage exists. In

order to understand how the housing conditions in Hill City fare relative to Northwest Kansas, four other demographically similar cities (Oberlin, Sedgwick, Smith Center, and St. Francis) in the region are selected as comparison cities.

Table 1: Housing Shortage Indicators/Criteria

Housing Supply/Demand Indicators	Housing Shortage Criteria
Vacancy Rate	Low (1% of stock or less for owner-occupied units; under 5% of stock for rental units)
Overcrowding	High (6% of stock or more for owner-occupied units)
Size Match	Count of large households (6 or more persons) exceeds count of large units (4 or more bedrooms)
Complete Plumbing	Low (96% of stock or less for owner-occupied units; 95% of stock or less for rental units)
New Units (1 year old or less)	Low (1.5% of stock or less for owner-occupied units; 1% of stock or less for rental units)
Old Units (50 years old or more)	High (40% of stock or more for owner-occupied units; 40% of stock or more for rental units)
Price: Income Match	Count of households in income category exceeds count of units in price/rent category (units not to exceed 30% of gross income)

Table 2 presents a summary of the major housing characteristics specified in the guidelines. The statistics are obtained from the American Community Survey conducted by the U.S. Census Bureau. Such survey data were based on a sample and thus were subject to sampling variability, which is measured by a margin of error. For instance, the margin of error for population in Hill City in 2021 was +/-125 at the 90% confidence level, which means there is a 90% probability that the interval of 1,515 to 1,765 contains the true population size that would be found if all residents were surveyed in Hill City. The 2020 Decennial Census, which focused on the constitutional requirements to produce a count of the resident population, shows that Hill City had a population of 1,403 in 2020.

Table 2: Major Housing Characteristics of Hill City: 2021

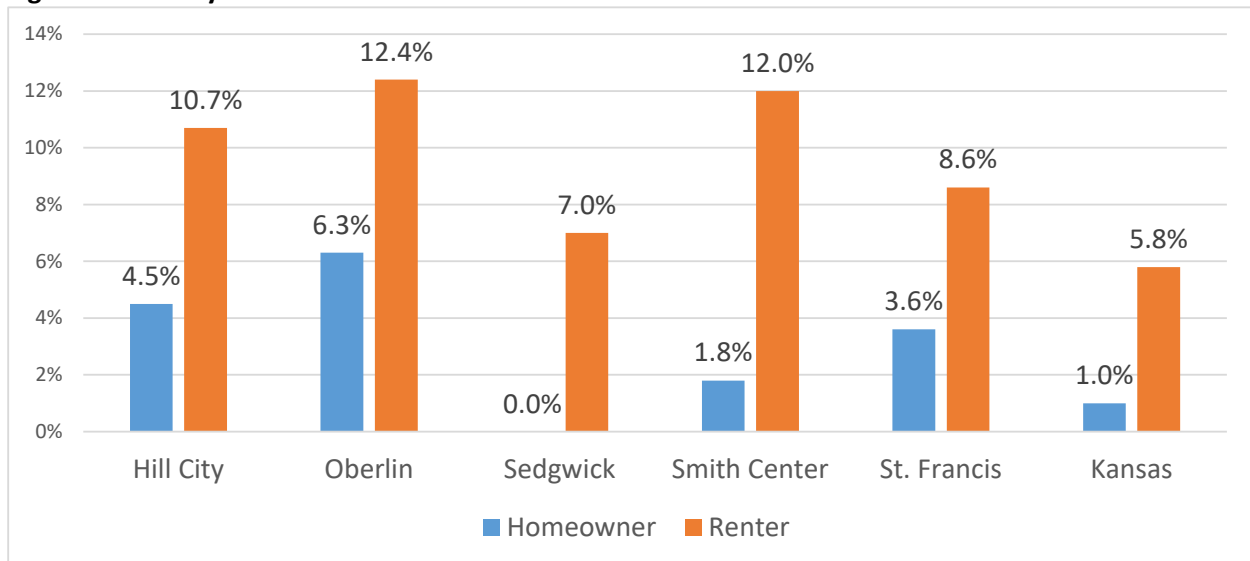
Population		1,640
Vacancy Rate	owner-occupied	4.5%
	renter-occupied	10.7%
Household Size (owner-occupied)	occupied units	527
	1-person household	29.0%
	2-person household	32.8%
	3-person household	11.2%
	4-or-more-person household	26.9%
Household Size (renter-occupied)	occupied units	208
	1-person household	58.7%
	2-person household	37.5%
	3-person household	2.9%
	4-or-more-person household	1.0%
Facility Deficiency	lacking plumbing	0.0%
	lacking kitchen facilities	0.0%
Housing Age	2014 to 2019	0.0%
	2010 to 2013	0.0%
	2000 to 2009	2.3%
	1990 to 1999	2.9%
	1980 to 1989	14.9%
	1970 to 1979	15.6%
	Prior to 1970	64.3%
House Value vs. Income (owner-occupied)	ratio	2.13
	median house value	\$84,100
	median household income	\$39,495
Monthly Housing Cost	median cost	\$639
	Less than \$500	28.3%
	\$500 to \$999	46.4%
	\$1,000 or more	25.3%
Percent of Households Paying 30% or More Income Monthly for Housing	household income less than \$20,000	76.1%
	household income \$20,000 to \$34,999	47.7%
	household income \$35,000 to \$49,999	17.8%
	household income \$50,000 to \$74,999	14.0%
	household income \$75,000 or more	0.0%
Monthly Owner Housing Cost as a Percentage of Household Income	housing units with a mortgage	246
	Less than 20.0 percent	35.4%
	20.0 to 29.9 percent	26.4%
	30.0 percent or more	38.2%
	housing units without a mortgage	281
	Less than 20.0 percent	66.6%
	20.0 to 29.9 percent	23.1%
	30.0 percent or more	10.3%
Gross Rent as a Percentage of Household Income	Occupied units paying rent	195
	Less than 20.0 percent	3.6%
	20.0 to 29.9 percent	42.1%
	30.0 percent or more	54.4%

Source: U.S. Census, 2017-2021 American Community Survey

Vacancy Rate

The vacancy rates in Hill City and the comparison counties are shown in Figure 1. In 2021, 4.5% of the owner-occupied housing units in Hill City were vacant, and 10.7% of the rental units were vacant. These rates were both higher than the shortage thresholds set in the guidelines, 1% and 5%, respectively. The vacancy rate of the owner-occupied housing units in Hill City was lower than that in Oberlin and Smith Center; and the vacancy rate of rental units in Hill City was lower than that in Oberlin. The data were obtained from the American Community Survey, and therefore were subject to sampling variability. The margin of errors at the 90% confidence level were +/-4.2% for the homeowner vacancy rate, and +/-11.9% for the rental vacancy rate. There is a 90% probability that the true homeowner vacancy rate in Hill City would fall between 0.3% and 8.7% and the true rental vacancy rate would fall between 0% and 22.6% in 2021 if all housing units were surveyed in Hill City.

Figure 1: Vacancy Rate: 2021



* The rental vacancy rate is the proportion of the rental inventory which is vacant for rent. The homeowner vacancy rate is the proportion of the homeowner inventory which is vacant for sale.
Source: U.S. Census, 2017-2021 American Community Survey

Overcrowding/Size Match

As Table 3 shows, 35.5% of the owner-occupied housing units in Hill City had 4 or more bedrooms in 2021, and 26.9% of households that lived in the owner-occupied housing units had 4 persons or more in the household. The percentage of owner-occupied housing units with 2 or 3 bedrooms (61.3%) also exceeded that of the households with 2 or 3 persons (44%). As a result, among households living in owner-occupied housing units, on average 1 person or less occupied a bedroom. So Hill City did not appear to have an overcrowding issue, and the sizes of housing units adequately house the distribution of household sizes for owner-occupied housing units using criteria from the Act. The comparison cities did not have an overcrowding issue either.

A similar situation is observed in the renter-occupied housing units (Table 4). In 2021, on average 1 person or less occupied a bedroom among households living in rental units. There was no overcrowding issue for rental units either.

Table 3: Size Match, Owner-occupied: 2021

	Hill City	Oberlin	Sedgwick	Smith Center	St. Francis	Kansas
Occupied housing units	527	584	388	489	485	776,740
HOUSEHOLD SIZE						
1-person household	29.0%	48.6%	24.0%	29.9%	54.0%	23.5%
2-person household	32.8%	34.2%	42.5%	43.6%	27.2%	38.8%
3-person household	11.2%	5.3%	8.5%	9.4%	7.6%	14.4%
4-or-more-person household	26.9%	11.8%	25.0%	17.2%	11.1%	23.4%
BEDROOMS						
No bedroom	0.0%	2.2%	0.0%	0.0%	0.4%	0.3%
1 bedroom	3.2%	4.5%	4.4%	2.2%	0.0%	1.7%
2 or 3 bedrooms	61.3%	59.5%	61.3%	63.2%	64.9%	60.0%
4 or more bedrooms	35.5%	33.7%	34.3%	34.6%	34.6%	38.0%
OCCUPANTS PER ROOM						
1.00 or less occupants per room	100.0%	100.0%	100.0%	100.0%	100.0%	98.7%
1.01 to 1.50 occupants per room	0.0%	0.0%	0.0%	0.0%	0.0%	1.1%
1.51 or more occupants per room	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%

Source: U.S. Census, 2017-2021 American Community Survey

Table 4: Size Match, Renter-occupied: 2021

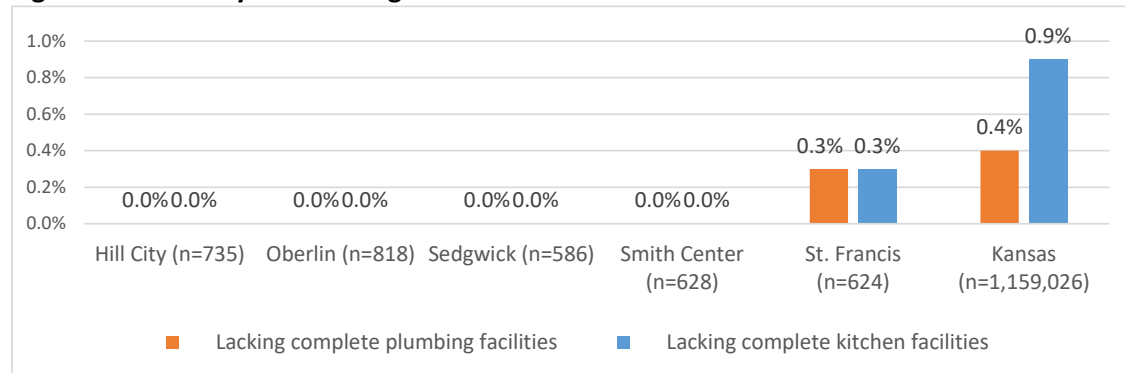
	Hill City	Oberlin	Sedgwick	Smith Center	St. Francis	Kansas
Occupied housing units	208	234	198	139	139	382,286
HOUSEHOLD SIZE						
1-person household	58.7%	49.6%	34.3%	61.2%	50.4%	43.2%
2-person household	37.5%	20.1%	28.8%	20.9%	13.7%	28.3%
3-person household	2.9%	6.8%	13.1%	7.9%	15.1%	13.0%
4-or-more-person household	1.0%	23.5%	23.7%	10.1%	20.9%	15.5%
BEDROOMS						
No bedroom	0.0%	0.0%	0.0%	0.0%	0.0%	5.7%
1 bedroom	6.3%	7.3%	10.1%	16.5%	29.5%	22.8%
2 or 3 bedrooms	92.8%	67.1%	84.8%	77.7%	56.1%	63.3%
4 or more bedrooms	1.0%	25.6%	5.1%	5.8%	14.4%	8.3%
OCCUPANTS PER ROOM						
1.00 or less occupants per room	100.0%	100.0%	99.0%	92.1%	100.0%	96.2%
1.01 to 1.50 occupants per room	0.0%	0.0%	1.0%	2.9%	0.0%	1.9%
1.51 or more occupants per room	0.0%	0.0%	0.0%	5.0%	0.0%	1.9%

Source: U.S. Census, 2017-2021 American Community Survey

Complete Plumbing

No housing units lacked complete plumbing facilities or complete kitchen facilities in Hill City, Oberlin, Sedgwick, and Smith Center (Figure 2). Only St. Francis had 0.3% of housing units lacking completed plumbing facilities and complete kitchen facilities, which was far below the RHID Act 4% criterion for owner-occupied units or 5% criterion for rental units (see Table 1).

Figure 2: Deficiency of Plumbing and Kitchen Facilities: 2021



Source: U.S. Census, 2017-2021 American Community Survey

New Units (One year old or less)

Table 5 shows that no housing units were built since 2010 in Hill City, whereas all comparison cities had certain numbers of housing units built since 2010. The threshold in the Act guideline is 1.5% of stock or less for owner-occupied units being 1 year old or less and 1% of stock or less for rental units being 1 year old or less. There is a strong need for new housing units in Hill City.

Table 5: Age of Housing

	Hill City	Oberlin	Sedgwick	Smith Center	St. Francis	Kansas
Total Housing Units	819	1,018	635	794	739	1,284,353
2020 or later	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%
2010 to 2019	0.0%	0.4%	3.6%	0.5%	1.2%	7.8%
2000 to 2009	2.3%	3.6%	16.4%	11.0%	1.1%	12.0%
1990 to 1999	2.9%	0.0%	9.8%	2.4%	3.4%	11.0%
1980 to 1989	14.9%	9.4%	8.7%	3.8%	3.7%	12.0%
1970 to 1979	15.6%	12.8%	13.1%	12.3%	21.4%	14.2%
1960 to 1969	12.3%	14.7%	6.1%	13.1%	14.1%	9.5%
1950 to 1959	18.8%	16.8%	17.5%	11.3%	9.9%	12.4%
1940 to 1949	12.2%	11.7%	4.3%	14.5%	17.9%	5.3%
1939 or earlier	20.9%	30.6%	20.6%	31.1%	27.5%	15.2%

Source: U.S. Census, 2017-2021 American Community Survey

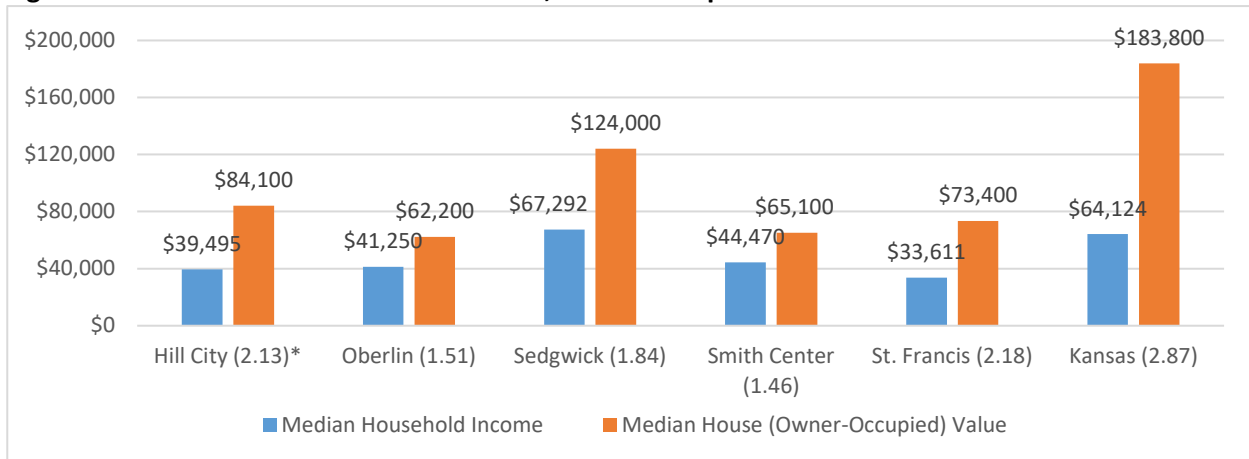
Old Units (50 years old or more)

In Hill City, 64.2% of the housing units are 54 years old or more (built before 1970), as shown in Table 5. In the RHID Act, it is considered high when 40% of the housing stock is 50 years old or more. Hill City does have a high proportion of older housing units, suggesting a strong need for renovation and reconstruction.

Price: Income Match

In 2021, the median value of owner-occupied housing units in Hill City was \$84,100, and the median household income was \$39,495, yielding a value/income ratio of 2.13 (Figure 3). The value/income ratio in Hill City was lower than the state average, but higher than that in all comparison cities except for St. Francis, which indicates a relatively high housing cost in Hill City as compared with household income.

Figure 3: House Value vs. Household Income, Owner-occupied: 2021



*The value in the parenthesis is the value/income ratio

Source: U.S. Census, 2017-2021 American Community Survey

Table 6 shows the monthly housing costs¹ in 2021. The median monthly housing cost in Hill City was \$639, which was the second highest among all the study cities, only lower than Sedgwick, which is in the Wichita metropolitan area. The table also shows that 23.5% of households in Hill City paid \$1,000 or more per month for housing, which was also second highest among all study cities. These results suggest that Hill City residents have high housing costs in the region.

Table 6: Monthly Housing Costs: 2021

	Hill City	Oberlin	Sedgwick	Smith Center	St. Francis	Kansas
Less than \$500	28.3%	45.5%	15.0%	37.3%	44.9%	16.6%
\$500 to \$999	46.4%	42.5%	41.3%	39.4%	37.0%	36.7%
\$1,000 to \$1,999	17.7%	9.9%	36.0%	19.9%	15.5%	34.9%
\$2,000 to \$2,999	5.8%	0.0%	5.1%	0.3%	0.0%	7.2%
\$3,000 or more	0.0%	0.0%	0.3%	0.3%	0.0%	2.7%
No cash rent	1.8%	2.1%	2.2%	2.9%	2.6%	1.9%
Median (dollars)	639	530	873	590	533	939

Source: U.S. Census, 2017-2021 American Community Survey

¹ In the American Community Survey, housing costs include: 1) mortgage payments, rent payments, condominium and other fees, real estate taxes, and premiums for homeowners insurance. Also, for mobile homes, installment loan payments, site rent, license and registration fees, and personal property taxes; 2) electricity costs and gas costs in previous month; 3) average for 12 months prior to interview: other fuel costs, water and sewer costs.

Table 7 shows the monthly housing costs by household income in 2021 for all households in Hill City and comparison cities. Among those households in Hill City making less than \$20,000 a year, 76.1% paid 30% or more of their income toward housing, which was higher than those in Oberlin and Smith Center. Hill City had the second highest percentage of households making \$20,000 to \$34,999 a year paying 30% or more of household income toward housing. It appears that the percentages of low-income families in Hill City paying high housing costs are relatively high in the region, suggesting a need for government assistance in providing affordable housing for those with annual incomes of less than \$35,000.

Table 7: Monthly Housing Costs as a Percentage of Household Income in the Past 12 Months-All Households: 2021

	Hill City	Oberlin	Sedgwick	Smith Center	St. Francis	Kansas
Household income less than \$20,000						
Less than 20% of household income	0.5%	0.7%	0.0%	4.0%	0.0%	4.3%
20 to 29% of household income	23.4%	28.4%	15.7%	31.8%	19.6%	9.6%
30% or more of household income	76.1%	70.9%	83.3%	64.2%	80.4%	86.1%
Household income \$20,000 to \$34,999						
Less than 20% of household income	6.8%	20.2%	18.5%	46.4%	17.5%	17.7%
20 to 29% of household income	45.9%	55.3%	24.1%	17.1%	60.4%	25.0%
30% or more of household income	47.7%	24.5%	56.5%	36.4%	22.1%	57.3%
Household income \$35,000 to \$49,999						
Less than 20% of household income	51.4%	70.6%	40.5%	46.5%	60.5%	36.3%
20 to 29% of household income	30.8%	19.8%	39.2%	28.5%	13.4%	33.9%
30% or more of household income	17.8%	9.7%	20.9%	25.0%	25.2%	29.8%
Household income \$50,000 to \$74,999						
Less than 20% of household income	46.9%	86.7%	68.3%	80.8%	81.5%	54.1%
20 to 29% of household income	39.2%	12.0%	30.3%	11.0%	18.5%	30.6%
30% or more of household income	14.0%	1.2%	1.4%	8.9%	0.0%	15.8%
Household income \$75,000 or more						
Less than 20% of household income	89.7%	99.0%	87.9%	88.9%	97.2%	81.6%
20 to 29% of household income	10.3%	1.0%	11.9%	9.6%	2.8%	15.3%
30% or more of household income	0.0%	0.0%	0.4%	1.1%	0.0%	3.1%

Source: U.S. Census, 2017-2021 American Community Survey

Table 8 and Table 9 present the monthly costs for homeowners and renters, respectively. Among Hill City homeowners who had a mortgage on their house, 38.2% spent 30% or more of their household income on housing, which was higher than all the comparison communities. Among Hill City homeowners without a mortgage, 10.3% spent 30% or more on housing, the second highest among all the cities under examination (Table 8). Hill City homeowners have higher burdens regarding monthly housing costs in the region. This is also congruent with previous results showing a high proportion of older housing units in Hill City, which will tend to have higher maintenance costs.

Table 8: Monthly Owner Cost as a Percentage of Household Income: 2021

	Hill City	Oberlin	Sedgwick	Smith Center	St. Francis	Kansas
Housing units with a mortgage	246	202	224	202	135	447,894
Less than 20.0 percent	35.4%	55.4%	65.6%	58.4%	44.4%	53.0%
20.0 to 29.9 percent	26.4%	26.7%	26.4%	19.3%	21.4%	24.7%
30.0 percent or more	38.2%	17.8%	8.1%	22.3%	34.1%	22.2%
Housing unit without a mortgage	281	375	164	277	337	322,949
Less than 20.0 percent	66.6%	76.9%	69.5%	70.0%	46.7%	77.4%
20.0 to 29.9 percent	23.1%	14.1%	22.6%	19.9%	38.2%	11.1%
30.0 percent or more	10.3%	9.1%	7.9%	10.1%	15.1%	11.5%

Source: U.S. Census, 2017-2021 American Community Survey

Hill City renters paid a much higher percentage of their income on housing than renters in all of comparison cities except for Smith City. In 2021, 54.4% of renters in Hill City spent 30% or more of their household income on rent, whereas less than half of renters in most of the comparison cities spent 30% or more of their household income on rent (Table 9). These results strongly suggest that most of Hill City renters are paying a higher proportion of their incomes on housing costs. Government-assisted housing would provide relief for families whose housing costs are straining their budgets and perhaps causing them to forego other necessities.

Table 9: Gross Rent as a Percentage of Household Income: 2021

	Hill City	Oberlin	Sedgwick	Smith Center	St. Francis	Kansas
Occupied units paying rent	195	217	182	121	123	353,831
Less than 20.0 percent	3.6%	26.7%	45.6%	23.1%	45.5%	31.2%
20.0 to 29.9 percent	42.1%	36.4%	11.5%	19.0%	6.5%	25.8%
30.0 percent or more	54.4%	36.9%	42.8%	57.8%	47.9%	42.9%

Source: U.S. Census, 2017-2021 American Community Survey

Assuming homebuyers would view a house with a value twice as high as their annual household income as affordable, and renters could afford to spend 24% of annual household income on rent, Table 10 matches households in different income categories with the affordable housing units in Hill City. In 2021, 201 households in Hill City earned less than \$25,000. A total of 138 housing units were affordable for these households, including 87 owner-occupied housing unit (valued \$50,000 or less) and 51 rental units (rented for \$500 or less per month). There was a shortage of 63 affordable housing units for households earning less than \$25,000 a year, suggesting a strong need for affordable housing among those households with very low income.

There was a surplus of 132 units for households earning between \$25,000 and \$50,000, with 269 households in this income range but 250 owner-occupied units and 151 renter-occupied units available. There was also a surplus of five units for households earning between \$75,000 and \$100,000, but for all the other households earning more than \$50,000, there was a shortage of affordable housing, suggesting a great number of households in higher income categories lived in a house under their affordable levels and possibly a house with an unsatisfactory quality. The surplus for households in the second lowest income category and a shortage for households in higher income categories suggests a possible need for housing rehabilitation and improvement. As there were very few housing units being built in Hill City in the past 20 years (see Table 5), there is also a potential shortage of new housing stock for those households earning at least the city’s median income and particularly households earning about 150% or more of the median income.

Table 10: Income Distribution and Housing Affordability in Hill City: 2021

Income Range	% of City Median Household Income	% of Households	Number of Households	Affordable Range for Owner Units	Number of Occupied Owner Units	Affordable Range of Renter Units	Number of Occupied Renter Units	Total Occupied Affordable Units	Balance (Affordable Units minus Number of Households)
Less than \$25,000	less than 67%	27.3%	201	\$0-50,000	87	\$0-500	51	138	-63
\$25,000 - 49,999	67-135%	36.6%	269	\$50,000-99,999	250	\$500-999	151	401	132
\$50,000 - 74,999	135-202%	14.8%	109	\$100,000-149,999	97	\$1,000-1,499	6	103	-6
\$75,000 - 99,999	202-270%	7.2%	53	\$150,000-199,999	58	\$1,500-1,999	0	58	5
\$100,000 - 149,999	270-405%	8.8%	65	\$200,000-299,999	32	\$2,000-\$3,000	0	32	-33
\$150,000 or more	Over 405%	5.3%	39	\$300,000 or more	3	\$3,000 or more	0	3	-36
Total			735		527		208	735	0

Source: U.S. Census, 2017-2021 American Community Survey

Housing Demand and Supply Forecast

Besides the current housing conditions, the guidelines in the Act suggest a housing needs study may conduct “beyond-the-present” analyses that make projections of population, as well as housing supply and demand changes. Since 1960, Hill City experienced population decline (Table 11). The annual population change rate between 1960 and 2020 was -0.91%. Based on the change rates since 1960, Table 12 presents the population forecast under three scenarios. With an annual change rate of -1.5%, Hill City population would be 1,243 in 2028 and 1,153 in 2033. With an annual change rate of -1.0%, Hill City population would be 1,231 in 2033; and the population would be 1,314 in 2033 with the annual change rate of -0.5%.

Table 11: Population Change in Hill City: 1960-2020

	Population at Decade's End	Decennial/ Period Population Change	% Change during Decade	Annual Change Rate
1960	2,421			
1960-1970	2,071	-350	-14.46%	-1.55%
1970-1980	2,028	-43	-2.08%	-0.21%
1980-1990	1,835	-193	-9.52%	-1.00%
1990-2000	1,601	-234	-12.75%	-1.35%
2000-2010	1,474	-127	-7.93%	-0.82%
2010-2020	1,403	-71	-4.82%	-0.49%
1960-2020		-1,018	-42.05%	-0.91%

Source: U.S. Census

Table 12: Population Forecast for Hill City: 2023-2033

	2020 Census, baseline	2023	2028	2033
Annual change Rate: -1.5%	1,403	1,341	1,243	1,153
Annual change Rate: -1.0%	1,403	1,361	1,295	1,231
Annual change Rate: -0.5%	1,403	1,382	1,348	1,314

Using the 2021 Census estimates as the baseline, the housing demand forecast is done under three population decrease scenarios. In 2021, Hill City household population was 1,605,² which was 98% of the total population (1,640). More than eighty percent (83.4%) of households lived in owner-occupied units and 16.6% lived in renter-occupied units. The vacancy rate for the owner-occupied units was 4.5% and the rate for the renter-occupied units was 10.7%. The average household size of owner-occupied

² The 2021 total population and household populations are significantly higher than the 2020 Census population. See footnote under Table 13 for clarification.

units was 2.54 and the size of renter-occupied units was 1.28. The following assumptions are used for the forecast: 1) the percentage of household population in the total population, the percentages of owner-occupied and renter-occupied households, and the vacancy rates for owner-occupied units and renter-occupied units did not change from 2021 to 2023 and would not change in the next 10 years; 2) the household sizes in both owner-occupied units and renter-occupied units would decline gradually.

With a -1.5% annual population change rate (Table 13), the population in Hill City would be 1,341 in 2023, and the household population would be 1,312 in 2023. There would be 1,094 residents living in owner-occupied units and with a size of 2.53 residents in each household, 433 owner-occupied units would be needed in 2023. A vacancy rate of 4.5% would increase the need to 453 units. Similarly, it is estimated that 423 owner-occupied units will be needed by 2028, and 396 units needed by 2033. Using the same method, it is estimated that Hill City would need 192 renter-occupied units by 2023, 181 renter-occupied units by 2028, and 170 by 2033.

Table 13: Housing Demand Forecast in Hill City: Assuming -1.5% Annual Population Change

	2021 Census Estimates	2023	2028	2033
Population	1,640	1,341	1,243	1,153
Household Population	1,605	1,312	1,217	1,128
Housing Demand				
<i>Owner Occupied</i>				
Household Population	1,339	1,094	1,015	941
Average Household Size	2.54	2.53	2.51	2.49
Number of Households	527	433	404	378
Homeowner Vacancy Rate	4.5%	4.5%	4.5%	4.5%
Units Needed	552	453	423	396
<i>Renter Occupied</i>				
Household Population	266	218	202	187
Average Household Size	1.28	1.27	1.25	1.23
Number of Households	208	171	161	152
Rental Vacancy Rate	10.7%	10.7%	10.7%	10.7%
Units Needed	233	192	181	170

Note: The 2021 population is an estimate based on the American Community Survey and thus considered less accurate than the 2020 Census information. The housing data under Column “2021 Census Estimates” (vacancy rate, household population, household size, number of households, etc.) are only available from the American Community Survey and therefore used in this report as a baseline for housing demand forecast (including the calculation of percentage of household population and percentages of owner-occupied and renter-occupied households). This housing demand forecast assumes that Hill City population will change as forecasted based on the decennial Census information (Table 11) and that the conditions regarding household will be the same as or similar to the estimates from the 2021 American Community Survey.

Hill City will need fewer housing units if the county's population continues to decline. However, as shown in Table 10, the county had a great shortage of housing units for households earning less than \$25,000 and those earning \$50,000 and more. The shortage will still exist, to a less extent, even with the population decline. Assuming the population decline will be evenly distributed among households with different income levels, that is, the percentage of households in each income range as shown in Table 10 will not change in the next 10 years, housing affordability analyses were conducted for both owner-occupied units and renter-occupied units. As shown in Table 14, 87 owner-occupied units in the \$0-50,000 price range had residents in 2021. With a vacancy rate of 4.5%, Hill City had a total of 91 owner-occupied housing units in the \$0-50,000 price range in 2021.

It was estimated that there would be 433 owner households in 2023 with a -1.5% population change (see Table 13). Assuming the income distribution of those households were the same as that in 2021, there would be 69 households earning less than \$25,000 in 2023, meaning the demand for the housing units in the \$0-50,000 price range would be 69. As Hill City has 91 housing units in the \$0-50,000 range (assuming the conditions of those houses did not change in the past two years), there would be a surplus of 22 owner-occupied units in the \$0-50,000 price range in 2023. Similarly, there will be 65 owner households earning less than \$25,000 by 2028 and 60 households earning that much by 2033. If those 91 housing units were maintained well and stayed in habitable conditions in the next ten years, Hill City would have a surplus of 26 owner-occupied units for households earning less than \$25,000 by 2028, and a surplus of 31 units by 2033. A surplus will also be found for households earning less than \$100,000 in the next 10 years. Those households earning \$100,000 or more would be faced with a shortage of housing units in their affordability ranges. In 2033, the housing market would have a 174 surplus as a total, but 38 owner households (13+25) that earn \$100,000 or more would need to live in a house below their affordability ranges.

As for renter-occupied units, there would be a surplus for those households earning between \$25,000 and \$50,000 in the next 10 years. All the other renter households will be faced with a shortage of rental units within their affordable range (Table 15), assuming all households would search for a house that meets their affordability levels. In 2033, 28 more rental units would be needed by households earning less than \$25,000, if those households intended to find a unit within their affordable ranges.

Table 14: Owner-Occupied Housing Affordability Forecast in Hill City 2021-2033: Assuming -1.5% Annual Population Change

Household Income Range	% of Owner Households, 2021	Affordable Range for Owner Units	Total Occupied Owner Units, 2021	Total Owner Units, 2021 (Including Vacant Units)	Number of Owner Households, 2023	Number of Owner Households, 2028	Number of Owner Households, 2033	Balance 2023 (Total Units minus Number of Households)	Balance 2028 (Total Units minus Number of Households)	Balance 2033 (Total Units minus Number of Households)
Less than \$25,000	16.0%	\$0-50,000	87	91	69	65	60	22	26	31
\$25,000 - 49,999	36.4%	\$50,000-99,999	250	262	157	147	138	104	115	124
\$50,000 - 74,999	18.4%	\$100,000-149,999	97	102	80	74	70	22	27	32
\$75,000 - 99,999	9.6%	\$150,000-199,999	58	61	42	39	36	19	22	24
\$100,000 - 149,999	12.3%	\$200,000-299,999	32	34	53	50	46	-20	-16	-13
\$150,000 or more	7.4%	\$300,000 or more	3	3	32	30	28	-29	-27	-25
Total			527	552	433	404	378	119	147	174

Table 15: Renter-Occupied Housing Affordability Forecast in Hill City 2021-2033: Assuming -1.5% Annual Population Change

Household Income Range	% of Renter Households in 2021	Affordable Range of Rental Units	Total Occupied Rental Units, 2021	Total Rental Units, 2021 (Including Vacant Units)	Number of Renter Households, 2023	Number of Renter Households, 2028	Number of Renter Households, 2033	Balance 2023 (Total Units minus Number of Households)	Balance 2028 (Total Units minus Number of Households)	Balance 2033 (Total Units minus Number of Households)
Less than \$25,000	55.7%	\$0-500	51	57	95	90	85	-38	-33	-28
\$25,000 - 49,999	37.0%	\$500-999	151	169	63	60	56	106	109	113
\$50,000 - 74,999	5.8%	\$1,000-1,499	6	7	10	9	9	-3	-3	-2
\$75,000 - 99,999	1.4%	\$1,500-1,999	0	0	2	2	2	-2	-2	-2
\$100,000 - 149,999	0.0%	\$2,000-\$3,000	0	0	0	0	0	0	0	0
\$150,000 or more	0.0%	\$3,000 or more	0	0	0	0	0	0	0	0
Total			208	233	171	161	152	62	72	81

With a -1.0% annual population change rate (Table 16), the population in Hill City would change from 1,361 in 2023 to 1,231 in 2033. The number of owner households would decline from 439 in 2023 to 404 in 2033, leading to a decreasing demand for owner-occupied units from 460 in 2023 to 423 in 2033, assuming a 4.5% vacancy rate. The number of households living in rental houses would drop from 174 in 2023 to 162 in 2033, and the demand for renter-occupied units would change from 195 in 2023 to 182 in 2033, assuming a 10.7% vacancy rate.

Table 16: Housing Demand Forecast in Hill City: Assuming -1.0% Annual Population Change

	2021 Census Estimates	2023	2028	2033
Population	1,640	1,361	1,295	1,231
Household Population	1,605	1,332	1,267	1,205
<i>Housing Demand</i>				
<i>Owner Occupied</i>				
Household Population	1,339	1,111	1,057	1,005
Average Household Size	2.54	2.53	2.51	2.49
Number of Households	527	439	421	404
Homeowner Vacancy Rate	4.5%	4.5%	4.5%	4.5%
Units Needed	552	460	441	423
<i>Renter Occupied</i>				
Household Population	266	221	210	200
Average Household Size	1.28	1.27	1.25	1.23
Number of Households	208	174	168	162
Rental Vacancy Rate	10.7%	10.7%	10.7%	10.7%
Units Needed	233	195	188	182

Table 17 shows the housing affordability forecast by household income for owner households, assuming a -1.0% annual population change. If the conditions of all housing units stay the same in the next ten years, by 2033, Hill City would have a surplus of 191 (27+115+27+22) owner units for households earning less than \$100,000, but a shortage of 43 owner units for those earning more than \$100,000 (Table 17). There would be a surplus of 109 rental units for households earning between \$25,000 and \$50,000 by 2033, but those renter households earning less than \$25,000 will be faced with a shortage of 33 rental units in their affordable ranges (Table 18). Those renters earning \$50,000 or more will be faced with a shortage of five units.

Table 17: Owner-Occupied Housing Affordability Forecast in Hill City 2021-2033: Assuming -1.0% Annual Population Change

Household Income Range	% of Owner Households, 2021	Affordable Range for Owner Units	Total Occupied Owner Units, 2021	Total Owner Units, 2021 (Including Vacant Units)	Number of Owner Households, 2023	Number of Owner Households, 2028	Number of Owner Households, 2033	Balance 2023 (Total Units minus Number of Households)	Balance 2028 (Total Units minus Number of Households)	Balance 2033 (Total Units minus Number of Households)
Less than \$25,000	16.0%	\$0-50,000	87	91	70	67	65	21	24	27
\$25,000 - 49,999	36.4%	\$50,000-99,999	250	262	160	153	147	102	109	115
\$50,000 - 74,999	18.4%	\$100,000-149,999	97	102	81	77	74	21	24	27
\$75,000 - 99,999	9.6%	\$150,000-199,999	58	61	42	40	39	19	20	22
\$100,000 - 149,999	12.3%	\$200,000-299,999	32	34	54	52	50	-21	-18	-16
\$150,000 or more	7.4%	\$300,000 or more	3	3	32	31	30	-29	-28	-27
Total			527	552	439	421	404	112	130	148

Table 18: Renter-Occupied Housing Affordability Forecast in Hill City 2021-2033: Assuming -1.0% Annual Population Change

Household Income Range	% of Renter Households in 2021	Affordable Range of Rental Units	Total Occupied Rental Units, 2021	Total Rental Units, 2021 (Including Vacant Units)	Number of Renter Households, 2023	Number of Renter Households, 2028	Number of Renter Households, 2033	Balance 2023 (Total Units minus Number of Households)	Balance 2028 (Total Units minus Number of Households)	Balance 2033 (Total Units minus Number of Households)
Less than \$25,000	55.7%	\$0-500	51	57	97	94	91	-40	-37	-33
\$25,000 - 49,999	37.0%	\$500-999	151	169	64	62	60	105	107	109
\$50,000 - 74,999	5.8%	\$1,000-1,499	6	7	10	10	9	-3	-3	-3
\$75,000 - 99,999	1.4%	\$1,500-1,999	0	0	2	2	2	-2	-2	-2
\$100,000 - 149,999	0.0%	\$2,000-\$3,000	0	0	0	0	0	0	0	0
\$150,000 or more	0.0%	\$3,000 or more	0	0	0	0	0	0	0	0
Total			208	233	174	168	162	59	65	71

With a -0.5% annual population change rate (Table 19), the population in Hill City would change from 1,382 in 2023 to 1,314 in 2033. There would be 431 owner households in 2033 with a demand of 451 owner-occupied units, assuming a 4.5% vacancy rate. The number of households living in rental houses would drop from 177 in 2023 to 173 in 2033, and the demand for renter-occupied units would change from 198 in 2023 to 194 in 2033, assuming a 10.7% vacancy rate.

Table 19: Housing Demand Forecast in Hill City: Assuming -0.5% Annual Population Change

	2021 Census Estimates	2023	2028	2033
Population	1,640	1,382	1,348	1,314
Household Population	1,605	1,352	1,319	1,286
Housing Demand				
<i>Owner Occupied</i>				
Household Population	1,339	1,128	1,100	1,073
Average Household Size	2.54	2.53	2.51	2.49
Number of Households	527	446	438	431
Homeowner Vacancy Rate	4.5%	4.5%	4.5%	4.5%
Unit Needed	552	467	459	451
<i>Renter Occupied</i>				
Household Population	266	224	219	213
Average Household Size	1.28	1.27	1.25	1.23
Number of Households	208	177	175	173
Rental Vacancy Rate	10.7%	10.7%	10.7%	10.7%
Unit Needed	233	198	196	194

Assuming a -0.5% annual population change and unchanged housing conditions in the next ten years, there would be a surplus of 269 (22+105+22+19) owner-occupied units in 2033 for households earning less than \$100,000, and a shortage of 48 units for households earning \$100,000 or more (Table 20). As for the rental units (Table 21), by 2033 there would be a surplus of 105 units for households earning between \$25,000 and \$50,000, and a shortage of 40 units for households earning less than \$25,000. Those households earning \$50,000 or more would be faced with a shortage of five units in 2033.

Table 20: Owner-Occupied Housing Affordability Forecast in Hill City 2021-2033: Assuming -0.5% Annual Population Change

Household Income Range	% of Owner Households, 2021	Affordable Range for Owner Units	Total Occupied Owner Units, 2021	Total Owner Units, 2021 (Including Vacant Units)	Number of Owner Households, 2023	Number of Owner Households, 2028	Number of Owner Households, 2033	Balance 2023 (Total Units minus Number of Households)	Balance 2028 (Total Units minus Number of Households)	Balance 2033 (Total Units minus Number of Households)
Less than \$25,000	16.0%	\$0-50,000	87	91	71	70	69	20	21	22
\$25,000 - 49,999	36.4%	\$50,000-99,999	250	262	162	160	157	99	102	105
\$50,000 - 74,999	18.4%	\$100,000-149,999	97	102	82	81	79	20	21	22
\$75,000 - 99,999	9.6%	\$150,000-199,999	58	61	43	42	41	18	19	19
\$100,000 - 149,999	12.3%	\$200,000-299,999	32	34	55	54	53	-21	-20	-19
\$150,000 or more	7.4%	\$300,000 or more	3	3	33	32	32	-30	-29	-29
Total			527	552	446	438	431	106	113	121

Table 21: Renter-Occupied Housing Affordability Forecast in Hill City 2021-2033: Assuming -0.5% Annual Population Change

Household Income Range	% of Renter Households in 2021	Affordable Range of Rental Units	Total Occupied Rental Units, 2021	Total Rental Units, 2021 (Including Vacant Units)	Number of Renter Households, 2023	Number of Renter Households, 2028	Number of Renter Households, 2033	Balance 2023 (Total Units minus Number of Households)	Balance 2028 (Total Units minus Number of Households)	Balance 2033 (Total Units minus Number of Households)
Less than \$25,000	55.7%	\$0-500	51	57	98	98	97	-41	-40	-40
\$25,000 - 49,999	37.0%	\$500-999	151	169	65	65	64	104	104	105
\$50,000 - 74,999	5.8%	\$1,000-1,499	6	7	10	10	10	-4	-3	-3
\$75,000 - 99,999	1.4%	\$1,500-1,999	0	0	2	2	2	-2	-2	-2
\$100,000 - 149,999	0.0%	\$2,000-\$3,000	0	0	0	0	0	0	0	0
\$150,000 or more	0.0%	\$3,000 or more	0	0	0	0	0	0	0	0
Total			208	233	177	175	173	56	58	60

II. The shortage of quality housing can be expected to persist, and additional financial incentives are necessary in order to encourage the private sector to construct or renovate housing in such city or county

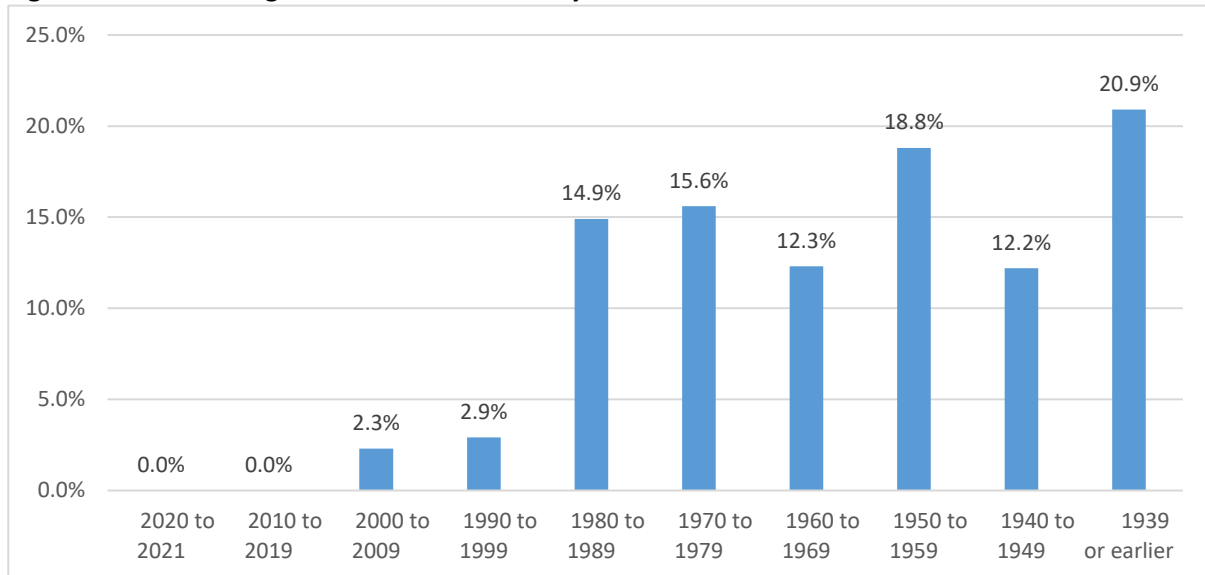
Net Gain or Loss of Residential Units: The formula of new housing units constructed, minus existing housing units demolished, results in a low net gain (or loss) of residential units.

As Hill City has been experiencing population decline since the 1960s, new house construction slowed down dramatically after 1990. As Table 5 shows, only about 5% of the houses in Hill City were constructed since 1990. According to the City of Hill City, a total of seven units were built in the past five years, including two low to moderate income housing units and five residential units. Those new units only resulted in a very small gain in the past five years.

Housing Suitable for Rehabilitation: Existing housing units, suitable for rehabilitation, are present, but little or no rehabilitation activity is occurring

Figure 4 shows the percentage of housing units in Hill City by year of construction. It indicates that 64.2% of the housing units in Hill City (526 units) were constructed before 1970 (53 years ago), making many highly likely to be in need of rehabilitation.

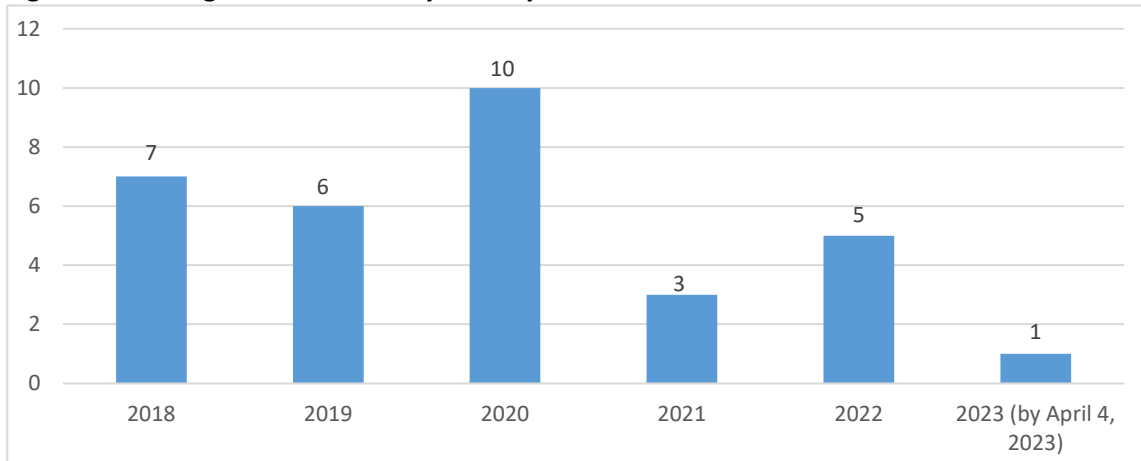
Figure 4: Year Housing Structure Built – Hill City



Source: U.S. Census, 2017-2021 American Community Survey

From 2018 to April 4, 2023, a total of 32 building permits were issued for residential units (Figure 5). Most of them were for remodeling. These upgrades may have increased the quality of some houses, making them meet the needs of those households with slightly higher income levels. However, the number of upgrades appear to be insufficient to address the supply shortage for those households in the low and upper income ranges. As almost two-thirds of the housing units in Hill City were constructed at least 53 years ago, the large discrepancy between houses suitable for rehabilitation and the number of permits issued over the last five years strongly suggests that additional incentives are required to maintain the quality of the older housing units in Hill City.

Figure 5: Building Permits Issued by Hill City

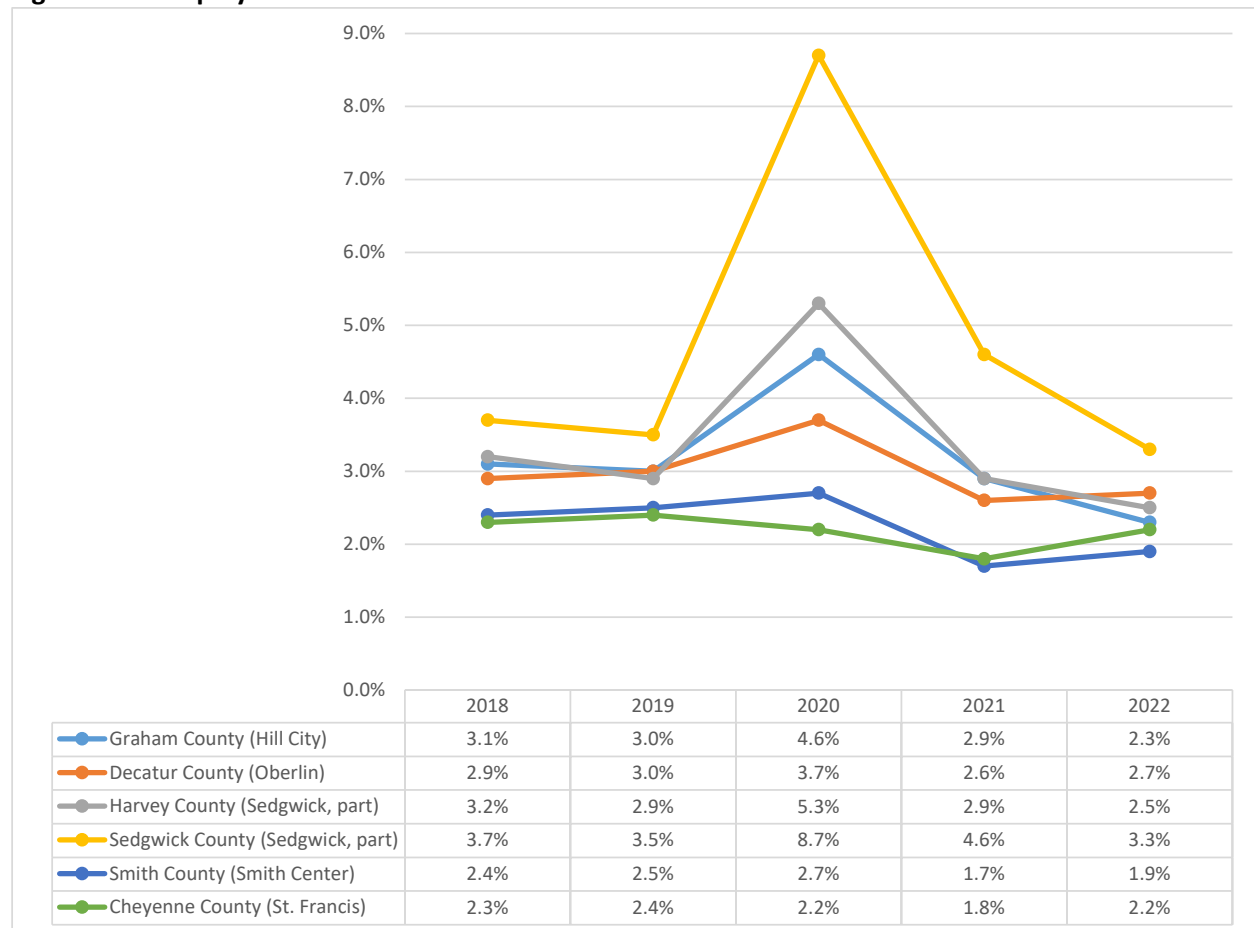


Source: City of Hill City

III. The shortage of quality housing is a substantial deterrent to the future economic growth and development of such city or county

Despite the population decline, the unemployment rate in Graham County, where Hill City is located, was not the highest among the counties in which the study cities reside. In 2022, the unemployment rate in Graham County was 2.3%, higher than those in Smith County (1.9%) and Cheyenne County (2.2%), but lower than those in Decatur County, Harvey County, and Sedgwick County (Figure 6). The ranking was generally consistent in the past five years (2018-2022). A shortage of suitable housing for the current workforce would be a barrier to economic stability. Quality housing may also attract in-migrants to join the labor force in Hill City as the unemployment rate in Graham County is relatively low. It is imperative that the county takes a proactive approach to maintain an adequate quantity of new and rehabilitated housing units.

Figure 6: Unemployment Rate



Source: U.S. Bureau of Labor Statistics

IV. The future well-being of the city or county depends on the governing body providing additional incentives for the construction or renovation of quality housing in such city or county

The analysis in Section I documents a shortage of housing in Hill City for low-income and high-income families. Further analysis in Section II shows a disproportionately high number of older houses in Hill City while there had been very few demolitions/constructions and a low number of rehabilitation activities. The shortage of housing for low-income and high-income families will persist, even with a projected population decline in the next 10 years. Lack of quality housing will only serve as obstacles to economic stability and migration from other communities.

The Hill City area provides an ample assortment of places for outdoor and sports activities. Various athletics and sports are supported. In particular, the region is known for hunting. In addition to hunting, the area has a lake suitable for additional outdoor activities. Antelope lake offers opportunities to fish, camp, and hike. The lake is just a few miles west of the town of Morland off highway 24 and supports populations of catfish, bass, and crappie.³

A golfer could find a good local course in Hill City. Owned by club members, the Hill City Prairie Trails Golf Course is a nine-hole golf course. The course offers a beautiful golfing experience for a variety of visitors and locals. Located to the east of the town, the course offers multiple events weekly as well as frequent tournaments during the season. The range also hosts a men's and women's league. Particularly, a clubhouse outfitted with a kitchen is available on the premises expanding entertainment options.⁴

The Hill City Swimming Pool offers an engaging summer experience. Appealing to a wide range of swimmers, the pool boasts a growing number of features. The pool has a short diving board as well as a slide. The pool also has a concession stand, baby pool, shelter house, chairs, and awnings. On the same block as the pool is a recreation area with two pickleball courts and one tennis court.⁵

³ Interview with Hill City Mayor
<https://snoflo.org/fishing/kansas/graham-county-antelope-lake>

⁴ Interview with Hill City Mayor
<https://prairietrailsgolf.wixsite.com/hillcity>

⁵ Interview with Hill City Mayor
<https://www.travelks.com/listing/hill-city-swimming-pool/51468/>

Hill City has two official parks. Fairview Park, located east of the high school and in close proximity to a daycare, the area is located conveniently and has a play area which includes a jungle gym. The other park, East City Park, has a gazebo, disc golf course, outdoor basketball court, and a paved walking path approximately one mile long. Events such as the local tree lighting and holiday displays often occur at this park. Both parks have fully functional bathroom facilities.⁶

In addition to parks, Hill City is the site of the Graham County Fairgrounds. The fairgrounds have several facilities used for a variety of events such as dances, fairs, and rodeos. There are two buildings. The 4-H building has both heating and air conditioning. There is also an additional commercial building without climate control. The grounds also have two installations. Grandstands and rodeo pens facilitate many of the outdoors events. A sand volleyball court can be found at the fairgrounds. Close to the fairgrounds are four ball fields. The ball complex hosts baseball and softball games as well as tournaments. The Graham County Recreation Commission utilizes many of the recreational fields for sports tournaments and other games.⁷

Between Hill City and Bogue is a Riders Inc ATV Track. The Riders Inc nonprofit manages the track and also funds a variety of events in the area. Multiple events are held there throughout the year including haunted night around the track, Christmas lights and carols event, and Graham Jam “Celebrating the musical talent from our backyard,” a large town-wide jam session hosted in the downtown area.⁸

In addition to sports and athletics, Hill City has a diverse selection of cultural and historic events and attractions. Hill City is home to a relatively new car museum. The Graham County Auto & Art Museum displays a substantial auto collection. This museum is open to the public and showcases a variety of antique cars. The exhibited cars are rotated four times a year ensuring an interesting experience for both new and repeat museum goers.⁹

Historic locations dot the region. The Nicodemus National Historic Site lies to the east of Hill City near the county line. The site displays the lives of Nicodemus residents, black settlers from the South

⁶ Interview with Hill City Mayor

⁷ Interview with Hill City Mayor

<https://www.facebook.com/GCRChillcity/>

⁸ Interview with Hill City Mayor

⁹ <https://www.facebook.com/people/Graham-County-Auto-Art-Museum/100069923024072/>

who founded and settled the town after the post-Civil War Reconstruction Period. The community is the sole remaining African American community in the Great Plains region. Renovations are underway for the township hall. The hall will be converted into a visitor's center and the location will host Smithsonian traveling exhibitions. A historic ranch west of Hill City offers a peek into prairie farm life over one hundred years ago. Among the offered experiences, Cottonwood Ranch rents wagons for overnight stays and has frontier cooking activities.¹⁰

Though outdoor and historic entertainments are popular, Hill City also has venues for indoor activities. Brick Pointe & Co. event center hosts a variety of events such as townhalls, wine tastings and can be rented for various celebrations. For those who enjoy participating in or viewing live performance and movie buffs, Frontier Stage Cinema Theatre is used as both a movie theatre as well as a stage theatre. There is one screen/stage at the venue. The theatre runs on donations and community volunteering. The theatre hosts several regular events such as Quilts of Valor and plays by the local arts council.¹¹

Not all attractions are for entertainment. Somewhat unique among rural communities, Hill City has several businesses typically associated with higher population areas. The local power plant has six generators that can run natural gas or oil. Some of which have been active since 1952. In addition to the power plant the community has a recycling center, hospital, and developmental services office.¹²

The Hill City Recycling Center accepts magazines, phonebooks and cardboard. The facility is to move to a new location near the landfill. The center accepts recyclables on Mondays, Wednesdays, and alternating Saturday mornings. Their website provides additional tools and information on additional recycling facilities within and outside of Kansas. One tool tracks regional, and national, recycling programs by material. The other tool also tracks programs by material but has a specific emphasis on commercial recycling resources.¹³

¹⁰ Interview with Hill City Mayor

<https://www.nps.gov/nico/index.htm>

<https://www.cottonwoodranchks.com/>

¹¹ Interview with Hill City Mayor

¹² <http://www.energyjustice.net/map/displayfacilityadvanced-64547.htm>

¹³ Interview with Hill City Mayor

<http://www.kansasrecycles.org/programs/city-hill-city-recycling-center>

The Graham County Hospital (GCH) contains a hospital and medical clinic. As the main medical facility, it provides a variety of medical services, including walk-in clinic care, mental health, rehab, senior life solutions, etc. GCH was named a Top 20 Critical Access Hospital by the National Rural health Association in 2021. The town has a class 2 business airport. The airport located north of town has a helicopter pad which is used for medical flights. In addition to the hospital, Hill City has the Kobler Developmental Center – DSNWK. The office offers supportive services to individuals with developmental disabilities. Included services are day care for disabled adults and a workshop to build items sold at a store in downtown Hays.¹⁴

Hill City offers a variety of recreational and cultural amenities, and health care facilities. These are conducive to retaining current residents and attracting new employers and labor. The availability of high-quality housing is one of the obstacles to economic stability and development in Hill City. This study demonstrates that rehabilitation of current housing units in Hill City would serve to address the housing shortage for the low-income and high-income households. Incentives are needed in order to promote more rehabilitation/new construction, so that Hill City would have adequate housing to retain current residents and attract more.

Conclusions

The statistics and analyses of this report have documented, under criteria established by the Kansas Secretary of Commerce, Hill City's need for financial assistance in housing rehabilitation/construction in order to retain economic stability and development in Hill City and Graham County. The analyses have provided empirical evidence that 1) there is a shortage of suitable housing for low-income and high-income households; 2) even with a declining population, the shortage of housing is expected to persist without additional incentives to private sector investors; 3) the current and projected shortage of quality housing is a deterrent to the future stability and development of Hill City; and 4) the future well-being of Hill City is highly dependent on further government support of the local private housing industry.

¹⁴ Interview with Hill City Mayor
<https://www.grahamcountyhospital.org/>