HOUSING

INTRODUCTION
A community is largely defined by the type, style, and cost of housing available for its residents. It can be one of several factors used to attract new residents and growth to an area. In the past decade, Ankeny has experienced an influx in residential building permit activity within its city limits and just beyond. When this level of growth is occurring, it is important to have a strong understanding of the existing housing stock, especially as to how it compares to the new housing being built. This chapter will assess the existing housing characteristics and projected housing needs for residents of Ankeny. The goal of the housing chapter is to allow for an examination of past and present conditions while identifying potential needs, including provisions for safe, decent, sanitary, and affordable housing for every family and individual residing within the community.

Communities need to provide a balanced approach to housing availability to remain vibrant and sustainable. To maintain services and benefits to its local residents, a mix of apartments, single-family dwellings, townhouses, and other types are needed. In addition, these housing types need to be available for multiple income levels. A vibrant community has employment opportunities at multiple levels of income and this needs to translate into the housing core as well. If a community welcomes younger entry level employees and families, then the community needs to offer housing options meeting those entry level incomes.

At times, the term affordable housing triggers the concept of low-income housing as well as all subsidized housing. While this is sometimes true, more often than not it simply refers to having housing choices such as entry-level single-family housing, townhouses, or nicely constructed apartment buildings. Maintaining a balance of affordable housing options will allow Ankeny to attract younger professionals and non-professionals and allow them the opportunity to raise their families, have a high standard of living, and grow in the community.

EXISTING HOUSING STOCK
Ankeny has several housing options available for residents:

- Single-Family Houses
- Duplexes
- Condominiums
- Townhouses
- Bi-Attached Houses
- Apartments
- Special Housing Types (Including Assisted Living, Apartment Conversions, Mobile Homes, and Nursing Homes etc.)

The largest category of housing type is Single-Family Houses, representing 59% of all housing units in Ankeny. The second largest housing unit type in Ankeny is apartment with around 4,300 units representing 19% of all housing units. Other notably large percentage housing unit type is Townhouses with 14%. The remaining units are spread between Condominiums, Bi-Attached Houses, Duplexes, and Special Housing Unit Types such as nursing homes or apartment conversions.

Currently, Ankeny’s housing composition and...
options is close to being balanced. Typically, balanced would be closer to 50% Single-family and 50% all other housing types.

SINGLE-FAMILY HOUSING

The age of Ankeny’s single-family housing stock mirrors Ankeny’s rapid population growth. Single-family construction reveals a great deal about population and economic conditions of the past. Ankeny’s growth and economic conditions have been growing at fairly large rates since 1990. This is even true from 2005 to 2009 when the United States was in a the “Great Recession”. In this time, there were fewer single-family dwelling constructed, but the slowdown was not as significant in Ankeny as in other portions of the United States.

According to 2016 Polk County tax assessor records, there were 13,755 single-family dwelling units in the community. Figure 5.2 shows the age breakdown of the single-family homes in Ankeny. Approximately 9,786 or 71.1% of the single-family homes in Ankeny have been constructed since 1990. Starting in 1990, Ankeny began to see large gains in the number of total single-family housing units with 2,378 units constructed between 1990-1999. Compared to the 582 single-family homes built in the previous decade, this was quite an impressive jump in construction. This growth continued into the 2000s with an additional 4,500 single-family units constructed between 2000-2009. The total number of single-family units built was slightly higher between 2000-2004 than between 2005-2009. Nationally, the United States experienced two recessions in this decade both after the terrorist attacks on September 11, 2001, and later after the collapse of the housing market and the ensuing recession. While growth was slightly lower during the housing market recession years, Ankeny was able to continue significant housing growth during these times period. The single-family housing boom has continued into the current decade with nearly 3,000 single-family units between 2010-2016.

APARTMENT UNITS

Apartment buildings play a critical role in the housing dynamic of any community. These housing structures provide solutions to a mixture of housing needs and desires. Not everyone can afford to own their own home in the community, nor does everyone want the financial responsibilities associated with single-family homeownership.

Apartments can provide a means of affordability and convenience depending upon the design and rental policies of a particular building. Unfortunately, apartments are typically associated with lower income people and families and the “projects”. However, apartments, across the United States, especially, in the Midwest tend to be a mixed income housing facility; meaning some renters pay market rate rents; while other income levels are subsidized.

Based in 2016 tax records, Ankeny has 4,316 apartment units. The current apartment buildings in Ankeny, according to the Polk County Assessor’s Office, average 29 units per building and contain 29,509.8 square feet. This averages to over 1,000 square feet per unit which is a decent size apartment for younger professionals and families. However, the median year of construction of apartments...
in Ankeny is 1973. The most common year of construction for Ankeny apartment buildings is 1977. This makes half of the existing apartments are 44 years old at the time of this plan. Newer apartment buildings are generally larger and tend to have a higher number of total units per building.

Considering the age of the existing apartment stock, the City will need to see new units constructed to not only handle new residents looking for this option of housing, but some of the older buildings may begin to need replacing. Ankeny currently has approximately 3,300 apartment units 38 years or more in age. This represents 76% of the apartment units in the community.

After a vacancy spike during the recession, the Ankeny apartment rental market has seen relatively tight occupancy over the past five years. While the current survey estimate is just above the rule-of-thumb equilibrium level of five percent vacancy, the local market has been operating at or below this level consistently over recent years. As a result, there has been steady upward rent pressure and fewer options for would-be renters – a market still growing as the last of the Millennials enters the prime twenty-something age bracket for apartment-seekers. Several hundred units of apartments are currently underway in Ankeny and will likely change the age breakdown of total apartment units in the near future.

OTHER HOUSING TYPES

The other housing types present in Ankeny include duplexes, townhouses, condominiums, and bi-attached units. Some basic statistics on these housing types include:

**Duplexes**
- Total families served: 466 families
- Median Year Constructed: 1975
- Year most constructed: 1976
- Median Assessed Value: $163,000.00
- Average Assessed Value: $225,786.00

**Townhouses**
- Median Year Constructed: 2005
- Year most constructed: 2005
- Median Assessed Value: $116,000.00
- Average Assessed Value: $131,268.00

**Condominiums**
- Median Year Constructed: 2004
- Year most constructed: 2004
- Median Assessed Value: $107,500.00
- Average Assessed Value: $108,441.

**Bi-Attached Houses**
- Median Year Constructed: 2009
- Year most constructed: 2014
- Median Assessed Value: $163,200.00
- Average Assessed Value: $165,275.00

As shown in Figure 5.6 above, the most popular housing type in Ankeny (besides single-family homes or apartments) has been the townhouse. Townhomes did not catch on in popularity until the 1990’s, but have seen solid continuous growth since 2000, even during the economic downturns. Condominiums have also seen some popularity in Ankeny. Interest seems to have peaked between 2000-2004, likely due to the property tax advantage of creating a condo. Finally, duplexes and bi-attached units have seen minimal interest by the development community in Ankeny since 1930.
LOCAL BUILDING PERMITS: 2005-2016
Figure 5.5 examines the total residential building permits issued by Ankeny starting in 2005 and going through 2016. In 2005, the City issued the peak number of permits for single-family dwellings with 1,206 permits. However, beginning in 2006, the number of building permits begins declining, showing some of the economic impacts of the “Great Recession”. The downward trend continued through 2011 and has shown a more stable level of building permits, even though they are not back to pre-recession levels for single-family dwellings. In contrast, the total building permits for residential in 2016 exceeded the total permits in 2005 when new multi-family construction is added to the analysis. Multi-family building permits began emerging from the recession in 2010 and 2011 and have been growing since those years.

Trends in total permits for the City of Ankeny show an earlier start to housing recovery relative to the U.S., which did not resume residential construction growth in earnest until 2012. While the national homebuilding bubble was driven largely by permitting activity in 2004 through 2006, Ankeny was already beginning to decline – perhaps softening the severity of the national downturn.

Ankeny has averaged over 1,000 total housing units permitted since 2012, with approximately 15 percent accounted for by multi-family. Other suburbs nationally of comparable size and demographics saw more substantial increases in multifamily activity.

HOUSING PRICE INCREASES
Figure 5.7 illustrates, at the metro, state, and national level home price trends before, during, and after the recession. This timeline, using 1996 as an anchor year, notes how overall U.S. home prices increased much faster than in the state and metro, and consequently fell more quickly during the housing bust. While local home prices have grown slightly less during boom periods, the region was spared the brunt of the steep bust period plaguing other metropolitan areas.

While this housing price index data are not available for Polk County, it appears the state and metro are somewhat sounder fundamentally and perhaps less prone to boom-and-bust extremes than other regions in the U.S. This may be due, in part, to the tendency in Iowa to rely on local homebuilders who are perhaps more in tune with market-specific demand fluctuations than national builders, and thus less likely to invest unwisely while approaching down-cycles.

ESTIMATING RESIDENTIAL DEMAND
Estimating future demand for new homes and apartments within the City of Ankeny, must begin with a reasonable projection of future population and household growth grounded in historical precedent. Figure 5.8 above shows estimated Ankeny population at various years and computes a compounded average annual growth rate between each two points in time, and again for longer combined time periods. The resulting range of rates of annual increase provide some context for selecting a range of possible growth scenarios for the City of Ankeny.

As an additional reference point, the State of Iowa hired the demography firm Woods & Poole to produce forecasts of population growth.
growth across all Iowa counties through 2040. The Polk County growth projection resulting from this analysis was just 1.0% annually between 2015 and 2040.\(^1\)

For this analysis, the assumption was Ankeny will likely continue along an exponential (compounding) growth curve for approximately ten years, followed by linear (straight-line) growth until 2040. In other words, for the next decade, Ankeny should continue adding a fixed percentage each year to a continually expanding base population. Beyond 2026, as the base expands and land supplies become less plentiful, Ankeny should enter a more “mature” phase of growth, where the annual population increases by a fixed number (rather than percentage) of new residents – turning upward-curving growth into a straight (but rising) line.

The expected household rate for the coming ten years is set at 3.7 percent annually, approximately equivalent to the 1980-2015 overall annual average population growth.

The 2016 base of 21,459 households grown at a rate of 3.7 percent annually through 2026 results in household growth of 9,401 over ten years. Applying a 5.0 percent factor to account for possible demolitions, a very modest amount of second-home purchase activity, and maintaining a healthy vacancy/turnover buffer, results in an adjusted 10-year demand for approximately 9,871 units for the residential trade area, or 987 units annually. From 2026 onward to the 2040 planning horizon, growth is expected to remain at approximately 987 units annually (to accommodate 940 new annual households).

This gross unit demand is further allocated into approximate rent and owner segments by income group. The analysis assumes a slight upward shift in trade area real household incomes over time (using constant 2015 dollars) as employment conditions gradually improve over time and market credit requirements cause turnover dynamics to favor somewhat more affluent households. Figure 5.10 above summarizes these demand estimates by income and rental versus ownership unit type.

It is important to emphasize the real-world relationship between household incomes and housing prices are quite variable and error-prone. As such, we show income levels only (as opposed to housing price and rent levels). While we do include assumptions as to rent-own decisions based on income, these too are unstable and prone to market volatility based on many factors such as interest rates and consumer confidence.

An assumption of a constant proportion of renters to owners over the coming decade. It is also possible policies in Ankeny and elsewhere in Polk County may begin to favor a higher proportion of renter housing as Boomers entering retirement seek lower maintenance, smaller, more flexible options. For now, however, we assume as Millennials enter prime family-starting age over the coming decade, that any Boomer trends towards renting will be offset.

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\(^1\) Given that the Woods & Poole forecast was produced in 2009, in the midst of a national recession, these estimates are more likely to underestimate future growth potential.
HOUSING TYPES AND DENSITY
Arriving at possible future residential land needs within Ankeny, the housing market analysis uses five different housing types, as shown below. These are broad categories, and there can be significant variation in home design, layout, site size, and other factors within these types. These housing types are key parts of the “palette” with which city staff, leadership and stakeholders can paint the comprehensive planning area during later phases of the Comprehensive Plan process. These housing types are based on housing recently built in the market area, housing proposed for other comparable new development areas.

LARGE LOT SINGLE-FAMILY

MEDIUM LOT SINGLE-FAMILY

SMALL LOT SINGLE-FAMILY

SINGLE-FAMILY ATTACHED

MULTI-FAMILY

*representative photos

SUMMARY OF HOUSING DEMAND AND LAND REQUIREMENTS
This chapter has discussed the past residential construction by single-family and multi-family and overall projected need for more housing. Housing types have a large impact on the future demand for land, utilities and streets. However, these are very dependent upon the different density levels a community, such as Ankeny, wishes to implement in the future. Figure 5.12 examines residential demand and applies an approximate density (dwelling unit/acre) and lot size, which equates to future total land demand over the next 10-year period, 2016 to 2026.

As a community grows, there are a number of items to consider if the community is to be sustainable (provide quality services and amenities; while levying as low a tax rate as possible). These keys to sustainability include:

- Limiting large expanses of water and sanitary sewer.
- Limiting the number of lane miles constructed and maintained in the future.
- Providing walkable and bikeable communities.
- Less physical development area reduces life safety costs to the City and taxpayer.
- Less physical development area reduces response time for life safety services.
- And many more cost savings can be identified by increasing the overall density of the community.

Figure 5.12 examines the potential growth and absorption rates and applies it to basic density principles in order to determine future demand for land. The Table only examines the period from 2016 through 2026.
FIGURE 5.12 Summary Development Potential By Land Use Per Decade

<table>
<thead>
<tr>
<th>Market Area Unit Demand</th>
<th>Low Factor</th>
<th>High Factor</th>
<th>10-Year Absorption (low)</th>
<th>10-Year Absorption (high)</th>
<th>Density (low)</th>
<th>Density (high)</th>
<th>Low Growth High Density</th>
<th>High Growth High Density</th>
<th>Low Growth Low Density</th>
<th>High Growth Low Density</th>
<th>acres required by 2040</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Detached</td>
<td>% (units)</td>
<td>90%</td>
<td>110%</td>
<td>(units)</td>
<td>du/a</td>
<td>du/a</td>
<td>acres</td>
<td>acres</td>
<td>acres</td>
<td>acres</td>
<td>4,105</td>
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<tr>
<td>small lot</td>
<td>30%</td>
<td>2,042</td>
<td>90%</td>
<td>1,838</td>
<td>2,246</td>
<td>6</td>
<td>8</td>
<td>230</td>
<td>306</td>
<td>374</td>
<td></td>
</tr>
<tr>
<td>medium lot</td>
<td>40%</td>
<td>2,722</td>
<td>90%</td>
<td>2,450</td>
<td>2,995</td>
<td>3</td>
<td>5</td>
<td>490</td>
<td>599</td>
<td>817</td>
<td>998</td>
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<tr>
<td>large lot</td>
<td>30%</td>
<td>2,042</td>
<td>90%</td>
<td>1,838</td>
<td>2,246</td>
<td>1</td>
<td>2</td>
<td>919</td>
<td>1,123</td>
<td>1,833</td>
<td>2,246</td>
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<tr>
<td>Attached Ownership</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Townhome, Condo, Plex)</td>
<td>766</td>
<td>90%</td>
<td>110%</td>
<td>689</td>
<td>842</td>
<td>10</td>
<td>16</td>
<td>43</td>
<td>53</td>
<td>69</td>
<td>84</td>
</tr>
<tr>
<td>Rental Apartments</td>
<td>2,296</td>
<td>90%</td>
<td>110%</td>
<td>2,067</td>
<td>2,526</td>
<td>15</td>
<td>20</td>
<td>103</td>
<td>126</td>
<td>138</td>
<td>168</td>
</tr>
<tr>
<td>Total Residential Units/</td>
<td>9,868</td>
<td>90%</td>
<td>110%</td>
<td>8,881</td>
<td>10,855</td>
<td>5.0</td>
<td>3.4</td>
<td>1,785</td>
<td>2,182</td>
<td>3,167</td>
<td>3,871</td>
</tr>
<tr>
<td>Acres per Decade</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

Source: Leland Consulting Group (with inputs from ESRi, State of Iowa, and CBRE)

EXAMPLES OF DENSITY LEVELS*

1.0 UNITS / ACRE

1.9 UNITS / ACRE

3.2 UNITS / ACRE

7.7 UNITS / ACRE

8.4 UNITS / ACRE

21 UNITS / ACRE

33 UNITS / ACRE

*representative photos

Images Source: http://datatoolkits.lincolninst.edu/subcenters/visualizing-density/gallery/
Based upon the calculations in Figure 5.12, density of future development will have a large impact on the amount of land needed by 2016 to handle residential demand. Depending on the density rates for the future, by 2026 the City of Ankeny will need between 1,785 acres (2.78 square miles) and 3,871 acres (6.05 square miles) to address this residential demand caused by the anticipated population growth.

As seen in the density photographs, density varies greatly, but, when done properly it can and will have minimal visual impact on the community. The key to using density successfully is to address it in key ways, including:

• Placing apartments along major thoroughfares and intersections; while placing the parking to the rear of the building.
• Require larger structures like apartments to create a staggered façade.
• Require higher quality building finishes on the public face of the structure.
• Apartment buildings will provide a screen between high traffic areas and single-family lots, this is referred to as graduated density.
• Allow for certain parts of the community to have smaller lots.
• Allow for specific areas/lots to be developed for the use of townhouses and condominiums.
• Allow smaller starter homes on the smaller lots; while allowing creativity to the development concepts.
• Using the Planned Unit Development concept, allow developments to cluster in greater densities; while, protecting key natural amenities.
• Promote the use of rear garages/alleys on homes; while, allowing front porches to build up to or closer to the sidewalk. Create old-fashioned front porch neighborhoods.

**HOUSING GOALS AND POLICIES**

**Goal 1: Provide opportunities for higher density developments during the planning period**

*Policy 1.1* - Allow for the development of higher density housing based on locations identified in the future land use map

*Policy 1.2* - Provide transit options and trails around the higher density residential developments

*Policy 1.3* - Encourage higher density residential development to be aesthetically pleasing through high-quality materials and finishes

*Policy 1.4* - Require higher density residential developments to include amenities such as playgrounds or passive pocket parks

*Policy 1.5* - Planned Unit Development (PUD) should be used as an alternative to conventional development patterns to encourage creative yet responsible / sensitive developments

**Goal 2: Ensure future housing works closely with natural environment and amenities**

*Policy 2.1* - Encourage new residential development to protect environmentally sensitive areas such as floodplain corridors, streams, and wetlands

*Policy 2.2* - Tree stands and drainage ways should be preserved around residential areas for trail expansion

**Goal 3: Ensure future housing is connected to existing neighborhoods and transportation corridors**

*Policy 3.1* - Create an interconnected network of streets, trails, and sidewalks to allow for more mobility

*Policy 3.2* - New subdivisions should connect streets to each other as well as connecting to older subdivisions in the community

*Policy 3.3* - Sidewalks should be provided on both sides of all streets, or in alternative locations as allowed through design standards or the Planned Unit Development process
HOUSING GOALS AND POLICIES CONTINUED

Goal 4: Provide for high-quality and affordable housing for future and current residents

Policy 4.1 - Encourage a mix of housing types to be distributed throughout individual developments with similar housing types facing each other and changes occurring at the rear of lots

Policy 4.2 - Maintain high design housing standards for apartment and townhomes, including those with an affordability focus

Policy 4.3 - Review and accommodate, wherever possible, any new or alternative development concepts or proposals, provided such concepts or proposals are consistent with and do not compromise the established disposition of land uses on the land use map or the goals and policies of the plan

Action 4.4 - Explore and monitor the need for a rental housing rehabilitation program to promote the renovation or replacement of older rental housing building and complexes

Policy 4.5 - Require new residential developments that have common areas under shared ownership to enact covenants to ensure adequate maintenance of common areas, easements, and drainage areas

Policy 4.6 - Consider pedestrian orientation design in new developments, including shorter block lengths

Goal 5: Protect and preserve the community's existing older single-family neighborhoods and housing stock

Action 5.1 - Conduct a housing assessment of older single-family neighborhoods to develop a baseline of the existing housing conditions, dwelling types, and general maintenance. Periodically re-survey to evaluate changes in property maintenance

Action 5.2 - Develop a home improvement program such as patterns books or the adoption of zoning code changes to assist homeowners in updating older homes (i.e. adding bathrooms, expanding kitchens, adding garages)

Action 5.3 - Target areas as may be necessary to promote, require, and/or assist with property maintenance to protect the appearance, value, and desirability of existing, older neighborhoods