

# Comprehensive Housing Action Plan



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# 1. Introduction and Process Overview

The City of Williston experienced **substantial growth** during the past decade—its population more than doubled, placing significant strain on the area’s housing market. There is considerable pent-up demand for housing at all price points and strong growth is projected for the area for the foreseeable future as a result of higher oil prices.

The City of Williston commissioned the Newmark Grubb Zimmer team to create a *Comprehensive Housing Action Plan* to provide goals and strategies to meet current and future housing needs.

The *2016 North Dakota Statewide Housing Needs Assessment*, prepared by the Center for Social Research and the Department of Agribusiness and Applied Economic at North Dakota State University projected demand for housing across the state in 5-year increments from 2014 through 2029. Williston is located in Region 1, which includes Divide, Williams, and McKenzie counties. This region is the fastest-growing in North Dakota and is projected to continue to grow at a rapid rate. Key observations discussed in the needs assessment relating to Williston are summarized below:

- Williston’s population grew by 67 percent, or nearly 10,000 residents, from 2010 to 2014. Region 1 grew by 48 percent (nearly 16,000 residents) during the same period.
- Williston’s population is projected to grow by 53 percent from 2014 to 2029, or by 13,000 residents. Region 1 is projected to grow by 67 percent (30,400 residents).
- More than 7,800 housing units were added to Williston from 2010 to 2014, a 122 percent increase. Nearly 12,000 units were added to Region 1 during the same period, an 82 percent increase.
- To meet projected demand, Williston will need at least 6,650 new additional housing units, which would equate to 443 new units per year, over the 15-year projection period of 2014 to 2029. Region 1 will need more than 18,000 new housing units.

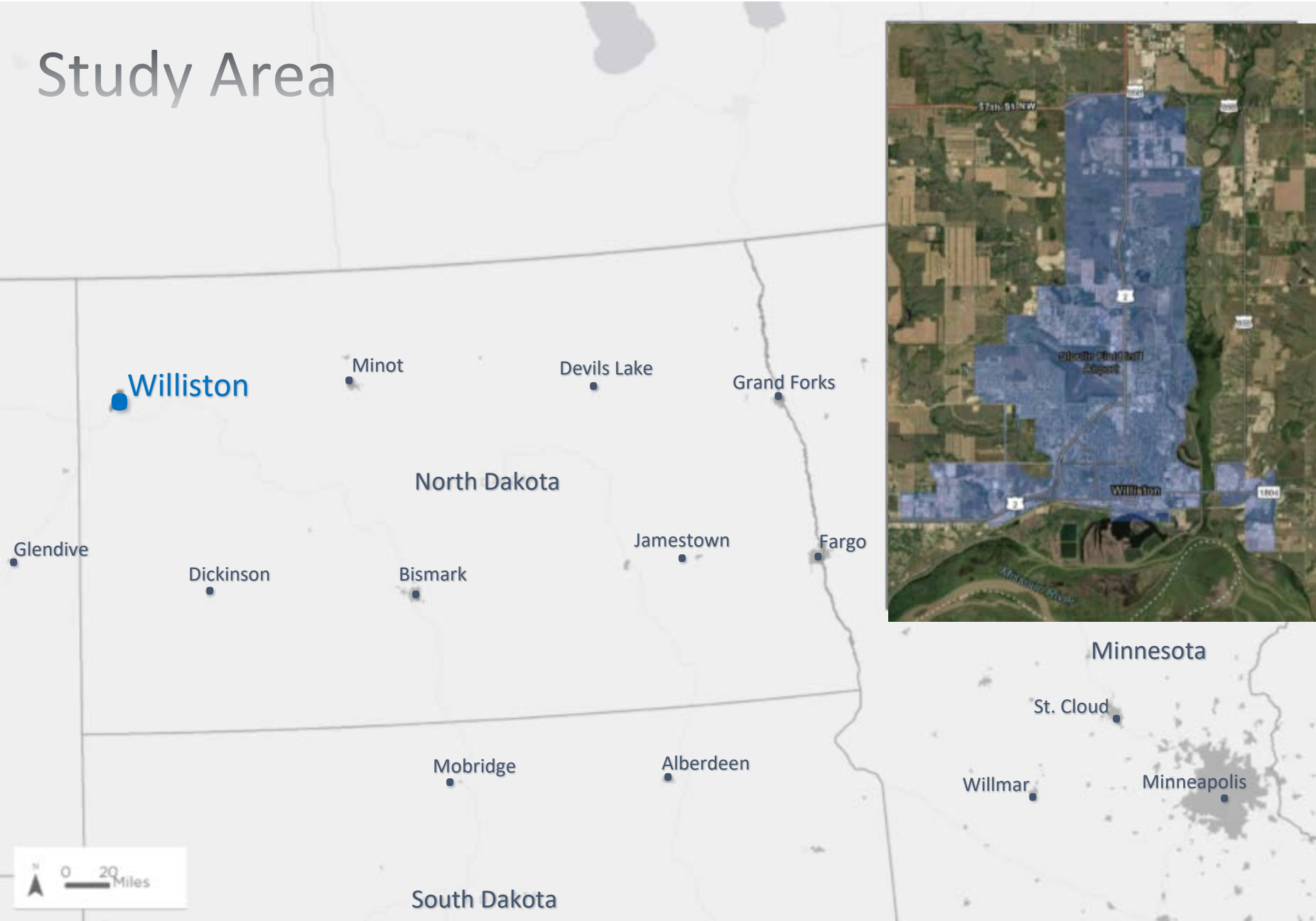
- While growth is projected across all age cohorts, the highest percentage growth is projected for those aged 25 to 44—the prime working and household formation age group. Significant growth is also projected for those 65 and older.
- Housing affordable to all income levels will be needed, including:
  - 552 units affordable to extremely low-income households (0 to 30 percent of MFI, or less than \$20,000 annual income in 2014),
  - 643 units affordable to very low-income households (31 to 50 percent of MFI, or \$20,000 to \$34,999 annual income),
  - 751 units affordable to low income households (51 to 80 percent of MFI, or \$35,000 to \$59,999 annual income),
  - 606 units affordable to lower moderate-income households (81 to 115 percent of MFI, or \$60,000 to \$75,000 annual income),
  - 941 units affordable to moderate-income households (116 to 140 percent of MFI, or \$75,000 to \$99,999 annual income), and
  - 2,283 units affordable to all other households (140 percent MFI and higher, or \$100,000 or more annual income).
- Despite robust growth and a recent construction boom, the average owner-occupied home was built before 1990, indicating a need for new housing that meets modern preferences.

Housing challenges have increased in many ways since the release of the study. Some new product has entered the market, but development was slowed by a downturn in the oil and gas industry. Yet, pent-up demand for housing continued to drive up rental and for-sale housing prices.

These statistics and observations served as a call to action for Williston. In order to support growth, help area companies attract and retain talent, and foster the right kind of housing development, communities must be strategic and align public resources to attract and support housing development that meets demand, as well as market preferences. According to local officials and stakeholders, much of the new housing—particularly for-sale—that was developed in Williston during the last boom cycle was substandard in terms of construction quality and features, size, and neighborhood amenities. This will be elaborated on further in the report.



# Study Area



At its core, the purpose of this action plan is to help the city approach housing and neighborhood development in a more proactive way—to recognize there is substantial demand for housing, that there are various systemic challenges in developing the “right kind” of housing, and there are programs and initiatives the city can undertake to address these challenges.

## REPORT STRUCTURE AND METHODOLOGY

*Housing and economic trends were evaluated, housing stakeholder interviews conducted, and key observations and constraints were identified to form a basis of understanding for the action plan.*

This study utilized a four-step process—gather, analyze, strategize, and finalize. The first step involved gathering data and information to understand Williston’s market context. The second involved a deeper dive into housing and real estate. The third took what was learned in steps one and two and synthesized key trends into strategies aimed at helping Williston meet its housing goals and needs. This report is the main component of the fourth step, report and finalize pertinent analysis and recommendations. Ultimately, the intent of this report is to provide a toolbox for city officials to use to address critical housing needs.

This study consists of eight chapters:

1. Introduction
2. Community Engagement
3. Developer Analysis
4. Economic Climate
5. Market Analysis – Supply
6. Market Analysis – Demand
7. Peer City Review
8. Strategies and Recommendations

## DATA OVERVIEW

Williston’s status as a boom town certainly contributes to its housing challenges. It also creates multiple challenges from a data analysis standpoint. Most demographic and economic data sources are inherently dated because they are reported on a certain date, then analyzed for accuracy, then published. Most projections are based on historic trends. In other words, the data sometimes does not keep up with growth in markets like Williston.

For this reason, multiple data sources are used to report population, income, housing, and economic trends, including:

- ESRI (Environmental Systems Research Institute) – Population, housing, and income estimates and projections
- Main Street North Dakota (current demographic and housing statistics)
- The Hennessey Report: Williston, ND Single Family Housing Trends, Year End 2018 (John R. Hennessey) (housing market data)
- U.S. Census Bureau (Census 2000, 2010, and American Community Survey); U.S. Department of Labor, Bureau of Labor Statistics (BLS); U.S. Department of Commerce, Bureau of Economic Analysis (BEA); and other state and national sources.

Data from these sources was also balanced against what the team heard in conversations with city officials and community stakeholders. The data reported in this report is intended to provide an accurate description of current conditions in Williston.

## Introduction and Process Overview



This chart shows the four-step process used for the methodology of this study, as explained on page 7.





## Regional Overview

*Williston is a rapidly growing city in northwest North Dakota that owes much of its growth to the expansion of the oil industry, which has brought many well-paying jobs to the community. It also has a long history of agriculture and farming.*

North Dakota lies on the northern edge of the United States, bordering Canada. With about 760,000 people spread across 70,700 square miles, it is the fourth most sparsely populated state in the nation. Almost 90% of the land is in farms and ranches, making agriculture a critical part of the state's economy. More recently, extraction of natural resources (oil, coal, and natural gas) from the Williston Basin/Bakken Formation has become a major factor behind the influx of new residents that have made North Dakota the state with the largest percentage in population growth since 2011.

Only nine cities in North Dakota have a population greater than 10,000. While larger cities like Fargo are attracting new residents, since 2010, cities in the northwest region (including Williston and Watford City) of the state have seen the highest rates of growth due to the dramatic increase in high-paying jobs with the oil and gas industry. Due to this rapid growth, the City of Williston is now the 6th largest city in the state, with an estimated 2018 population of 32,000 (ESRI estimate).

In the past, Williston was concerned about population loss and empty storefronts, but the oil boom has caused Williston to experience serious growing pains as thousands of people flocked to the city to gain access to lucrative jobs in the oil industry. This dramatic influx of people caused pressure on public infrastructure and the existing housing stock. Roads were reportedly clogged with traffic and housing prices skyrocketed. New homes and apartment buildings were constructed, but many found shelter in less permanent solutions such as RV parks, man camps, or personal vehicles.

The City has begun to adjust to its new reality. Williston has made major investments in upgrading infrastructure, providing amenities such as the "ARC" recreation complex, and enhancing public education with the construction of a brand-new high school. Now, the City seeks to improve housing conditions and the quality of neighborhoods to ensure long-term stability and continued economic growth.





	<b>Williston</b>	<b>Williams County</b>	<b>North Dakota</b>
<b>Est. Population, 2018</b>	32,200	42,400	797,200
<b>Annual Population Change 2010 – 2018</b>	+8.9%	+8.1%	+2.1%
<b>Median Household Income 2017</b>	\$91,000	\$90,080	\$61,300
<b>Median Housing Value 2017</b>	\$237,800	\$250,600	\$174,000
<b>Housing Units Added Annually 2010 – 2018</b>	970	1,260	7,790

Sources: 1ESRI, 2018; 2Main Street North Dakota and American Community Survey (2012-2017, 5-year estimates)

## Market Area Demographics

Since 2010, Williston has experienced dramatic population growth, more than doubling its population in the past eight years. The city has accounted for more than 13 percent of the total population growth experienced in the state.

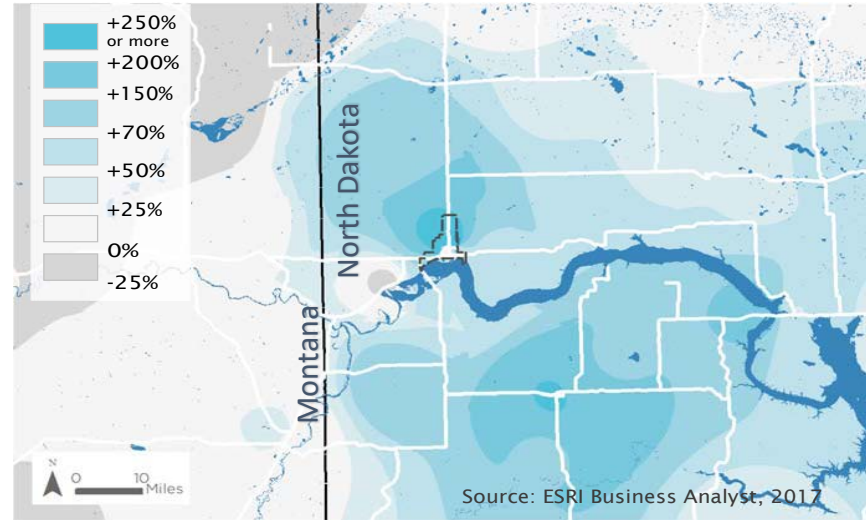
### POPULATION CHANGE

Since 2000, population growth in the Williston region has occurred primarily inside the Route 85B beltline and to the north along Route 2 and Route 85. The most significant population growth in the past sixteen years within Williams County has been in Williston. The same population trends experienced in Williston the past decade are also evident to the southeast along the Missouri River in adjacent McKenzie County.

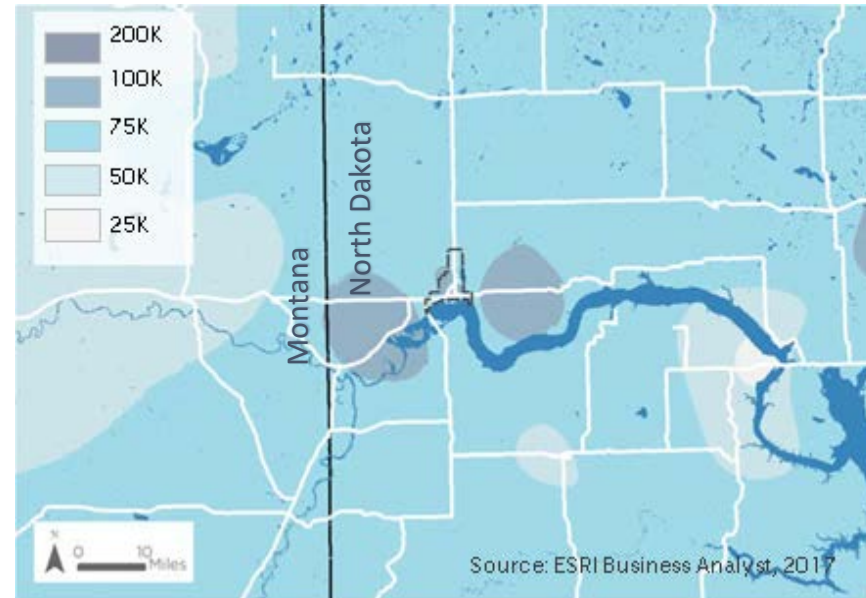
### MEDIAN HOUSEHOLD INCOME

The spatial patterns of median household income in Williston and Williams County are somewhat atypical of other rural communities throughout the nation. According to the Main Street North Dakota 2019 (2018 data), the median household income in the city is roughly \$91,800, and a majority of surrounding cities in the county have median household incomes 25 to 50 percent higher than the state. In Williston, only 11 percent of households earn less than \$25,000 a year (ESRI 2019, estimates). Additionally, areas to the immediate east and west of the city have median household incomes topping \$200,000, an anomaly for the region. With higher than average median household income combined with the city's proximity to the booming economic opportunities in the region, ample buying power and demand for new housing in Williston remains strong.

### CHANGE IN POPULATION 2000–2016



### MEDIAN HOUSEHOLD INCOME

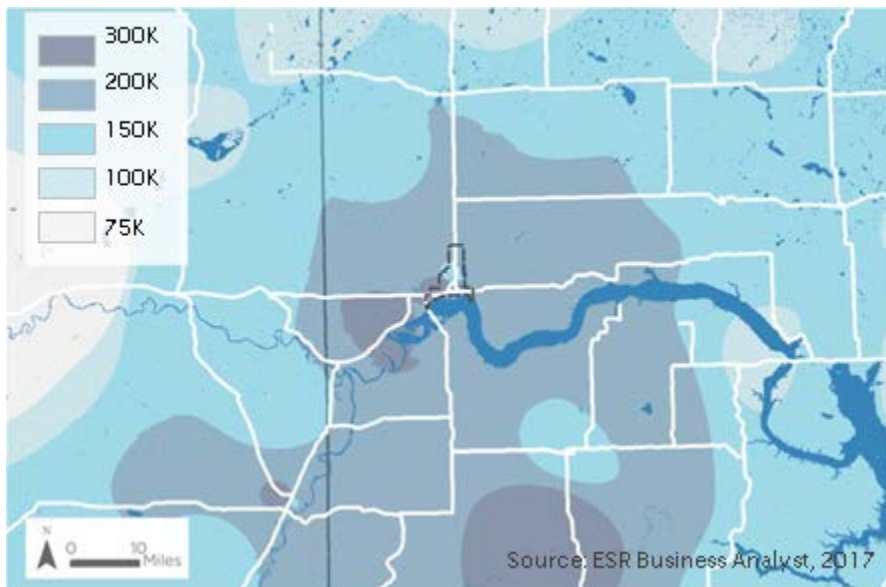




## HOUSING VALUES

The distribution of housing values follows similar patterns as median household income with some of the highest housing values in the region located in areas nearby to the southeast. The median housing value in the city is roughly \$13,000 less than the county, and \$63,000 more than the state. The median housing values in the city are slightly lower than areas outside the city within Williams County. Williams County housing values are generally similar throughout, although areas to the north of Williston have housing values more in line with those seen in the city.

### MEDIAN HOUSING VALUE



Key Metrics Williston	
<b>16,300</b>	Residents added since 2010—a 103 percent increase
<b>34%</b>	Of city’s population is between 25 and 49 years old – key demographics for new housing
<b>50%</b>	Of residents earn \$91,800 or more per year
<b>54%</b>	Of owner-occupied housing units
<b>2.35</b>	Average household size
<b>\$237,800</b>	Median housing value
<b>\$256,600</b>	Average sales price for single family homes (2018)

Source: Esri, 2019, MLS



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# 2. Community Engagement



## DEFINING STAKEHOLDERS

The City of Williston has a diverse community of people who live, work, and own property within its bounds. These are the people considered the stakeholders of the project planning activities, serving the community in which it operates. They have a “stake,” or interest in, planning activities as it relates to their environment and specifically the housing needs for the purposes of this report. Engaging these stakeholders in the community engagement and public outreach ensures different perspectives are heard and the community is consulted about specific plans related to the City of Williston’s growth and planning process. Conducting outreach and encouraging participation during this planning activity leads to a more informed and active public and results in a more inclusive plan for the community.

The terms outreach and participation are distinguished, as outreach is generally understood to include only one-way communication, while participation is considered more broadly to include both one-way and two-way communication.

One-way communication is simply the distribution of information to or from the public; for example, an email from staff of meeting announcements, agendas or neighborhood association emails and newsletters.

Two-way communication involves knowledge sharing, expression of opinions, and listening to dialogue of concerns within an open format, with community citizens, and decision makers. Two-way communication can encourage collaborative decision-making because input is collected from the participants, which then may affect the outcome. For the purposes of the Williston Housing Action Report, we primarily utilized two-way communication methods, holding an open forum meeting for all citizens to attend and share their ideas followed by extensive stakeholder interviews.



## Townhall Meeting

The community engagement process began with holding a Public Input Meeting on March 19, 2019 to maximize public outreach and participation. This was followed by conducting one on one confidential interviews the next three days (March 20-22, 2019) with an assortment of citizens representing various interests throughout Williston. The stakeholder interviews were designed to solicit input on a personal level in a confidential setting. Many people don't speak up or say what is really on their minds during a public meeting but are more prone to do so in private one-on-one meetings.

During the evening public Townhall Meeting, held Tuesday, March 19, 2019, three key questions were raised to the group of the 51 attendees who signed in. More people joined later and stood in the back or sat after the meeting began. Good dialogue was received, and concerns raised with the objective to find out the housing issues to then find solutions and come back to the city with recommendations.

The below summary synthesizes the information received and several housing related themes that emerged.

### *What are the significant housing issues?*

- Labor shortages and costs
- Housing for Labor
- Cost of Land
- Cost of Material
- Finding Contractors
- Affordability
- What is the Incentive to come?
- Short Building Season/Weather
- Development Costs
- Lack of Retail Business
- Lack of Labor for retail
- Special Assessment Costs – High
- Lack of Financial incentive programs
- Lack of Home types – Need Twin homes, Associations, townhomes
- Need Ranch homes for retirement, all living on first floor
- Need 3BR/3 BA/3 car garage - deep garage with extra space for large trucks and weather gear

### *What barriers exist to develop housing?*

- Banking options – locally/internationally – very difficult
- Lack of contractors
- Demographics (land far...far... away)
- Disbelief of retail numbers
- Need to see Rooftops
- Develop from within – keep people here – Trade Schools
- 20% down payment on homes, construction loans
- No incentives for developers to risk their own monies
- Builders/developers pay for all utilities
- Put more emphasis on homes, rather than retail
- Poaching of subs
- Request Tax incentive – waived 75k, ask 150k for 2 years. None now
- Local/non-local a big deal

### *Are there particular areas of the city you are concerned with?*

- Analyze lots that are ready to build and partially ready lots (cost to complete)
- Roundtable of local businesses – not just oil field

## Town Hall Meeting



## Stakeholder Interviews

*Standard data sources do not always reflect current realities in fast-growing cities like Williston. To augment the data analysis, the team interviewed more than 60 residents and community leaders to gain a better understanding of what is happening related to housing today.*

Williston is a unique place—it is growing very rapidly as oil and gas prices start to rise again, incomes are relatively high, but so are housing prices, and it has hundreds of job openings. As previously discussed, available data sources only tell us so much—it is critical to ground truth data reports with local perspectives.

The best way to gain an understanding of local housing conditions, opportunities, and challenges is to dialogue with stakeholders—housing professionals, lenders, city officials, and residents who live and work in Williston. The consulting team interviewed more than 60 stakeholders over a three-day period in March 2019. The intent of the interview process was to hear what stakeholders believed were the primary housing issues facing Williston: What kind of housing is needed, why that housing isn't being developed, and what can be done to foster the right kind of development.

As the second step in the community engagement process, three consultants spoke individually in a one-to-one in-person meeting over three days with 64 scheduled interviewees arranged by the City's Planning department. These individuals represented a wide cross-section of the community from small and large business owners, bankers, large employers, the school district, real estate agents, developers, community leaders, as well as city staff. The group interviewed ranges from born and raised locals, to transplants who now call Williston home, with a broad spectrum of age ranges and a balanced gender ratio of men and women.

Positive feedback was received frequently for the interviewing team being there to talk with people. Interviewees expressed gratitude to the City for providing an opportunity for them to share their thoughts.

In summary, (see specific themed comments listed below), there was a divide between the younger and older population. If we were to look at the median age in this community, you'll see it is a young community partly because there was an exodus when the boom happened. A lot of the older community members moved to places such as Arizona. The airport project versus existing or other projects came through loud and clear. Another issue is the community believes that the City of Williston is a rural community, but that is not the case. The schools for example, have all the characteristics of an urban community and are "busting at the seams". There are about 4,500 students with the district's capacity at about 3,900. There are social and communication issues that are arising from this population explosion. The housing stock is very poor. The homes available for sale are not desired. People are buying homes but are not happy about their availability to select from. Most neighborhoods have a half industrial feel where the need for a neighborhood feel is preferable.

There is a population of those "remembering the way it was" and doesn't want the community or their personal interests to be messed with or changed despite how fast the community is growing. There is an individualistic vs collective interest. The prices are so high that it actually starts tearing the community apart. Because of the high population growth in the schools there is a need to attract, recruit and retain teachers, however there isn't a place for them to live. If they do find a place to live, they cannot afford it and the living expenses, even with a starting salary of \$43,000. There are all these children coming in, but no one to teach them. Also, the rental rates are so high until it forces people to choose to buy but they are not happy about it and most still cannot afford it, even with a very high salary. There are about 700 lots ready to build upon and others that are in various stages of the entitlement process yet there is a housing shortage. This report attempts to address that issue.



There is an East versus West and a local versus commuter divide within the community. It's an equity issue that should be addressed at the highest levels. There are two separate and distinct economies. When you are trying to correlate the two there is not a sufficient connection. They have different needs; therefore you cannot apply a "one size fits all" approach as a solution.

When meeting with the Menards manager, the public stated the number one issue in the community is that the costs of labor and materials are too high. The Menards managers determined that their cost of materials is the same within the rest of the nation and is not higher in Williston. The high costs and shortage of laborers are the true problem, but it is a people problem. Others voiced their concerns about the "big bad mean City" with no assessments and the cost of developers having to pay for all of the utilities to bring their housing projects to market. They believe there needs to be some relief and incentives. The City doesn't have the resources to keep stretching the infrastructure further out of the city limits, so this is a key issue to solve.

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*The following is a summary of the Stakeholder Interview questions and feedback received.*

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#### **What makes Williston a great place to live?**

By far the overwhelming response was: **The people.**

- Great people.
- People are welcoming.
- Small town feel.
- Ability to meet and make friends.
- Eclectic group of people from all over the world.
- Community feel & ability to make a difference/philanthropic.
- Opportunities are here.
- Plenty of things to do.
- Safety.
- Family environment.

#### **What are the challenges for finding the right housing?**

- Cost - price point of housing too high to obtain.
- Most homes are not renovated or updated.
- Finding a house with enough room (more than 2BR, a yard).
- Finding a house that is quality built.
- Availability of homes is low but also an expectation of people getting a deal on a home.
- Shortage of single-family homes.
- People don't have money for a down payment.
- Build homes in School District 1. People might not want to live in District 8 or vice versa.
- Rents are too high.
- What the market wants doesn't and can't exist. Want 3BR/2BA/3 car garage. for \$280k. Current inventory is the starter home.
- Floor plan that meets the needs.
- Limited inventory at all levels.
- Not many starter homes in the affordable 200-250k range.
- Looking under 300k and can't find good quality (would be 150k somewhere else).
- Houses in budget very outdated and needed fixing, no fence or yard, run down.
- A lot of older homes priced too high.
- Need more 2-car garages that fit a big truck. People will buy for 310k instead of a 1 car at 280k.

**\*Note:** Several commented they commute from 30-50 miles specifically due to the lack of housing. Living 30-50 miles away cuts the price of housing to 1/3 of the price in Williston.

### *Important Outcome of this survey?*

- Provide achievable solutions to this current housing crisis with clear and concise implementation guidelines.
- How many homes are on the market/what is typical for a similar city?
- Finding a middle ground and educating the public – this is why the cost.
- Implement fair and equitable treatment of all builders and developers through government transparency.
- Find contractors to building Quality homes based on the wants of the community.
- Find solutions for quality affordable housing.
- Need to understand the issues in order to solve it.
- City needs to hear from others than the self-interested developers.
- Expose the truth about whom and what influences control critical housing and development decisions in the city.
- Think outside of the box.
- Finding the need for Williston because population is so diverse – teachers' income and oil field.
- More options in housing.
- Thinks there is a misconception that if you work in the oil industry, you can afford more expensive homes.
- Have a clear path, a new path.
- We are no longer a boom town, we need to grow as a real town.
- Everyone protecting himself or herself – there is no collaboration with regard to developers, builders and the city.
- The start to open and honest dialogue between everyone in the community that will move the city forward.

### *What Information to include in the final report?*

- Advise if heading in the right direction or the need to change directions.
- Complete, specific, and accurate data relating to all housing issues.
- A breakdown of the expenses so people can see the true cost – good for the city and community to know.
- What kind of development is needed/useful?
- Be creative. Be pragmatic. Find a way the risk is not borne by the city.
- Good luck separating self-interest from what needs to be honed in on.
- Don't talk to builders/developers, talk to the 15 biggest employers.
- What do we need?
- Pricing. Oil field employees looking under 300k for 3BR.
- Get all parties together – bank, realtor – reduce fees, developer – what can you do, City – you don't want to risk, but what can you do?
- Complete, specific, and accurate data relating to all housing issues. List all stakeholder interview feedback and detailed recommendations.

### *What are the three most significant housing issues facing Williston?*

- Prices high— land, labor, materials and home price, rental price.
- High cost and lack of availability to rent and purchase single-family homes.
- Lack of Quality. Built quick and cheap, outdated condition of the majority of rental property available.
- Quantity - Lacking the availability of homes.
- Lack of trades, lack of skill workers.
- Lack of qualified builder who want to come to Williston (they no longer need to be here for business with all markets picking back up).
- Finding a builder.
- Older homes need fixing up and aren't worth the asking price.
- School district issue.
- Space – need yards and not to hear your neighbors.
- Increasing cost to rent.
- Need for single family housing to make it more attractive to stay here. More homeowners, happier employers and resilient in downturns.
- Shortage of lots.

### *What barriers exist, or what issues make it difficult to develop housing?*

- Getting quality/reputable contractors to come to the area to build.
- Expensive to have renovations done to a home.
- Labor Pool Shallow-Hard to find plumbers, electricians at a reasonable cost and are unreliable.
- Cost of Land to develop. 1 acre \$70-75,000 and then cost to build.
- Cost of infrastructure and planning for that.
- Someone loses in order for you to win.
- Not enough builders to do the volume.
- Unrealistic expectations from buyers.
- Lack of builders and lack of trades.
- Developer's cost for infrastructure is \$35k.
- Schools overwhelmed.
- Need to be able to reliably predict and control costs – material and labor.
- There is not a public understanding of the higher cost of labor and supply; people think it is the developers being greedy.
- People forget about higher incomes.
- Location – finding the correct land in the city.
- Politics at the city, county, township, and state level that provide unfair advantage to a select few politicians, builders, and developers.
- Lack of cooperation between government agencies.
- Competition between area cities, counties, and schools for independent agendas.
- Lack of institutional capital. (Banks).
- State leadership is perceived as inconsequential.





*In terms of the housing market, what do you want to see in the next 10 years?*

- Quality housing is critical. New homes built in last 6 years are not quality.
- Increase in single-family homes in a developed neighborhood (with paved roads/streets).
- Rent prices to decrease.
- Would like to see more high-end/upscale quality houses that adds value to neighborhoods, nice finishes, granite, more space- important for professionals, attracting doctors/other for a strong community. Larger building lots.
- Neighborhoods that have character (not just straight roads).
- Stability in pricing. Housing impacts staffing. (Lost an employee due to a \$350 rent increase and an escalating increase every 3 months for the next 3 years).
- Access to entry-level housing (<\$200k), more stable rents, bigger lots and bigger homes.
- Lower to mid-level affordable homes to get families into so they can stick around. Apartments are temporary.
- More unified subdivision, only high end is The Meadows.
- Create small communities with parks, need a neighborhood feel.
- More trees.
- More houses on the market in the \$250-300k range – 4BR/3BA, now priced at \$400k.
- Housing to fit the people, not the builder.
- Responsible planning for controlled growth to meet demand for homes with a stable and affordable housing market.
- Significantly improved quality rental units and properties.



### *What actions can the city take to help meet Williston's housing goals?*

- City to recruit and attract reputable contractors and plumbers/electricians that finish jobs.
- Develop and maintain an updated and accurate strategic city master plan to control responsible growth.
- Leverage Oil company capital to generate funding for pressing city and community financial needs.
- Inter-local partnerships between the city, county, and the school districts to address common goals.
- Develop fair and regulated incentives for builders and developers that also protect the city.
- Oversee responsible construction and completion of the new airport that maximizes positive impact for the city.
- Develop the 800 acres of old airport property for specific maximum housing construction and positive financial impact for the city.
- Facilitate the development of a Day Care center and a technology training facility to support the local economy.
- Encourage reasonable and sustainable development.
- Developers need to be assured of a profit margin (why else would they take the risk?).
- Views an uphill battle with the City Commissioners and the Community – if incentives to developers the community will view commissioners helping their buddies out.
- City to help find the land to build single-family housing.
- City should take on costs like other cities.
- Need consistencies in inspectors (opinion based vs. standards) which brought delays, better now than from a couple years ago.
- Man camps could help the labor shortage – for trades, not just oil fields
- Tax incentives for development.
- Smart planning and zoning for where things are going.
- Continue getting the community's perspective and not just the city's perspective from their windows.
- City needs incentives to offset developers' costs.
- Plan out developments – some are in the middle of nowhere, nothing there, gravel road, no pavement.
- Town is ready for a building and the City is listening a lot, but every idea gets shot down.
- Collaboration is key – with the right people. Not the same 6 guys in the room.
- This town is so stubborn. Need to let go of the old school grip, and some people have never left the city.
- Perception: "Oh it's just the good 'ole boy network" – all protecting their own interests including the city.
- Positive comments the city is doing a good job for beautification of the city, inspectors better.
- Appraisals inconsistent, valued less and bank doesn't loan more.
- Recommendation Offer Home Financing courses – people spending too much money, buy big trucks/toys, not working as many hours now, and people aren't making buying a house a priority (saving).
- Appreciation of the things the city has done, noted frequently was the ARC.

### *Specific to housing, are there particular areas of the city you are concerned with?*

- The perception that the Mayor and councilmen have a "conflict of interest" by receiving prior knowledge of real estate opportunities in the city and their decisions and votes benefit them financially from special deals.
- The current airport development is a joke. All smoke and mirrors.
- Citizen's perception for distrust for Cardon Global Consulting being paid excessively to develop the airport and doing little or nothing for the city.
- Oil companies buying homes and apartments and driving up housing prices.
- Perception that too many apartment complexes are currently built, and this lowers the value of existing homes because they are right next-door or across the street from housing additions.
- There is no homeless shelter, zero resources and there is a homeless population that is disguised.
- High needs population for risk of eviction. Only one program but not very helpful with paying \$100 IF that will prevent eviction, usually is much more than that.
- Veterans can use more support.
- Housing and School districts. No busing in District 1. With city spread out it takes time to get kids to school.
- Redevelopment of the Industrial area – metal buildings not attractive.
- Pheasant Run area – Paint would make a difference, very run down.
- Random developments.
- School districts – feedback from oil employees – don't know where to buy, homes not available in the district where kids go when renting.
- Lukenbill Estates, Fendee Estates.
- Zoned Industrial all around the city and doesn't have curb appeal.

### *Are there particular types of housing missing from the market?*

- Quality Homes – By far, the most repeated concern was the lack of quality, citing homes put up fast, developers not understanding the ND weather and not insulated for the cold/ice that comes.
- Twin Homes, all living on ground level for retirement considerations, and no stairs.
- Senior housing fully maintained.
- Charm/Character – residents do not want a cookie-cutter neighborhood. Noted was wanting to have a neighborhood feel, a nice appearance, curved streets, green space, more space between homes, backyard space, wider neighborhood streets for big trucks to pass (too crowded now), nice finishes.
- Affordable Single-Family Homes.
- Space for a family – design for the needs of residents here to include 2-3 car garages for large trucks, boats, snow removal tools, basement, yard space with a backyard.
- There seems to be a "ton of apartments."
- Higher-end homes, size, space and look, executive level.
- Affordable lower priced single-family homes.
- Need more garages.
- Rent to buy options.
- Loft living above businesses downtown.
- 3BR/3BA/3 car garage with space.
- Entry-level, low end 104k. All inventory in such bad shape, not even a townhouse to buy.
- Sweet spot is 240-280, builders in the 340k range.
- Mid-range to upscale homes with larger building lots.
- Luxury apartments and condos.

## Summary of Key Observations – S.W.O.T. Analysis

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*The following statements summarize key issues raised by the stakeholders and steering committee. They help form the basis for the strategic framework that is the goal of this study and is presented at the end of this report.*

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### STRENGTHS

- Williston is a great place to live; there are job opportunities, people are friendly and welcoming, it is a safe community, and it is diverse.

### WEAKNESSES

- The existing housing stock is not diverse enough to meet market demand.
- There is a need for housing with modern amenities.
- Housing affordability is a major issue.
- There is a lack of builders.
- The last housing boom produced mediocre homes that have maintenance issues and are not highly marketable.
- Neighborhoods developed/built with no sense of place—they do not have a “neighborhood” feel or any green space.
- Housing is expensive.
- There is a lack of starter homes, as well as a lack of suitable “move-up” homes.
- There is a need for implementable solutions to these challenges.





## OPPORTUNITIES

The stakeholder interviews identified several housing-related opportunities:

- Initiatives should be positioned to leverage the high quality of life and friendly atmosphere in Williston.
- There is demand for quality housing at all price points—rental and for-sale.
- Partnerships with major employers could create funds to support housing development and help define needs for workforce housing.
- New policies or regulations may be needed to promote higher quality housing and neighborhoods.
- Guidelines to modify existing stock to be marketable to current preferences are needed.
- Housing to support aging in place is needed.
- Diversify financing options for first-time homebuyers and homebuilders.
- Existing developments with infrastructure in place, but are not developed, and could accommodate new housing development.
- Redeveloping the existing airport site to tame the market and promote neighborhoods with amenities.
- Work with area institutions to train a ready workforce in the construction trades.



## THREATS

Several constraints and/or barriers—challenges that can be addressed through an action plan—were detailed as well:

- There are not enough builders, subcontractors, and laborers to build enough quality homes to meet demand.
- Some buyers have unrealistic expectations about the size, or “amount”, of house that can be purchased at different price points, despite high incomes in the area.
- The lack of housing diversity—starter homes, move up homes, and homes that support aging in place needed—could cause potential residents to look elsewhere.
- Rents are too high and limit the ability to recruit teachers, health care workers, and people for similar jobs.
- The poor quality of much of the recently built housing leaves a negative perception.
- Financing construction and home purchases can be challenging.
- Community amenities, parks, trails, and other recreational features have not kept pace with growth.

## Individual Stakeholders' Interviews (Quotations)

### What barriers exist, or what issues make it difficult to develop housing?

*Housing – people don't make it a priority. People say they want a house, but their money isn't there. They have nice new cars, but their spending isn't there. Making \$150k/year, can't afford rent, but bought a \$110k truck.*

"Doesn't see a true housing shortage; it's that people don't want to pay prices. Thinks people have an expectation they should get a 5BR/2BA for \$250k. Complaints she hears prices are so high, they relate to 40 years ago in Oklahoma. Maybe there is a shortage, but there is also an expectation of people getting a killer deal on houses. If a shortage, it would be on single-family. Doesn't think people look at the rent as same house payment, people don't have money for a down payment."

"The cost of land to develop. 1 acre for \$75k and then the cost to build a house is significant."

"Contractors not staying. Plumbers/electricians and all contractors are hard to find at a reasonable cost and then to get them to be around."

"The city has taken on the debt and they have to lower the barriers. The more people can share the load. They have grown the public works, water departments, airport, trying to build for quality of life to attract people, all of these ordinances are on the buildings, lots and putting infrastructure on the backs of the developers. That's not our bill."

"There is a disconnect of appraisals and are inconsistent. The construction costs for a loan – how do you appraise it? Take 3 and average them. It needs updating."

"The cost of infrastructure."

"Labor is challenging. Hard to get quality trade labor back."

"What the market wants it doesn't, and can't, exist. People want 3 BR/2BA/3 garage for \$280k. People want their starter home to be a new home. We can build a good 2nd home. Current inventory is the starter home."

"There is an unrealistic expectation from buyers."

"There are not enough builders to do volume."

"Developers cost for infrastructure is \$35,000 added to the price of the home. The city has an absolute aversion for special assessment/sharing the financial burden for new development due to 1980's bust."

"There is a disconnect between the cost to build and what people can afford."

"There is not a public understanding of the higher cost of labor and supply, people think it's developers being greedy."

"A \$750k house in Williston is really more of a \$400k house. Lives 50 miles away for the housing. "

"Location. Finding the correct land in the city."

"Thinks there is a misconception of if you work in the oil industry, then you can afford more expensive homes."

In the oil industry, a lot of employee end up renting because they can't find anything they like. They are, coming from a decent house, feels like stepping down, take a hard look at why. Employees looking under 300k, 299 and down – 3BR/+

"Cost of infrastructure, price of land, and the inability to find people to build."

"There is a perception: "Oh it's just the good 'ole boy network" – all protecting their own interests, the developers, builders and the city. Everyone is protecting themselves, there is no collaboration."

"Lack of contractors and subs."

*"We learned from the last boom that we didn't put in the infrastructure and it is a big challenge."*

"The price of lots and property are high."

“If you do attract skilled labor, the oil field immediately tries to steal them.”

“Local banks are extremely conservative.”

“Overpriced housing. \$400k here, when it is \$250k in Minot.”

“Appraisal came in \$200k under what the home price was (had high-end finishes).”

“‘Group think’ is the biggest threat in Williston.”

“By the time you fix up an older house it is what a new house would cost.”

“The people who are in power will reject this report.”

“Good bankers, but conservative.”

“High costs of materials, labor, codes and land acquisition.”

“Greed is taking place fueling unrealistic housing pricing.”

“Playing favorites is a big issue.”

“There is a “good ole boy” mentality.”

“You can go east/west of downtown and get a better price point- 30-50 miles (move to Tioga) and can cut off 1/3 off the house price. People commute because of lack of housing and the price. “

“The lack of quality in housing is a big issue.”

*“Apartments make up 50% available housing in the city.”*

## What recommendations do you have?

*“Offer Home Financing courses – people are spending too much money, keeping up with others and people are not working as many hours now.”*

“Similar to tourism with communicating and stating the facts – there are a lack of contractors. Communicate and advertise it - we are short, we need them. The City to work with the few contractors locally and find out their needs - why can’t they hire, why can’t they grow? An electrician did some work but travels home on the weekends in Northern Minnesota - his statement he can make twice the amount here than at home. The City could encourage “reasonable and sustainable” development. Need developed lots ready to construct- developers are hesitant to invest because of the ups/downs of market. Developers need to be assured of a profit margin or why would they take the risk?”

“The City should take on infrastructure costs like other cities.”

“Man Camps to help the labor shortage for getting contractors and employees here. Man camp is not just for the oil field.”

“Have tax incentives for development. Smart planning and zoning, where things are going, schools, annexing smartly.”

“The City will have to participate in the city.”

“Need incentive or reduced cost for the developer/builders. We have enough shovel-ready lots. Water and electric added cost; hard on buyers- \$75k for price of lot.”

“The City needs to incentivize to offset developers who are still here, new ones coming to town to get something the older ones don’t.”

“The City to recruit with building companies to bring here to help the supply.”

“Attract some decent developers, do some incentives, pay for infrastructure, plan developments out, not just one off. Developments are out in the middle of nowhere. Employees live out on a gravel road, no pavement, no nothing.”

“What incentives can the city provide for builders and developers? Can the city give a special assessment of \$10k for 10 years? The City needs to compromise. Town is ready for building and the City is listening a lot, but every idea gets shot down. What are you really going to do? The people take on the risk. Can’t keep bending to the voice of the long-time residents.”

“Collaboration is key with the right people. Not the same 6 guys in the room. This town is so stubborn. Need to let go of the old school grip.”

“How can the City incentivize builders to come here?”

“Need creative ideas. The City has got to determine a way of helping a developer bear the costs of putting in infrastructure. Embrace the fact and if a developer risks to come here, the city will do \$x.”

“The City needs to participate somehow to recruit and have loyalty/commitment for skilled tradesmen. Identify plumber, sheet rockers, carpenters, etc. - recruit and incentivize. Have to stay in trade 3 years and then they get \$XXX, along with other benefits to offer, free tuition in state college. Get more workers here.”

*“Solutions that may seem unaffordable, let’s find ideas and how to afford it. The city needs to be open and consider ideas.”*

“Thinks the city needs to do better on their due diligence of new buildings, the money could be shifted to subdivisions – water/sewer/electrical. Do they need to have such grandiose buildings? Built a new firehouse sub-stations – realize some a safety tax, but the City spends so much money on those things. Bought Select Ford property downtown to move City Hall while renovated. Why?”

“Help the developers with infrastructure. Not fair for city to pass along assessments for new infrastructure to all people.”

“Work with the developers. Try to get different developers here. People want to come and build, but they can’t make money so no one is doing it.”

*“What incentives can the City provide to help price?”*

“More planning to let the city center grow out, for development to be connected, not scattered as it is now.”

“Hope the set-backs and ordinances can change to have more space that people want. Tighten up on the building procedures for beautification.”

“Focus on curb appeal, keep areas clean, spacious, widen streets in new areas, and place restrictions on parking on the streets/grass.”

“Bring more developers to build homes. Local people are swamped.”

“Is the City able to take the airport acreage to mass develop homes and help reduce cost with infrastructure to affordability?”

“There should be some upfront money for housing in some way.”

“There is an immense amount of money coming from the oil, why aren’t there more amenities here?”

“There are a ton of “temporary” issues – I can rent this for a year, but it’s sub-par quality. ‘The Bakken prices.’ People will pay for quality. Price point is an issue.”



### Are there particular areas of the city you are concerned with?

“There is no homeless shelter. It’s a huge gap. There is a homeless population. It is very disguised. There is not a place to go and there are zero resources. There are a couple programs through Veterans/Human Services, but you have to be their client. The Family Crisis Shelter is for domestic violence.”

“Peasant Run area, it is more of the lower income, and drugs are happening. The City needs to help out, give it more attention, it’s run down. Paint would make a difference.”

“Concern about the school districts. Feedback from employees is they don’t know where to buy a house, live here and kids go to another district, homes not available in the district where kids go when renting.”

*“Random developments.”*

“Schools are over-crowded, students are in temporary buildings, school may not even accept more students. Concern for retention of employees.”

“Schools. Get school situation figured out. People don’t want to move here when they find out their kid is sitting in a trailer in 3rd grade.”

*“Zoned industrial around all of city and it doesn’t have any curb appeal.”*

“School district boundaries a big issue.”

“All our classrooms are full, 30 kids per classroom. There are 800 babies born/year. If you want to keep young families in town, schools are a priority.”

“West. That’s where the newest building is at. It’s overbuilt, too packed.”

“Schools are a huge mess. District 1 and District 8 could resolve by using a Mediator. The two groups are very strong willed and need outside people to mediate. Need to just have one district.”

“Main Street is so dumpy, ugly, no one has updated buildings, doesn’t see any pride down the Main Street. Downtown is coming around – there is excitement.”

“The north side of town will have growth, airport there with bypass.”

### Other Comments/Questions:

“Healthcare – not sure how to solve. It takes at least one week to get into doctor when kids are sick. Have considered going to Minot- that fractures the community when you have to go outside the area to a doctor.”

“There has been a lot of cool things happen in the City. No desire to drive to Minot to shop. We try to stay local and buy local. Rec center great!”

“What would the airport project do to the entire market?”

“Healthcare is a big problem.”

“So many housing/apartments in such a small confined area. The city is not designed to handle the amount of traffic, mass transportation benefit in the future.” City bus is helpful to eliminate congestion.



### Comments stated to the specific size and price points of housing:

- “Price point of housing to get into- 4BR/2BA, 4,000SF home, \$350k.”
- “Finding a house that isn’t \$500-700k isn’t there for a 4BR house. It’s still a seller’s market. \$385k for a 4BR, 1 stall garage, 2 stall detached garage with shag carpet and wood paneling. Priced decent but you have to spend \$50-70k in renovations.”
- “What the market wants doesn’t and can’t exist - want 3 BR/2BA/3 garage for \$280k.”
- “There are not a lot of options within an affordable price range – around \$200-250k.”
- “Need more houses on the market within 250-300k range – 4BR/3BA houses priced at 400k now.”
- “Employees looking at homes priced under \$300k for 3BR/+, need 200-250k range, can’t find good quality housing.”
- “Builders don’t understand what people want. Can’t sell a 1-car garage for \$280k. She can sell a 2-car garage for 310k. Need a 2-car garage, more space, to fit a big truck.”
- “Sweet spot for housing need is \$240-280k range. Builders building in the \$340k range.”
- “Entry level housing inventory not there. Has client approved for \$140k and nothing he can buy, all inventory in such bad shape, not even a townhouse he can buy.”
- “Lack of affordable new housing in a good condition is missing. Housing here is mid-\$300k and where the shortage is \$280-350k.”
- “Almost everything is missing from the market. There isn’t anything for an oil field executive – no \$1MM-1.5MM and no starter homes for \$200-250k.”
- “\$200-300k for 5-year-old house, a 1950’s home for \$250k with tiny lot size.
- “If you want to keep a family here you can’t with 1,800SF and no basement.”
- “Need \$250-300k price point for homes.”

“3BR/3BA at \$350k is a hard price and doesn’t move. \$250-350k seems to be a sweet spot.”

“\$560k paid for house in boom, 5BR/4BA/3 car garage, basement, large yard, 2,500 SF. Now thinks worth \$700k.”

Need \$300-700k range housing inventory for the 3rd time homebuyer.”

“Have 3-4 employees looking for homes to fit their family, that isn’t \$500k for more bedrooms, more space in the yard. Need custom homes in the \$400-600k range that are not cookie cutter.”

“Price point of \$200-350k range needed and doable.” Large retail store employees.

*“Need 500-1000 2-3BR/2BA homes in 5 years, \$250-350k range and it is hard to do with land costs so high.”*



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# 3. Developer Analysis



## The Redevelopment of Sloulin Field

### BACKGROUND AND HISTORY

The 77-year-old airport was built to board roughly 8,000 passengers a year. Williston's Sloulin Field International Airport has had an economic impact on the community of more than \$209 million. General aviation aircraft bring in about 62,000 visitors to Williston every year, according to the most recent Economic Impact Study done by the State of North Dakota.

Sloulin Field International Airport is owned and operated by the City of Williston, ND. The original airport was located to the east of the city, within the floodplain of Little Muddy Creek. Due to a high-water table and soft soil conditions, the airport was relocated in 1936 to a 23-acre site, north of 18th Street and west of 2nd Avenue West. Williston's airport outgrew the location and the City purchased land in 1947 for the current airport location. The current airport is located north of 26th Street and west of US Highways 2 and 85. Existing airport land encompasses approximately 804 acres and is located in Township 154 North, Range 101 West of the Fifth Principal Meridian. Since 1947, Sloulin Field International Airport has expanded to accommodate the aviation needs of the community and has helped support the social and economic vitality of the City of Williston.

However, recent growth associated with oil and gas development in the region has placed significant demands on the existing airport. When originally constructed, the airport was located outside the City of Williston proper, but over the years, the city has continued to expand. As a result, residential, commercial, recreational and industrial development now surround the entire airport. Development, combined with needed expansion of the airport facilities to accommodate increasing aviation demands over the past six decades, has resulted in significant constraints to the existing airfield. Over the past 20 years, the City of Williston has worked to address constraints. Recognizing the benefits of comprehensive planning, the City completed two master plans, one in 1993 and another in 2004. As a result, a new more modern state-of-the-art airport is set to open in 2019 making the current airport a prime site for redevelopment.

The economic growth experienced in the Williston region is unprecedented in recent history. The forecasts are based upon the most up-to-date projections of socioeconomic growth factors in the region. The growth trends do not follow traditionally accepted, "normal," growth curves. Experts in industry, educational institutional research and governmental entities believe the factors utilized in the forecast to be best estimates of the anticipated growth in the Williston Basin. It is assumed by these experts and institutions that current growth rates are directly related to the exploration, extraction and production of oil and gas from the Williston Basin and Bakken Shale formation and will not continue indefinitely. Growth above the rates forecasted could occur if improved oil and gas extraction technologies are discovered and implemented in the future, or if oil recovery from additional layers of shale is found to be economically and technologically feasible. Growth rates below the forecasted rates could occur if market forces (i.e. decrease in petroleum prices) or increased governmental regulations cause extraction to become less economically feasible. This is important to note with respect to the airport site because it directly affects population growth which in turns creates the demand for additional housing.



Renderings of the new airport

## THE OLD AIRPORT MASTER PLAN

The Master Plan developed for the redevelopment of the Sloulin Field site calls for a broad array of uses supported by the building of infrastructure to include extending roads like 42nd and 32nd Streets. The first phase will be 150 acres on the front and eastern side of the property that will include some early retail in the high visibility area of Sloulin Field. Additionally, a civic park complex is part of the concept as well. The phase will also include housing. It is the housing component we are most concerned with respect to this report. As of the writing of this report there does not exist a market analysis and subsequent financial feasibility to suggest what that housing would look like.

For example, how many proposed multifamily units will ultimately be built once a deeper analysis is performed? At what rent rates? Does this include single family homes? If so, at what price point? Will the city provide incentives to offset the high costs associated with development in Williston? What affect will this have on previous development sites planned for during the boom they lay dormant today because of the last bust in 2014. As of the writing of the report, we do not have the answers to these questions from the developer.

## THE IMPLICATIONS OF REDEVELOPING SLOULIN FIELD

### The Pros

The proposed master plan has attracted the attention of Governor Burgum who suggested he sees a lot of things in the Sloulin airport master plan that plays into what he's been promoting with his Main Street initiative. Attracting the state's attention and more importantly its financial support will be crucial for the redevelopment of such a large site like Sloulin Field. The governor believes mixed-use developments like the one proposed for Sloulin will allow people to walk to work, walk to entertainment venues, and walk to the grocery store are the kinds of places the Millennial workforce of today are seeking. Assuming all three phases of the development materialize as described in the plan and the housing component is fine-tuned, it would definitely affect the supply/demand equation for multifamily housing and new home construction. In fact, a well phased (re)development could alleviate price gouging and tame unwieldy market forces.

The project has an opportunity to drastically affect existing planned developments if the city decides to enter into a public-private partnership for the redevelopment of the site.

For example, if the city decides to focus its time, energy, effort, and financial resources on the site it will mean fewer financial resources for existing and newly proposed developments. Many of the developers during the boom planned for continued growth until the drop in oil prices occurred. It was during this time that rental rates and prices soared. If the city were to "enter the market" as a co-developer partner, it could control variables the private sector cannot. As a result, developments could occur at a much less expensive rate to bring a project to market. This new more affordable amenity rich site would presumably complement existing development throughout the city, but also cannibalize existing and proposed developments. This could have an overall positive effect on the current market driving down prices for renters and homebuyers alike. In summary, a public sector supported development will drive down prices.

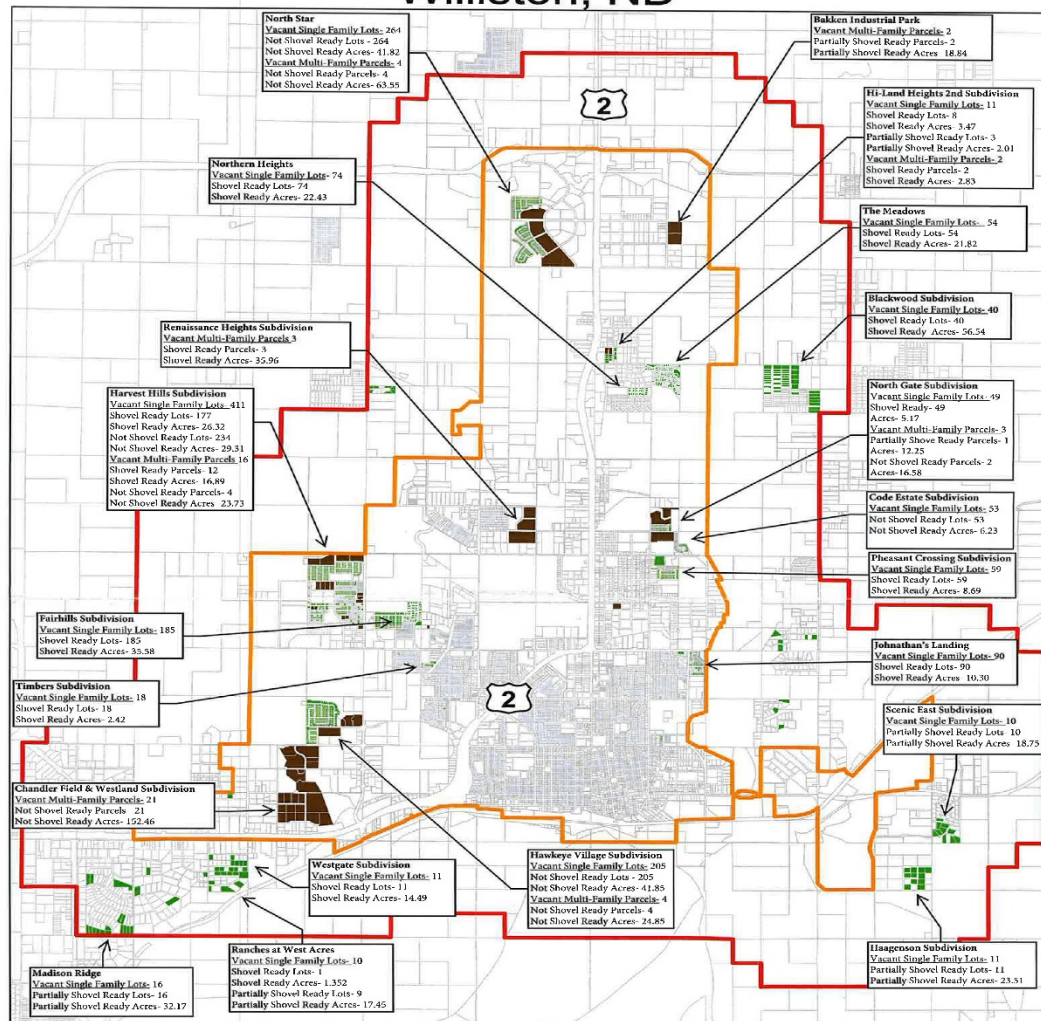
### The Cons

The issue with the city entering the development game on the Sloulin site is real for developers who have already invested heavily in their projects. Many landowners and developers we contacted for this report as previously mentioned were caught off guard by the downturn and have sat on their property in hopes the boom or least an increase in aggregate housing demand would return. As a result, you have a current situation whereby the need for housing is great, but existing developers feel they cannot bring new product to market because of a wide array of cost considerations mentioned throughout this report. The other big question is the issue of limited resources and the city's willingness to help existing developers offset some of their previous costs incurred to bring their projects to market in a financially feasible manner. In summary, the development of sites will adversely offset existing developments. Please see developable site maps on the next page.

The following map depicts developable Residential properties in Williston. It depicts the number of single-family lots ready for development totaling 732 lots, while 756 lots are NOT ready for development. Additionally, it shows 19 multi-family lots ready for development while 35 lots are not ready for development.



# Developable Residential Properties Williston, ND



- Single Family
- Multifamily
- Parcels
- City Limits
- City's ETJ

Number of Lots Ready for Development			
	Yes	No	Partially*
Single Family (Lots)	732	756	67
Multi-Family (Parcels)	19	35	3

\* No sewer or water

Information displayed on this map is AS IS at the time of the print. This map is for reference and should not be used for legal representation of dimensions or features. Reproduction of this map for resale is strictly prohibited.



## Phone Interviews with Developers

### Summary of Answers to “What do they need to move forward?”

“The city to send developers to them. Owns the land, but not a residential builder and has lots for sale. Doesn’t know why they haven’t sold.”

“Need builders. That’s it. It is entitled, zoned, all served by utilities. Just need builders.”

“The City needs to have outside contractors come into the community to build - from excavating to painting. Must provide all services for contractors. Make it as convenient as possible to do their business in the community.”

*“The difficulty is labor. Labor is a real struggle.”*

“Extremely expensive for them. When they put in infrastructure for electrical and gas, the city made us pay for all of it up front, Hundreds and thousands to put all in, 5-year kicker. If all built out in 5 years, have a kick-back. 2014 bust. Any hope to retrieve those kickbacks gone. If we can recapture some of that 3-5k/lot. Period of time extended. Could charge less. This would be one item for the city to look at.”

*“The margin for a developer is thin. Something is missing between the cost of developing and the cost of construction and it’s dragging the market down.”*

“If there was money to be made there, then builders would be there. The city needs to make a policy decision to fill the gap.”

“Not sure why not selling homes. Product needs to be completely done in Williston. There is a price perception and unwillingness to connect to the community. Thinks people believe Williston is less than ideal and doesn’t want to pay that price.”

“It’s a matter of city policy: we are going to set aside this money to provide a remedy to this issue.”

*“Housing in Williston is very frustrating. It’s not where the money is. We constantly lose money in housing.”*

“At a loss with the cost of production at the market value. “

“Some assistance on the servicing of the land - the streets, the underground utilities, the prices are very high in Williston. That is part of the problem.”

“The City to help on the cost on infrastructures. If the city would build some of these streets it would make a huge difference.”

“The city to help with the infrastructure costs to have covered.”

“Need momentum and a market that can take off the market. Price points are the biggest trouble. It’s a big pill to swallow as a developer.

*“The city to offer incentives to the home buyer or to the home builder.”*

“The infrastructure costs are extreme. The city could help with the infrastructure. City has the buying power, help keep the costs down.”

“A lot comes down to perspective of buyers and understanding the market is adjusted in developing communities in Bismarck at similar price points (a little more space). The expectation of home price here is harder.”

“Infrastructure costs are too high.”

“Wants a partnership with the city in this development. It’s not their primary business model. How can the city provide infrastructure – is there a way to bond this, like in MN & WI do they have a TIF districts, do they allow for infrastructure to be paid for over time, tax deferral/tax abatement/deferral of fees?”



## Why are Homes Not Being Built?

Developers are not able to build homes because there are not enough workers available. This theme of “lack of trades” has been repeated in all community outreach efforts to include the Townhall meeting, individual stakeholder interviews and Developer interviews. There is not enough local labor in aspects to promote an effective home building process. Individual efforts have been made by developers to bring in trades to Williston (from out of the area) but this is costly and highly inefficient, and difficult when all markets are building homes and have limited trades.

Additionally, developers need builders to build the homes. The City thinks the developer will be building residential homes, but some of the developers do not build residential. The developer has the lots available but need builders to build and would like the city to direct builders to them.

What’s more, the cost of infrastructure is too high. Moreover, developers are providing model homes but those are not selling, even when there is demand for homes. Developers are trying to absorb the current stock from their investment, which makes it difficult to build new product.

Finally, expectation and perception of the home buyer in Williston is different and many view the city not as a permanent home. This is partially because there is less space in Williston than other nearby markets.

## RECOMMENDATIONS FOR THE CITY OF WILLISTON:

- ◆ The City to provide infrastructure for developing neighborhoods (curbs, new streets, etc.)
- ◆ City to provide abatement or an economic development incentive for sewer, electrical and water. The approximately \$35,000 per home for these expenses are directly passed along to the home buyer.
- ◆ City’s Economic Development Director/team to proactively engage and build relationships with all the developers. This will open the line of communication with developers on their challenges, needs, and what they are seeing in an effort to keep a pulse of market issues. One developer noted that they would like to partner with the city and for the city to provide builders to them. If the city had more an open communication with developers, a plan for needs could be created for a more proactive partnership, benefiting the community.
- ◆ City to take the lead on community collaboration in an effort to solve the labor shortage of traders and work proactively to reduce the negative impact of the lack of trade workers. Work with the Chamber, a group of developers, and other engaged partners, to start a Taskforce to provide solutions. Work in collaboration to bring together a development program and marketing campaign for recruitment to help solve the problem.
- ◆ City to take the lead to bring outside contractors to come to Williston to build. City to consider providing temporary onsite residence while non-local trades build homes which would help the overhead and housing the crews.



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# 4. Economic Climate

## ECONOMIC CLIMATE

Although Bakken oil production initially began in the 1950s at Antelope Field in North Dakota, large-scale production growth did not begin until after the discovery of the Parshall Field in 2007. Since then, advances in drilling methods and technology, a better understanding of the geology of the Bakken, higher crude oil prices, and the formation's large size and number of wells all have contributed to higher production and to the potential for continued future growth. This has been the key driver of demand for housing in Williston.

As more wells are drilled in the Bakken, the base resource became better defined. Because the Bakken has a relatively low thickness (not exceeding 250 feet) and low permeability, better information on the location of available resources can quickly translate into an increase in crude oil production volumes. The increase in crude oil production volume, notwithstanding greater levels of efficiency, necessitates the need for oil workers and other allied professionals. This in turn fuels demand for housing.

As of the writing of this report, just a few short months ago the U.S. hit a milestone producing more crude oil than any other country, and North Dakota is a big reason for that. After a lull when prices collapsed in 2014 (the Bust), the state is setting new production records and is the country's number two oil state (the Boom), behind only Texas. This activity is and has been the primary driver of housing demand.

## QUICK FACTS

In 2017, North Dakota ranked second in the nation, after Texas, in both crude oil production and proved crude oil reserves.

North Dakota has about 2% of U.S. natural gas reserves, and in 2018 the state's natural gas output exceeded a record 850 billion cubic feet.

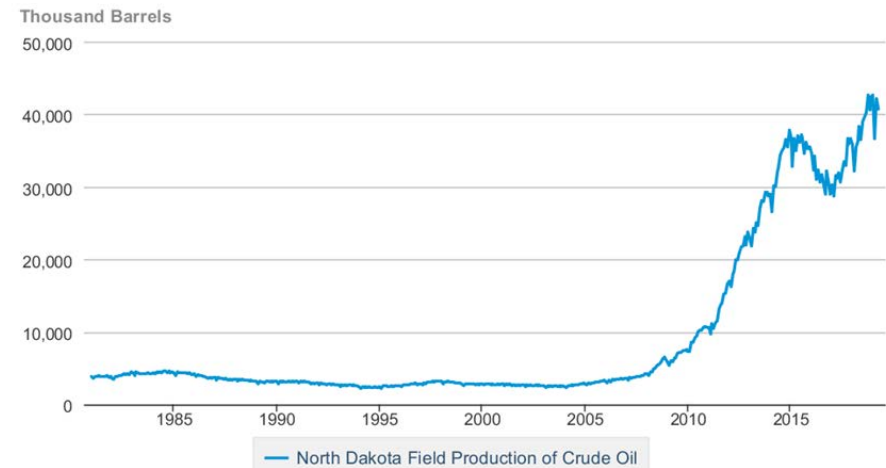
In 2017, North Dakota was among the 10-top coal-producing states and accounted for nearly 4% of total U.S. coal output.

In 2018, coal-fired power plants provided 66% of North Dakota's electricity generation and wind energy accounted for 26%, which was the fourth-highest share of wind power for any state.

North Dakota is one of the top 10 ethanol-producing states, and its five ethanol plants provide about 3% of the nation's fuel ethanol.

Last Updated: March 21, 2019

### North Dakota Field Production of Crude Oil



eia Source: U.S. Energy Information Administration



## THE BOOM

As previously mentioned, during the boom, the City of Williston, in the middle of the state's Bakken oil patch, grew by an astounding 67% from 2010 to 2014 (the Boom) according to the U.S. Census, and by even more according to city sewage data compiled by Reuters. During the boom people came from all over the world and streamed into North Dakota to strike it rich during an unprecedented oil boom to work in the oil fields. New roads, schools, community centers and other public facilities began sprouting up, funded largely by oil tax revenue. More than 80,000 people poured into North Dakota, looking to stake their future on the fracking economy. The state's Bakken oil patch was a magnet for oil workers, business investors and job-hungry folks. This turbo charged the demand for housing; a market that simply wasn't prepared for the onslaught.

By 2014, the U.S. energy boom, supercharged by fracking, had made North Dakota's economy the fastest-growing in the nation. Its unemployment rate was lowest among states. Its gross domestic product of roughly \$50 billion that year was more than double 2002 levels. The boom created demand for non-tradeable goods like haircuts, bars, banks, restaurants, hotels, retail stores, legal services and of course housing. Housing prices rose and new housing was built in response to the higher prices as the city's population grew. So called "Man Camps" sprang up throughout the city to accommodate the growing oil worker population. But this growth was uneven, haphazard and lacked coordination and planning. Money was invested in infrastructure. Long-term financial commitments were made on behalf of potential and existing housing development projects.



So called "Man Camp" to house oil workers.

At the height of the boom, rental prices rivaled the country's largest and most expensive cities. According to Apartment Guide and online website for apartment hunters, a 700 square-foot, one-bedroom apartment at the time in Williston cost an average of \$2394 a month while the same apartment would cost \$1504 in the New York area, \$1411 in the Los Angeles area or \$1537 in the Boston area. On the home building front, in 2014, at the peak of the boom, Williston issued 333 new home permits.

Because oil field workers sometimes made six-figure salaries in this hysterical housing environment, the market had no problem charging exorbitant rates which obviously perverted housing supply and demand market forces. Developers and management companies acted rationally in maximizing profits under hyper demand conditions. At the same time, there was clearly evidence of greed and price gouging taking place. This came up several times and was confirmed during our individual stakeholder interviews. It was during this time that developers began to plan long-term housing projects based on future demand that would ultimately not manifest. They took the risk. They made the gamble. Then it happened. The bust.



## THE BUST

In just under a decade, Williston has gone through an economic cycle that took nearly a century in many other cities. And it's not the first time; similar booms and busts occurred in Williston in the 1950s and 80s. The latest bust left many housing development projects languishing as high construction labor costs, outrageous land prices, and overall price gouging crippled the market all triggered by lower oil prices. During the bust people who could afford it simply packed up and left for home. Williston's debt and other liabilities nearly quadrupled from 2008 to 2014, to \$158 million, as the city sought to keep pace with growth.

Yet the city's sales tax receipts fell 47 percent in March of 2014, according to the state treasurer at the time. As for housing and infrastructure that was built during the boom there was a fear it would sit unoccupied. This fear proved correct. It was a building boom that left behind hundreds of empty apartments and undeveloped tracts of land as a result of the bust. Williston and other oil communities offered two or three months of free rent, a far cry from the boom, as previously mentioned when rents rivaled those in New York City and San Francisco. New housing development stalled, and Williston issued just 22 permits for new dwellings in 2016 and 25 in 2017.

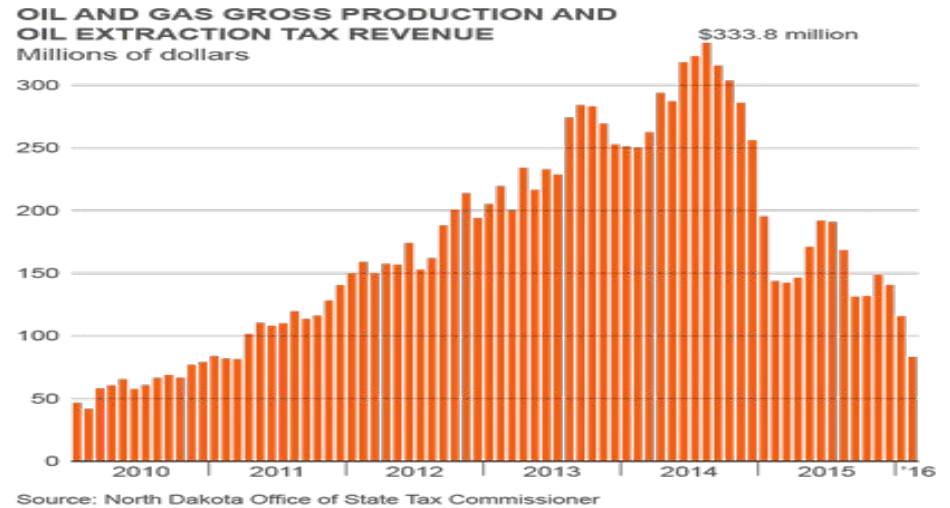
## HOW DO YOU EVEN OUT THE CYCLE?

The biggest lesson from Williston's experiences is that city government needs to stay unpretentious and elastic. The local government can't provide everything to everybody. Williston didn't pay off the millions of dollars it owed from municipal projects of the 1980s oil boom until the early 2000s. This is one reason local government authorities are skittish about providing incentives and infrastructure support for existing and planned housing projects as the boom appears to be coming back. As a result, infrastructure should be built slowly and kept simple. Long-term housing projects should incorporate a dose of reality and moderation. Development budgets and pro forma's should reflect realistic assumptions and include "what if" scenarios to average out costs, number of units built, etc. Issuing bonds is often necessary but should be done carefully. Infrastructure levies for specific spending should be offered to voters; if they want it, they will vote for it. If not, they will not.

Williston city officials and residents must recognize the boom times are unlikely to last forever and that for every Boom there is an eventual Bust. This recognition will force government officials to act prudently in the present when it comes to housing economic policy and expenditures.

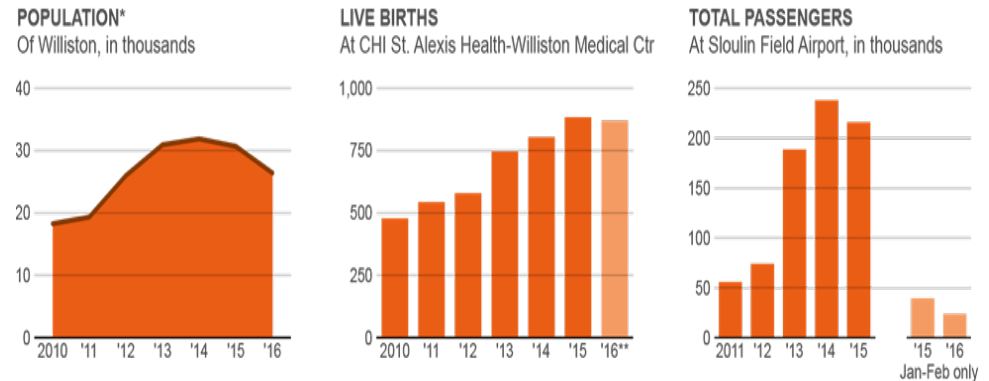
## Declining oil and gas tax revenue

North Dakota's economy has been battered by falling commodity prices, with state tax levies on oil and natural gas extraction down sharply from 2014 highs.



## Trickle down

Plunging oil prices have reversed the flow of human traffic into North Dakota's oil patch.



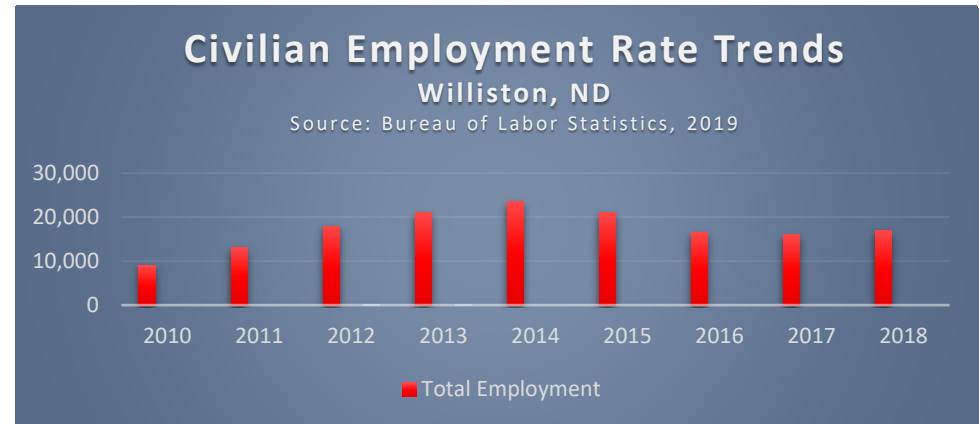
## Economic and Industry Data

*Williston residents work throughout the region in diverse sectors such as healthcare, retail trade, transportation, and warehousing, while the economy of Williston relies heavily on the oil, gas and construction industries.*

As earlier mentioned, the Williston economy has strength in the oil and gas industry—following a robust oil-boom in the past decade, fracking companies such as Halliburton Energy and Oasis Petroleum are some of the top employers in the county. According to a recent North Dakota Workforce Intelligence report on Williams County, top employers include the aforementioned mining, and oil and gas extraction companies, along with CHI-Alexius Health, Wal-Mart, and the City of Williston, although total employee numbers were not provided.

Total employment in the city has fluctuated in the past decade, mirroring trends seen in the oil and gas industry. Unlike trends seen in the rest of the nation, total employment in the city increased during and after the recession, in tandem with a declining unemployment rate. In 2014, Williston was the fastest growing economy in the nation due to new fracking technology and the city’s location near the Bakken oil field. Williston is the economic anchor of Williams County; according to the Bureau of Labor Statistics, the city accounts for 77 percent of total employment in the county. The economy in Williston settled down significantly once oil prices dropped, as roughly 8,000 jobs were lost, and the unemployment rate jumped to a decade-high of 3.8 percent in 2016. The unemployment rate in Williston has consistently been lower than the state every year since 2010 besides 2016.

Nearly half of all Williston jobs are clustered in the three “blue collar” sectors of mining and extraction (14 percent of jobs), warehousing and distribution (nine percent of jobs), and construction (10 percent of jobs). Since 2010, the city has added roughly 9,000 jobs, a 93 percent increase.



EMPLOYMENT CHANGE BY INDUSTRY Williams County, 2002-2015					
Top Six Growing Sectors	Net Change	Percent Change	Six Slowest Growing Sectors	Net Change	Percent Change
Mining & Oil and Gas Extraction	11,488	1,300%	Information	9	5.7%
Construction	4,122	1,390%	Health Care	60	4.4%
Transportation & Warehousing	3,079	1,612%	Finance & Insurance	100	33%
Wholesale Trade	2,148	408%	Agriculture	119	1,190%
Real Estate	1,324	1,488%	Utilities	175	247%
Accommodation & Food Services	1,258	174%	Arts & Entertainment	197	346%

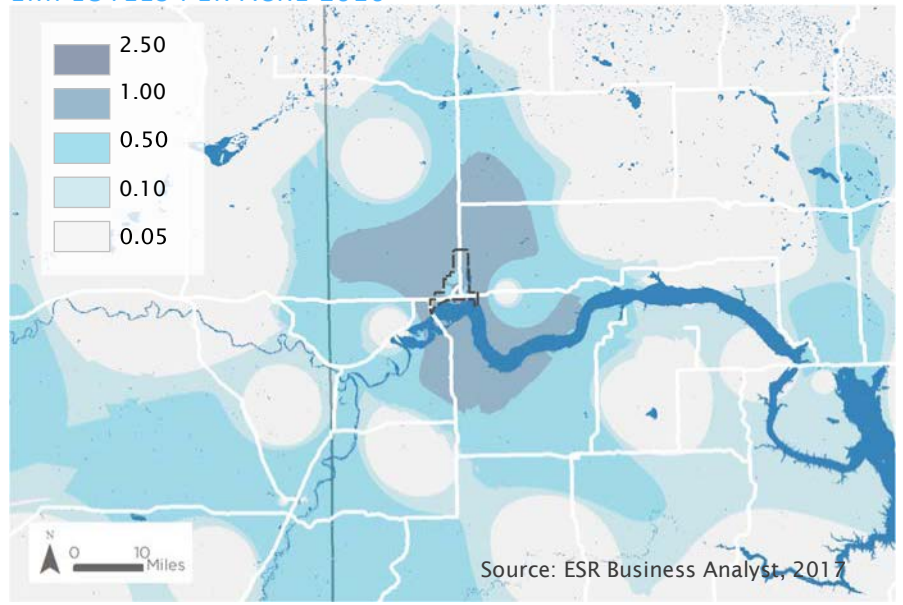
Source: Census, OnTheMap, 2019

*Overall economic indicators in Williston are positive, with unemployment lower than the state and national averages and positive job growth over most of the past decade.*

Current unemployment statistics indicate that Williston is at two percent unemployment, compared to 3.8 percent nationally. Since 2010, unemployment has averaged 1.9 percent in the city, and two percent in the county, but three percent in the state, alluding to how successful the region’s economy has been in the past eight years.

According to the census, between 2002 and 2015, none of the industry sectors in Williams County saw decline in employment. The county has seen the most growth in the mining and oil and gas extraction sector, the main cause of the boom the region has experienced since the millennium. This sector added nearly 11,500 jobs, growing by more than 1,000 percent. The second-fastest growing sector was construction, which added roughly 4,000 jobs to keep up with the demand for new housing.

**EMPLOYEES PER ACRE 2016**



Some of the other top growing industry sectors in Williams County between 2002 and 2015 were transportation and warehousing, wholesale trade, and real estate, which combined, added nearly 6,600 jobs. Some of the slowest growing industry sectors in the county were information, healthcare, finance and insurance, and agriculture, which in total only added 169 jobs in the 13-year span. Other fields that have expanded significantly since 2002 in the county include accommodation and food service, retail trade, and manufacturing.

**DISTRIBUTION OF JOBS BY SECTOR**

	WILLISTON	WILLIAMS COUNTY
HEALTHCARE	<b>15%</b>	<b>14%</b>
MINING / EXTRACTION	<b>14%</b>	<b>14%</b>
CONSTRUCTION	<b>10%</b>	<b>9%</b>
TRANSPORTATION & WAREHOUSING	<b>9%</b>	<b>9%</b>
RETAIL TRADE	<b>8%</b>	<b>9%</b>

Source: ESRI 2018







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# 5. Market Analysis: Supply

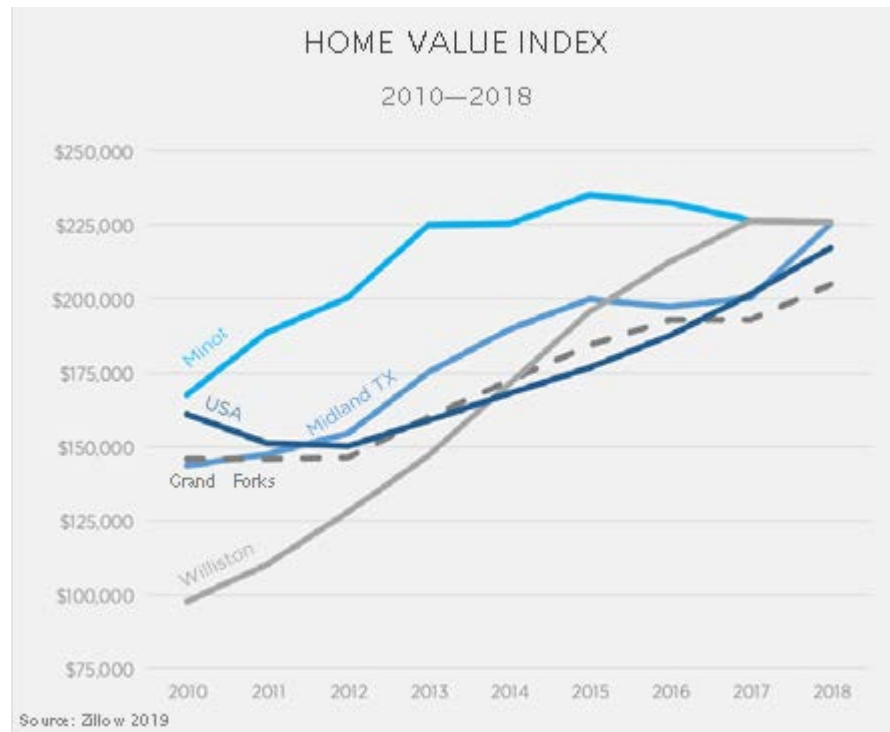
## FOR-SALE HOUSING OVERVIEW

*Housing prices in Williston increased at a faster pace than its peer cities and the U.S. during the past eight years. Rapid price appreciation creates various challenges and indicates a tight market.*

While the population in Williston more than doubled from 2010 to 2018, single-family homes values increased by 130 percent—a staggering amount. This growth followed two decades of slight decline and the rapid increase in values is indicative of a market where supply cannot keep up with demand.

During the same period, home values increased by 35 percent in the U.S. and 48 percent in North Dakota. Values increased in the peer cities by 31 to 57 percent. Williston is clearly an outlier in this regard.

For example, if you compare the City of Williston to the peer cities of Minot, Midland Texas, and Grand Forks, you can see that between 2010 and 2014 Williston experienced exponential growth in its home values eventually overtaking Grand Forks, Midland Texas and rivaling and inching toward home value averaging near \$225,000 on par with Minot.

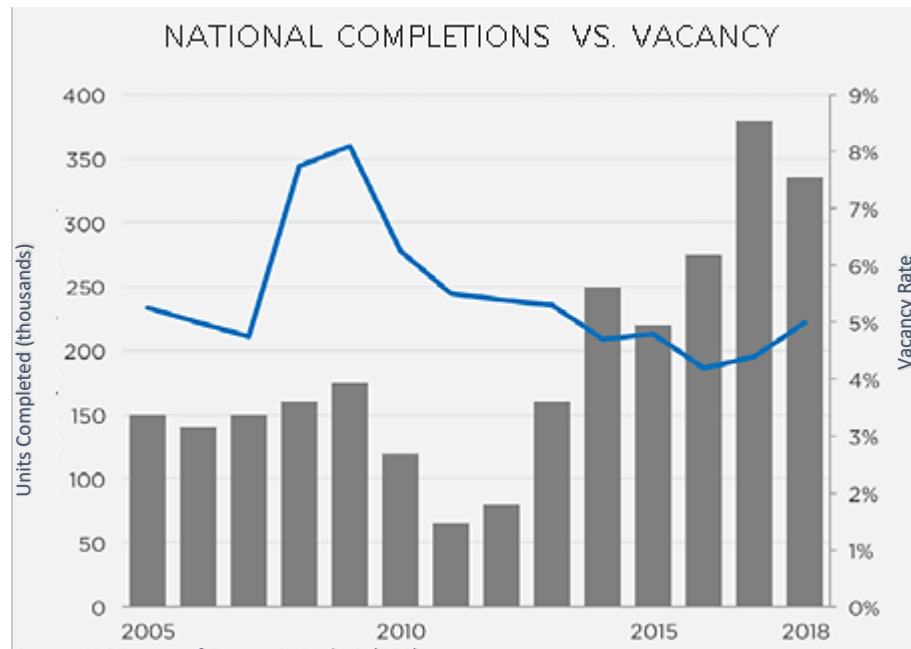


## RENTAL HOUSING OVERVIEW

*The rental market locally and nationally is on the rise. Homeownership rates are declining, while the proportion of renter-occupied housing units is increasing, even for higher-income households.*

According to data from the American Community Survey, the number of renter-occupied housing units for households earning more than \$50,000 annually increased by 40 percent nationally from 2010 to 2017, while the number of owner-occupied housing units for this income bracket increased by only six percent. This trend was even more dramatic in Williston, where the number of rental units occupied by households earning more than \$50,000 increased 212 percent over the same span, compared to 199 percent for owner-occupied units. Capturing a portion of this affluent, though somewhat transient, demographic will require diversification of the existing rental stock.

- **Rapid New Development Impacted Rents:** More than 6,000 new apartments were built in Williston from 2008 through 2016 (Source: Williston Herald). Following this boom, rents decreased as the oil and gas market contracted.
- **Homeownership Remains Down:** Homeownership rates have fallen across all age groups since the recession, but the biggest drop has been among those aged 25 to 34 (from the US Trend American Community Survey, 2017 5-year Estimates). Today, only 39 percent of households in this group own a home, compared to nearly 60 percent a decade prior. Though these figures have begun to recover somewhat from the immediate aftermath of the housing bust, they are projected to remain well below the early 2000s boom.



Source: American Community Survey, 2017 Estimates

## EXISTING SUPPLY: FOR SALE

New construction and rehabbed historic homes command premium prices in Williston. A significant portion of the housing stock needs major reinvestment to appeal to new residents.

Beginning in 2008, the number of single-family homes being built in Williston began to increase significantly; peaking in 2012 through 2014. This is unprecedented in the City of Williston. The spike of these new homes commands a premium as they offer more space, modern layouts, attached garages, and require less effort and maintenance than older properties. Due to the booming local economy, many high-income households are able to afford new products, which are primarily being built northwest of downtown, on the opposite side of Route 2. Recent sales of new detached single-family homes range from about \$225,000 to over \$500,000, with a majority selling for between \$250,000 to \$350,000.

Most pre-1950's homes are found in the core of the city, with slightly older stock south of 11st Street, and slightly newer stock north of 11st Street. These neighborhoods follow a traditional grid system and are inherently more walkable and connected than most newer developments. These homes offer historic charm and, in many cases, proximity to the downtown, which is seeing increased reinvestment. While it may be possible to buy a home in these neighborhoods for \$100,000 (or sometimes less), those properties often require major repairs and updates, a risk that many homeowners are not willing to tackle. With improved neighborhood amenities and rehab assistance programs, the City may be able to greatly improve the quality of this housing stock and encourage reinvestment. Homes that need more minor work may sell for approximately \$200,000 while nicely updated historic homes have sold for over \$300,000 despite their relatively small size compared to newer homes. The following pages show both single and multifamily homes and projects at current prices.



## UPSCALE NEW CONSTRUCTION

\$357,000

\$100/SF

2012



## UPDATED HISTORIC

\$233,000

\$159/SF

1948



## UPDATED RANCH

\$198,000

\$88/SF

1955



## HIGH END HISTORIC REHAB

\$333,500

\$125/SF

1920



## EXISTING SUPPLY: RENTAL

*Williston's current supply of rental apartments offers a variety of price points and includes a mix of aging properties as well as medium- and high-quality new buildings.*

Of the new construction that has occurred since the beginning of the “boom” in 2010, over 70% of the building permits issued have been for multi-family structures. From 2010 to 2017, permits have been issued for over 6,287 units of multi-family housing. Approximately 3% of this multi-family development includes smaller 2- 3- and 4-unit properties (duplex/triplex/etc.), but the vast majority has been in larger apartment complexes of 5 units or more. Many of these developments (such as South Ridge, Dakota, and Bakken Heights) include over 300 units a piece.

The quality of these new apartments varies considerably. Vue 28 represents a relatively basic level of architectural quality, interior finishes, and amenities. On the other end of the spectrum, high-quality properties like The Retreat are able to command per square foot rents that are approximately 30% higher than Vue 28.

Older apartment buildings and duplex properties such as those on Bison Street provide a more affordable alternative to the new rental units in Williston. The per square foot rents are relatively low, allowing residents to save hundreds of dollars every month by choosing these basic units. In terms of affordable new products, Mercy Heights and Renaissance on Main are wonderful examples that maintain affordability without having to neglect the façade or interior finishes. Projects such as these that utilize the Housing Incentive Fund (HIF) provide a way to ensure low- to moderate-wage workers and other sensitive populations have a place in Williston.



## VUE 28

Built 2014

AVG. RENT  
1BR: \$1.28/SF  
\$950



## THE RETREAT

Built 2016

AVG. RENT  
1BR: \$1.40/SF  
\$1,350



## CENTURY COURT

Built 1982

AVG. RENT  
1BR: \$1.03/SF  
\$775



## BISON DRIVE

Built 2010s

AVG. RENT  
4BR: \$1.00/SF  
\$1,795









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# 6. Market Analysis: Demand

## DEFINITION OF RESIDENTIAL MARKET AREA

*Market Areas are defined by hard and soft boundaries, as well as consumer preferences. Analysis of these market areas provides useful insight into the types of products and price points that meet the needs of Williston.*

In market analysis, a Primary Market Area (PMA) is typically defined as the smallest geographic area from which a high percentage (often 75 percent) of support for a project will be drawn. In some cases, particularly in large metropolitan regions, a Secondary Market Area (SMA) is identified as the origin for most of the remaining support, in order to focus the analysis on the most relevant geographies for a project.

Market boundaries are sometimes defined by hard boundaries, such as rivers, highways and other major thoroughfares, railroads, etc. Often, market areas are defined by soft boundaries—that is, marked changes in socio-economic condition, such as income, density, ethnicity, and educational attainment. Additionally, this study relied partly on geo-demographic segmentation analysis, which considers not only conventional demographic variables like age and income, but also neighborhood preferences (i.e. geographic characteristics) and culture, values, and buying habits (psychographic variables). As a result, the market boundaries are not only defined by hard and soft boundaries, but by clusters of households with similar lifestyle preferences.

The PMA for Williston is shown on the map on the next page. Given the size of the region, no SMA is defined.

## DEMAND ANALYSIS

Determining market demand is complicated. For instance, conventional market analysis looks specifically at income variables in the market area, without consideration of consumer preferences, while target market analysis utilizes consumer preferences, but relies on national averages. Other types of analyses measure demand from very specific populations.

### Conventional

Assesses income variables within the defined market areas to determine the amount and types of units that are affordable to existing residents in the region.



### Target Market

Considers consumer profiles of residents within the Williston market to determine desirable housing products.



## CONVENTIONAL ANALYSIS

*Conventional market analysis indicates particularly strong demand for homes for sale in the \$225,000 to \$375,000 range and high-quality rental properties with monthly rents from \$1,200 to \$2,000.*

Conventional market demand analysis utilizes household income and tenure data to determine for-sale and rental housing price points that will be in highest demand in Williston. This housing demand is then compared to the existing supply to identify areas where there are potential mismatches between what homeowners might be willing to pay and the products available. The conventional analysis of Williston is illustrated in the graphs to the right.

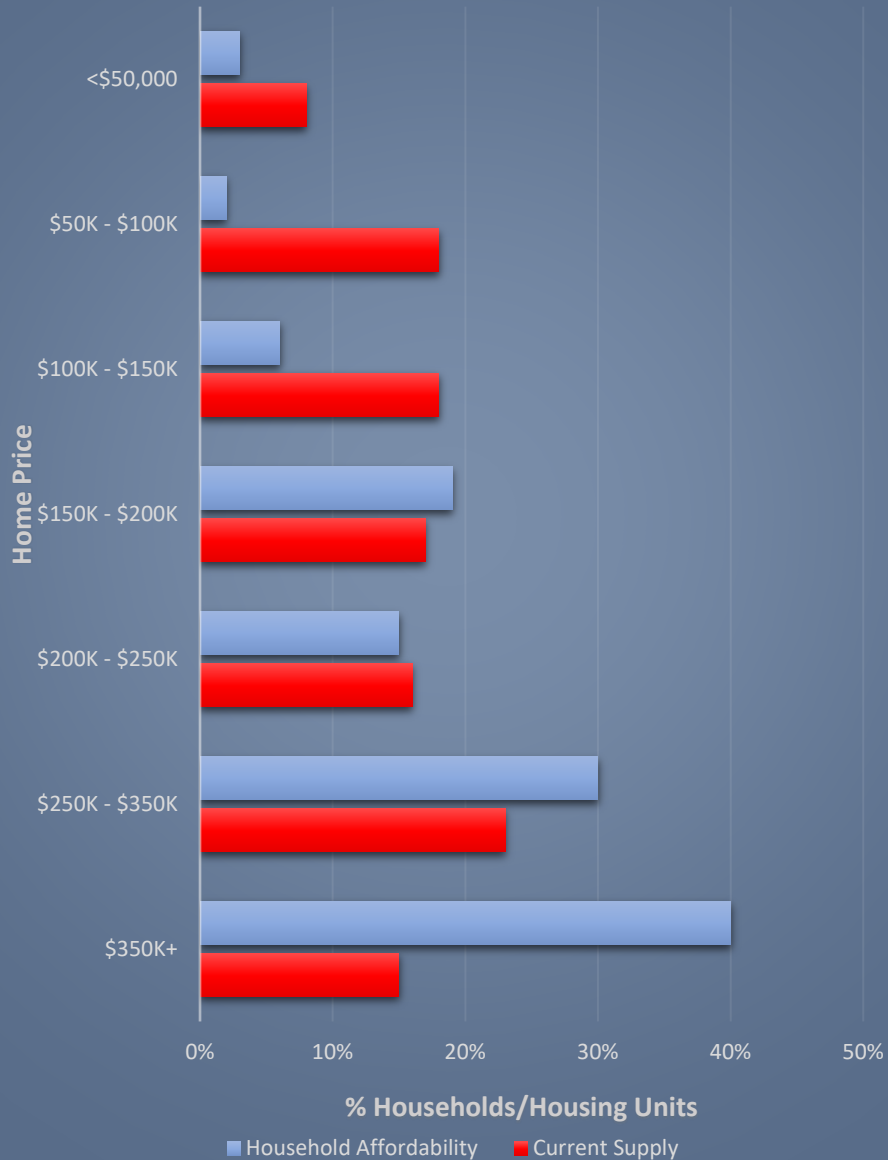
Based on household affordability, the greatest support in the for-sale market is in the range of \$225,000 to \$375,000. In Williston, homes in this price range could include new construction or an updated historic home in the core of the city. There is also significant support for homes above that price range, with approximately 1,700 households able to afford mortgages greater than \$400,000. As shown on the chart, “Homeowner Affordability & Housing Value Comparison” on the facing page, there is an abundance of products at lower price points, likely older homes in poor condition. In the middle range, the supply is most closely matched with household affordability; however, the lack of homes in the highest price ranges ensures that all higher income households are competing for a limited supply of homes that suit their needs.

A similar analysis was conducted for rental housing. As was found in the for-sale market, most renters in Williston can afford quality products that cost between \$1,200 and \$2,000 per month. Above that range, demand is somewhat limited. Below that range, about 1,500 households require more affordable products. As shown on the chart on the facing page (“Rental Affordability & Supply by Gross Rent”), for rents less than \$1,000 per month, the percent of the supply far exceeds demand for these affordable, but often low-quality units. However, higher quality units seem to be in short supply compared to the number of households that can afford them.



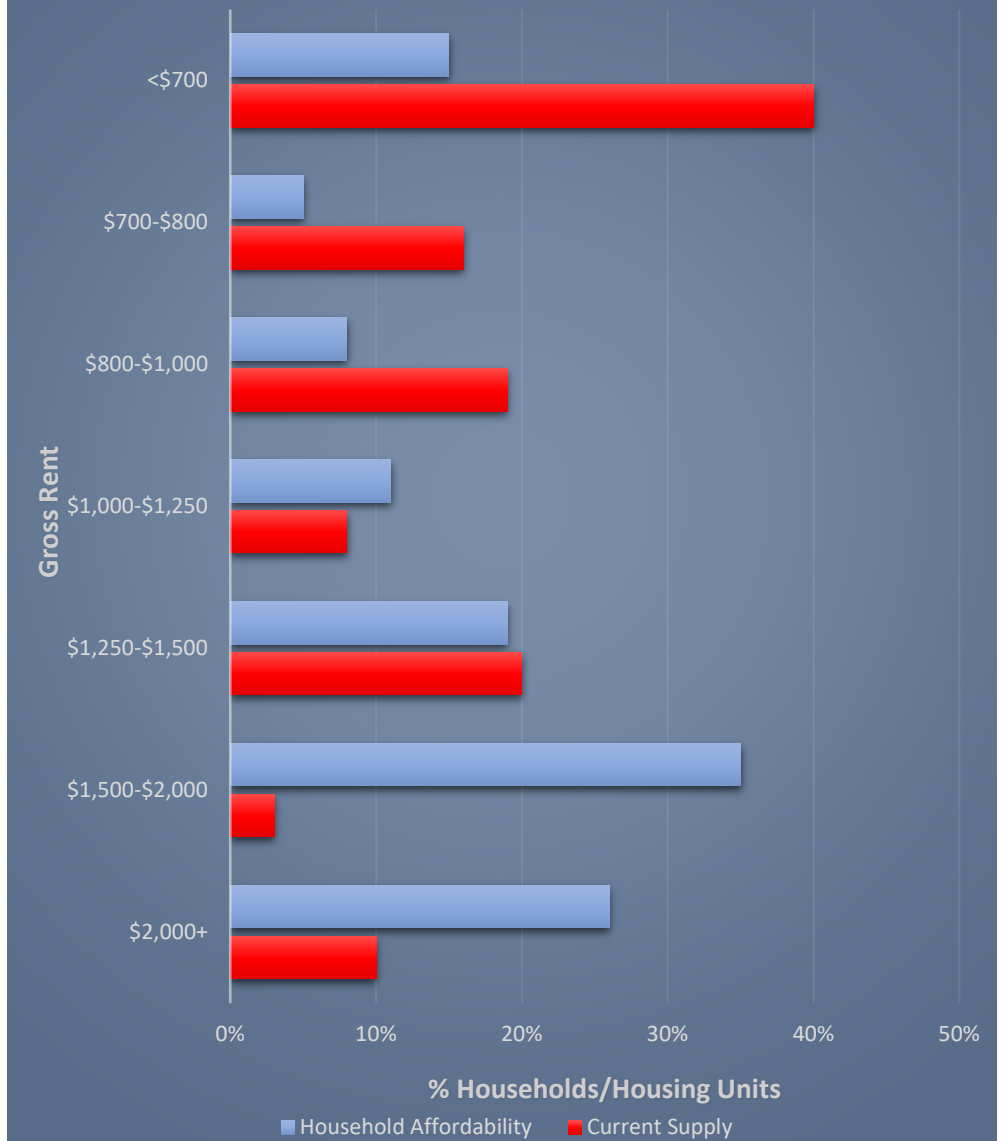
Source: Development Strategies 2019

### Homeowner Affordability & Housing Value Comparison Williams County, 2002-2015



Source: Census, OnTheMap, 2019

### Rental Affordability & Supply by Gross Rent Williston, North Dakota



Source: ACS, ESRI, Development Strategies

## TARGET MARKET ANALYSIS

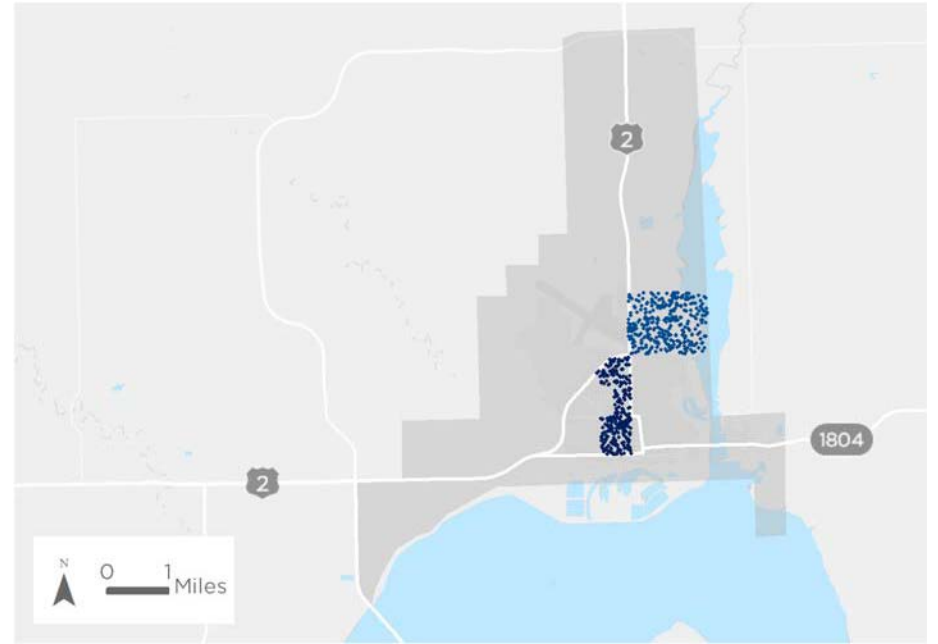
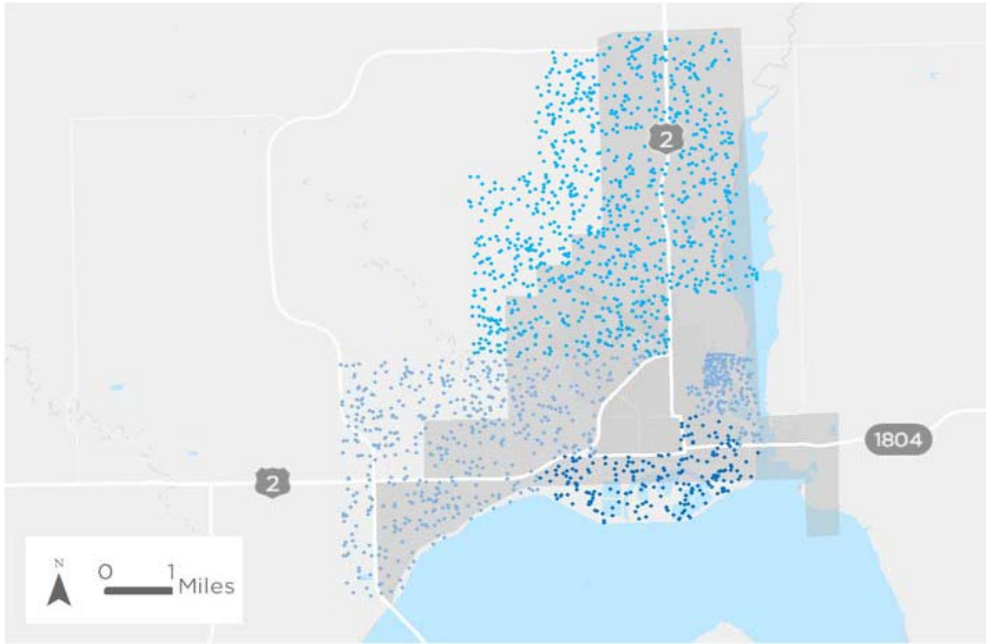
*Target market analysis is used to determine demand based not only on geography and demographic traits, but also on consumer preferences. As a result, desired product types can be determined, in addition to affordability.*

Just as market segmentation is used to determine tendencies to buy different types of consumer products—including products as diverse as cars, computers, and dish soap—data on market segments can be used to identify demand for different types of housing products at a particular location. The segments present in Williston are identified using ESRI’s Community Tapestry™ data, which uses algorithms to link demographic, geographic, and psychographic data to create 65 unique geodemographic segments. In other words, these “segments” are essentially 65 household groupings, each with their own unique combination of demographic (income, age, etc.), geographic, and psychographic (values, culture, etc.) characteristics.

Five of the most prominent groups in Williston are shown in the maps on the facing page. The most affluent of these households can afford the most expensive for-sale housing products, whereas the least affluent are likely to rent the least-expensive rental units.







	IN STYLE	EMERALD CITY	BRIGHT YOUNG PROFESSIONAL
<b>Median Household Income</b>	\$94,000	\$76,000	\$70,000
<b>Average Age</b>	42	37	33
<b>Percentage of Ownership</b>	68%	49%	43%
<b>Typical Housing</b>	Single Family Townhomes	Single Family Apartments	Single Family Apartments

	OLD & NEWCOMERS	DINERS & MINERS
<b>Median Household Income</b>	\$58,000	\$54,000
<b>Average Age</b>	39	41
<b>Percentage of Ownership</b>	45%	76%
<b>Typical Housing</b>	Single Family Townhomes Apartments	Mobile Homes Single Family

## TARGET MARKET ANALYSIS

*The tapestry groups found in Williston are typically found in larger metropolitan areas. To satisfy their needs, a large variety of both for-sale and rental housing, along with high-quality amenities, will be required.*

### In Style

Typically comprised of professional couples or single households without children, this highly educated group is relatively affluent. In Style tends to embrace an urban lifestyle that includes support for the arts, travel, and extensive reading. They tend to prefer homeownership and will seek out high quality products, often single-family homes in established neighborhoods.

### Emerald City

This young and mobile group is typically well-educated and well-employed. They value environmentally friendly products and locally-produced organic food. They're slightly more likely to rent than own and often seek out lower-density urban neighborhoods.

### Bright Young Professionals

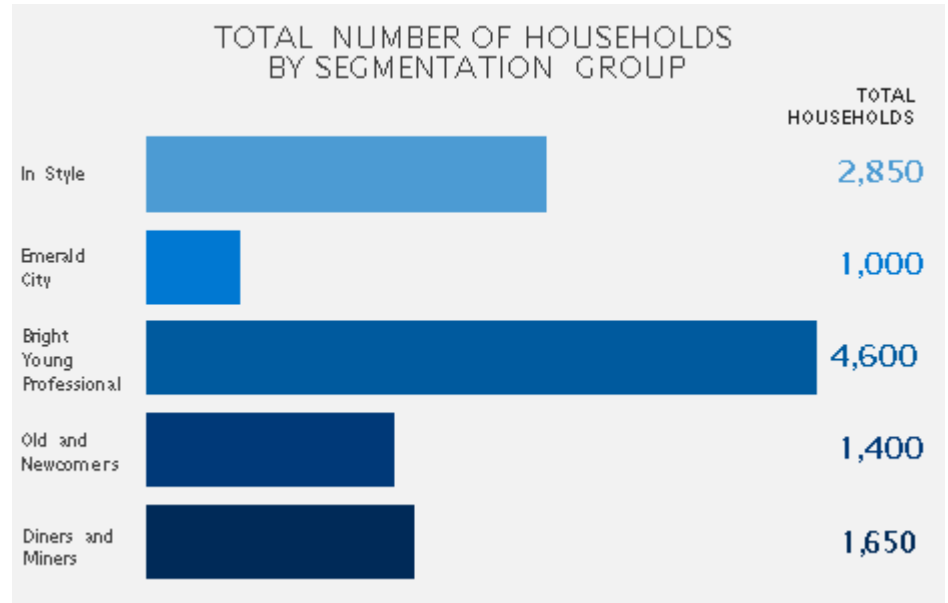
As the name implies, these are young, educated, working professionals. Residents of this segment are physically active and tend to be up on the latest technology. At over 4,600 households, it the largest segmentation group in the city, with the largest percentage of renters.

### Old and Newcomers

This diverse group includes renters who are just beginning their careers and those who are retiring. This is a practical, price-sensitive group, that tends to keep dining and entertainment options simple and inexpensive. They are more likely to be renters than owners and will occupy both single family homes and apartments in older neighborhoods.

### Diners & Miners

Most residents of this group did not seek out higher education and earn a living working with their hands. They tend to be somewhat more conservative and religious. This group is typically found in rural markets, occupying mobile homes or inexpensive single-family homes, and often have strong roots in a community.



**TARGET MARKET SEGMENT METHODOLOGY—  
IMPLIED PRODUCT PRICING**  
Estimated Market Demand

Tapestry Group/Segment	Implied Owner Households	Implied Average Price	Implied Renter Households	Implied Average Rent
In Style	1,900	\$350,000	900	\$1,960
Emerald City	500	\$280,000	500	\$1,910
Bright Young Professionals	2,000	\$260,000	2,600	\$1,750
Old and Newcomers	600	\$210,000	800	\$1,460
Diners & Miners	1,250	\$190,000	400	\$1,360

Sources: ESRI; Development Strategies 2019

## KEY FINDINGS: CONVENTIONAL

- There is demand for housing at almost any price point.
- In the for-sale market, there is a lack of supply of housing priced \$250,000 and up.
- In fact, 80 percent of households could afford homes in this price range if suitable housing were available.
- Approximately 45 percent of households could afford homes priced at \$350,000 and up, which is reportedly the price point at which builders can achieve a reasonable profit.
- In terms of rental housing, there is a gap in the \$1,500 and up price range. Approximately 60 percent of renter households could afford rents in this range.
- There is also a need for affordable rental units—25 percent of households can only afford rents of up to \$900 per month.

## KEY FINDINGS: TARGET MARKET

- The largest market segments in Williston, according to ESRI's Tapestry Segmentation classifications, are Bright Young Professionals and In Style.
- These segments have relatively high incomes and tend to be younger, which aligns with current trends in Williston.
- On average, these households can afford single-family homes priced at \$260,000 and up and rental housing priced \$1,750 and up.
- These segments create substantial demand for new for-sale homes as well as rental units.



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# 7. Peer Cities



## PEER CITY COMPARISON

Williston is in many ways without peer in terms of recent growth trajectories, specific housing needs, and size. However, it is compared to four extraction-based cities that have gone through similar boom and bust cycles.

Williston stands out when compared to the peer cities because of how much it grew from 2010 to 2018—its annual growth rate was 8.9 percent, compared to rates of 2.2 to 2.5 percent in Bismarck, Odessa, Midland and Lafayette.

Williston's median income of \$91,800 is reflective of its high concentration of oil and gas positions, as well as the level of compensation needed to attract the right workforce. The median income of the other cities ranges from \$48,500 (Lafayette) to \$75,600 (Midland).

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*Williston's median housing value of \$237,800.*

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Change in the Zillow Housing Value Index shows the rate of change in housing values for all homes sold between 2010 and early 2018. Housing values increased at a much higher rate in Williston than any of the other communities.





CITIES	TOTAL POPULATION 2018 <sup>1</sup>	ANNUAL POP. GROWTH SINCE 2010 <sup>1</sup>	HOUSEHOLDS 2018 <sup>1</sup>	MEDIAN HOUSEHOLD INCOME <sup>2</sup>	MEDIAN HOUSING VALUE <sup>2</sup>	PERCENT RENTER HOUSEHOLDS <sup>1</sup>	CHANGE IN ZILLOW HOUSING VALUE INDEX SINCE 2010 <sup>3</sup>
<b>WILLISTON</b>	<b>32,200</b>	<b>8.9%</b>	<b>13,500</b>	<b>\$91,800</b>	<b>\$237,800</b>	<b>46%</b>	<b>130%</b>
BISMARCK, ND	72,700	2.2%	35,500	\$60,000	\$221,800	45%	57%
ODESSA, TX	117,000	2.4%	42,800	\$61,500	\$136,300	41%	46%
MIDLAND, TX	133,700	2.5%	54,500	\$75,600	\$193,200	44%	60%
LAFAYETTE, LA	132,800	2.2%	54,500	\$48,500	\$181,900	49%	11%

Sources: <sup>1</sup>ESRI, 2018; <sup>2</sup>Main Street North Dakota and American Community Survey (2012-2017, 5 year estimates) ; Zillow, 2019

For example, if you compare the City of Williston to the peer cities of Bismarck, Midland Texas, Odessa Texas, and Lafayette, you can see that between 2010 and 2018 Williston experienced exponential growth in its home values eventually overtaking Midland Texas and rivaling and inching toward home value averaging near \$225,000 on par with Bismarck.





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# 8. Strategies and Recommendations



The *2016 Statewide Housing Needs Assessment* quantified demand for housing at all income levels in Williston from 2014 to 2029. The recent recession in the oil and extraction market effectively halted housing development but did not reduce the need for new housing. The economy has since reset, the population in Williston has increased, and housing prices—for-sale and rental—continued to increase. The following goals and initiatives are targeted at helping the city address the substantial and wide-ranging housing needs in the community. They are not a cure-all, as the city’s role in housing development is limited—the private market plays a big role and typically takes the lead. Nonetheless, there are several proactive measures the city can, and should, take.

*Please see the following charts for a set of Housing goals, and our set of recommendations.*

## Housing Goals

<b>1</b>	Support development of a greater diversity of housing products
<b>2</b>	Ensure quality affordable and workforce housing options
<b>3</b>	Address condition of existing homes, particularly in older neighborhoods
<b>4</b>	Encourage the development of better-quality new housing
<b>5</b>	Attract experienced developers and builders with a proven track record of delivering a quality product
<b>6</b>	Expand financing options for home buyers and developers/builders
<b>7</b>	Explore options to finance housing-related infrastructure costs
<b>8</b>	Strategically offer incentives targeted to housing products that meet specific community needs, such as affordable housing, housing for first-time homebuyers, workforce housing, and “move- up” housing
<b>9</b>	Create a sense of place in neighborhoods, especially new subdivisions

## Objectives, Goals, and Strategies

### RECOMMENDED INITIATIVES

1. **Partner with major employers** in the area to create a Housing Development Fund, or multiple funds targeted at different needs.
  - a. **Purpose:** To stimulate the housing market in a manner that encourages higher quality than the last building cycle and products at more diverse price points.
  - b. **Basis:** New housing starts slowed dramatically beginning in 2015 as oil prices tanked. While the energy market is more stable, and the local economy has improved, housing development has not picked back up and is not keeping pace with demand. This is impacting Williston’s growth potential and causing housing prices to continue to increase at a faster pace than most communities in the U.S.
  - c. **Key Steps/Components**
    - i. **Engage the business community** to understand what types of housing their employees need—what types of housing would support their efforts to grow and attract/retain workers.
      1. **Conduct a survey** via an online platform to engage business operators and employees, asking specific questions about types of housing needed preferred (i.e. townhome, multi-family rental, single-family, size of home, location, etc.), what price points (rental and for-sale) are needed/affordable, and their opinions on impediments to living in Williston or finding the housing they need.
      2. **Continue regular conversations with business leaders.**
    - ii. **Continue to engage with the development community** to understand why housing development stagnated, what types of funds are needed to stimulate development, and what would ultimately make a project feasible.
      1. **Request financial feasibility analyses** of specific projects (e.g., a subdivision, apartment development, etc.), particularly when public incentives/program participation are requested. It is important to understand the economics of development in order to gain a full understanding of why certain types of housing aren’t being built.
    - iii. **Define the targeted uses of the fund:**
      1. Revolving Loan
        - a. Fund infrastructure
        - b. Serve as a construction bridge loan
      2. Down payment assistance for essential workers
      3. Remodel assistance program for buyers of existing homes
      4. Infill development programs
      5. Support workforce and/or affordable housing development (Housing Trust Fund)
      6. Fund services needed to support growth, like child care centers and new parks
    - iv. **Define the terms** of the different programs contained in the fund
      1. Will funds be returned to participants/companies after a certain term?
      2. Will interest be charged to borrower?
      3. What are the provisions for winding down the fund if the programs are successful and are no longer needed?
    - v. **Determine the best entity to house and administer the funds**
    - vi. **Determine the amount of funds needed**
    - vii. **Raise the funds** (from oil companies, healthcare, and other major employers— not just oil)
  - d. **Set a start date and launch the fund**
  - e. **Timeline:** Short-term—R&D phase 6 months, launch within a year and sooner if possible
  - f. **Stakeholders/Key Actors:** TBD
  - g. **Precedents:**
    - i. **Midland, TX Regional Fund.** The Permian Strategic Partnership is a coalition of 20 companies that are working with local elected officials and community organizations to advance regional transportation projects, improved schools, more affordable housing, quality health care and workforce training. Permian Strategic Partnership member companies are Anadarko, Apache, BPX Energy, Chevron, ConocoPhillips, Cimarex, Concho, Devon, Diamondback, Encana,

Endeavor, EOG Resources, Halliburton, Occidental Petroleum, Parsley Energy, Pioneer, Plains All American, Schlumberger, Shell and XTO Energy. In February 2019, the Permian Strategic Partnership board hired Tracee Bentley, previously with Colorado Petroleum and having been recruited by Gov. John Hickenlooper to serve as Deputy Director at the Colorado Energy Office, as CEO to take effect March 18. Her focus will be to address the significant infrastructure challenges and to preserve the quality of life. As of this report, the newly established organization is fully operational. Information about programs have not been released, however, the priority issues identified are “make roads safer, improve schools, upgrade healthcare, increase affordable housing, and train the next generation of workers.” The board consists of 20 company CEO’s and has an initial commitment of more than \$100 million to be directed towards projects in the region. The website’s last update communicated the CEO hire.

ii. **Tulsa Revolving Loan Fund targets redevelopment.**

1. The City of Tulsa Oklahoma established the Brownfields Revolving Loan Fund (RFL) to encourage the reuse and redevelopment of blighted, contaminated lands, so they can be returned to useful, tax producing properties generating jobs and contributing to the local economy.
2. Applicant eligibility for RFL funds is an organization that owns a brownfield site and is able to document they did not cause the property contamination. Brownfields RLF provides qualified applicants with funding to clean up contaminated properties. The money is dispersed in the form of low interest loans. As the loans are repaid, the loan amount is returned into the RLF and re-lent to other borrowers, providing an ongoing source of lending capital to the city.
3. Loan awards are directed toward areas of strategic growth as well as economically disadvantaged areas. Terms of the loans repayment are generally in 3-5 years with a 0-2.5% interest rate. A cost match of 20% may be required in order to ensure buy-in from all parties. Prior loan amounts have ranged up to \$600,000 depending on project need and fund availability. Payment plans are negotiated. Applications are taken throughout the year.

**2. Create a leadership role** within the city to lead housing related efforts (a Housing Program Czar)

- a. **Purpose:** To formalize the city’s role in proactively addressing housing needs, including the marketing of housing programs, outreach to potential users of the programs, administering existing programs, implementing new programs, and coordinate with other departments within the city.
- b. **Basis:** The city currently has sufficient staff to identify and start programs but has limited capacity to manage/administer the programs.
- c. **Key Steps/Components**
  - i. **Create the position**—there are two options
    1. Create and budget for a new position within the Development Services Department
    2. Evaluate current roles and responsibilities and re-distribute tasks so that an existing staff member’s *primary role* is housing
- d. **Timeline:** Short-term—6 months to 1 year
- e. **Stakeholders/Key Actors:** TBD
- f. **Precedents:**
  - i. **Hutchinson, Kansas Housing Program Manager** (position created out of recommendation from 2009 Housing Needs Assessment & Strategy)
  - ii. **Midland, Texas Program Coordinator** position in the Community Development Department

**3. Create a Housing Committee** made up of representatives from city departments involved in housing development (Development Services, Economic Development, Public Works, Mayor’s office, etc.) and representatives from area banks, non-profits, businesses, and other institutions that have a role or keen interest in local housing issues.

- a. **Purpose:** To establish accountability, monitor housing programs and progress, and suggest new policies as the environment changes.
- b. **Basis:** There is no formal entity or group addressing housing related issues.
- c. **Key Steps/Components**
  - i. **Identify potential members**
  - ii. **Determine term limits**



**iii. Schedule regular (at least monthly) meetings**

**iv. Define clear role**

1. Provide oversight to the Housing Program position
2. Monitor progress on housing initiatives (accountability)
3. Create new housing policies and objectives

d. Timeline: Short-term—6 months to 1 year

e. Stakeholders/Key Actors: TBD

f. Precedents:

- i. **Hutchinson, KS** Housing Commission
- ii. **Grandview, MO** Housing Committee (new)
- iii. **Bend, OR** Affordable Housing Advisory Committee
- iv. **Emeryville, CA** Housing Committee

**4. Create an online Housing Resource Center**

a. Purpose: To provide details and relevant contact information for all housing-related issues and programs, ranging from permitting to housing incentives and initiatives.

b. Basis: The city does not currently have this resource, and, as new funds and initiatives are implemented, it will be important for the information to be easily accessible. It is also a place where developments and accomplishments can be described and highlighted.

c. Key Steps/Components

i. **Create a page** within the city's site for housing

ii. **Build content**

1. Development process w/links to relevant city contacts/departments
2. Housing programs and incentives (local, state, federal)
3. Current/existing housing developments
4. Affordable housing options
5. Link to realtors/area association of realtors
6. Housing Fund information

iii. **Market the site** to community partners

iv. **Maintain the site** and update it regularly; have the Housing Committee review the site during their regular meetings.

d. Timeline: Short-term—6 months to 1 year

e. Stakeholders/Key Actors: TBD

f. Precedents:

- i. **Texas Department of Housing and Community Affairs**, Resources for Neighborhoods
- ii. **City of Houston, TX**, Housing and Community Development Dept.

**5. Accelerate New Housing Construction**

a. Purpose: Encourage new housing development on available, platted, and, in some cases, developed lots in the short-to mid-term. Encourage long-term development plans on the airport site.

b. Basis: There are 732 single-family lots that are “ready for development” or have infrastructure in place. There are 756 additional lots that are platted, but not yet ready for development. In addition, there are 19 multifamily lots “ready for development” and 35 that are identified for multifamily, but not yet developed.

c. Key Steps/Components

- i. **Analyze existing subdivision data** to verify what parcels are truly “shovel ready”.
  - 1. Consider site size and if existing sites are marketable
  - 2. If not, work with the real estate and developer community to determine appropriate site sizes and layouts.
  - 3. Recommend to landowners/developers a replat, particularly for subdivisions that do not have infrastructure in place, so that sites are more marketable.
  - 4. Verify the current numbers regarding lots ready for development.
  - 5. Identify ideal locations for townhomes, starter homes, move-up homes, etc.
  - 6. Prioritize sites in city limits.
- ii. **Evaluate development feasibility** to prioritize which subdivisions should be invested in.
  - 1. Do the proposed products meet market demand?
  - 2. Is the development feasible? What are the economics behind the project to produce the proposed housing type and price? What gap exists?
  - 3. Does the project have a reasonably good chance to succeed?
  - 4. Determine if public resources are applicable/or desirable to use.
- iii. **The Airport Site:** As a result of the building of the new airport, the city finds itself in a unique possession of nearly 800+ acres of city-owned property. This represents an opportunity for the City of Williston to guide the development of housing and other commercial uses on the site. As the owner of the site, the city can control land costs in a way that promotes more diverse housing products and prices. The city could partner with a developer (see public-private partnerships, below) to produce housing at various price points to begin to control and moderate housing prices.
  - 1. Determine when site would be available for new development, meaning the new airport is built, existing improvements are demolished, and any remediation is complete.
  - 2. Issue a Master Developer RFP, with detailed descriptions of what types of development are needed on the site.
  - 3. Include the requirement for a detailed third-party market analysis determining market demand and price points.
  - 4. Include the requirement for third-party fiscal analysis to confirm any potential funding gaps and assess the long-term fiscal impact of any development.
  - 5. Define the city’s role and how a land transaction would be handled. Would the land be reduced cost or “free” if the development met certain criteria, including having affordable and/or workforce housing?
- iv. **Public-Private Partnerships:** We recommend the city consider one, or a combination of public/private partnership continuum, specific to the airport site
  - 1. Select a Master Developer
  - 2. Master developer “equity developer”
  - 3. Sell the land to a developer at a deep discount in exchange for developers building housing at various price points to moderate and control market forces.
  - 4. Additionally, the city could promote development at the site by offering various proactive incentives to include tax abatement, etc. The City of Williston should consider using public funds to help incentivize proposed private economic development projects in order to strengthen the community’s economic viability. These incentives can take a variety of forms such as tax breaks, building supporting infrastructure, or workforce development.
    - a. **Tax Abatement** – A tax abatement is a temporary reduction or elimination of property taxes. Tax abatement programs reduce or eliminate the amount of property tax owners pay on new construction, rehabilitation and/or major improvements. It applies to real estate and, in some cases, the personal property that a local government or district taxes. Tax abatements only apply to eligible pieces of property, including new and renovated homes and commercial buildings. The purpose of these programs is to attract buyers to locations with lower demand, such as areas of the inner city that are in the midst of revitalization efforts. Some cities offer tax abatements citywide, while others only offer them in designated areas. Some cities limit these programs to low-to-middle-income property owners, but many programs have no income restrictions.
    - b. **Planned Industrial Expansion Authority (PIEA)** – The Planned Industrial Expansion Authority (PIEA) offers incentives to encourage investment to remove blight and blighting conditions within PIEA planning areas. The City of Williston could create a similar program.

Project assistance may include up to 25 years of tax abatement, sales tax exemption on construction materials during the construction process, and power of eminent domain.

- c. **Public Improvements Advisory Committee (PIAC)** – Another example of an incentive that could be used to handle infrastructure costs could be the creation of a Public Improvements Advisory Committee or (PIAC). The primary function of the Public Improvements Advisory Committee (PIAC) is to solicit resident input and make recommendations regarding both the citywide and neighborhood portions of the capital budget. Eligible PIAC projects include storm water drainage/flooding-bridges/streets/roadways, public property improvements and street improvements, municipal buildings improvements, community centers, street lighting/traffic lights, curbs and gutters, park facility improvements, monuments/fountains, and ball fields/swimming pools.
- d. **Tax Increment Financing (TIF)** – a Tax Increment Financing (TIF) is a financing and development tool that encourages the development of blighted, substandard and economically underutilized areas that would not be developed without public investment. The use of this tool allows future real property taxes and other taxes generated by new development to pay for public infrastructure construction and other improvement costs. TIF may only be used for redevelopment projects that would not be reasonably expected to occur without the assistance of TIF. A cost-benefit analysis (“but for test”) must be completed for each project and requires approval by the TIF Commission. A redevelopment area must be determined by the City or county to be a blighted area, conservation area or economic development area as defined by the North Dakota TIF Act and must conform to the general plans of the City of Williston.
- e. **Community Development Block Grant (CDBG)** – The Community Development Block Grant (CDBG) program is a flexible program that provides communities like the City of Williston with resources to address a wide range of unique community development needs. The CDBG program provides annual grants on a formula basis to 1,209 general units of local government and States. CDBG funds could be used strategically in Williston for community development activities (such as real estate acquisition, relocation, demolition, rehabilitation of housing and commercial buildings), construction of public facilities and improvements (such as water, sewer, and other utilities, street paving, and sidewalks), construction and maintenance of neighborhood centers, and the conversion of school buildings, public services, and economic development and job creation/retention activities. CDBG funds can also be used for preservation and restoration of historic properties in low-income neighborhoods.

v. **Align Incentives:** Define which incentives, including Housing Fund programs, apply to which types of projects. *A policy decision must be made regarding the city’s willingness to subsidize/incentivize developers or target incentives to benefit homebuyers.*

d. **Timeline:** Short-term—6 months to 2 years; mid-term—2 to 5 years; and, long-term—5 to 10 years.

e. **Stakeholders/Key Actors:** TBD

f. **Precedents:**

- i. **McKenzie County, North Dakota** – McKenzie County Job Development Authority Housing Development Subsidy Program. A pilot program to incentivize the construction and sale of quality, affordable housing in McKenzie County by providing a development subsidy up to \$50,000 per single-family house to offset infrastructure costs for qualifying housing projects. Interested developers will submit application.
- ii. **St. Louis, Missouri** – The City of St. Louis provides tax abatements on new construction, on vacant land, or a gut rehabilitation of an existing building is eligible for a property tax abatement lasting five to 10 years. During this period, the property tax rate is frozen at the value of the property before the improvements.
- iii. **Cleveland, Ohio** – a newly constructed single-family home receives a tax abatement of 100% of the increase in real estate property tax for 15 years. In other words, owners only pay property tax on what the land was worth before it was improved with the new construction. Residential projects must meet Cleveland Green Building Standards.
- iv. **Kansas City, Missouri** – In the City of Kansas City, Missouri, The PIAC holds a series of public hearings every year beginning in early summer. These hearings would provide the citizens with an opportunity to express their opinions, concerns and project requests regarding the forthcoming capital budget. The PIAC consists of 13 people, two from each council district and a chairperson, appointed by the mayor and City Council. The City of Williston could easily tailor the model to fit its needs.

## 6. Improve Existing Housing Stock

- a. **Purpose:** There is a broad range of housing available in the city’s older, well-established neighborhoods and improving the conditions of this housing stock as it turns over could provide valuable, more affordable housing options.
- b. **Basis:** Williston’s older neighborhoods have experienced a level of disinvestment and, in some cases, decline and housing conditions have suffered. Many cities have improved overall economic vitality by targeting housing issues in older areas. In many places, absentee landlords are the one of the key contributors to this problem.
- c. **Key Steps/Components**
  - i. **Create neighborhoods** based on historic development trends and identity
  - ii. **Improve the rental housing stock**
    - 1. Create a rental registration and/or licensing program
    - 2. Create a landlord training program
    - 3. Ensure that the Housing Program Manager, or other city staff, has adequate support and funding to administer these programs.
    - 4. Ensure registration, licensing, and inspection programs fit within state legal parameters
  - iii. **Create programs with in the Housing Fund**, perhaps leveraged by state and federal programs to address home modernization and renovation
    - 1. Provide home repair assistance to low- and moderate-income homeowners. Many programs have claw backs or rules about what would happen with the funds if you sold right after.
    - 2. Partner with regional entities providing housing stabilization and repair services.
    - 3. Waive building permit fees in select location
    - 4. Provide technical assistance for home repairs, including design guidelines for exterior improvements
  - iv. **Leverage infrastructure and quality of life investments**
  - v. **Evaluate zoning** to ensure desired modernization and additions are permitted by right.
- d. **Timeline:** Short-term—6 months to 2 years; mid-term—2 to 5 years;
- e. **Stakeholders/Key Actors:** TBD
- f. **Precedents:**
  - i. **Independence, MO. Rental Ready Program.** The city established an interior residential rental dwelling unit inspection to ensure minimum standards for the interior of residential buildings requiring all properties to be licensed and pass a basic inspection every two years. Need examples of rental registration / landlord training programs. They also have a Landlord/Tenant Code with a Guide.
  - ii. **Mid-America Regional Council (MARC)** - Home repair programs with Remodeling Primer and Resources and General Design Considerations; Guidelines for Interior Livability Options- Ranch, Two Story, Cape Cod, Split Level, Full concept.

## 7. Create Targeted Areas of Investment, or Economic Development Zones

- a. **Purpose:** To promote development in specific areas that have a defined need or potential to address a priority issue. In an effort to control costs the city has the ability to designate portions of land that it deems desirable and appropriate as in “economic development zone” designed to induce development in that geographically defined space. We recommend the city use this power to promote housing development that is affordable, safe, with requisite design guidelines.
- b. **Basis:** Public resources are finite and should be focused to maximize their impact.
- c. **Key Steps/Components**
  - i. Use GIS analysis to identify “hot spots” of housing challenges, including code violations and nuisance complaints, low property rating by County Assessor, low property values, etc.
  - ii. Identify publicly owned sites that are not needed for public use and evaluate if they would be suitable for housing development, and what type of housing development would be ideal for that site.
  - iii. Identify what public resources/incentives/funds/partnership would be applicable in the different investment areas.
- d. **Timeline:** Short-term—6 months to 2 years; mid-term—2 to 5 years;
- e. **Stakeholders/Key Actors:** TBD



## 8. Create a lobbying strategy

- a. Purpose: We also recommend the City of Williston consider hiring a lobbyist paid for by the oil companies and other affiliated interested parties to seek monies at the federal, state, corporate, philanthropic, and foundational levels to secure resources to offset housing and housing related costs.
- b. Basis: The oil industry is very important to the economies of Williston, North Dakota, and the U.S., but their operations have substantial impacts / externalities in local communities.
- c. Key Steps/Components
  - i. **Identify core issues** that should be lobbied for
  - ii. **Leverage state officials.**
- d. Precedent:
  - i. **U.S. Congressman Tom Craddick sponsoring HJR 82** creating the “Generate Reoccurring Oil Wealth” GROW Texas Fund, which allows for as much as \$250 million to address infrastructure needs related to safety, healthcare and education initiatives in those production- impacted regions. May 9, 2019.

## 9. Support workforce development

- a. Purpose: There is a national shortage of skilled labor that is increasing constructions costs and, in some locations, making development infeasible. Many communities are engaging in partnerships with technical colleges and universities to create a pipeline of trained workers in the construction trades.
- b. Basis: One of the most commonly cited issues relating to construction was the lack of available workers and/or subcontractors to support housing construction.
- c. We also recommend the City of Williston coordinate with the oil industry to help set-up a state of the art, sophisticated training program to grow from within the city a labor force that could provide products and services to offset the high costs associated with doing business with in the city of Williston.
- d. Timeline: Short-term—6 months to 2 years; mid-term—2 to 5 years;
- e. Stakeholders/Key Actors: TBD

## 10. Continue to invest in quality of life amenities

- a. Purpose: To make Williston a city where people want to live.
- b. Basis: Williston has grown at such a rapid pace that it has had to largely focus on infrastructure. Quality of life amenities, such as trails and parks, enhance a community’s appeal and positively impact property values and sustainability
- c. Key Steps/components
  - i. **Keep investing** in trails, parks, public art, and downtown
  - ii. **Continue to support** retail, restaurants, and service amenities
  - iii. **Continue to program and expanded local events**, the farmer’s market, and festivals
  - iv. **Identify funding sources** for arts and recreation investments (e.g., property tax, sales tax, hotel/motel tax, food/beverage tax, corporate sponsorships, etc.)
  - v. **Create organizational capacity** for planning and implementing community events and community building activities (e.g., neighborhood groups, business associations, etc.)
  - vi. **Continue to provide technical assistance and grants** to Downtown businesses to make improvements and upgrades (e.g., façade grants), and leverage those programs with new funding sources as they arise.
- d. Timeline: Short-term—6 months to 2 years; mid-term—2 to 5 years;
- e. Stakeholders/Key Actors: TBD



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Josh Skluzacek	Everette Enno
Falon Justice	Luke Gjovig
Heidi Johnson	Kassie Gorder
David Tuan	Tate Cymbaluk
Paula Hickel	Shawn Wenko





Joanna Baltes  
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Skye Olsen

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Marcus Boykin  
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Ryan Stellmacher  
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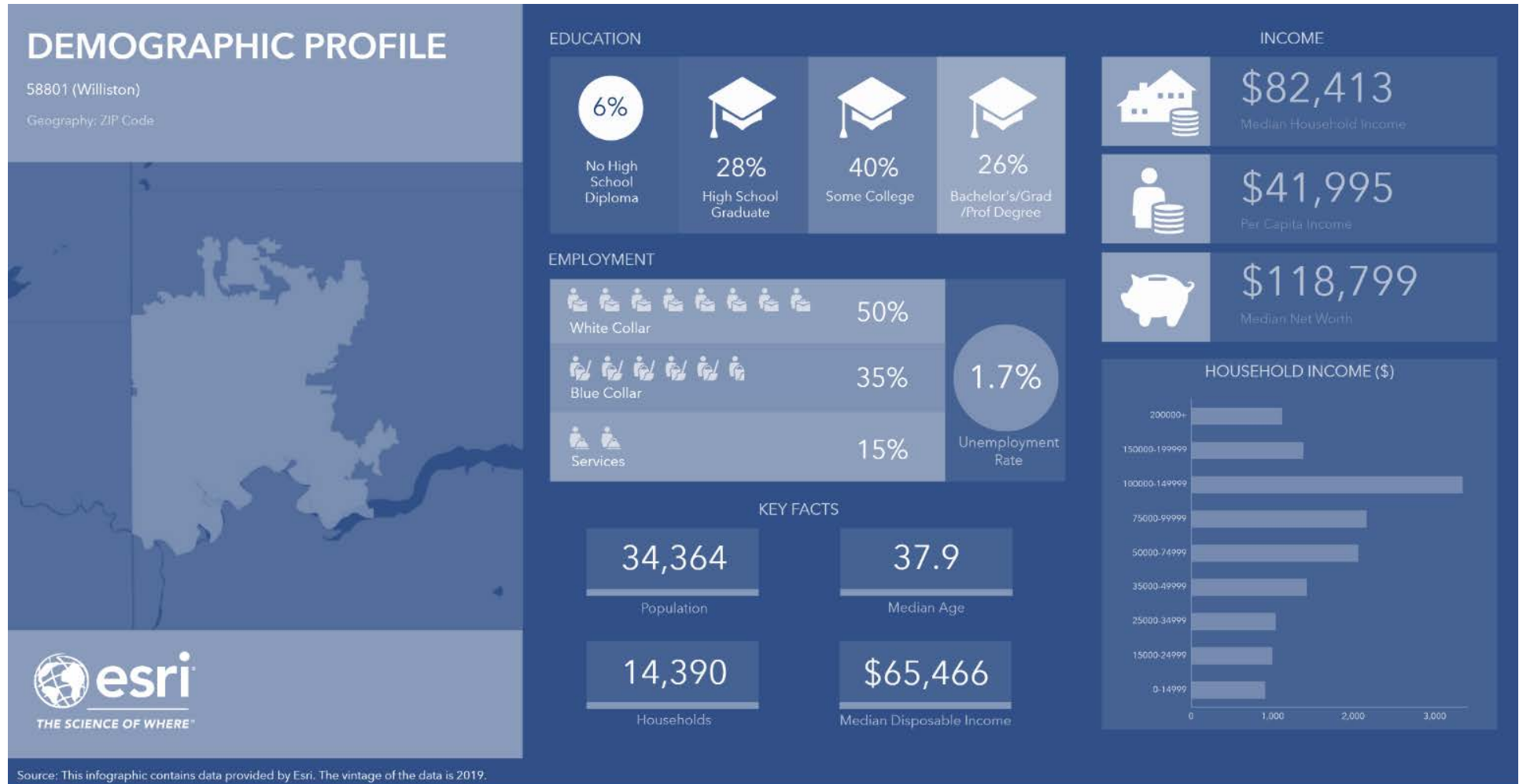


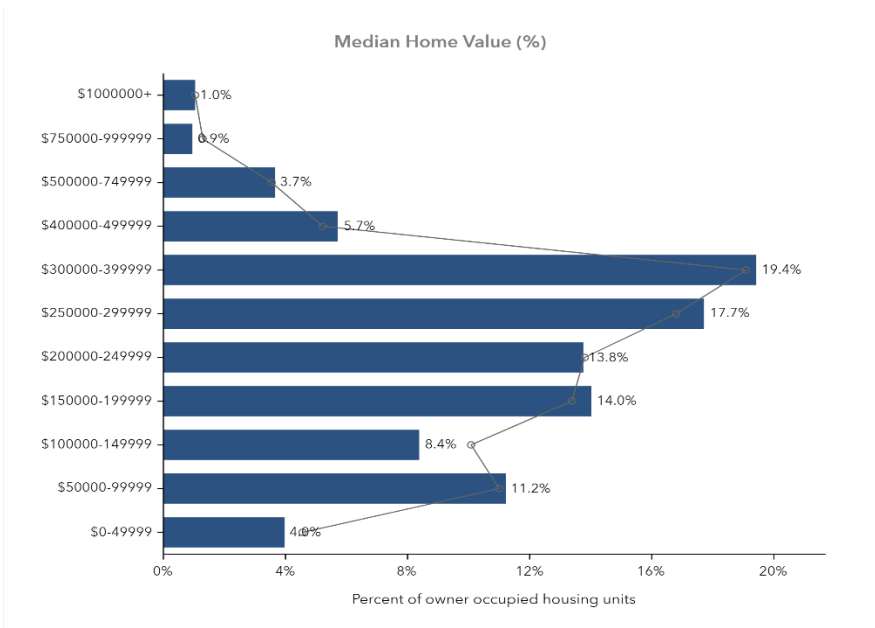
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# Appendix

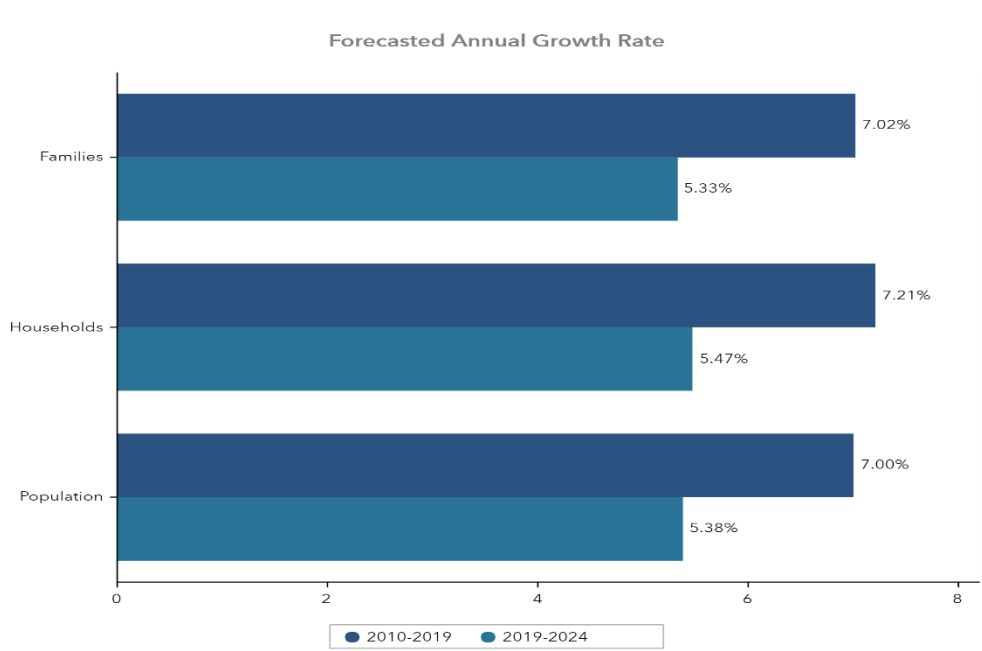


# Appendix A – Demographics Data

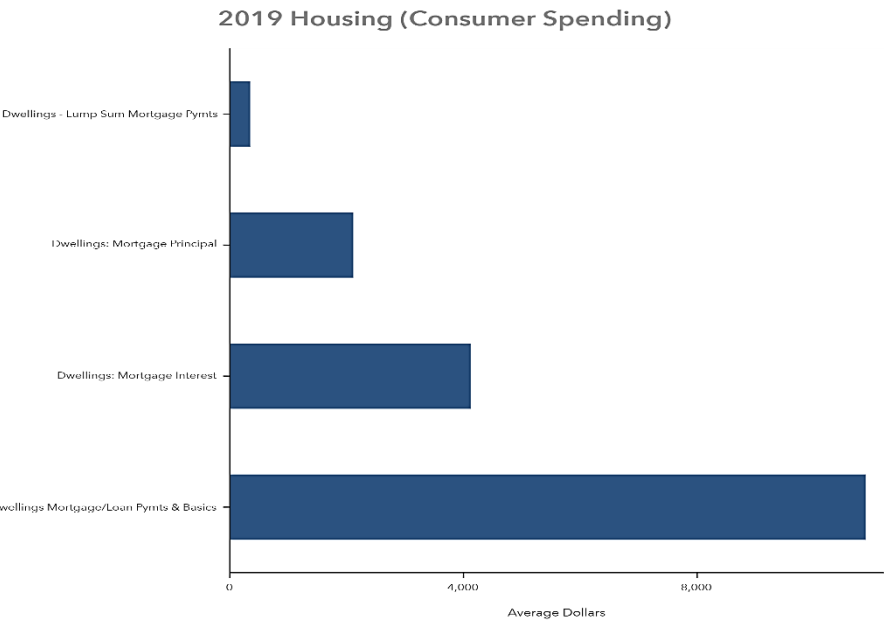




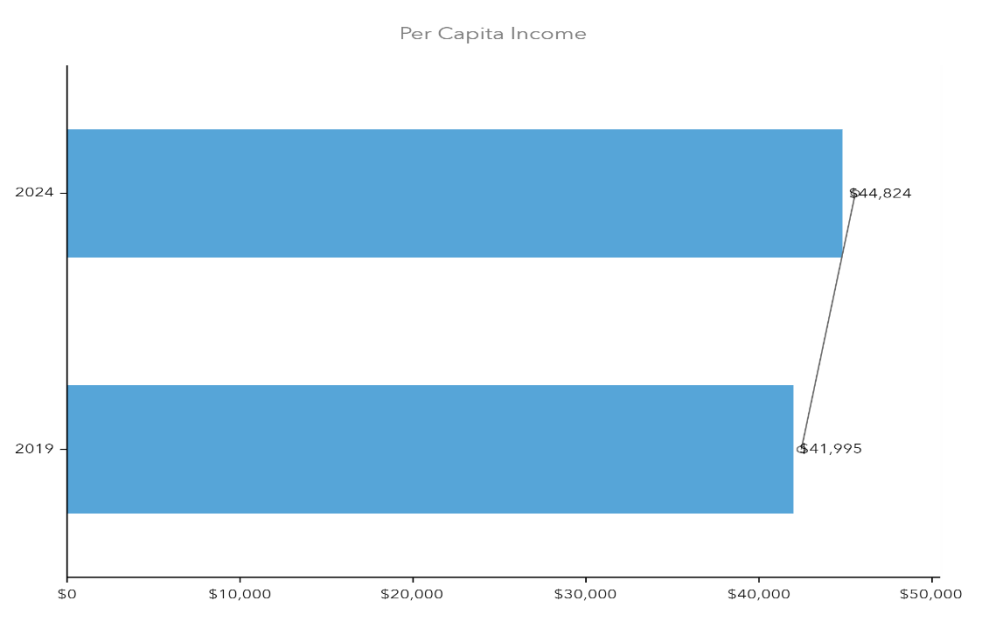
Source: This infographic contains data provided by Esri and Bureau of Labor Statistics. The vintage of the data is 2019.



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