

## **INTRODUCTION**

Living standards usually relate to the quality of housing in any neighborhood. Supply and demand typically dictates the strategies for improving housing quality. Demographic patterns, specifically household characteristics and economic conditions, create a level of demand for housing. Transportation, education, recreation and location also influence demand levels. The supply normally depends upon the amount of available land, sufficient infrastructure capacities, financing and capital. The housing supply is tremendously affected by market conditions, except in areas where housing is subsidized. Housing is also influenced by local zoning regulations. Government provisions on infrastructure and services, such as water and sewer utilities, also affect housing.

Demand is influenced by the decisions of buyers to locate in a particular area due to local and regional amenities. In addition, demand is affected by the quality of schools, the transportation system, and the proximity to employment, the availability of parks and recreation, and other factors. Housing policies have clear benefits that will create particular lifestyles and control growth patterns. Private choices result from the efforts of a community to create positive perceptions of local and regional amenities.

Shelby County should be concerned with the current housing needs and the high growth projections for population increases during the next decade. Housing policies should be concurrent with local zoning and subdivision regulations. There should be reasonable design standards for subdivisions and re-subdivision of land. Each community should include a variety of housing types in order to support the local tax base that derives public services.

Shelby County housing policies should define the community's character, and encourage social and economic stability. The policies should protect the value of land, improvements of such land and minimize the conflicts among land use types.

Furthermore, there must be a relationship between land use, improvements and the circulation of traffic. As a result, policies should be aimed at reducing congestion on streets and highways, improving pedestrian movement among various land uses, and provide for the appropriate location and proper width of streets and building lines. Local government must insure that public facilities are available and will have a sufficient capacity to serve new developments. Housing policies should minimize the effects on air pollution, streams and ponds, adequacy of drainage facilities, the water table and natural resources.

## **HOUSING TENURE**

Table 4.1 shows 2015 Census housing data by tenure for Shelby County and the cities of Shelbyville and Simpsonville. Overall, Shelby County's housing stock grew by 3,749 units (29.2%) between 2000 and 2010. A large portion of this increase can be attributed to the growth of the City of Shelbyville housing stock, which increased by 1,664 units from 2000 to 2010 (40.4%), and Simpsonville's housing stock which increased by 479 units from 2000 to 2010 or 48.1%. In 2010 the City of Shelbyville's housing stock accounted for 34.8% of the total number of housing units in the county. In 2010, 63% of the renter occupied households were located in the cities of Shelbyville and Simpsonville.

The overall vacancy rate for Shelby County in 2015 was 6.0%. This is a 1.7% decrease from the 2010 Census. The vacancy rate for the City of Shelbyville had a larger percent decrease than the county which was 4.2% from 2010 to 2015. The vacancy rate for the City of Simpsonville also decreased from (6.1%) in 2000 to 5.2% in 2015.

**Table 4.1**  
**Housing Units by Tenure**  
**2015**

AREA	TOTAL UNITS	OCCUPIED UNITS	PERSONS PER HOUSEHOLD (OWNER OCCUPIED)	PERSONS PER HOUSEHOLD (RENTER OCCUPIED)	OWNER OCCUPIED HOUSING UNITS		RENTER OCCUPIED HOUSING UNITS		VACANCY RATE
					TOTAL	%	TOTAL	%	
Shelby County	16,901	15,888	2.68	2.65	10,979	69.1%	4,909	30.9%	6.0%
Shelbyville	5,723	5,425	2.81	2.60	2,660	49.0%	2,765	51.0%	5.2%
Simpsonville	1,016	963	2.73	2.69	631	65.5%	332	34.5%	5.2%

Healthy communities have a relatively high occupancy rate, with enough vacancies to provide for a steady turnover and healthy housing market. Vacancy rates of four to five percent are considered necessary to provide choice and mobility in the housing market and meet short term increases in demand. Too many vacancies reduce the demand for new units while too few vacancies will often force housing costs to increase as demand is generated for new units. An adequate supply of both rental and owner occupied housing units is also necessary to foster growth and meet the demands of new families moving into the area. In communities without a code enforcement program (Shelby County) for existing structures, high vacancy rates can also be an indication of substandard housing units which are vacant due to their poor condition as may be the case for the City of Shelbyville. In such cases, the community may need to consider implementing a code enforcement program along with housing redevelopment projects to eliminate substandard housing and create additional homeownership opportunities.

## **HOUSING CHARACTERISTICS**

Based upon the 2010 Census there are approximately 12,857 (16,606) housing units in Shelby County with a density of 33.5 (43.7) units per square mile of land area. This is lower than the density of 44.1 (48.8) units per square mile for Kentucky. The majority of the units (63.7%) are located in the unincorporated area of the County. Table 4.2, 4.3 and 4.4 shows the change from 2000 to 2015 in the number of housing units in Shelby County and the cities of Shelbyville and Simpsonville. The 2015 data is from the 2011-2015 American Community Survey 5-Year Estimates. Single-family housing units are the dominant housing type for both the county and the cities. Multi-family housing units are the second most numerous housing type. Almost all of the multi-family housing units are located in the cities of Shelbyville and Simpsonville.

**Table 4.2**  
**Summary of Housing Units for Shelby County**  
**2000 & 2015**

Housing Type	2000		2015		% Change 2000-2015
	#	%	#	%	
Single-Family	10,346	80.5%	13,732	81.2%	32.7%
Duplex	429	3.3%	370	2.2%	-13.8%
3-4 Units	745	5.8%	1090	6.4%	46.3%
Multi-Family (5 or more)	911	7.1%	917	5.4%	0.7%
Mobile Home	426	3.3%	792	4.7%	85.9%
Other	0	0.0%	0	0.0%	0%
Total	12,857	100%	16,901	100%	31.5%

**Table 4.3**  
**Summary of Housing Units for Shelbyville**  
**2000 & 2015**

Housing Type	2000		2015		% Change 2000-2015
	#	%	#	%	
Single-Family	2,439	58.7%	3,744	65.4%	53.5%
Duplex	293	7.1%	184	3.2%	-37.2%
3-4 Units	592	14.3%	859	15.0%	45.1%
Multi-Family (5 or more)	779	18.7%	842	14.7%	37.1%
Mobile Home	51	1.2%	94	1.6%	84.3%
Other	0	0.0%	0	0.0%	0%
Total	4,154	100%	5,723	100%	37.8%

**Table 4.4**  
**Summary of Housing Units for Simpsonville**  
**2000 & 2015**

Housing Type	2000		2015		% Change 2000-2015
	#	%	#	%	
Single-Family	430	81.6%	861	84.7%	50.1%
Duplex	6	1.1%	0	0%	-100%
3-4 Units	16	3%	94	9.25	83.0%
Multi-Family (5 or more)	68	13%	61	6.0%	-10.3%
Mobile Home	7	1.3%	0	0.0%	0%
Other	0	0.0%	0	0.0%	0%
Total	527	100%	1016	100%	92.8%

From 2000 to 2015 the number of structures with 3-4 housing units increased at a faster rate than any other housing type in Shelby County and the City of Simpsonville, followed by single-family. Mobile homes showed the highest rate of increase within the City of Shelbyville, with single-family housing units following. The City of Simpsonville saw positive increases in single-family and 3-4 unit structures during this time period.

## **HOUSING CONDITIONS**

Housing conditions can be evaluated by analyzing selected census data measures and through visual surveys. Census data indicators of substandard housing include age of the housing stock, structures lacking complete plumbing facilities, and overcrowding. Those units lacking complete plumbing facilities are considered to be substandard. A housing unit is considered to have complete plumbing facilities if it has hot and cold piped water, a flush toilet, and a bathtub or shower. A unit is considered by the US Census Bureau to lack complete plumbing facilities if any of the three are not present. Housing units constructed prior to 1940 are considered to be potentially substandard due to the age of the structure. According to the US Department of Housing and Urban Development, overcrowding is considered to exist if there is more than one person per room in a household. In Kentucky, homes that lack a heat source or use coal or wood as the primary heat source are also an indication of potentially substandard housing as these homes may lack a means of maintaining interior temperatures above freezing in the winter. A summary of housing conditions using the 2011-2015 American Community Survey 5-Year Estimates is presented in Table 4.5.

Houses lacking complete plumbing facilities are found in about 0.6% of the occupied housing units in Shelby County, with all of them (91) being within the unincorporated area of Shelby County. Shelby County as a whole also showed 2.49% of the total occupied housing units (395) use wood or coal as a primary heat source. 29 of these units were located within the city limits of Shelbyville and Simpsonville accounted for zero. Overcrowding

conditions exist in a total of 481 units (3.0%) of the county’s occupied housing units, with a little under four percent of these units (208) being located in the City of Shelbyville, and almost four percent of these units (38) being in the City of Simpsonville.

Overall, Shelby County’s housing stock is relatively new with a small amount of homes constructed prior to 1940 as shown in Table 4.5. In Shelby County, 1,613 homes were built prior to 1940 and accounted for 9.5% of the housing stock. In the City of Shelbyville, 737 homes were built pre-1940 and accounted for 12.9% of the housing stock in the city limits. In the City of Simpsonville, 36 homes were built before 1940 or 3.5% of the housing stock.

**Table 4.5**  
**Housing Conditions**  
**2015**

Area	Total Housing Units	Occupied Housing Units	Built Before 1940		Lack Complete Plumbing		More Than 1.0 Persons Per Room		Wood/Coal Or No Primary Heat Source	
			#	%	#	%	#	%	#	%
Shelby County	16,901	15,888	1,613	9.5%	91	0.6%	481	3.0%	395	2.49%
Shelbyville	5,723	5,425	737	12.9%	0	0%	208	3.8%	29	0.5%
Simpsonville	1,016	963	36	3.5%	0	0%	38	3.9%	0	0%

## **CURRENT HOUSING TRENDS**

Housing trends since the 2000 Census can be analyzed by examining zoning permit information for Shelby County and the cities of Shelbyville and Simpsonville. Table 4.6 shows the zoning permit information obtained from the Triple S Planning Commission for 2000 to 2015. A total of 5,094 new housing units were constructed within Shelby County from 2000 to 2015. The majority of these units (95%) were single-family homes and only 2.4% were two-family and 7.1% were three or more family units. Of those 5,094 units, 1,908 were in Shelbyville and 588 in Simpsonville.

**Table 4.6**  
**Shelby County, Shelbyville and Simpsonville Zoning Permit Information**  
**2000 – 2015**

Year	Type of Dwelling Unit									Total # Units
	Single-Family			2 Family			3 or More Family			
	Shelby County	Shelbyville	Simpsonville	Shelby County	Shelbyville	Simpsonville	Shelby County	Shelbyville	Simpsonville	
2000	179	155	47	4	0	4	0	38	0	427
2001	237	98	41	0	2	0	0	12	0	390
2002	220	116	99	2	4	0	0	0	0	441
2003	248	145	79	6	10	0	0	38	0	526
2004	259	180	84	10	18	0	0	97	0	648
2005	262	206	52	28	0	0	0	0	12	560
2006	203	122	35	16	0	0	0	52	7	435
2007	163	72	18	4	0	0	0	36	0	293
2008	98	47	14	10	0	0	0	0	0	169
2009	84	52	2	0	0	0	0	0	0	138
2010	67	54	4	0	0	0	0	0	0	125
2011	54	25	2	0	0	0	0	0	0	81
2012	81	53	5	0	0	2	0	0	0	141
2013	86	56	12	0	0	0	0	0	0	154
2014	96	78	28	2	0	0	0	20	0	224
2015	179	74	41	0	0	0	0	48	0	342
<b>Total</b>	<b>2,516</b>	<b>1,533</b>	<b>563</b>	<b>82</b>	<b>34</b>	<b>6</b>	<b>0</b>	<b>341</b>	<b>19</b>	<b>5,094</b>

In March 2011, the US Census Bureau released the 2010 Census Redistricting Data. The number of housing units in Shelby County had increased by 3,749 units to 16,606 housing units which is a 22.6% increase since the 2000 Census. Of those 16,606 units, 5,781 units were in Shelbyville and 996 were in Simpsonville.

## **FUTURE HOUSING NEEDS**

An estimate of the number of additional housing units needed can be made using population projections and some assumptions based upon demographic trends. Shelby County had 2.60 persons per household in the year 2015; however, the Kentucky Data Center estimates that this number will decrease to 2.58 persons per household in 2020, 2.58 persons per household in 2030 and level off to 2.56 by the year 2040. Therefore, 2.58 persons per household will be used to calculate housing needs for the year 2030 and 2.56 persons per household will be used to calculate housing needs to the year 2040. In 2010, there were 1,696 persons in group quarters which is 4% of the county's population overall. Of this number, 1,294 persons (3%) were reported to be institutionalized in nursing homes, correctional institutions, and psychiatric hospitals. Only 402 persons (1%) were reported to reside in non-institutionalized housing. In 2015, it is estimated that 1,805 persons live in group quarters which again is 4% of the county's population overall. For housing projection purposes, it will be assumed that the group quarters rate (4%) will remain the same.

The U.S. Census has estimated in the year 2015 there are 16,857 housing units in Shelby County. Assuming a 2020 population of 49,988 and 2.58 persons per household, the Kentucky Data Center has projected there needs to be a 18,649 housing units in Shelby County by the year 2020. This is an increase of 1,792 units or 10.63% since 2015. Using the 2.58 persons per household projection and the population projection of 59,415 for 2030, it is estimated that there will be a need for a total of 22,322 housing units by the year 2030. This is an increase of 5,465 units (32.42%) from 2015. The Kentucky Data Center has projected the persons per household to drop from 2.58 in 2030 to 2.56 in 2040, therefore the total number of housing units projected for the year 2040 is 26,247. This is an increase of 9,390 units or 55.7% since 2015. It is important to note that these numbers should be treated as minimums since it can be assumed that some existing units will be demolished or deteriorate beyond use over the next twenty plus years.

In summary, communities do not normally need to take action to provide housing for middle or upper income persons. These groups can usually purchase or build adequate housing. However, the cities of Shelbyville and Simpsonville need to ensure that regulations encourage quality development and that adequate land zoned for various types of residential use is available for development in the future. Communities may need to assist lower income persons and some elderly or handicapped persons in finding adequate, decent, safe, and sanitary affordable housing. Methods of assistance to these types of households are discussed in the "Housing Resources" section of this chapter.

## **HOUSING RESOURCES**

A variety of financial assistance is available to help low income elderly, handicapped persons, and families find decent, safe, and sanitary housing. Assistance may be unit-specific or household specific. In unit specific housing, the housing subsidy stays with the housing unit for a contract period or indefinitely, as is the case with public housing. Household-specific assistance is committed to participating households. These households may relocate from one housing unit to another while continuing to receive the housing subsidy.

Assisted rental housing units in Shelby County fall under a variety of programs as shown in Table 4.7. Public housing (PH) programs serve low and very low income families with rents based on income. Eligible tenants must pay the higher of either 30% of their adjusted gross income or 10% of their gross income. The Section 8

(S8) program helps low and very low income people pay their rent, with rents based on the same formula used for public housing assistance. Many Section 8 apartments, but not all, are reserved for elderly people. Some are also specifically designed for handicapped persons. The former Farmers Home Administration (FmHA) program, now known as the Rural Development (RD) program, serves low and moderate income (LMI) households in rural areas. Low-income senior citizens or families paying rents of more than 30% of their adjusted annual incomes can qualify for rental assistance. In properties not offering rental assistance, tenants pay the greater of 30% of adjusted income or the base rent. Low interest rate loans are made to owners to reduce the rents (including utilities) paid by low-income tenants. The housing credit program (HC) is a Federal program administered by Kentucky Housing Corporation which increases availability of low-income rental housing by creating tax incentives for qualified developers to build affordable rental housing. Housing credits offer eligible property owners a ten-year tax credit for each unit set aside for low-income families. The units must be rent-restricted and available for long-term continuous rental use. The HUD Home Investment Partnerships Program (HOME) provides funds for tenant-based rental assistance, construction of new rental units or rehabilitation of existing rental units and funded by the U.S. Department of Housing and Urban Development. The Affordable Housing Trust Fund (AHTF) is a program funded by the Kentucky Housing Corporation (KHC) to finance affordable rental housing for low income families.

Household specific assisted rent is available under the Section 8 Housing Choice Voucher program. These rental vouchers are allocated in groups by the U.S. Department of Housing and Urban Development for a specific area which may cover more than one county. The type of assistance available is the same as that outlined for the Section 8 program. Tenants served under these programs locate rental housing of their choice in the geographic area. The housing unit may be an apartment, mobile home, duplex or house, and must meet HUD housing quality standards.

There are a variety of other forms of financial assistance available to low to moderate income persons for housing assistance. Assistance is available through both public and private non-profit groups. As these programs frequently change, current information on the types of assistance available should be obtained from the Kentucky Housing Corporation in Frankfort, Kentucky.

A total of 857 assisted rental units are currently available in Shelby County (Table 4.7).

**Table 4.7**  
**Shelby County Assisted Rental Housing**  
**(As of September 7, 2016)**

Property Name	Address	City	Telephone Number	Total Assisted Units	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Programs
Centerbrook Apts (Berea Summit)	108 Berea	Shelbyville	(502) 633-3742	15	0	3	12	0	0	0	RD
Cherrywood Apts	301 Willow Wood Drive	Shelbyville	(502) 633-3742	24	0	12	12	0	0	0	AHTF, HC, RD
Clark Single Family Homes Shelbyville	Scattered Sites	Shelbyville		0	0	0	0	0	0	0	HC
Coca Cola Commons	80 Frankfort Road	Shelbyville	(502) 647-2411	31	0	0	17	14	0	0	HC
French Quarters Shelby	Scattered Sites	Shelbyville	(502) 647-2411	24	0	0	0	24	0	0	HC
Haven Hill Apts	411 Haven Hill Road	Shelbyville	(502) 633-1270	30	0	8	22	0	0	0	RD
Housing Authority of Shelbyville	41 Cardinal Drive	Shelbyville	(502) 633-4531	102	14	20	22	36	10	0	PH
Indian Ridge Apts	501 Indian Ridge	Shelbyville	(502) 633-1182	96	0	32	56	8	0	0	S8
Lynn Acres Apartments	601 Lynn Acres	Shelbyville	(502) 633-3251	37	0	6	23	8	0	0	S8
Maidie Lane	Maidie Lane	Shelbyville	(502) 647-2411	23	0	0	0	23	0	0	HC
Marian Village Apts	233 Short Street	Shelbyville		32	0	0	28	0	4	0	HC
Martinsville II, Ltd.	102, 104, 106, 108, 110 N. Ninth Street	Shelbyville	(502) 327-7200	5	0	0	0	5	0	0	HC
Meadowridge Apts	300 Meadowridge Drive	Simpsonville	(502) 722-5213	36	0	16	16	4	0	0	RD
Meadowridge II Apts	300 Meadowridge Drive	Simpsonville	(502) 722-5213	32	0	12	16	4	0	0	RD
Meadowrun Terrace Apts	144 Haven Hill Road	Shelbyville	(859) 268-2822	30	0	8	22	0	0	0	RD
Midland Square	400 Mack Walters Road	Shelbyville	(502) 633-1270	46	0	2	38	6	0	0	RD
Mosser House	400 Main Street	Shelbyville	(502) 584-3773	53	0	25	24	4	0	0	HC
North Shelby House	84 North Shelby Street	Shelbyville	(502) 633-3742	16	0	14	2	0	0	0	RD
Scott Village Apts	823 Washington Street	Shelbyville	(502) 633-3742	12	0	8	4	0	0	0	RD
Shelby House	823 Washington Street	Shelbyville	(502) 633-3742	24	0	22	2	0	0	0	RD
Shelbyville I, Ltd.	312 Midland Boulevard	Shelbyville	(502) 633-1620	24	0	0	0	24	0	0	HC
Shelbyville Townhomes, Ltd.	119 Nora Avenue	Shelbyville	(502) 633-3742	12	0	12	0	0	0	0	RD
South Shelby House Apts	201 S Shelby House Apts	Shelbyville	(502) 633-3742	16	0	16	0	0	0	0	RD
Stonehenge Townhomes	183 Nora Avenue	Shelbyville	(502) 633-6871	6	0	0	6	0	0	0	RD
Sycamore Terrace Apts	600 Sycamore Terrace	Shelbyville	(502) 633-2516	71	0	32	23	16	0	0	S8
Veechdale Apts	233 Buckcreek Road	Simpsonville	(502) 722-5034	32	0	0	26	6	0	0	RD
Wellspring		Shelbyville	(502) 637-4361	4	0	0	0	0	0	0	AHTF, HOME
West Shelby House Apts	70 West Willow Drive	Shelbyville	(502) 633-3742	12	0	12	0	0	0	0	RD, HC
Willow Woods Apts	501 Willow Wood Drive	Shelbyville	(502) 633-3742	12	0	0	0	12	0	0	RD
				<b>Total</b>	<b>857</b>	<b>14</b>	<b>260</b>	<b>371</b>	<b>194</b>	<b>14</b>	<b>0</b>
<b>Projects highlighted in yellow are administered by KHC</b>											
<i>Source: KY Housing Corporation Assisted Rental Housing Report, September 7, 2016</i>											
				AHTF – Affordable Housing Trust Fund HC – Housing Credit PH – Public Housing RD – Rural Development S8 – Section 8 HOME – HUD Home Investment Partnership Program							

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