

## Chapter 3

### Housing and Housing Development

#### *Current status of housing:*

**Householder characteristics:** In 2010 there were 2,934 households within the City with an average of 2.11 persons per household. This represents an 8.5% increase in the number of households, with no significant difference in average size since 2000. The number of households has nearly doubled over the last forty years, from 1,547 in 1970, while the population increased by 50% in the same period. Household size has been steadily declining since 1970 when it was 2.89, but this decline may be tapering off (Table 3-1). Smaller households remain significantly more numerous in the city, with no significant change in distribution of household size over the last decade: 39.3% of all household are single persons (compared to 39.0% in 2000), 31.6% (compared to 29.3%) are two-person households, 14.9% (compared to 16.6%) are three-person households, and the remaining 15.9% (compared to 15.1%) are households of four persons or more. Only 55.9% of households are families, defined as persons living in the same household who are related by blood, marriage or adoption, a slight decline from the 2000 rate of 57.8%, but following the declining trend from the 1990 rate of 64.8%. Pikeville has seen an increase in the number of elderly householders: the 2010 census reports 17.2% of householders as 65 and older, continuing the increase from 2000 (16.3%) and earlier (14.6% in 1990). The American Community Survey (ACS) estimates 25.5% of households include an individual age 65 or older.

The ACS also reports that 30.3% of households in the City of Pikeville include children under the age of eighteen. The nature of families in Pikeville is worth examining: The average family size in Pikeville in 2010 was 2.11, indicating relatively small families. Of those families, nearly a third (27.9%) are families with all children age six or younger,

and the majority (72.2%) have school age children in the home. A decline in the number of female-headed families with no husband present was seen, from 14.5% in 2000 to 10.4% in 2010. Although the percentage of female-headed households with all children under six years of age was stable at 9.2%, the comparison to married families shifted notably: In 2000 only 13.3% of married families in the city were reported as having all children in the household under six, while the 2010 Census data places that figure at 27.5%. This indicates an increase in the number of young families living within the city who will soon have school-age children. The American Community Survey reports that 38.5% of grandparents residing with grandchildren are responsible for them as caregivers. (Additional 2010 data for comparison to 2000 figures regarding numbers of grandparents and other family members caring for children is not yet available.)

YEAR	POPULATION	GROUP QUARTERS	HOUSEHOLDS	PERSONS PER HOUSEHOLD
1970	4,576	296	1,547	2.89
1980	4,756	278	1,825	2.45
1990	6,324	387	2,552	2.33
2000	6,295	512	2,705	2.14
2010	6,903	702	2,934	2.11

Source: U.S. Census of Population and Housing, 1970 - 2010

YEAR	POPULATION	GROUP QUARTERS	HOUSEHOLDS	PERSONS PER HOUSEHOLD
1970	61,059	N/A	17,335	3.55
1980	81,123	329	26,466	3.05
1990	72,583	754	26,148	2.75
2000	68,736	810	27,612	2.46
2010	65,024	1,100	26,728	2.39

Source: U.S. Census of Population and Housing, 1970 - 2010

\* Persons in group quarters 2005 - 2030 is derived by multiplying the persons per household and households and then subtracting the results from the total

**Housing Ownership:** The overall rate of home ownership within the City is relatively low: less than half of occupied units are owner-occupied, at 45.0%, a slight decline from 47.4% in 2000. Home ownership is most restricted among single person households, with only 29.3% ownership, a sharp decline from 48.9% in 2000 (Table 3-3). Both of these figures may reflect increases in the population of undergraduate, medical and residency students at the University of Pikeville. Home ownership showed a dramatic shift in the rate of ownership in large families (7 persons or more in the household), but this is likely a statistical artifact as the numbers are small and should be interpreted with caution. Female householders with no husband present are much less likely to own homes, with only 20.1% ownership, compared to 69.4% ownership among married couples and 43.2% ownership among male householders, no wife present. This figure may be impacted by elderly females living in the city who reside in public housing for senior citizens. Overall, household ownership is lower in the City than in the County, but again, this may reflect significant differences in the composition of the populations of each, with more young adults, students and elderly residing in the City. In addition, there may be increased rentals from professionals employed within the City who maintain households elsewhere.

	OWN	%	RENT	%	TOTAL
Total Occupied Units	1,319	45.0%	1,615	55.0%	2,934
1 person households	338	29.3%	815	70.7%	1,153
2 persons households	494	53.3%	433	46.7%	927
3 persons households	242	55.4%	195	44.6%	437
4 persons households	161	61.2%	102	38.8%	263
5 persons households	57	54.3%	48	45.7%	105
6 persons households	23	56.1%	18	43.9%	41
7 + persons households	4	50.0%	4	50.0%	8

Source: U.S. Census of Population, 2010

	OWN	%	RENT	%	TOTAL
Total Occupied Units	20,046	75.0%	6,682	25.0%	26,728
1 person households	4,707	64.6%	2,575	35.4%	7,282
2 persons households	7,532	80.4%	1,836	19.6%	9,368
3 persons households	3,890	77.3%	1,140	22.7%	5,030
4 persons households	2,531	78.0%	712	22.0%	3,243
5 persons households	976	77.6%	281	22.4%	1,257
6 persons households	275	73.3%	100	26.7%	375
7 + persons households	135	78.0%	38	22.0%	173

Source: U.S. Census of Population, 2010

**Housing characteristics:** Within the City, a little more than half the housing units are single families homes (53.5%), and only a small percentage are mobile homes (5.8%). The Housing Authority of Pikeville manages a third (34.0%) of the multi-occupancy units within the city, a total of 464, including 240 units dedicated for elderly, near elderly and disabled residents, and the remaining 224 designated as low income housing (Table 3-5). Two complexes on Kentucky Avenue are less than ten years old, and another complex (Hames Avenue) has been renovated within the last decade. All facilities have central air and heat, offer assistance with utilities, and provide onsite laundry or washer/dryer hook-ups, and those not specifically designated for the elderly have playgrounds. These facilities are within walking distance from most community resources, and are deliberately integrated as part of the community.

	Number of Units
Kentucky Avenue II & IV	60 low income
Fairview Court	40 elderly & disabled; 48 low income
Northgate Apartments	68 low income
Hames Park	48 low income
Myers Tower	200 elderly, near elderly & disabled
<i>Total</i>	<i>464</i>

Home ownership is predictably lower among lower-income households: although households with incomes under \$20,000 make up nearly half of total households (44.5%) households with income of \$20,000 or less have only 18.4% ownership, and households with incomes between \$20,000 and \$35,000 have only a 33.5% ownership rate. This is almost the inverse of the rate of home ownership for households earning above \$50,000 per year, where 57.9% own their homes and only 21.2% rent. While home ownership may not be a reality for many persons in that lower income ranges, it is important to consider a number of housing alternatives in all price ranges, including lower priced condominiums and townhouses that could be purchased, especially as the population of the city ages.

	OWN	%	RENT	%	TOTAL	%	RENT OVERBURDEN
Total Units:	1,373	43.1%	1,811	56.9%	3,184		497 (15.61%)
Less than \$20,000	261	18.4%	1,156	81.6%	1,417	44.5%	*
\$20,000 - \$34,999	81	33.5%	161	66.5%	242	7.6%	*
\$35,000 - \$49,999	236	73.8%	84	26.3%	320	10.05%	*
\$50,000 - \$74,999	262	67.2%	128	32.8%	390	12.25%	*
\$75,000 or more	533	76.6%	163	23.4%	696	21.86%	*
Median Household Income					\$25,667		
Mean Household Income					\$59,003		

Source: U.S. Census of Population, 2010  
 \*rent overburden breakdowns are not available

A more accurate reflection of home ownership is to consider the mean income based on earnings rather than the overall median income that includes persons on fixed incomes who are generally not expected to achieve home ownership. According to American Community Survey Data (2007-2011) the mean income based on earnings for households within the City was \$62,034. Examination of household ownership for the sectors around that mean income indicate that in fact home ownership is relatively high: home ownership is 67.2% for households earning between \$50,000 and \$74,999, and over 70% in the income categories immediately above and below, indicating that home ownership among middle income residents in the city is relatively good.

	OWN	%	RENT	%	TOTAL	%	RENT OVERBURDEN
Total Units:	20,351	75.3%	6,671	24.7%	27,022		1,604 (5.94%)
Less than \$20,000	5,122	65.6%	2,685	34.4%	7,807	28.90%	*
\$20,000 - \$34,999	4,664	83.7%	910	16.3%	5,574	20.63%	*
\$35,000 - \$49,999	3,142	88.4%	414	11.6%	3,556	13.16%	*
\$50,000 - \$74,999	3,584	87.2%	527	12.8%	4,111	15.21%	*
\$75,000 or more	3,839	89.7%	442	10.3%	4,281	15.84%	*
Median Household Income					\$32,563		
Mean Household Income					\$45,360		

Source: U.S. Census of Population, 2010  
 \*rent overburden breakdowns are not available

Using the rule of thumb that householders spend three times what they earn on housing, the mean housing prices are calculated to be in the \$186,000 range. Figures from the American Community Survey indicate that the median household value for owner-occupied houses (2007-2011) was \$174,100, slightly less than the calculated expectation. The spread of owner-occupied units within the City indicates that the greatest number of owner-occupied houses are actually in the next higher price range (\$200,000 - \$299,999). The second greatest number of owner occupied houses is in the less expensive range (\$100,000 - \$149,000), with housing most likely to be available to those around the median income level (\$150,000 - \$199,000) third in availability (Table 3-8). However, if you combine these second and third categories to make the value range equivalent (at \$100,000), nearly a third of owner-occupied houses are between \$100,000 and \$199,999. This indicates that there may be a need for additional mid-priced housing between \$150,000 and \$199,999 to be available to middle income earners and families in the City.

Examination of housing values also reflects that Pikeville is considered a relatively expensive housing market compared to the surrounding area, likely also a contributing factor to the lower levels of home ownership. Housing costs more than in other areas for several reasons: the availability of land for residential development has always been limited by the geography of the area, driving land prices up; actual construction costs

are also relatively expensive, a result of the need to extend utility services, and the slightly higher price of raw materials; and the basic supply and demand relationships, have all served to make the limited number of houses even more valuable on the market. An August 2013 online search of houses for sale within the City of Pikeville identified 96 houses for sale, the greatest number (27) being in the \$200,000 - \$299,999 price range. Although there were 17 houses for sale in the range appropriate for the median income, between \$150,000 and \$199,999, and an additional twelve between \$100,000 and \$150,000.

	Number	Percent
<b>Less than \$50,000</b>	180	13.8%
<b>\$50,000 to \$99,999</b>	140	10.7%
<b>\$100,000 to \$149,999</b>	217	16.6%
<b>\$150,000 to \$199,999</b>	179	13.7%
<b>\$200,000 to \$299,999</b>	343	26.3%
<b>\$300,000 to \$499,999</b>	145	11.1%
<b>\$500,000 to \$999,999</b>	83	6.4%
<b>\$1,000,000 or more</b>	18	1.4%
<b>Median (dollars)</b>	\$174,100	

The relatively expensive housing market has also led to significant rent overburden: within the City, 497 of the 1,372 units, or 15.61% were determined to require 35% or more of household income from 2010 Census data. This is significantly higher than the 5.94% rent overburden in the County, but may also reflect a higher standard of housing within the City. In fact, Pikeville has seen a tremendous improvement in the reduction of substandard housing within the City, with no units lacking plumbing and less than one percent (22 units) deemed overcrowded, a remarkable improvement over the last forty years, and down from 74 substandard units a decade ago (with 43 lacking adequate plumbing at that time; Table 3-9)). This improvement is particularly impressive given the economic stresses on both individuals and public entities over the last decade. In comparing substandard housing conditions to the surrounding area, it is not surprising that although Pike County has also made tremendous strides over the last four decades, there remain higher percentages of units lacking plumbing or deemed

overcrowded in the County than the City (Table 3-10). The City of Pikeville must be vigilant in continuing to monitor housing standards, ensure adequate plumbing in all units and mitigate conditions of overcrowding where possible.

<b>TABLE 3-9 PIKEVILLE, SUBSTANDARD UNITS, 1970 - 2010</b>				
YEAR	LACK PLUMBING	OVERCROWDED	TOTAL	% SUBSTANDARD
1970	165	141	263	17.00%
1980	151	47	198	10.85%
1990	24	53	77	3.02%
2000	43	31	74	2.74%
2010	0	22	22	0.75%

Source: U.S. Census of Population and Housing, 1970 – 2010

<b>TABLE 3-10 PIKE COUNTY, SUBSTANDARD UNITS, 1970 - 2010</b>				
YEAR	LACK PLUMBING	OVERCROWDED	TOTAL	% SUBSTANDARD
1970	6,896	3,105	8,042	46.4%
1980	2,567	1,324	3,891	14.70%
1990	624	666	1,207	4.62%
2000	712	494	1,206	4.38%
2010	411	384	795	2.97%

Source: U.S. Census of Population and Housing, 1970 – 2010

***Housing and Housing Development for the Future:***

Overall, the City of Pikeville continues to experience several trends:

- the number of single-householders is increasing, likely a reflection of the increase in students and young adult professionals settling in the City;
- the proportion of families is decreasing slightly, and the number of single, female-headed families is diminishing as well;
- the rate of homeownership for middle and low income households is relatively low, especially for low-income families and properties valued at less than \$100,000;
- the percentage of rent overburdened households remains higher than the surrounding area;
- the availability of housing in the middle-income price range (\$150,000 - \$199,000) is limited;
- the number of elderly householders is increasing.

Calculations of housing demand provide additional data. Projected housing demands are based on calculations of population, number of households, tenure by persons per household unit, number of households experiencing rent overburden (who spend 30% or more of their income on housing), migration due to substandard or rent overburden, and the vacancy factor. These calculations follow the same model used in the 1993 and 2005 Comprehensive Plan Update. Projections indicate that the overall demand for housing will decrease to 364 in 2020 from the current level of 481 in 2010, and the affordable housing demand will fall to 197 from the current level of 237. The affordable housing market addresses the needs of those households whose income ranges at or below the median income for a family of four (\$27,100). This decrease reflects the projected decreased demand for new households (-155) as well as a projected decline in households with 3-4 persons (-37). Migration from the County into the City, is projected to require 69.78% of the demanding units. Additional housing demand is projected to be from 20% of those living in substandard conditions who will seek better housing and 20% of those experiencing rent overburden who will move to more affordable housing. Although these projections follow the model from the 1993 and 2005 plans, they should be interpreted with extreme caution, as they do not incorporate the potential growth in population and housing demand from the expansions of the University of Pikeville or Pikeville Medical Center. In addition, these calculations fail to incorporate the impact of an additional 200 townhouses as part of the multi-use development on Thompson Road scheduled to begin this year. These townhouses will help to meet the increasing demand for mid-priced housing among students, residents, staff and faculty at the University of Pikeville and Pikeville Medical Center.

**TABLE 3-11  
 PIKEVILLE & PIKE COUNTY, HOUSING DEMAND**

	PIKEVILLE		PIKE COUNTY	
	2010	2020	2010	2020
New Households	-131	-155	376	-122
3 - 5 person households	23.8%	23.8%	40.6%	40.6%
New Households containing 3 - 5 persons per unit	-31	-37	153	-50
Migration from Substandard Units (1206 * 20%)	15	15	241	241
Migration from Units Experiencing Rent Overburden (1604 * 20%)	99	99	321	321
Units Migrating from Pike County	354	254	n/a	n/a
Vacancy Factor 10%	44	33	72	52
Total Housing Market Demand	481	364	787	564
Households Earning Under Median Income	49.2%	49.2%	49.5%	49.5%
Affordable Housing Market Demand	237	179	390	280

The role of the City of Pikeville in addressing the needs of additional middle income housing is necessarily limited: there are no federal or state funds to support such projects directly. However, the City has demonstrated its willingness to support and creatively partner with developers to address housing needs: The collaboration with the University of Pikeville to build the Scholar House for single parent students is one example. The City’s ongoing support, despite numerous challenges, in securing the land and providing the necessary infrastructure to support the Thompson Road multiuse development is another. The City has several sites available for potential further development including Marion’s Farm, Cedar Creek Extension and Poor Farm, and is willing to work with developers to identify areas of potential support such as infrastructure and utility accessibility. The City should continue to support the development of middle income residential housing as it is able, through the extension of utilities to newly annexed areas and/or new developments; providing incentives for developers (i.e. connecting utilities); designating and zoning land for residential purposes; and considering the availability of middle income housing when considering areas for annexation. Unfortunately, public funds for assistance for developers or

homebuyers at this price range are not available through the Kentucky Housing Corporation or other state or federal programs.

Adaptive reuse in Downtown Pikeville is another potential area for housing development that can be explored. While public funding is clearly very limited at the present, it is possible that financial opportunities for Downtown redevelopment and rehabilitation may be available in the future. The Pikeville Main Street Program may be able to facilitate and support the planning, organization and design of mixed use renovation to include second story housing in Downtown Pikeville.

There appears to be an adequate amount of low-income housing available within the City, and it appears that the quality, safety, aesthetic appeal and accessibility of housing within this range are relatively good: almost all of the public housing complexes have had renovations over the last 15 years, and all are appointed with modern facilities. The redeveloped Kentucky Avenue apartments and townhouses are an example of the high quality and aesthetically appealing development of lower-income housing that can occur. Monitoring and maintenance of all public housing facilities should be ongoing, and needs addressed as quickly as possible. Other private options for low income housing are also necessary to support students, young working people and non-elderly or disabled persons on fixed incomes. The monitoring and maintenance of privately owned facilities should occur through zoning regulations and requirements to minimize the potential for the development of “slum” landlords or areas. To date, this has not been a major concern, and it will hopefully remain that way.

Multiuse areas that combine residential, commercial, business and retail within the same area are increasing within the city limits as recommended in the 2005 plan. Studies continue to demonstrate that multiuse areas are beneficial for the economic and general quality of life of cities. Multi-use communities not only sustain themselves but also thrive and benefit other segments of the larger community. Multiuse development is also a way to revitalize once marginal neighborhoods and prevent them from deteriorating into areas of high crime, violence, drug use, poverty or disrepair. Multiuse districts are highly appealing to young professionals and young families who like to be able to live, work and shop, or at least two of the three, all within the same area when possible. Multiuse redevelopment can also benefit housing for households with lower than median incomes, and such districts are imperative to serve the needs of people who do not drive and do not have access to other forms of transportation, including the disabled and the elderly, as well as students. The Thompson Road development will be an important multiuse development and the City should continue to identify and support other multi-use projects. The expansions of both the University and Medical Center Campuses will also benefit from careful planning to identify potential areas for mixed use to support students and workers.

The Pikeville Downtown District has potential for development of residential units on the second and third floors of building housing office and retail businesses at street level. It is noted that many of the upper stories are currently unoccupied or used as storage for those offices and business. Development of these spaces into apartment and loft dwelling could be highly appealing to students and young professionals interested in living close to work, restaurant and entertainment options, and looking for residential property within walking distance of those amenities. Additional residential opportunities downtown could also increase after business foot traffic to restaurant, retail and entertainment venues in the downtown district, create a more vibrant neighborhood feeling, expand housing options for students and young professionals, and address the existing gap in available housing for middle income and young families.

Although the elderly population is steadily growing, there are several housing options within the City for seniors and disabled persons. These include apartments at Myers Towers and Fairview Court, assisted living at Cedar Creek Assisted Living, and several nursing homes. Careful monitoring of the occupancy and demand for specialized housing for senior citizens should occur to ensure the City is aware of and prepared for any increased demand. As the population of Pikeville and Pike County, as well as the state and nation, age, it may be critical to provide a variety of housing options for the elderly.

The increased availability of housing within the City must also address the varied needs of potential homeowners. Since the last Comprehensive Plan update there are more options to reside within the City limits but not be bound to the Independent School District, as recommended in 2005 (see Pikeville School District Boundary Map). Continued awareness of the need for a variety of school options for families living within the city limits is important.

***Summary:***

The role of the City of Pikeville in ensuring the housing needs of its residents will be met in the future involves a creative, holistic, supportive stance to maintain high quality public housing, encourage private-public partnerships to support private housing and mixed-use development, and to maintain Pikeville as a desirable place to reside. Careful attention to zoning and development planning should continue and has worked well for the City over the last decade. Opportunities for residential development as part of downtown redevelopment should be examined and supported if available. Monitoring of substandard housing figures should continue to ensure the improvements are ongoing.

***Housing and Residential Development Goals and Objectives:***

*Goal: All residents of the City of Pikeville will have affordable, safe, environmentally sound, sanitary and aesthetically satisfactory housing available to meet their needs.*

- Support opportunities for mixed-use development within City limits
  - Continue to support and facilitate the construction of 200 townhouses as part of the Thompson Road multi-use project
  - Support opportunities for second floor housing as part of downtown development
  - Identify opportunities for mixed use districts in collaboration with the University of Pikeville and Pikeville Medical Center expansion planning
  
- Support opportunities for increased availability of mid-priced housing (\$150,000 - \$199,000 range) for middle-income wage-earning households:
  - Work with potential developers to identify potential sites (Poor Farm, Marion's Branch, etc.)
  - Provide incentives for developers to be able to afford to work within the City limits to create development within this price range
  - Ensure the provision of roads and City utilities to newly annexed and/or developable residential areas
  
- Maintain a variety of safe, quality, attractive and appealing low-income (\$110,000 and below) housing options within the City
  - Support the Housing Authority of Pikeville to appropriately maintain all public housing facilities and complexes
  - Work with the University of Pikeville to identify needs and potential areas for student housing
  - Monitor the current and projected housing demand and needs of elderly, near elderly and disabled persons within the City to ensure these needs will be met

### PIKEVILLE, KENTUCKY SCHOOL DISTRICT BOUNDARY

