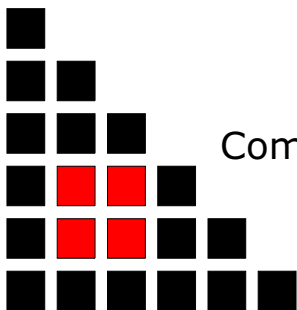


Town of Glenrock HOUSING STUDY

July 2019

An analysis of the overall housing needs
of the Cities and Towns in Converse County, WY



Community Partners Research, Inc.

Lake Elmo, MN

651-777-1813

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Introduction

Overview

Community Partners Research, Inc., was hired by The Enterprise and its corporate partners to complete a comprehensive study of housing market conditions in the communities of Douglas, Glenrock and Rolling Hills in Converse County.

Methodology

A variety of resources were utilized to obtain information for the Housing Study Update. Community Partners Research, Inc., collected and analyzed data from January to May 2019. Data sources included:

- U.S. Census Bureau
- Demographic data from the WY Economic Analysis Division
- Applied Geographic Solutions, a private data reporting service
- Esri, Inc., a private data reporting service
- Records and data from each City/Town
- Records and data maintained by Converse County
- Data from the WY Department of Workforce Services
- Data from the WY Community Development Authority
- Converse County Draft Environmental Impact Statement
- Interviews with elected officials and staff from each City/Town
- Interviews with community leaders
- Interviews with people familiar with the area's housing conditions
Realtors, property managers, and developers
- Area housing agencies

Limitations

This Study represents an analysis performed with the data available at the time of the research. Any findings are based upon current housing programs and the best available information on future trends and projections. Significant changes in the area's economy, employment growth, tax policy or other related factors could change the findings and conclusions contained in this report. This Update has not attempted to project future economic conditions, but instead has relied on past patterns and practices.

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Demographic Data Overview

Sources of Data

A number of different demographic data sources have been utilized in the preparation of this document. The State of Wyoming provides demographic profile information for cities and towns supplied by Applied Geographic Solutions, a private company. The analysts have also used a similar provider, Esri, Inc., for current-year and future projections.

The State of Wyoming provides some projection data through the Economic Analysis Division. The analysts also examined any demographic data that is available locally, including any Comprehensive Plans that exist.

Demographic information from the U.S. Census Bureau has also been used. Various Census data sources were examined, including the annual American Community Survey, the annual Population Estimates Program, and records from the 2010 Census. The latest American Community Survey release is for the year 2017. Since the American Community Survey is based on an annual sampling of households, there is a margin of error that exists.

One final source that has been used is the Draft Environmental Impact Statement (EIS) that has been prepared for the Converse County Oil and Gas Project. This document includes extensive projections based on different assumptions of future energy exploration and extraction activity.

Market Area Designation

Each City/Town has been examined individually, but all of Converse County has been viewed as a potential market area for development potential.

While Glenrock and Douglas form the logical location for most of the future new housing construction activity, especially multifamily housing projects, it is recognized that defining the exact location of new construction activity will be driven by buyer preferences, and not easy to predict.

The rural portions of the County have always had some appeal for home owners, and a portion of the owner-occupancy demand would be expected to locate outside of the cities and towns. However, in the opinion of the analysts, the City of Douglas and the Town of Glenrock will have the greatest appeal to housing developers, as well as permanent resident households moving into Converse County.

Population Estimates and Trends

Table 1 Population Trends - 1980 to 2018							
	1980 Census	1990 Census	2000 Census	% Change 1990-2000	2010 Census	% Change 2000-2010	2018 Estimate
Glenrock	2,736	2,153	2,231	3.6%	2,576	15.5%	2,528
Douglas	6,030	5,076	5,288	4.2%	6,120	15.7%	6,336
Rolling Hills	-	330	449	36.1%	440	-2.0	426
Converse Co.	14,069	11,128	12,052	8.3%	13,833	14.8%	13,811

Source: U.S. Census; Applied Geographic Solutions

There are multiple sources that have been examined for the current population level in Glenrock. Two of the sources, Applied Geographic Solutions (AGS) and Esri, have issued estimates for the year 2018. Another source, the Census Bureau's annual population estimates program, is effective for 2017. The AGS estimates have been displayed in Table 1.

According to AGS, the Glenrock had 2,528 residents in 2018, down by 48 people from 2010. This estimate was lower than Esri's, which showed 2,646 Town residents in 2018, up by 70 people between 2010 and 2018. The estimate from the Census Bureau, showed a total population of 2,591 people on July 1, 2017, between the other sources and with an earlier effective date.

If used to form a range, these three sources show the Town of Glenrock experiencing only limited annual population change, from -6 to +9 people per year since 2010.

While it is certainly possible that Glenrock experienced some population outflow in 2016 and 2017, due to economic conditions, by late 2018 any possible losses were likely recovered. As a result, the Esri estimate probably provides the most reliable information on current population levels. The Town has not added much housing, but some single family homes and a small apartment project have been built since 2010. There was also some annexation growth, when a mobile home community was brought into the community. As a result, 30 or more housing units have probably been added, which is very consistent with Esri's estimate of 70 additional residents.

There is also some variation between these sources for the total population in Converse County. The most conservative estimate is from AGS. It shows the entire County with a minor population loss in the current decade. Excluding, Douglas which is the largest single jurisdiction, it shows the remainder of the County losing approximately 240 people between 2010 and 2018.

Esri has the most optimistic estimate. It shows the County with 14,579 residents, adding 746 people from 2010 to 2018. Removing Douglas, it shows the remainder of the County adding 375 residents so far this decade.

At the County level, Census Bureau estimates exist for the year 2018. This source showed only 13,640 people living in Converse County, the lowest estimate for 2018. This estimate is down slightly from the 2010 Census count, and shows that the County has lost nearly 200 people in the current decade.

At the County level, both AGS and the Census Bureau show a decreasing population outside of the City of Douglas, while Esri is tracking solid growth countywide. It is not clear why there are these differing opinions about the remainder of Converse County. Esri does show some population growth within each of the primary communities of Douglas, Rolling Hills and Glenrock, but Esri also shows that the rural portions of the County, known as Douglas CCD and Glenrock CCD, have been growing.

It is known that some forms of temporary housing have been placed in the County, in response to demand from energy industry workers. Esri may be viewing these as permanent residents, while the other sources may view these people as temporary residents, that have a permanent home elsewhere.

Population by Race/Ethnicity

The reliability of racial and ethnic information that is released between the decennial Censuses can be questioned, given the methodology that is used. Since racial and ethnic minority groups may represent a relatively small share of the overall population, any sample data is very susceptible to errors.

When all of Converse County is examined, the population is predominantly White for race, and not of Hispanic/Latino ethnicity. The 2018 estimates from Applied Geographic Solutions shows that nearly 93% of all County residents were listed as White for race in 2018. Nearly 92% were not identified as Hispanic/Latino ethnicity.

The 2017 American Community Survey estimates show even less diversity, with nearly 98% of residents listed as White. However, this source shows that nearly 8% of County residents were of Hispanic/Latino ethnicity, a percentage that was similar to Applied Geographic Solutions.

At the time of the 2010 Census, approximately 95% of the County's residents were White for race, and only 6.3% were of Hispanic/Latino ethnicity.

No estimates of racial/ethnic population distributions were obtained from Esri.

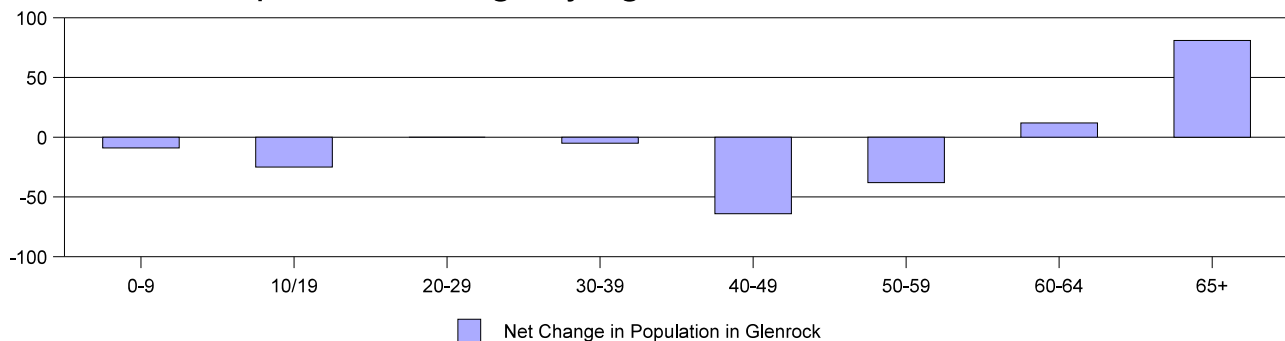
Population by Age Trends: 2010 to 2018

The 2018 population estimates from Applied Geographic Solutions include information on the age distribution of residents. The following table compares population by age in 2010 and 2018, along with the numeric changes.

Table 2 Glenrock Population by Age - 2010 to 2018			
Age	2010	2018	Change
0-9	349	340	-9
10-19	321	296	-25
20-29	300	300	0
30-39	272	267	-5
40-49	337	273	-64
50-59	358	320	-38
60-64	184	196	+12
65+	455	536	+81
Total	2,576	2,528	-48

Source: U.S. Census; Applied Geographic Solutions

Population Change by Age Between 2010 and 2018



Like most communities in this region of the U.S., Glenrock has continued to see an advancing “baby boom” generation and its impact on the community’s aging patterns. The age cohorts that represent most of the baby boomers continue to grow in size, as this large demographic segment moves through the aging cycle.

For the Town of Glenrock, the only age ranges that have been growing in the current decade are age 60 and older. In 2018, most all of the baby boomers were within the age ranges between 60 and 74 years old. Between 2010 and 2018, Glenrock had a net gain of 93 people in the age ranges 60 and older, but a net decrease of 141 people age 59 and younger, according to AGS.

Household Estimates and Trends

Table 3 Household Trends - 1990 to 2018						
	1990 Census	2000 Census	% Change 1990-2000	2010 Census	% Change 2000-2010	2018 Estimate
Glenrock	799	925	15.8%	1,102	19.1%	1,092
Douglas	1,907	2,118	11.1%	2,546	20.2%	2,686
Rolling Hills	N/A	135	-	147	8.9%	164
Converse County	4,046	4,694	16.0%	5,673	20.9%	5,765

Source: U.S. Census; AGS

According to the 2018 estimate from Applied Geographic Solutions (AGS), Glenrock experienced a minor loss of 10 households from 2010 to 2018. However, Esri shows the Town with 1,117 households in 2018, up by 15 households from 2010.

As stated previously, the 2018 estimates from Esri appear to be more accurately tracking recent growth patterns in Glenrock. Although some households may have left the community in 2016 and 2017, the economic recovery probably resulted in some growth by 2018.

There is no exact count of the Town's available housing stock, but the combination of single family home building, a 10-unit apartment project and the annexation of a small mobile home park probably resulted in 30 or more additional housing units within the Town. Occupied household growth of at least 15 households, as estimated by Esri, would generally be consistent with the added housing capacity.

There is also some difference of household growth countywide. Excluding Douglas, the largest single jurisdiction, AGS shows the remainder of the County losing 48 households from 2010 to 2018. Esri shows the remainder of the County adding 107 households from 2010 to 2018. Once again, the Esri estimate appears to better reflect recent trends.

Esri's 2018 estimate for Glenrock continues the longer-term pattern of household growth, dating back to at least 1990. However, the average annual numeric growth has changed over time. In the 1990s, the Town averaged annual growth of approximately 13 households per year. In the 2000s, this increased to nearly 18 households per year. So far in the 2010s, growth has slowed significantly, with approximately two households per year representing the most reliable estimate.

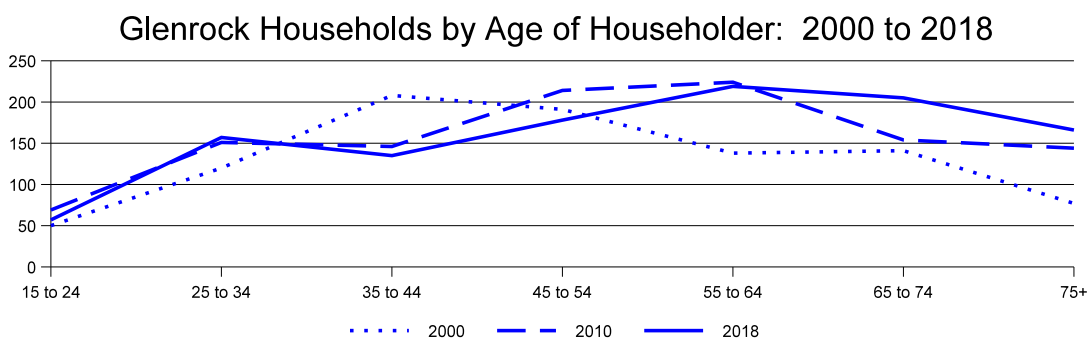
Household by Age Trends in Glenrock: 2010 to 2018

The demographic data profile that is available from Applied Geographic Solutions (AGS) does not provide information on households by age. However, age-based household estimates are available from Esri. The following table compares households by age of householder in 2010 and 2018 within Glenrock, along with the numeric changes.

Age	2010	2018	Change
15-24	69	57	-12
25-34	151	157	+6
35-44	146	135	-11
45-54	214	178	-36
55-64	224	219	-5
65-74	154	205	+51
75+	144	166	+22
Total	1,102	1,117	+15

Source: U.S. Census; Esri

The household patterns provided by Esri show an aging population in the Town of Glenrock. Nearly all of the growth achieved during the current decade has been attributed to an increased number of households age 65 and older. Overall, Esri shows a net reduction of 58 households age 64 and younger, but a net increase of 73 households age 65 and older.



The advancement of the baby boomer generation can be tracked back to the year 2000 in Glenrock.

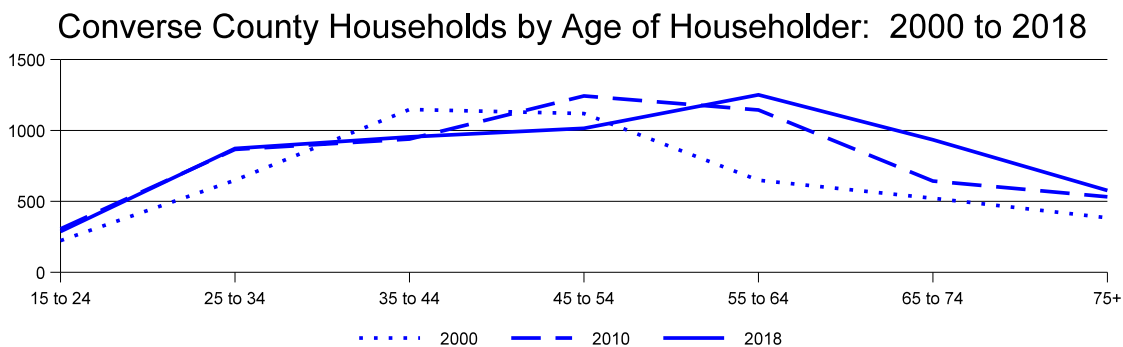
Household by Age Trends in Converse County: 2010 to 2018

Age-based household estimates for all of Converse County are also available from Esri. It is important to note that Esri had a significantly higher estimate of the total household count in the County, when compared to AGS. Much of the difference between the Esri and AGS estimates for 2018 are attributed to growth that Esri believes has occurred outside of the City of Douglas, including the rural portions of Converse County.

Table 5 County Household by Age of Householder - 2010 to 2018			
Age	2010	2018	Change
15-24	306	287	-19
25-34	866	873	+7
35-44	939	954	+15
45-54	1,243	1,015	-228
55-64	1,144	1,251	+107
65-74	643	934	+291
75+	532	577	+45
Total	5,673	5,891	+218

Source: U.S. Census; Esri

For all of Converse County, Esri also attributes the largest share of the recent household growth to households age 65 and older. Esri shows a net reduction of 118 households age 64 and younger, but a net increase of more than 336 households age 65 and older. For both Glenrock and all of Converse County, the 10-year range between 65 and 74 years old has experienced the greatest level of numeric change between 2010 and 2018, as the leading edge of the baby boom generation moves through the aging cycle.



Average Household Size

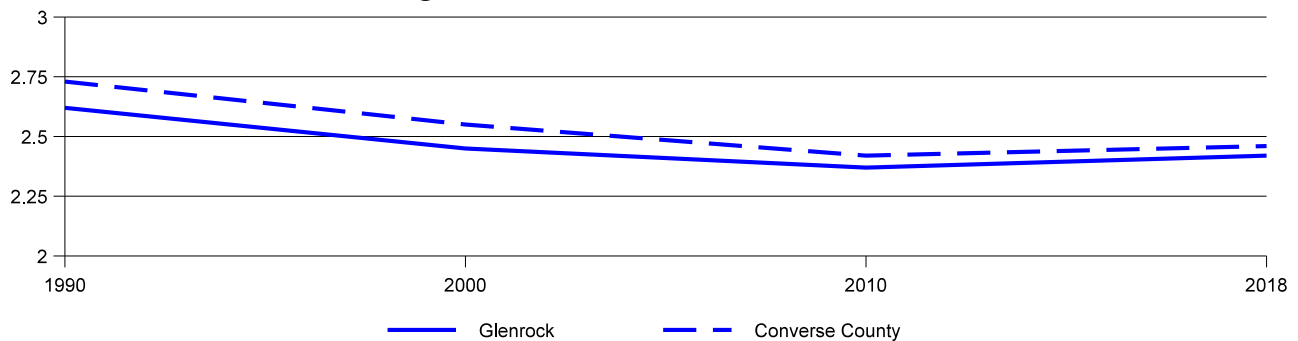
The following table provides information on average household size.

Table 6 Average Number of Persons Per Household: 1990 to 2018				
	1990 Census	2000 Census	2010 Census	2018 Esri
Glenrock	2.69	2.41	2.32	2.35
Douglas	2.62	2.45	2.37	2.42
Rolling Hills	N/A	3.33	2.99	3.03
Converse County	2.73	2.55	2.42	2.46

Source: U.S. Census; Esri

Household formation has been occurring at a different rate than population change in recent decades due to a steady decrease in average household size. This has been caused by household composition changes, such as more single person and single parent families, fewer children per family, and more senior households due to longer life spans.

Average Household Size: 1990 to 2018



In general, the average household size for Glenrock has decreased over recent decades. However, the 2018 Esri estimate does show that the Town’s average household size has increased slightly between 2010 and 2018. But the other data source used in this report, Applied Geographic Solutions, does not show that the average household size in Glenrock has increased since 2010.

Esri believes that the average household size for Converse County has also increased slightly since 2010, but AGS does continue to show a decreasing average through 2018.

Housing Tenure

The 2010 Census provided the last reliable benchmark for ownership versus rental housing tenure patterns. However, other data sources including AGS and Esri have issued recent estimates for tenure distribution.

Table 7 AGS Household Tenure Estimate - 2018				
	Number of Owners	Percent of all Households	Number of Renters	Percent of all Households
Glenrock	734	67.2%	359	32.9%
Converse County	4,139	71.8%	1,626	28.2%

Source: Applied Geographic Solutions

Table 8 Esri Household Tenure Estimate - 2018				
	Number of Owners	Percent of all Households	Number of Renters	Percent of all Households
Glenrock	779	69.7%	339	30.3%
Converse County	4,363	74.1%	1,528	25.9%

Source: Esri

At the time of the 2010 Census, the ownership tenure rate in Glenrock was at 66.2%, with the remaining 33.8% of households renting their unit. The two current-year (2018) estimates that are available show very little change by the year 2018. As will be discussed later in this document, Glenrock's overall housing stock has not changed significantly since 2010, although some new rental units and single family houses have been built. As a result, only limited changes in the tenure distribution pattern would be expected.

According to AGS, Glenrock's home ownership rate had increased slightly, to 67.2% by 2018, while Esri showed the rate increasing to 69.7%. Both of these sources were tracking some minor decrease in the number of renter-occupancy households, which contributed to the higher rate of home ownership.

For all of Converse County, the home ownership rate was at 72% in 2010, with 28% of households living in a rental unit. The 2018 estimate from AGS shows a relatively stable tenure pattern Countywide, with 71.8% of households owning their unit. Esri shows a higher rate of home ownership in 2018, at 74.1%. However, part of the reason that Esri has tracked a higher rate of home ownership is that they showed a decrease in renter-occupancy households, probably due to the down years of 2016 and 2017 when rental vacancies increased in the County.

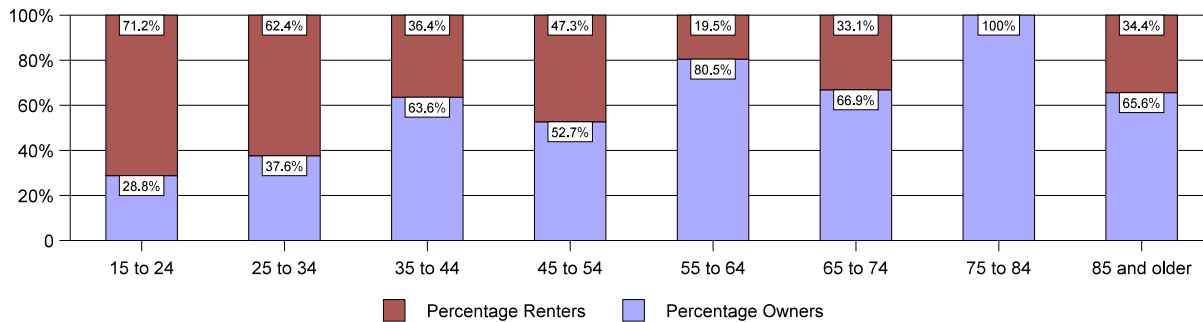
Tenure by Age of Householder

The American Community Survey does issue an estimate showing the tenure distribution of households within defined age ranges. The following table examines 2017 information for renters and owners in each age group in the Town of Glenrock.

Table 9 Tenure by Age of Householder - 2017				
Age	Owners		Renters	
	Number	Percent within age	Number	Percent within age
15-24	19	28.8%	47	71.2%
25-34	76	37.6%	126	62.4%
35-44	133	63.6%	76	36.4%
45-54	89	52.7%	80	47.3%
55-64	140	80.5%	34	19.5%
65-74	99	66.9%	49	33.1%
75-84	67	100.0%	0	0%
85+	21	65.6%	11	34.4%
Total	644	60.4%	423	35.1%

Source: American Community Survey

Glenrock Housing Tenure Patterns by Age in 2017



Fairly typical housing tenure patterns were present in Glenrock in 2017, with high rates of home ownership among middle-aged households, while the youngest households had a high rental rate. As senior households aged, they started moving into rental units, but in Glenrock, all households in the 75 to 84 year old range were reported to be home owners, which is probably a data flaw, as a number of households in this age group were renters in 2010.

2017 Median Income Data

Annual household income estimates are available at the city, town and county level through the American Community Survey. The most recent income information is for 2017.

The following table compares 2017 and 2012 estimates from the American Community Survey to track recent changes. Household income represents all independent households, including people living alone and unrelated individuals living together in a housing unit. Families are two or more related individuals living together in a household. Families tend to have higher income levels since these have at least two household members, and potentially more income-earners.

Table 10 Median Income - 2012 to 2017			
	2012 Median	2017 Median	% Change
Households			
Glenrock	\$69,817	\$55,188	-21.0%
Converse County	\$62,554	\$62,776	0.4%
Wyoming	\$56,573	\$60,938	7.7%
Families			
Glenrock	\$74,205	\$80,819	8.9%
Converse County	\$72,837	\$79,386	9.0%
Wyoming	\$70,013	\$75,602	8.0%

Source: American Community Survey

Income information contained in the American Community Survey showed a significant decrease in the median household income for Glenrock between 2012 and 2017. This may represent flawed data, due to the limited sampling, but it also could be accurate. In 2012, the Town's median household income was relatively high, and may have subsequently decreased as the local economy started to decline.

There was some growth in the median family income levels, but overall, area income appeared to see only limited change from 2012 to 2017. However, the median family incomes in both Glenrock and Converse County have remained higher than the Statewide median for families.

The rate of change for median income levels over time can also be compared to inflation. According to the federal Bureau of Labor Statistics, the inflation rate during this same time period was approximately 6.7%. Using this comparative measure, the rate of change for the median household income level in Glenrock trailed the rate of inflation, while the median family income grew at a faster rate.

Using the commonly accepted standard that up to 30% of gross income can be applied to housing expenses without experiencing a cost burden, a median income household in Glenrock could afford approximately \$1,380 per month for ownership or rental housing in 2017. A family at the Town's median could afford approximately \$2,020 each month for housing.

However, as will be detailed on the pages that follow, there are many households well below the median levels, and a significant income disparity often exists between owner and renter households.

It is also important to note that the collection of the American Community Survey income sampling may have occurred during economic down times in Converse County. The sampling would have been completed between 2013 and 2017. By 2018, economic activity was improving, and future income releases may reflect improving conditions.

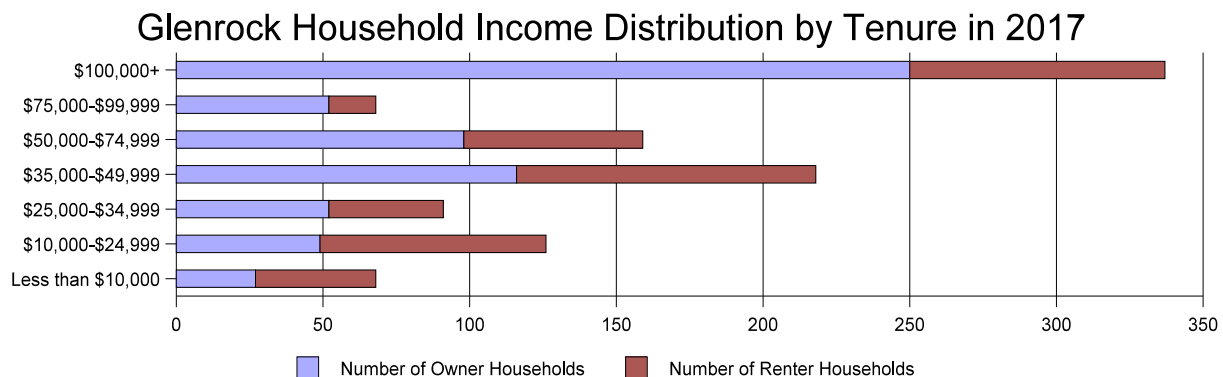
Glenrock Income Distribution by Housing Tenure

The American Community Survey (ACS) provides an estimate by owner and renter status. The following table examines income distribution within Glenrock.

The American Community Survey is an estimate, based on limited sampling, and a margin of error exists for each estimate. For total households in Glenrock, the American Community Survey estimate appears to be somewhat low. It is also probable that the ACS has underestimated the number of owner households while overestimating renters. Despite these possible flaws, this source still provides the most detailed information on income by tenure patterns.

Table 11 Glenrock Income Distribution by Tenure - 2017			
Household Income	Number of Owner Households	Number of Renter Households	Total Households
\$0 - \$9,999	27	41	68
\$10,000 - \$19,999	22	57	79
\$20,000-\$24,999	27	20	47
\$25,000 - \$34,999	52	39	91
\$35,000 - \$49,999	116	102	218
\$50,000 - \$74,999	98	61	159
\$75,000 - \$99,999	52	16	68
\$100,000+	250	87	337
Total	644	423	1,067

Source: American Community Survey



Household income and housing tenure are often linked for most households, with home owners generally having higher annual income levels, and renters having lower incomes. According to the American Community Survey, the median household income level for all renters in 2017 was \$40,809, while the median income for home owners was \$71,346.

Approximately 37% of renter households in Glenrock had an annual income below \$35,000. At 30% of income, these low and moderate income renter households would have \$875, or less, that could be applied to monthly housing costs.

Owner households generally had a higher income level. Approximately 47% of owner households had an annual income of \$75,000 or more, and more than 62% had a median income of \$50,000 or more. Fewer than 20% of all owner households had an annual income below \$35,000, and a limited amount that could be applied to housing costs. This probably included some retirees that were living on a fixed income but had purchased their housing many years ago.

2017 Estimated Income and Housing Costs - Renters

The American Community Survey also collected information on housing costs. The following table provides data on the number of renter households that are paying different percentages of their gross household income for housing in Glenrock.

Table 12 Gross Rent as a Percentage of Income - Glenrock			
Percent of Income for Housing	Renter Households Age 64 and under	Renter Households Age 65+	All Renter Households
Less than 20%	166	11	177
20% to 29.9%	37	24	61
30% to 34.9%	34	0	34
35% or more	70	10	80
Not Computed	56	15	71
Total	363	60	423

Source: American Community Survey

Federal standards for rent subsidy programs generally identify 30% of household income as the maximum household contribution. When more than 30% of income is required, this is often called a "rent burden". When more than 35% is required, this can be considered a "severe rent burden".

According to the American Community Survey, approximately 27% of all renters in the Town were paying 30% or more of their income for rent. A majority of these households were actually paying 35% or more of their income for housing.

The rental cost burden statistics showed all age groups were impacted. Approximately 17% of the senior citizen renter households had a cost burden, while nearly 29% of non-senior renters were applying more than 30% of income to housing costs.

A housing cost burden could be caused by either high housing costs or low household income. In Glenrock, a majority of the households with a cost burden also had an annual income below \$35,000. To avoid a cost burden, these households would have needed a unit with a gross monthly rent of \$875 or less.

2017 Estimated Income and Housing Costs - Owners

The American Community Survey also provided housing cost estimates for owner-occupants. The following table provides estimates of the number of households in the Town of Glenrock that are paying different percentages of their gross household income for housing costs.

Table 13 Ownership Costs as a Percentage of Income - Glenrock		
Percentage of Household Income for Housing Costs	Number of Owner Households 2017	Percent of All Owner Households 2017
0% to 19.9%	451	70.0%
20% to 29.9%	115	17.9%
30% to 34.9%	3	0.5%
35% or more	75	11.6%
Not Computed	0	0%
Total	644	100%

Source: American Community Survey

Most owner-occupants, which would include both households with or without a mortgage, reported paying less than 30% of their income for housing. Mortgage lending practices will often prevent households from applying an overly large percentage of their income for housing. However, more than 12% of all home owners reported that they paid 30% or more of their income, and nearly all of these were paying more than 35% of income for housing costs.

As would be expected, the large majority of cost-burden home owners had a mortgage on their home. However, approximately 17% of owners reporting a cost burden had no mortgage. In these cases, it was generally a low annual income that has caused the cost burden, such as a retiree that lived on a fixed income.

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Growth Projections Overview

Various projections exist that anticipate future changes in the demographic patterns for the Town of Glenrock and all of Converse County. It is important to state that these projections each represent an informed prediction of possible change, but local conditions will ultimately dictate the actual changes that occur. It appears that some of the projection sources are not monitoring the current status of oil and gas activity.

In the following section, different projections and growth scenarios have been reviewed and analyzed by Community Partners Research. In general, these have been presented in the following order.

- ▶ Projections from primary data sources including Esri and Applied Geographic Solutions (AGS)
- ▶ Projections from the Wyoming Economic Development Division
- ▶ Projections from the Draft Environmental Impact Statement

Although these sources have been reviewed, some have been viewed as unreliable for use in projecting future housing demand.

Projections from Primary Data Sources

This Study has utilized demographic information from two different primary providers, Applied Geographic Solutions (AGS) and Esri, Inc. (Esri). AGS is used by the Wyoming Business Council to provide demographic base information for the individual jurisdictions in the State. Esri is a similar provider of data that is often used by financial institutions and housing finance agencies when examining market potential.

As will be discussed later, these two sources show some expected changes, but these are modest in scale. These national data sources generally do not have the ability to incorporate specific local conditions that could significantly impact past growth patterns.

Population Projections

Population projections for the five-year time period spanning the years 2018 through 2023 are available from both AGS and Esri.

Table 14 Population Projections Through 2023						
	AGS			Esri		
	2018 Estimate	2023 Projection	Change	2018 Estimate	2023 Projection	Change
Glenrock	2,528	2,401	-127	2,646	2,670	+24
Converse County	13,811	13,122	-689	14,579	14,874	+295

Source: AGS, Esri

Although both of these sources are viewed by the analysts as unreliable for future population growth, at least Esri does show some increase in the number of residents in Glenrock and all of Converse County. Given the in-migration patterns that are evident in late 2018 and early 2019, significantly greater population growth should actually occur.

Household Projections

Household projections directly impact the demand for housing. The following table presents household forecasts to the year 2023 from the primary projection sources, AGS and Esri. Both of these sources use a five-year projection period, starting with their base year (2018) estimates and then projecting to the year 2023.

Table 15 Household Projections for Glenrock Through 2023						
	AGS			Esri		
	2018 Estimate	2023 Projection	Change	2018 Estimate	2023 Projection	Change
Glenrock	1,092	1,111	+19	1,117	1,128	+11
Converse County	5,765	5,868	+103	5,891	6,012	+121

Source: AGS, Esri

As apparent in the table above, the primary data providers used for this Study have a very conservative view of the household growth prospects for both Glenrock and Converse County. Although there are some differences in the base-year data, as discussed earlier in this document, the projected range of growth going forward is relatively similar.

For the Town of Glenrock, the cumulative growth over the five-year period ranges from 11 to 19 households. If reduced to an annual average, this would yield approximately two to four households annually.

There are greater differences between AGS and Esri for the base-year estimates for all of Converse County, but similarity on the anticipated changes going forward. For the entire County, the cumulative range is 103 to 121 households over the next five years. If reduced to an annual average, this would yield approximately 21 to 24 households annually.

The exact methodology used by each of the data sources is not disclosed, but these projections are probably based in part on a continuation of recent patterns. For example, housing unit construction patterns in Glenrock over the past five years have added between three and four total housing units annually through new construction, before any potential unit losses are incorporated. This is very consistent with the projected annual growth going forward.

Household by Age Projections

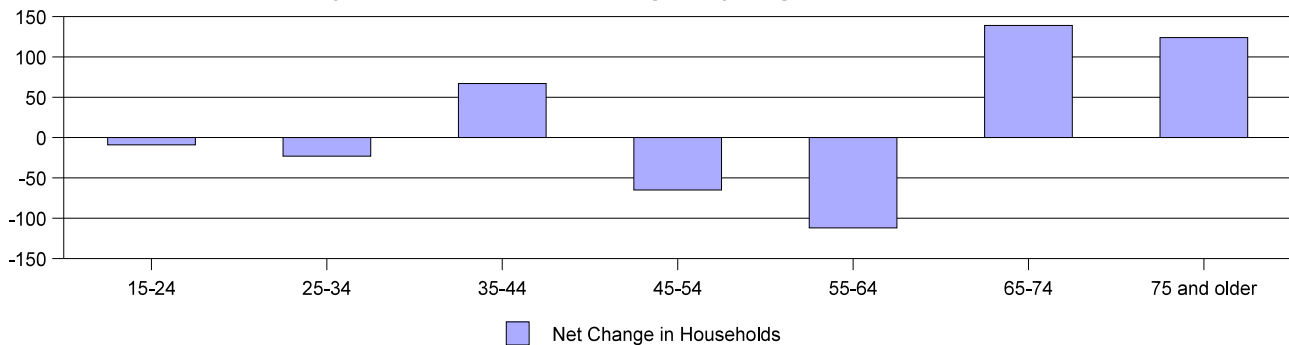
In addition to overall household forecasts, Esri has also generated age-based projections for households to the year 2023. These projections can be compared to the data contained in the 2018 Esri estimate to examine the change projected over the next few years. These age-based forecasts are for all of Converse County.

Table 16 Converse County Projected Households by Age to 2023			
	Esri		
Age	2018 Estimate	2023 Projection	Numeric Change
15-24	287	278	-9
25-34	873	850	-23
35-44	954	1,021	+67
45-54	1,015	950	-65
55-64	1,251	1,139	-112
65-74	934	1,073	+139
75+	577	701	+124
Total	5,891	6,012	+121

Source: Esri

Esri’s age-based projections should largely be viewed as tracking the expected changes in the existing resident population in Converse County. These projections expect only limited household growth, and would not include the impacts of job creation in the food processing industry or energy extraction.

Converse County Household Change by Age Between 2018 and 2023



These forecasts show nearly all the net growth occurring among households age 65 and older through the year 2023. The only younger age range expected to increase in size would be households age 35 to 44 years old.

State of Wyoming Projections

The Wyoming Economic Analysis Division (EAD) has generated future forecasts of population levels. They were created in 2017 and 2018, and do take into account the impact of energy extraction industries. Although the projections have only been issued for population, they can be extrapolated in household forecasts by applying some basic assumptions on group quarters populations and average household size.

Projections are produced to the year 2040, but in the following table only the data through 2023 have been presented. This is consistent with the 5-year time horizon utilized by the other primary projection sources. The projections use a base year of 2016.

Table 17 State-issued Population Projections			
	WY Economic Analysis Division		
	2016 Estimate	2023 Projection	Change
Glenrock	2,595	2,767	+172
Douglas	6,541	6,574	+33
Rolling Hills	439	473	+24
Converse County	14,191	14,860	+669

Source: WY Department of Administration and Information

The forecasts issued by the State do not expect much population growth in any of the individual cities or towns in Converse County through the year 2023. Overall, this source shows the entire county adding approximately 670 people over the 7-year period spanning 2016 to 2023. On an annual basis, this would be an average of approximately 96 people per year.

The State projections actually show most of the expected population growth being located outside of the primary communities of Douglas, Glenrock and Rolling Hills. This may be a reflection of the possible “man camps” that could exist in the more rural portions of the County.

Among the primary jurisdictions, Glenrock is expected to see the largest increase in population, with 172 people added from 2016 through 2023. However, when viewed as an annual average over the 7-year period, this only yields approximately 25 people per year. If extrapolated into households, this would yield approximately 10 to 12 added households in a typical year.

The State's projections for Douglas and Rolling Hills expect even lower levels of growth, with both communities averaging fewer than five residents added in a typical year.

The State has placed approximately 66% of the expected population growth countywide outside of the three primary communities. On an annual basis, this would be approximately 63 people in a typical year. If converted to households, this would represent between 25 and 30 households per year.

While the projections issued by the State would appear to be overly conservative, especially for the City of Douglas, they were formed after consideration of both demographic and economic trends. Discussions with staff in the Economic Analysis Division indicate that projected oil and gas market conditions were included when anticipating the area's growth potential.

Draft Environmental Impact Statement Projections

The Draft EIS that was prepared for the Converse County Oil and Gas Project includes an extensive review of the expected change in population, jobs and housing due to energy exploration and extraction. Different alternatives were considered but the following analysis summarizes some of the basic growth assumptions.

Much of the population growth that is being projected is the direct result of employment growth that is expected during the first 10 to 15 years of the exploration and extraction activity. While a portion of the jobs are likely to be filled by people already residing in the area, significant in-migration will also be needed.

Unlike some of the projections presented earlier, the Draft EIS data are presented as an expected gain over time, and do not necessarily start from a fixed base year estimate. The projections contained in Alternative A and Alternative B are presented below.

Alternative A is the most conservative growth scenario, and is the “no action” option. This assumes that normal oil and gas activity will continue as in the past, but a significant increase would not occur due to additional permitting approvals. The following approximate net gains in population were identified under Alternative A. These are cumulative gains, generally through the year 2026.

- ▶ Between 35 and 40 people added in Glenrock
- ▶ Approximately 150 people added in Douglas
- ▶ Fewer than 30 people added in Rolling Hills

Under these assumptions, household growth and the resulting housing needs would be limited. Even if single-person households would represent much of the population growth, the estimated population change would yield demand for fewer than 30 housing units in Glenrock. The peak year for net growth would not be reached until approximately 2026 under Alternative A, but much of the demand would already be present by the year 2021.

The Draft EIS also assumes that nearly half of this housing demand would be through temporary forms of housing, resulting in limited new construction of permanent housing.

Alternative B was the alternative that received the most analysis in the Draft EIS as the most probable scenario to result from increased oil and gas activity in Converse County. However, since many of the calculations were completed in 2014, there is a recognition that some of the assumptions used to make the forecasts are now viewed as overly high, as continued improvements in efficiency and technology may have reduced the need for workers. Still, Alternative B is viewed as the best indicator of future change.

When the original calculations were completed, the expected growth in population would be a net increase of approximately 2,000 people in Converse County by the year 2021. For individual jurisdictions, the following approximate net gains in population were identified.

- ▶ Approximately 380 people added in Glenrock
- ▶ Approximately 1,600 people added in Douglas
- ▶ Fewer than 50 people added in Rolling Hills

These net gains in population would generally be sustained through the year 2025, before beginning to decrease. A very significant decrease would then be expected after 2027. Much of the net growth achieved due to the oil and gas projects would be lost by the year 2028 under the assumptions used in Alternative B.

The Draft EIS does not directly project household changes, but does anticipate housing unit needs, which can be used to imply household growth. These forecasts expect the following net increase in housing unit demand by the year 2025:

- ▶ Approximately 200 total housing units needed in Glenrock
- ▶ Approximately 875 total housing units needed in Douglas
- ▶ Fewer than 20 total units needed in Rolling Hills

It is important to note, however, that much of this anticipated housing unit demand would be met through “temporary” housing options, including hotel/motel rooms, RV/campers, work force housing alternatives such construction work camps, and other resources that would not require traditional housing unit construction. These forms of temporary housing are already being used extensively in the County in 2019, especially in and around Douglas and Glenrock, consistent with the Alternative B assumptions.

For the housing demand specific to the Town of Glenrock, the Draft EIS had used the following percentages:

- ▶ 78% in temporary options such as hotels/motels and RV parks
- ▶ 20% rental housing
- ▶ 2% owner-occupancy housing

If the “temporary” housing forecasts are assumed to be largely accurate, and removed from the projected need, the following tenure pattern would apply to “permanent” housing needed in Glenrock by the year 2025:

- ▶ Approximately 40 rental housing units
- ▶ Fewer than 10 owner housing units

As stated previously, it can be argued that the Draft EIS assumptions on the overall need for workers can now be viewed as overly optimistic, and advances in efficiency have reduced the labor needs associated with exploration and extraction. However, there are also other factors in the area that were not included in the Draft EIS, including the construction of a wind energy project, construction of a gas plant west of Douglas, a major pipeline project, and a proposed animal processing facility south of Douglas.

As a result, there are reasons to believe that the permanent housing unit needs in Glenrock will actually be greater than indicated in the Draft EIS, despite the reduced labor requirements specific to the oil and gas activities.

In addition, the Draft EIS assumptions concerning the distribution of owner-occupancy housing in Glenrock are probably too low. Although rental housing and temporary options are likely to address most of the demand, the belief that only 2% of households would look to buy a unit appears to be very conservative, in the opinion of the analysts.

Economic Development Impacts

Although the multiple data sources identified above have been reviewed by the analysts, there is also a recognition that local economic activity and resulting job growth have the potential to alter any of the previously issued projections. Some of these are specific economic development projects, and can represent permanent or short-term job creation. The larger known projects are summarized below.

Cedar Springs Wind Energy Project

In 2019, a large-scale wind energy project will begin in Converse County. Up to 160 wind turbines may be erected, along with related facilities for transmission of power. The estimated start of activity is in the third quarter of 2019, with expected completion by the end of 2020.

Based on the Permit Application for the project, the estimated work force at the start of construction will be 41 people. At its peak in 2020, the estimated work force would have 265 people. The average monthly employment over the life of the project would be 125 people.

Due to the specialized nature of the construction, the analysts have assumed that most of this anticipated work force will come from outside of the Converse County area. With an anticipated project completion period of 18 months or less, most of these would be viewed as temporary residents of the County.

Saddle Butte Pipeline

In 2019, a 70-mile pipeline project will be constructed, including a 55-mile stretch in Converse County. The line will run between Campbell County to the Natural Bridge Station, which is located between Douglas and Glenrock. In addition to the pipeline, there will also be three pumping stations and an outlet station/terminal located in the County.

This project is expected to both start and complete construction in 2019. Temporary housing needs may exist for workers, but the demand will be for a limited duration.

The Saddle Butte Pipeline will be a large-scale project. Additional pipeline construction will also occur, connecting well sites to collection lines.

Kosher Beef Plant

A large-scale food processing facility is being planned approximately 10 miles south of the Douglas city limits. This project would directly impact potential growth and housing demand in Douglas.

As planned, this beef processing plant could reach a total employment level of 500 jobs. Construction is expected to begin in 2019, with operations beginning in 2020. The analysts have assumed that the growth in employment would occur gradually over time. These are viewed as permanent jobs for the area, with Douglas having the greatest impact for potential growth.

Oil and Gas Exploration and Extraction

The Converse County Oil and Grass Project is defined as a plan to drill up to 5,000 wells on 1,500 well pads in Northern Converse County. This activity is expected to occur over a 10-year time period. The productive life of each well is estimated to be approximately 30 years. A Draft Environmental Impact Statement (EIS) for this project was issued in 2018.

Oil and gas extraction activity will have both short-term and longer-term impacts on the area. During the drilling process, substantially more workers will be involved. Longer-term, there will be a level of sustained employment for the operation and maintenance of wells.

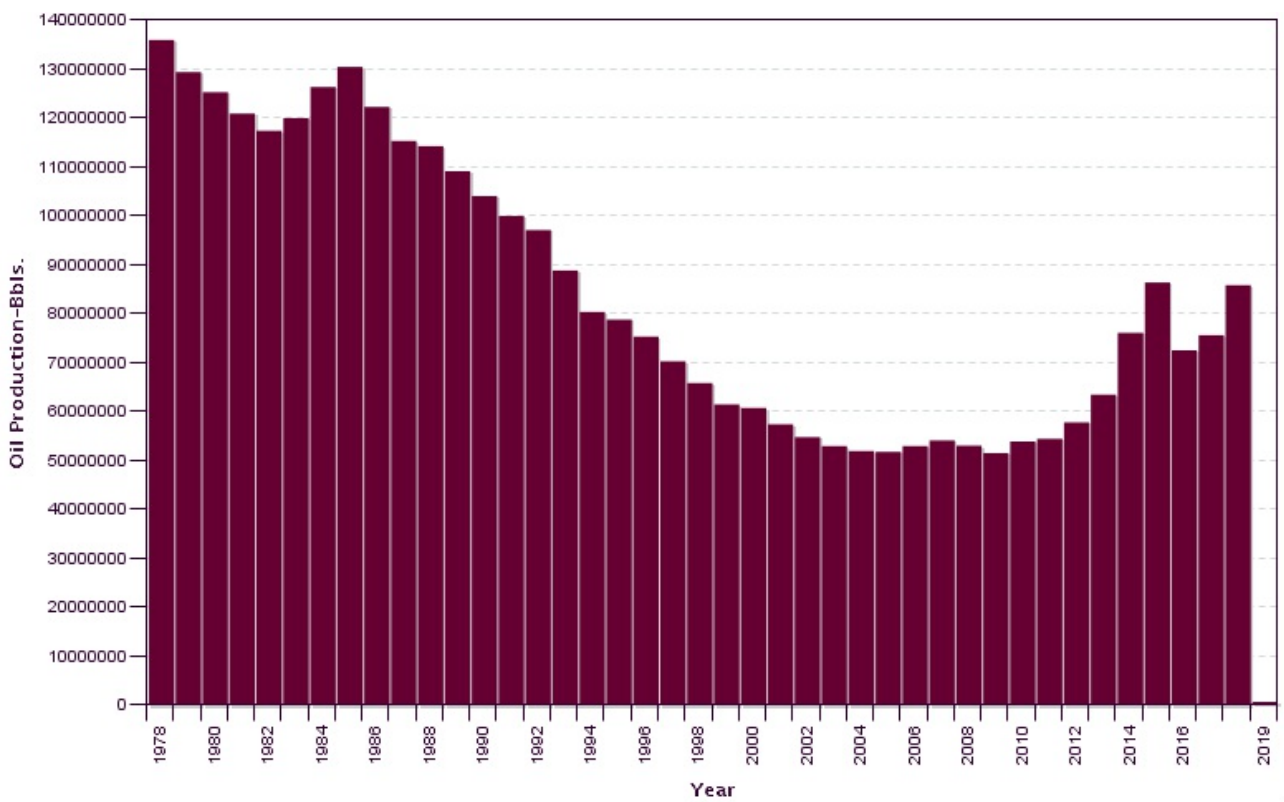
The Draft EIS makes clear that despite the growth that is expected, and resulting demand for housing, there are also cautions for potential housing development.

- ▶ Cyclical expansion and contraction in the oil and gas industry - the “boom and bust” cycles in response to economic and market conditions can result in a housing surplus during “bust” periods
- ▶ Uncertainty and volatility as related to the pace of development - while averages are often used to forecast change, the actual year-to-year changes may differ from the longer-term average
- ▶ Fixed-duration of the resource exploration and extraction - many of the projected changes in population and employment decrease significantly after 10 years, with eventual depletion of the resources within 30 years

Additional Factors Impacting Oil and Gas Extraction

Well drilling and operation in Converse County are expected to increase in scope in the coming years. However, the energy extraction industry is price-sensitive, and has experienced recent “boom and bust” cycles in recent years.

The following table shows oil production in the State for the years between 1978 and 2018. It was taken from the Wyoming State Geological Survey (WSGS) website.



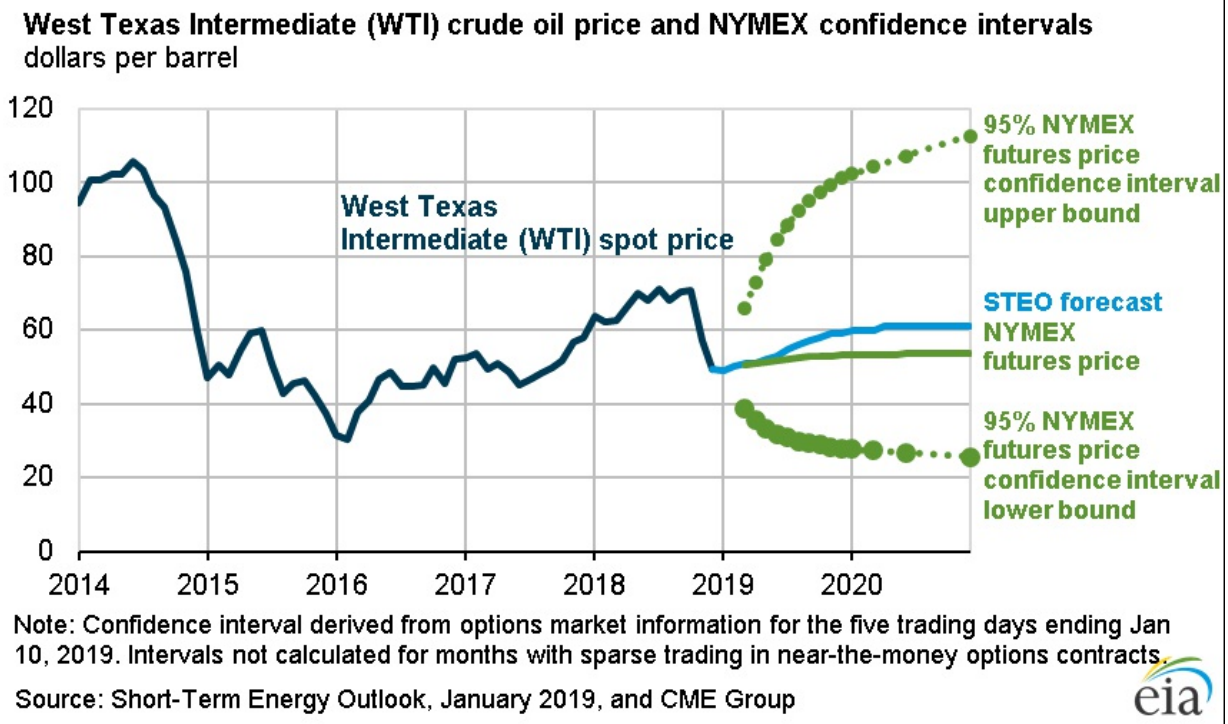
Although this production graph reflects statewide activity, and is not specific to Converse County, it does show the broad trends that can impact demand for housing in Converse County. For example, beginning in 2012, the volume of production began to increase after a number of stable years. This increase lasted through 2015, before decreasing again in 2016.

In comparison, housing construction in the County also increased during the years from 2011 to 2015, with 40 or more housing units starts in each of these years. But by 2016, as oil production dropped, only three new houses were built in Converse County.

It is important to state that the analysts cannot make a direct causal link between statewide oil production and housing demand in Converse County. But general economic patterns do appear to indicate the demand that is present for housing and household growth in areas that produce oil and gas.

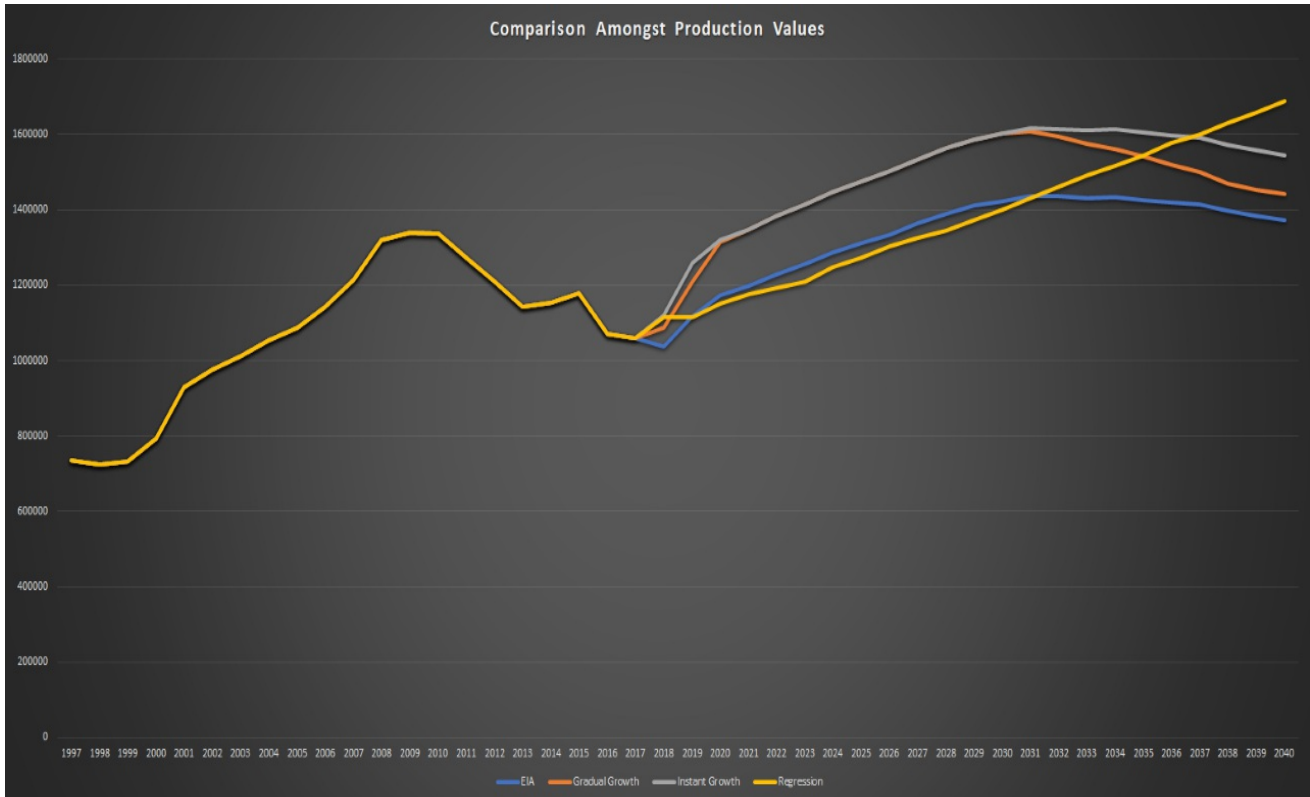
After 2016, production has increased once again, and home building in the County has also been improving. However, fewer than 20 housing units were permitted countywide in 2018, less than half of the level reached during the years from 2011 to 2015.

With a recognition that oil production and oil prices will have some impact on jobs and growth in Converse County, the analysts have attempted to review any industry projections that may be available. The following chart was taken from the U.S. Energy Information Administration website, and shows price projection information for oil through the year 2021.



Although different price points are possible, the projected price per barrel for West Texas Intermediate is projected to be \$60 or less through the year 2021. A somewhat higher price is achievable through much of 2019, but by later in the year a price reduction is expected. The average price in 2018 had been approximately \$65/barrel, so the projected price over the next few years would generally be below this level of the recent past.

Some longer-term projection scenarios also exist, and were provided by the Wyoming Business Council staff, as presented below.



Once again, multiple projections exist, depending on the assumptions that are used. All of these forecasts do show oil production increasing from 2019 forward. The most optimistic models show production returning to the levels achieved in the late 2000s by the year 2022. After 2022, production would exceed any previous year statewide. The less optimistic projections would expect a much more gradual increase in production, and that the late 2000s production levels would not be reached again until the year 2027 or beyond.

It is recognized by the analysts that this information is Statewide or worldwide, and may not be specifically applicable to Converse County. However, in the absence of projection data on drilling and production specific to the County, this can serve as an indicator of the growth potential that exists from area oil and gas extraction.

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Housing Age and Structure Type

Median Year of Construction

The 2017 American Community Survey included an estimate of the median year of construction for housing. In Glenrock, the median year for owner-occupancy units was 1975. The Town's rental stock had an estimated median year of construction of 1976.

Units by Structure Type

The 2010 Census did not collect information about structure types. However, according to the 2017 American Community Survey estimates, more than 74% of all occupied housing units in Glenrock were identified as one-unit structures, including single family detached houses, single family attached units or mobile homes.

The Town also has some multifamily rental buildings. But according to the American Community Survey, only 10% of all households lived in structures with five or more units in 2017. The remaining 16% of the Town's households lived in structures with two to four units, or other miscellaneous forms of housing.

Mobile Homes

The 2010 Census did not include details on mobile homes, but at the time of the 2000 Census there were 124 mobile homes counted in Glenrock. The 2017 American Community Survey estimated that more than 150 mobile homes were present, although this was an estimate based on sampling.

In recent years, a small mobile home park with up to 16 units was annexed into Glenrock. As a result, a minor increase in mobile homes in the Town is probable, and the American Community Survey estimate of 150 mobile homes is viewed as reliable. Mobile homes represent 12% or more of the Town's total housing stock.

The American Community Survey also provides some limited information on mobile home values. In 2017, the estimated median value was \$71,000. This value was up substantially from \$53,200 in 2016. While the difference could be due to sampling variations, it may also be a reflection of the increased demand for this type of housing due to job creation.

Building Permits

Annual building permit summaries were not available from Glenrock. Instead, some generalized information was provided by the Building Official.

Single Family Construction

In a typical year, approximately one or two single family houses will be constructed. Since 2010 it is probable that 10 or fewer houses have been built in Glenrock.

Multifamily Construction

Only one multifamily project was identified in Glenrock since 2010. A 10-unit rental project known as Sunup Rentals was constructed in two phases between 2013 and 2015. This project offers conventional market rate rentals.

Annexation

There has also been some limited annexation activity after the 2010 Census. A small mobile home park with up to 16 mobile homes was added to the Town. While this expanded the supply of units within Glenrock, these were older, existing structures and represent a border adjustment rather than a net gain to the area's housing stock.

Residential Lots and Land

Glenrock has a supply of improved residential lots for new home construction.

Sunup - There is a large inventory of vacant single family lots in the southeast portion of Glenrock, in an area known as Sunup. A number of houses have been constructed in this area over time, but more than 100 open lots remain. However, local reports indicate that the owner for most of these lots has been unwilling to sell, either as individual lots or as bulk sales. As a result, there are few lots for sale in this area, unless held by a secondary owner.

Deer Creek Estates 1 - According to staff, this new development area has just started on the western edge of the community. Initially there will be seven lots created, but the entire parcel has 240 acres and additional development phases would be expected. However, other sources have indicated that much of this parcel may remain as undeveloped land.

Large Lots - There are a number of large lots available, typically five acres or more in size. Some of these parcels are in the Sunup area, and others are in the southern portion of the community. It is possible that some of these parcels would be suitable for multifamily structures.

Single Family Home Values

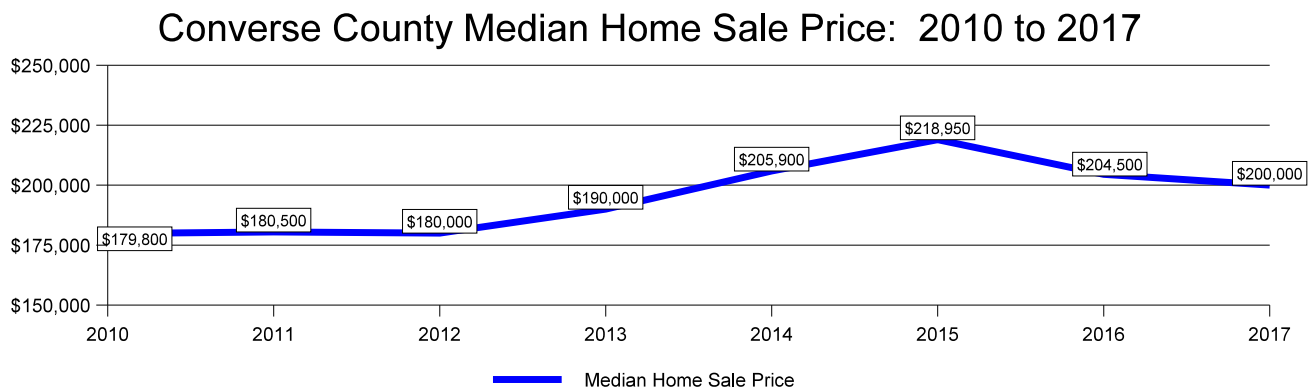
Two sources of information have been examined to help determine the median value of single family houses in Glenrock. Existing homes will often represent the most affordable option for home ownership, as older houses typically sell at a discount to the costs required for comparable new construction.

In Wyoming, sales data from the County Assessor's Office cannot be disclosed, so an actual review of recent home sales could not be obtained. However, the Wyoming Community Development Authority does maintain an annual summary of the median home sales price at the County level.

Another source of information on existing home values is the American Community Survey, which produces an annual estimate. This information is available at the City level and can be tracked back over recent years to examine trends.

WCDA Home Sale Values - Converse County

WCDA collects aggregate home sales data from County Assessors and generates an annual median sale price. The information obtained is for the years 2010 to 2017. The sales for 2018 are not yet available.

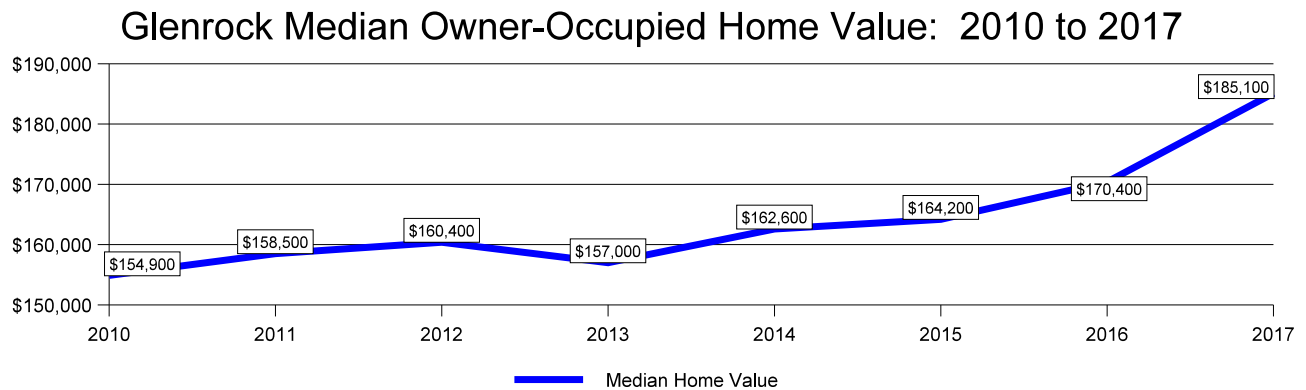


Based on the information available from WCDA, home prices were rising rapidly in the County from 2012 to 2015. But after reaching a median price of nearly \$219,000 in 2015, the median had decreased to \$200,000 by 2017. Although information does not yet exist for 2018, it is probable that the median will be higher than in 2017, as an economic rebound is underway in the energy extraction industries, generating increased demand for housing.

It is important to note that the WCDA information is for the entire County, not just the Town of Glenrock.

ACS Home Values - Town of Glenrock

An alternate estimate of overall home values exists in the American Community Survey. This is for the value of owner-occupied houses. Since the American Community Survey is conducted annually, the annual median can also be tracked back to the year 2010.



The estimated median for Glenrock from the American Community Survey is somewhat lower than the median from Countywide sales prices. The American Community Survey shows that a recent peak was reached in 2017, unlike the County patterns that peaked in 2015 and then decreased somewhat through 2017. Once again, an estimate for 2018 is not yet available.

Temporary Housing

There are some temporary housing options that exist in Glenrock. In addition to the supply of hotel/motel rooms that may be available for extended stays, the following mobile home and camper/rv sites were identified:

Deer Creek Village (Casper East) RV Park - This facility is located in Glenrock and has capacity for 42 units. They are fully occupied and receive frequent calls looking for a site. The rent is \$525/month inclusive of utilities. Amenities include bathroom, shower and coin laundry.

Platte River RV and Campground - This facility is located on the northern edge of the community and has capacity for 25 hookups. During the summer months there can be some overflow into tenting areas, but there are no services and the unit must be self-contained, including a generator. They are fully occupied and receive frequent calls looking for a site. The rent is \$650/month inclusive of utilities. Amenities include bathroom, shower and coin laundry.

Danaher Mobile Home Park - No specific information could be obtained.

Building Permits - Converse County

The Wyoming Economic Analysis Division (WEAD) has tracked annual housing unit permitting activity at the county level for many years. This is taken from the annual reporting that is done to the Census Bureau's building permit program. The following table examines the annual totals back to the year 2010.

Table 18 Converse County Housing Unit Construction									
	2010	2011	2012	2013	2014	2015	2016	2017	2018
Units	23	47	54	51	43	40	3	1	-

Source: WEAD

No information was yet available for 2018 unit construction, but from 2010 through 2017 there had been 262 total housing units added countywide. This total does not appear to include the specialized care units created in the Mountain Lodge facility in Douglas which offers assisted living and memory care. It is very possible that Mountain Lodge was issued a permit that was not for typical residential construction.

Approximately 230 of the County's total would have been located in Douglas (excluding Mountain Lodge). While an exact total is not available for Glenrock, a reasonable estimate is that up to 20 new construction units have been permitted since 2010, including a 10-unit rental project. The totals from these two jurisdictions would account for nearly all of the reported units in the County since 2010.

Based on discussions with County officials, it is probable that additional new single family housing construction has also been occurring within the rural portions of the County. However, the County does not issue building permits and any units outside of Douglas, Glenrock and Rolling Hills do not appear to be reflected in the housing unit construction totals being tracked by WEAD or the Census Bureau.

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Rental Housing Data

At the time of the 2010 Census, the Town of Glenrock had 373 occupied rental housing units, and at least 36 unoccupied rental units, for a total estimated rental inventory of 409 units. The Town's rental tenure rate was 33.8% in 2010, above the Statewide rate of 30.8%.

The Census Bureau's annual American Community Survey estimates have included housing tenure information. The 2017 estimate showed that there were 423 occupied rental units in the Town, and 9 unoccupied units. This source would show a total rental inventory of 432 units. If accurate, this would imply a small increase in rental units in the current decade.

Recent Rental Construction

Based on building permit issuance, there has been some new rental housing construction in the Town after 2010. In total, 10 apartment-style rental units have been created.

It is also possible that the use of existing housing may have changed since that time, although occupancy tenure is difficult to accurately track between the decennial censuses.

Rental Housing Survey

In February 2019, a telephone survey was conducted of multifamily rental buildings in Glenrock. The survey attempted to contact all multifamily buildings with four or more units. Units were grouped by specific market segment in the analysis that follows.

Market Rate Summary

Most of the multifamily housing identified in Glenrock serves the conventional market rate segment. Overall, it is probable that between 300 and 320 rental units exist in the Town that would be within the conventional market rate segment.

The telephone survey completed for this Study was successful in contacting only 16 market rate units in Glenrock. All of these were in properties with three or more units per structure. Market rate rentals in multifamily projects represents a relatively small portion of the total inventory.

It is important to note that more than 200 of the market rate units are probably in single family houses, mobile homes, duplexes or other small rental buildings. No attempt was made to survey this segment of the rental market. However, secondary information would indicate that demand for this type of housing has been very strong, as the County's growing workforce looks for rental options.

Unit Mix

Information on the bedroom mix was obtained from all of the units contacted in the survey.

- ▶ 16 three-bedroom

The 16 units that were surveyed represent housing constructed since 2008. These newer units have been built as three-bedroom options. There are some one and two-bedroom apartments in other buildings in the Town.

Although specific information was not obtained from rental houses or mobile homes, it is probable that most of these structures would have two or more bedrooms.

Occupancy/Vacancy

Occupancy information was obtained from all of the 16 market rate multifamily units that were contacted. All were occupied on the date of the survey. The property managers reported very strong demand, with limited turnover.

Although very strong market conditions were present in early 2019, some of the owners/managers that were surveyed in Douglas talked of multiple vacancies during the economic “bust” period of the previous years. However, the properties in Glenrock reported that many of the tenants were long-term residents, and it does not appear that as much turnover occurred due to the stable tenant base.

Rental Rates

The reported gross rents for three-bedroom units ranged from approximately \$950 to \$1,150, including an estimate for tenant-paid utilities. In some cases, the projects are attempting to keep tenants that have lived in the community for some time, viewing these households as more stable tenants even during economic down turns.

It is important to note that there were very few units surveyed. An alternate gross rent estimate does exist in the American Community Survey, although this was for 2017, and predates the recent pressure for housing units.

According to this source, the median gross rent for all rental housing in Glenrock was \$719. For specific unit sizes, the following medians were estimated:

- ▶ Two-bedroom - \$744
- ▶ Three-bedroom - \$977

No median was provided in the American Community Survey for one-bedroom options.

Subsidized Housing Summary

Glenrock has three subsidized projects providing rental opportunities for lower income households. In each of these properties, most if not all units, have access to project-based rent assistance allowing rent to be based on 30% of household income.

One of the subsidized projects, Barber Apartments, is designated for senior and/or disabled tenant occupancy. Barber Apartments has 20 units.

There are also two subsidized projects designated for general occupancy, often oriented to families. They have a combined 86 units. The projects that are specifically designated as general occupancy housing are:

- ▶ Glenrock Apartments - 26 units
- ▶ Trails Apartments - 60 units

Unit Mix - Senior/Disabled Occupancy

Barber Apartments is oriented to senior/disabled tenants primarily offer one-bedroom units. The project has 16 one-bedrooms and 4 two-bedrooms.

Unit Mix - General Occupancy

The projects offering general occupancy housing offer units with two or more bedrooms, oriented to families. The unit mix is as follows:

- ▶ One-bedroom - 21 units (24.4% of total)
- ▶ Two-bedroom - 45 units (52.3%)
- ▶ Three-bedroom - 20 units (23.3%)

Occupancy/Vacancy - Senior/Disabled Occupancy

There were no vacant units reported in the senior/disabled project, and an 11-name waiting list existed at the time of the survey.

Occupancy/Vacancy - General Occupancy

There were 12 unoccupied units reported in the general occupancy projects, for a vacancy rate of 14%. Both projects had open units although 10 of the 12 vacancies were in Glenrock Apartments. The two vacancies in Trails Apartments were attributed to recent turnover, and a waiting list is kept.

Both of the general occupancy projects indicated that frequent calls are received from over-income applicants. Glenrock Apartments does have a waiver that can allow some over-income applicants to be accepted, if insufficient demand exists. However, it was not clear why the open units are not being leased to higher income tenants.

Rental Rates

With the exception of three units in Glenrock Apartments, all of the other subsidized housing in Glenrock can offer project-based rent assistance, allowing tenants to pay rent based on 30% of household income. A minimum rent of \$498 or more applies to the three units in Glenrock Apartments without rent assistance.

Compliance Periods

Some of the older subsidized housing projects may have completed their affordable housing compliance. However, no information was obtained that would indicate that the projects in Glenrock are at risk of leaving their subsidy program.

Converse County Subsidized Housing

In addition to the subsidized housing in Glenrock, there are 130 general occupancy units and 98 senior/disabled occupancy units in Douglas.

Table 19 Glenrock Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Occupancy Type	Comments
Market Rate					
104 S 6th St	<u>6 - 3 bedroom</u> 6 total units	\$800 +heat, electric	No vacant units	Mix of tenants	Three-level walkup apartment building constructed in 2008. Rent includes water, sewer and garbage, with tenant paying electric including heat. Amenities include stove, refrigerator, dishwasher, central AC and in-unit laundry hookup. Pets accepted for extra \$50/month. Units have approx 1000 sq ft and 1 bathroom. Manager reported full occupancy with some longer-term tenants - any turnovers fill quickly.
13 N 3 rd St Apartments	<u>6 - 2 bedroom</u> 6 total units	N/A	N/A	N/A	Unable to contact - information presented is from secondary sources. Two-level walkup building constructed in 1977. Units have 900 sq ft with 1 bathroom.
Sunup Rentals 120 Sunup Rd	<u>10 - 3 bedroom</u> 10 total units	\$1000 +heat, hot water, electric	No vacant units	Mix of tenants but mostly families	Five duplexes constructed in 2 phases with 6 units 2013 and 4 units in 2015. Units have 1-level living although entry stairs. Rent includes water, sewer and garbage, with tenant paying heat and electric. Unit amenities include stove, refrigerator, dishwasher, disposal, AC and laundry hookup. Units have approx. 1100 sq ft and 2 bathrooms. Owner reported full occupancy and good demand - most are longer-term tenants and occupancy remained high even during bust years. Many tenants are families with children.

Table 19 Glenrock Multifamily Rental Housing Inventory

Name	Number of Units /Bedroom Mix	Rent	Vacancy/ Wait List	Occupancy Type	Comments
Subsidized					
Barber Apartments 625 W Deer St	16 - 1 bedroom 4 - 2 bedroom 20 total units	\$752 \$862 30% of income	No vacant units, waiting list	Senior/ disabled occupancy	USDA Rural Development project with HUD Section 8 for senior and/or disabled tenant occupancy. Building is multi-level with elevator that was constructed in 1980. All tenants have access to project-based rent assistance allowing rent based on 30% of income, up to maximum rents listed. The building is connected by walkway to senior center, which has meals and home health care delivery options. Manager reported full occupancy with 11-name waiting list.
Trails Apartments 130 Boxelder Tr	12 - 1 bedroom 36 - 2 bedroom 12 - 3 bedroom 60 total units	\$502 \$681 \$765 30% of income	2 vacant units 2 - 2 bdrm waiting list	General occupancy	Three-level walkup HUD Section 8 subsidized apartment building constructed in 1981. All units have access to project-based rent assistance allowing rent based on 30% of income up to maximum rents listed. Unit amenities include stove, refrigerator, dishwasher, disposal, central AC and balcony. Project amenities include community room with weekly events and community laundry. Four 1-bedroom units are accessible but demand exists for larger accessible units. Manager reported 2 vacant units at time of survey due to turnover but waiting list exists. Many calls received from over-income applicants.
Glenrock Apartments 455 E Birch St	9 - 1 bedroom 9 - 2 bedroom 8 - 3 bedroom 26 total units	\$498-\$635 \$620-\$805 \$785-\$995 30% of income	10 vacant units	General occupancy	USDA Rural Development subsidized complex with 3 2-level walkup buildings constructed in 1982. Twenty-three units have access to project-based rent assistance allowing rent based on 30% of income; remaining tenants pay not less than basic or more than market rents listed. Project can rent to over-income tenants at market rents if no income-eligible applicants. But manager reported 10 vacant units at time of survey with more units expected to turn over, and limited demand in Glenrock.

Source: Community Partners Research, Inc.

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Employment and Local Economic Trends Analysis

While many factors influence the need for housing, employment opportunities represent a predominant demand generator. Without jobs and corresponding wages, the means to pay for housing is severely limited.

Employment opportunities may be provided by a broad range of private and public business sectors. Jobs may be available in manufacturing, commercial services, agriculture, public administration, and other industries. The type of employment, wage level, and working conditions will each influence the kind of housing that is needed and at what level of affordability.

The Town of Glenrock is directly impacted by the expanding natural resources exploration and extraction sectors. As oil and gas activity increases, significant job growth is being forecasted for the next years. In addition to the growth potential in the energy sectors, Glenrock also has other economic development projects in the immediate area that could add permanent jobs to the community.

Labor Force and Unemployment - Converse County

Employment information is available for all of Converse County. The following table looks at annual data from 2010 through 2018. Information in this table is based on the place of residence. It tracks people living in the County by their participation in the labor force regardless of where they are actually employed.

Table 20 Converse County Average Annual Labor Force 2010 to 2018						
Year	Labor Force	Employed	Unemployed	Unemployment Rate - County	Unemployment Rate - WY	Unemployment Rate - US
2010	7,568	7,155	413	5.5%	6.4%	9.6%
2011	7,659	7,289	370	4.8%	5.8%	8.9%
2012	7,976	7,634	342	4.3%	5.3%	8.1%
2013	8,108	7,811	297	3.7%	4.7%	7.4%
2014	8,340	8,089	251	3.0%	4.1%	6.2%
2015	8,332	8,026	306	3.7%	4.3%	5.3%
2016	7,887	7,401	486	6.2%	5.3%	4.9%
2017	7,481	7,151	330	4.4%	4.2%	4.4%
2018	7,415	7,151	264	3.6%	4.1%	3.9%

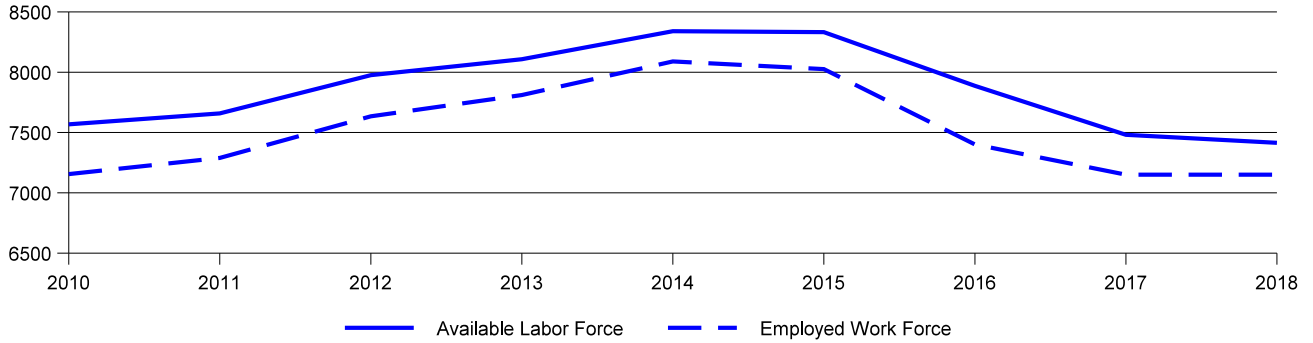
Source: Local Area Unemployment Statistics

There has been upward and downward movement so far in the current decade in the size of the County’s total labor force. These patterns follow the “boom and bust” economic cycles in recent years in the area’s energy sectors.

The size of the available labor force increased substantially between 2010 and 2014, the recent peak. But then the labor force decreased through 2018. When the annual average for 2018 is compared to 2010, the County’s labor force is slightly smaller. However, by the end of 2018 significant job growth was underway which is not yet reflected in standard statistics.

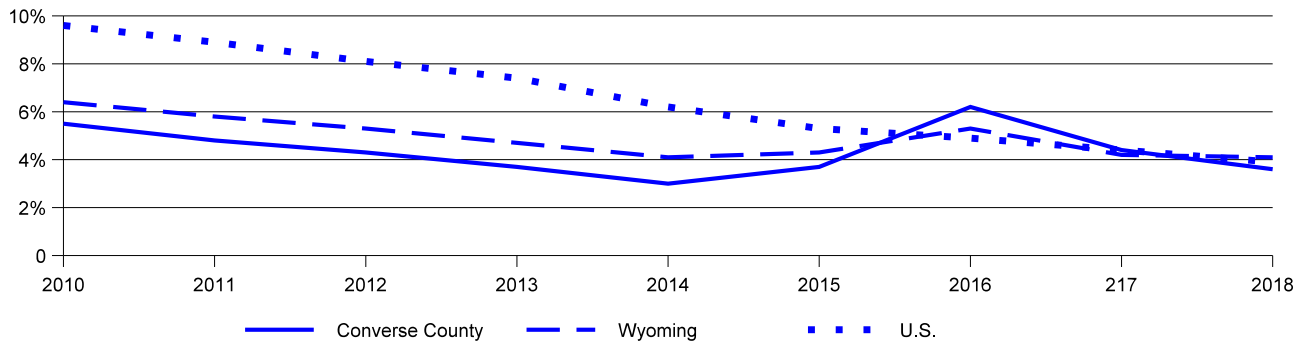
The County’s employed work force has largely followed the same patterns. The number of employed County residents increased rapidly from 2010 through 2014, but then decreased in size. The number of employed people in 2018 was nearly identical to the 2010 level.

Converse County Labor Force and Employed Work Force



For the years 2010 through 2014, the County’s unemployment rate was well below the comparable State and national averages. However, between 2015 and 2016, the County’s unemployment rate increased to 6.2% and was above the national rate. By 2018, the County’s had once again moved below the State and national rates.

Unemployment Rates



Average Annual Wages by Industry Sector

The following table shows the annual employment and average annual wages by major employment sector. The most recent release is for the second quarter of 2018. This information is only available at the county level. It is important to note that the major employment sectors listed do not represent all employment in Converse County.

Industry	Average Employment	Average Weekly Wage
Total All Industry	5,858	\$1,027
Agriculture, Forestry, Fishing, Hunting	169	\$614
Mining, Quarrying, Oil & Gas	1,141	\$1,647
Construction	352	\$1,140
Manufacturing	121	\$1,025
Wholesale Trade	43	\$885
Retail Trade	450	\$454
Transportation and Warehousing	246	\$1,107
Information	53	\$488
Finance and Insurance	122	\$840
Real Estate, Rental, Leasing	66	\$629
Professional and Technical Services	115	\$1,149
Administrative and Waste Services	205	\$1,087
Health Care, Social Assistance	296	\$644
Arts, Entertainment, Recreation	62	\$175
Accommodation and Food Service	442	\$301
Other Services	168	\$725
Public Administration	479	\$809
Educational Services	654	\$1,066

Source: Quarterly Census of Employment and Wages

The average weekly wage for all industry in the second quarter of 2018 was \$1,027. At full-time employment this would yield an annual wage of \$53,400.

The highest paying wage sector was Mining/Quarrying/Oil and Gas Exploration, at \$1,647 per week. At full-time employment for 52 weeks this was an annual wage of more than \$85,600. This was also the largest sector for total employment in Converse County.

The sector with the second largest employment level was Education Services. The average annual wage for this sector was above \$55,000 at full time employment.

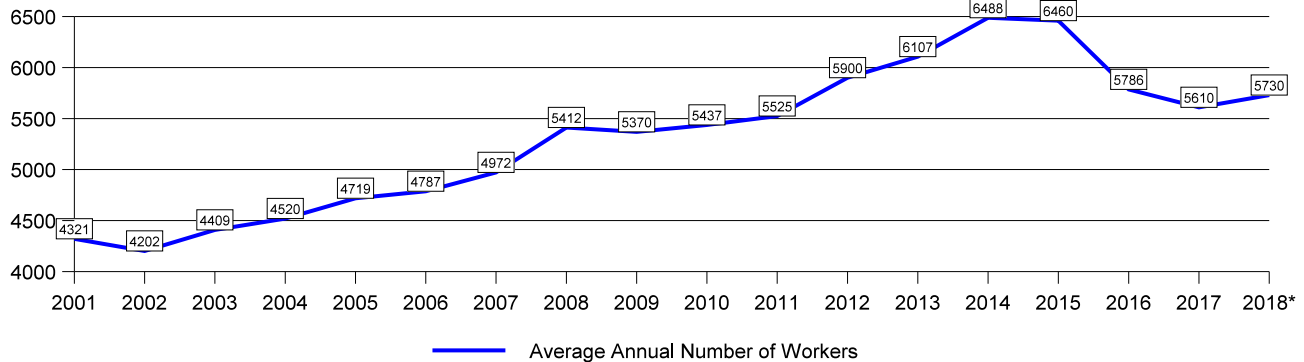
Annual Covered Employment

Since the Quarterly Census of Covered Workers (QCEW) tracks employees covered by unemployment insurance by location, it is possible to examine longer-term patterns in the employment level. The following table displays the total number of workers reported in Converse County back to the year 2001.

Table 22 Converse County Average Annual Employment			
Year	Total Covered Employment	Year	Total Covered Employment
2001	4,321	2010	5,437
2002	4,202	2011	5,525
2003	4,409	2012	5,900
2004	4,520	2013	6,107
2005	4,719	2014	6,488
2006	4,787	2015	6,460
2007	4,972	2016	5,786
2008	5,412	2017	5,610
2009	5,370	2018*	5,730

Source: QCEW * 2018 is first two quarters only

Number of Covered Workers in Converse County



When viewed over a longer-term there had been a general upward trend in the employment level in the County from 2001 through 2015. But then this pattern reversed, and a significant reduction occurred between 2015 and 2017. Only partial-year information exists for 2018, but through the first two quarters there had been some increase in covered employment, as tracked by unemployment compensation.

Commuting Patterns of Area Workers

Information is available on area workers that commute for employment. The best information is from the 2017 American Community Survey, and has been examined for the Town of Glenrock. This table only examines people that commuted, and excludes people that work at home.

Table 23 Commuting Times for Glenrock Residents - 2017		
Travel Time	Number	Percent
Less than 10 minutes	312	26.5%
10 to 19 minutes	170	14.4%
20 to 29 minutes or more	227	19.3%
30 minutes or more	468	39.8%
Total	1,177	100%

Source: American Community Survey

A majority of Glenrock’s residents were working outside of the immediate area in 2017. Overall, more than 59% were commuting 20 minutes or more for their primary employment. Nearly 40% were traveling 30 minutes or more.

Commuting times were also identified by location of employment. For people that worked in Glenrock, the following travel times were identified.

Table 24 Commuting Times for Glenrock Employees - 2017		
Travel Time	Number	Percent
Less than 10 minutes	322	40.4%
10 to 19 minutes	262	32.8%
20 to 29 minutes	25	3.1%
30 minutes or more	189	23.7%
Total	798	100%

Source: American Community Survey

Most of the people that worked in Glenrock also lived locally as fewer than 27% traveled 20 minutes or more. Overall, more than 73% traveled 19 minutes or less, including people that both lived and worked within Glenrock.

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Growth Projections Summary and Conclusions

It is important to stress that projections are an informed prediction of future activity. It is possible that Glenrock could significantly outperform or underperform the probable scenarios outlined earlier in this document.

For the purposes of this Study, the analysts have viewed the primary demographic projections that exist for Glenrock from Applied Geographic Solutions and Esri as being overly conservative. These sources do not reflect the likely impact resulting from the oil and gas activity underway in Converse County, as well as additional economic development projects that may also advance.

The projection from the Wyoming Economic Analysis Division appears to be more realistic, especially if the “temporary” residents that may live in the community for only a short time are removed from the estimate. This source shows the Town adding more than 170 people between 2016 and 2023.

The forecasts contained in the Draft Environmental Impact Statement (EIS) also appear to represent a reasonable indicator of future change for the cities and towns in Converse County. For Glenrock, the Draft EIS calculations anticipate the need for approximately 45 to 50 “permanent” housing units. Additional demand will be present for a substantial number of “temporary” housing units that will not require actual construction of permanent structures. Many limited-duration workers in the County will also commute in from more distant locations, including the larger regional centers of Casper and Gillette. Glenrock’s location less than 25 miles from Casper makes this a very reasonable commute for workers.

While the Draft EIS projections have been used as the primary basis for estimating housing needs, some adjustments have been made based on other research completed for this Study. For permanent housing, the analysts have used a tenure distribution pattern of 60% to 65% rental and 35% to 40% owner housing in Glenrock. Although still heavily weighted to rental housing, the assumptions used for this Study are substantially higher than the rate of home ownership demand that was assumed in the EIS.

The total number of permanent housing units has also been increased somewhat from the level indicated in the EIS projections. This is based on the belief that the significant employment growth pressure that is probable in the Glenrock area due to energy sector activity will yield greater potential for new construction.

In the recommendations that follow, a total of up to 100 permanent housing units should be added in Glenrock and the immediate area by the year 2025, distributed as follows:

- ▶ 35 to 40 owner-occupancy units added by 2025
- ▶ 60 to 65 renter-occupancy units added by 2025

Although these permanent housing recommendations effectively span a six-year time period, this does not imply that the community should promote an average of 15 to 18 units per year. Instead, much of the rental housing development should be advanced earlier in the projection period, to provide near-term housing options for the rapidly growing work force.

Conversely, demand for owner-occupancy housing will probably follow the opposite pattern. Shortly after arriving, most households will initially look for temporary or rental housing. But after establishing a history in the area, some of these households will look to buy their housing, and demand for ownership should continue to grow over time.

It is also important to note that a portion of the home ownership demand has historically been located outside of the Town limits, in rural locations in Glenrock CCD. Since single family housing construction is an open market transaction between a home builder and the end buyer, identifying the exact location of the unit is not possible. Although the analysts believe that most of the permanent housing construction will occur within the corporate limits of the cities and towns, some will also be within the rural portions of the County.

While there are compelling reasons to construct new housing, there continue to be factors that will potentially limit interest from developers. First is the possibility of “boom and bust” cycles in the energy industry, which are beyond any level of local control. The second factor is the belief that the strongest demand for housing will be for a limited duration. The current projections expect the potential out-migration of many workers from the area within 10 years. A third factor for Glenrock is the location near Casper, which is a substantially larger market for new housing construction.

A recommendation of only 100 permanent units in the Glenrock area can be viewed as a very conservative forecast, given the community’s growth potential. But over-building of permanent housing creates risks for owners and investors. Even if no “bust” cycles occur, it must be recognized that current assumptions expect a decline in the area’s housing needs by later in the next decade.

As a result, this Study has proceeded with the assumption that permanent forms of housing are only part of the solution. Temporary housing and commuting employees are also part of a larger strategy to maintain an adequate work force for the County, while attempting to avoid long-term investments in structures that have limited-term marketability.

The recommendations that follow are based on a measured response to the potential demand. To the extent that certain options are not pursued, there could be resulting adjustments to other types of housing that are proving to be successful in the local market. While projecting to 2025, this plan should be modified as needed in response to actual conditions and growth patterns.

Rental Housing Recommendations

Overview: Glenrock serves as the second largest rental center in Converse County. However, the large majority of the rental options are in the City of Douglas. At the time of the 2010 Census, more than 56% of the County's renter-occupancy households were living in Douglas, and more than 23% lived in Glenrock.

In 2010, approximately 34% of the occupied units in Glenrock were rental housing. By 2019, it is doubtful that this tenure distribution pattern has changed significantly, if temporary forms of housing are excluded. While approximately half of the new construction units permitted after 2010 can be identified as rental housing, the overall net growth in the total housing stock is very limited, and the most recent estimates place the current rental rate between 30% and 33%.

As oil and gas exploration and extraction activity proceeds in the future, it is likely that these tenure patterns will change. Housing pressure created by workers relocating to take jobs in Converse County will largely be met by rental housing or temporary housing options. To a lesser extent, some households will elect to purchase their home, but most will instead opt for rentals, provided units are available.

The Draft EIS had anticipated that most of the demand for housing in Glenrock would be for temporary options. However, when allocating permanent housing, nearly all of the demand was projected within the rental segment.

When compared to the Draft EIS calculations, Community Partners Research has used a lower percentage for rental housing, but still assumes that approximately 60% to 65% of the permanent units created through the year 2025 will be rentals. This is based on the belief that over time, a larger percentage of workers will look for the stability of home ownership. Still, over the next few years, demand should be heavily orient to rental units, and most of the new production advanced in this Study for Glenrock and Douglas is for new rental construction.

The recommendations that follow are based on a total production goal of between 60 and 65 total rental units in the Town of Glenrock. While different distributions could accomplish this goal, the primary demand will be for conventional market rate housing, and new construction activity should focus on this market segment. Although traditional market rate rental housing is the preferred approach, findings on other more affordable segments will also be discussed on the following pages.

1. Promote the Development of 60 to 65 Conventional Market Rate Rental Units

Findings: Most of the demand for rental housing created by the expanding energy sector work force will exist within the conventional segment, which is free from any occupancy restrictions or rent controls. The jobs in oil and gas activity will create demand from moderate to higher income households that can afford to pay market rate rents.

Most of the energy related in-migration of workers will opt for rental units or temporary housing alternatives. Given their expectation to live in the area for a limited duration, these households will not look to initially purchase their unit. Still, this group can apply a significant amount of income to housing. Wage information showed the average annual wage within the oil and gas sector in 2018 was approximately \$1,650 per week, or more than \$7,000 per month.

Strong demand coupled with the ability to pay makes new rental housing development a feasible solution. In Glenrock, traditional rental development has been limited in the past, due in part to the income levels for most permanent renter households. In 2017, when the oil and gas sectors were down, the estimated median income for renter households in Glenrock was \$40,809. But going forward, many of the jobs being created will provide workers with more than double that amount.

Recommendation: The rental recommendations contained in this Study have placed up to 65% of the future permanent housing development within the traditional market segment. Between 60 and 65 units would be recommended. Although the projection period is through 2025, most of these units should be advanced within the next few years to meet the growing need for housing that is already evident in 2019. As these units establish a stabilized occupancy pattern, it may be possible to proceed with even more units later in the projection period.

In other oil and gas communities, new rental housing has been able to command substantially above-market rents. Gross rents of \$800 or more per bedroom for multi-bedroom units have been successful during boom periods, with a higher premium paid for one-bedroom options. However, these rents have then been lowered substantially during bust cycles, or when the rental production eventually catches up with or exceeds demand.

In Glenrock, most existing rental properties have attempted to maintain a relatively stable rent structure, even during boom periods. This is partly an attempt to attract and retain long-term tenants that do not move when market conditions change. However, the newly built projects will have the potential to achieve rents that are above the current prevailing rates.

The most recently constructed project in Glenrock, Sunup Rentals, had reported gross rental rates of approximately \$1,250 for a three-bedroom unit, inclusive of tenant-paid utilities. This project did report a number of longer-term tenants, which resulted in better occupancy patterns during the last “bust” cycle. At a rate of approximately \$400/bedroom, even the newest options in Glenrock have retained a more moderate rent structure.

There are few multifamily options in Glenrock that can actually be analyzed for comparable rents, especially for rental units with fewer than three bedrooms. But in Douglas, nearly all of the two-bedroom rental options have a monthly gross rent below \$1,000. In both communities, the rental rates have generally remained in a more moderate price range despite the strong demand that has developed in the past year.

Although the multifamily projects constructed in Glenrock in the past 10 years have created three-bedroom options, going forward, we would recommend that most of the newly built units focus on one-bedroom and two-bedroom housing. This is in recognition that many of the anticipated workers will be single people or couples. Some three-bedrooms oriented to families or roommate occupancy could be built, but most renter households are likely to have one or two members. Longer-term, when the demand from energy sector workers may decrease, more conventional one and two-bedroom units would also be better matched to typical renter households.

Any newly-built market rate units should contain amenities and features that are compatible with the higher-rent segment, including in-unit laundry, dishwasher and microwave. Two-bedroom units should have two bathrooms when possible. Market evidence would indicate that furnished units could command between \$400 and \$600 in additional rent, depending on the number of bedrooms.

2. Consider the Development of a Small-scale Senior-designated Market Rate Rental Project

Findings: As part of the overall recommendation for conventional market rate development, a smaller-scale project could be oriented specifically for senior occupancy, defined as households age 55 and older.

Most of the rental stock in the Town will probably be occupied by the expanding local work force. This will include temporary workers as well as oil and gas industry employees that do not want to buy a house. But worker-oriented housing will have less appeal to senior and near-senior households, most of whom are probably long-term residents of Converse County.

Existing home prices in Glenrock are relatively high by comparative standards. Demand for housing going forward should cause sale prices to go even higher. Empty-nester and senior households will have an opportunity to sell their single family home as the market peaks, and move to age-appropriate rental housing, if attractive options exist. This roll-over of the single family stock can then benefit younger families moving into the community. Since existing houses typically sell at a discount to comparable new construction, older houses represent a more affordable ownership option.

The primary limiting factor for senior-designated housing in Glenrock is the relatively small size of the age-qualified target market. According to American Community Survey estimates for 2017, there were fewer than 425 total households in Glenrock age 55 and older. While this number will grow as the resident population ages, there are still only a limited number of age-qualified households, and most of these are home owners.

The rental tenure rate among households age 55 and older was approximately 22% in 2017. Even if this rate could be raised to 26%, it would yield demand for fewer than 20 additional units in the community. While some additional households would be expected from the surrounding rural areas, more than 66% of all households age 55 and older already live in Glenrock or Douglas, so most of the potential target market is already living within the primary communities.

Recommendation: As part of the plan to see additional market rate rental development in Glenrock, promotion of senior-designated units could be considered. In large part, these units would be developed for long-term residents that are looking for an age-appropriate housing alternative. Senior and near-senior households would be less likely to move into rental housing for the area work force, but a senior-designated project could have more appeal.

In Glenrock, any senior-designated housing should be oriented to independent, active renter households. A project creating 12 to 16 units would help to offer expanded choices for area households looking to move from ownership to rental. Although different design options could be considered, a town house or cottage-style project with an attached garage would help senior households to transition from home ownership to rental housing. Units designated for senior-occupancy should have age-appropriate design features, including one-level living, in-unit laundry and similar attractive amenities.

Although rental units oriented to higher-paid workers could achieve a substantially higher rent structure, these senior-designated units would largely be occupied by longtime Converse County residents. As a result, a more moderate rent expectation would exist. Two-bedroom units should attempt to keep gross rents below \$1,100 with some three-bedrooms below \$1,300 should appeal to seniors looking for a life-cycle housing change.

3. Monitor Demand for Very Affordable Subsidized Rental Housing

Findings: The Town of Glenrock has federally subsidized rental housing projects for senior, disabled and general occupancy tenants. Most of these units can serve even very low income households, by offering project-based rent assistance that can charge rent based on 30% of household income.

The three subsidized developments, Barber Apartments, Glenrock Apartments and Trails Apartments, are the three largest rental projects in Glenrock. Overall, more than 27% of all of the rental stock exists within these three subsidized projects, and a very large percentage of the Town's multifamily rental stock is in these buildings.

Barber Apartments, is designated for senior and/or disabled tenant occupancy and has 20 units. When contacted in February, Barber Apartments reported full occupancy and an 11-name waiting list.

The other two subsidized projects, Glenrock Apartments and Trails Apartments, are designated for general occupancy and have a combined 86 units. At the time of the rental survey, there was a high vacancy rate in this market segment, although most of the open units were in Glenrock Apartments. There was also limited evidence of pent-up demand in the form of waiting lists, although Trails Apartments did have a waiting list. Both of the projects reported frequent phone calls, but most potential applicants were over-income for subsidized housing.

It is important to note that Converse County is not currently served by HUD's tenant-based Housing Choice Voucher Program. This rent assistance is provided to income-eligible renter households and is used to secure a suitable unit in the private rental market. With a Voucher, the tenant pays rent based on approximately 30% of household income, with the rent subsidy providing the additional amount needed. Because Vouchers are tenant-based, they can move with the tenant household.

In the opinion of the analysts, the absence of a Voucher Program in Converse County is a detriment for lower income renters. However, it is acknowledged that at times when a housing shortage occurs, such as 2019, the Vouchers can be of limited use, as finding a suitable unit that is vacant may not be possible for a household with a newly issued Voucher. But over a longer time period, the availability of Vouchers would assist very low income households.

Although much of the anticipated growth for Converse County will be the direct result of employment opportunities, including higher-wage jobs in the energy extraction sectors, overall growth will also create jobs in lower-wage sectors, including the service industries. Working-age lower income households should result in growing demand for very affordable rental housing, generally provided through some form of subsidy program. This demand is more likely to develop in Douglas, which has a larger base of employees in the lower wage industry sectors.

Recommendation: In 2019, there is limited evidence of the need for additional subsidized housing construction in Glenrock. As a result, we would encourage the community to monitor this very affordable segment over the next few years. While some additional senior/disabled occupancy housing may be beneficial, the level of unmet demand evident in waiting lists is limited. There appears to be an excess supply of general occupancy units in Glenrock, based on the vacancy rate.

Additional subsidized rental units have been recommended for the City of Douglas, the largest city in Converse County. However, with almost no funding at the federal level, it has largely been impossible to add to the inventory of project-based subsidized housing in recent decades. For example, the three subsidized rental projects in Glenrock were all constructed in the early 1980s. Countywide, the supply of subsidized housing has remained unchanged for more than 20 years.

Although current conditions in Glenrock do not support new subsidized housing construction, it would be advantageous for the County to have access to tenant-based rent assistance Vouchers, as a resource for low income renters.

The housing cost burden statistics provided earlier in this document showed that approximately 27% of all renter households in Glenrock were paying 30% or more of their income for housing costs. Vouchers could potentially help some of these renters.

Despite the high rate of vacancy, especially in Glenrock Apartments, preservation of existing subsidized housing is also viewed as an important affordable housing strategy. Any units that are removed from the subsidized inventory are unlikely to be replaced in an equally affordable price range in the future. Preventing the future loss of any of the existing project-based subsidized housing will help to maintain a stable supply. If units are at risk in the future, it may be appropriate for public or nonprofit housing agencies to become involved in attempts to preserve the remaining subsidized housing resources.

4. Monitor Resources for the Development of Income-Restricted/Moderate Income Rental Housing

Findings: The federal low income housing tax credit program, along with HUD HOME funds and other resources, are the primary options for creating moderate rent “work force” housing. These types of financial resources are awarded on a competitive basis by the Wyoming Economic Development Authority (WEDA). Projects have been funded over time in the City of Douglas, but no similar projects have been developed in Glenrock.

To be competitive in the Statewide application process, a typical project will offer a moderate rent structure and serve households at or below 55% of the median income level. Some more affordable units will often be included, serving households at or below 40% of median income, but that is often dependent on other financial assistance resources that may be available.

Four projects within this market segment have been developed in Douglas over time, with a combined 86 income-restricted rental units. The most recent of these projects was developed in 2012, while the other projects are believed to be 15 or more years old.

Similar to the supply of subsidized housing, as discussed previously, income-restricted housing is not well-matched to the growing work force in the oil and gas industries, as the income limits are too low. However, growth in the community will result in spin-off job creation, which may have a more moderate rent structure.

Recommendation: In 2019, there were some unoccupied units in Glenrock in the inventory of general occupancy subsidized housing. As a result, the opportunities to develop moderate rent income-restricted units are limited. Project-specific studies are required as part of the application process to WEDA, and high vacancy rate in subsidized units would impact any competitive application for funding.

However, that situation could change, and community growth could result in unmet demand for this type of housing in Glenrock in the future. This Study has recommended that income-restricted work force housing be developed in Douglas as part of a larger affordable housing plan. Demand for this form of housing, as well as State-awarded resources should be monitored in Glenrock in the future. If appropriate, this type of project could be pursued for the community.

Ownership Housing Recommendations

Overview: Glenrock is second largest community in Converse County and primarily provides owner-occupancy housing options for residents. At the time of the 2010 Census, more than 66% of the Town's households owned their housing unit. The tenure estimates for 2018 show that the home ownership rate may now be between 67% and 70%.

Glenrock also has a relatively large supply of rental units, but most of the rental stock exists in single family structures, such as houses and mobile homes. These units may once have been occupied by owner-occupants, but over time have been converted to rental use.

There has been only limited change in the Town's single family housing inventory so far this decade. A specific unit count was not available, but the best information would indicate that only one to two new houses are constructed in a typical year. As a result, the number of new units for owner-occupancy has probably increased by 10 or fewer houses since 2010.

With only limited new construction activity in recent decades, much of the housing is older. According to the American Community Survey estimates, it is probable that 77% or more of all the houses in Glenrock were constructed before 1990. The estimated median year of construction for owner-occupied homes is 1976. However, due to good demand, houses have retained a stable value over recent years, and the latest estimates would place the median home value above \$185,000.

The best available projections show that most households relocating into Converse County for employment opportunities will prefer temporary housing or rental options. But Glenrock is also an attractive location for home owners. The community's proximity to jobs, and the access to Casper make the Town a good residential location.

This Study has proceeded with the projection that near-term demand will exist for approximately 35 to 40 owner-occupancy housing units in Glenrock and the surrounding area. On an average annual basis, this would equate to five to seven houses per year through 2025. Although this projection assumes a higher capture rate for owner-occupancy than other predictions, it could easily prove to be a conservative forecast. If successful home building models develop in the community, even greater momentum may be achievable.

The following specific findings and recommendations are offered concerning home ownership and single family housing construction.

5. Demand for 4 to 6 Moderate to Higher-Priced Single Family Homes Constructed Annually

Findings: In recent years, very limited home building has been occurring in Glenrock. The best available information indicates that only one or two houses have been built annually over the current decade. Going forward, a higher level of annual production should be very possible, as housing demand created by the growing work force in the oil and gas industries should generate the need for additional home construction.

The higher wages that are typically being paid in the energy sectors result in greater buying power for these households. In 2018, the average weekly wage being paid in the Mining/Quarrying/Oil & Gas industry sectors was \$1,647. At full-time annual employment this would yield an annual wage of more than \$85,000.

Most of the past home building that has been occurring in Glenrock would generally be defined within the moderate to higher price ranges, with a total purchase price of \$250,000 or more. This is consistent with the higher construction costs in the area, as strong demand exists for a skilled work force. It is also consistent with very strong prices for existing homes, given the demand that exists for good quality housing.

The primary limiting factor for home building is the strong preference that is being projected for only temporary housing, or traditional rental options. This assumption is based on the expectation that most workers attracted to the area will not view Converse County as a long-term location. As a result, these workers will often be hesitant to invest in a long-term housing solution. However, a portion of the work force will be in permanent jobs, that are less dependent on exploration and extraction activities.

In 2019, there may be a somewhat limited supply of lots in Glenrock that are appropriate for higher-priced houses. There are some attractive lots near the golf course, and some large-lot parcels exist. To sustain this level of new construction going forward, some additional high quality lots may be needed. In 2019, some lots could become available on the western edge of the community.

Recommendation: This Study has projected that demand will exist for approximately five to seven total owner-occupancy housing units annual over the next few years. The large majority of this demand should be for traditional single family houses, in the moderate to higher price ranges.

In general, this level production should largely happen naturally, as these price ranges are practical for area home builders without outside involvement. However, in Glenrock, it is possible that some public role may be needed. These topics will be discussed later in this section, but assuring that an adequate residential lot supply is available may require additional action. It is also possible that some forms of financial incentives may be needed to be sure that home ownership goals are reached, as this has not been happening in recent years.

In Glenrock moderate to higher priced houses will generally be in the form of single family detached homes. There is less market evidence that attached houses, such as twin homes and town houses, have achieved acceptance among home buyers. However, attached housing can appeal to mature households as they age, and the Glenrock area will continue to see an increase of households age 60 and older. It is therefore likely that the attached single family segment will gradually grow in market share over time.

6. Annual Demand for 2 to 3 Affordable/Entry-Level New Construction Homes

Findings: Addressing the more affordable/entry-level of the new construction market is increasingly difficult for most communities. This is especially true in high demand areas like Converse County, where people are competing for available houses. The strong employment environment also drives up construction costs, as skilled workers are in high demand.

Much of the energy sector growth is expected to be of limited duration. As a result, many households will be less inclined to consider home ownership. While very strong job growth is expected in the near-term, this largely reverses after 2026. By the year 2028, it is assumed that nearly all of the exploration activity will be completed, and a significant out-migration of workers will have occurred. As a result, workers will not generally want to be committed to a long-term housing investment. Unless other types of jobs are created in the interim, a significant oversupply of housing could exist within 10 years.

But during the growth years, it is probable that the entry-level home buyers could be priced out of the market. Longer-term, it is important for Glenrock to attract and retain some of these households for the stability of the community. This is especially true for younger buyers looking to purchase their first home.

In an attempt to generate home building at a lower price for first-time buyers, the community may want to consider targeted programs to generate some affordable homes each year. This would hopefully result in some new homes that could sell for less than \$200,000.

Recommendations: Creating affordable, entry-level housing options through new construction has been a difficult challenge in most communities. The projections used for this Study would set a goal of building two to three affordable houses annually, or approximately 20% to 30% of the future demand for new construction.

This market potential could easily grow if an attractive home design with a below-market price point can be achieved. However, in communities that have been able to generate below-market prices, a significant outside subsidy will often be required per unit, making a larger volume of new construction less likely.

The available resources that could be used for lower-priced homes should be examined. This could increase land cost write-downs, or other forms of public subsidy. A following recommendation also explores other home ownership incentives that could be advanced in the community.

7. Consider Proactive Involvement in Providing Residential Lots

Findings: Glenrock has a relatively large inventory of residential lots in 2019, but local reports indicate that most of this supply is not actually available for sale. A large subdivision area, known as Sunup, is believed to contain more than 100 vacant lots, most of which are served by sewer and water. However, the owner is apparently unwilling to actively market these lots to individual buyers, home builders or developers. As a result, the only lots available in Sunup are those that had previously been purchased but never used for new home construction.

Over time, there have been some houses constructed in Sunup. But the open lots would help the Town to meet the potential demand that will exist for new houses, and especially within the more moderate price ranges.

In addition to Sunup, there are some additional development areas on the southern and western portions of the community, but these would be small clusters of building sites. In some cases, these are large, multi-acre parcels from buyers looking for an acreage.

There are also some larger parcels near Sunup that could potentially be purchased and subdivided by a developer. However, these parcels may also be available for multifamily structures.

Recommendation: Although this Study has assumed that most of the demand for permanent housing in Glenrock will be oriented to rental options, the Town will also see some increase in single family construction. Approximate demand for 35 to 40 units has been forecasted in Glenrock. To address this potential, an adequate supply of improved residential lots will be needed. While vacant lots do exist, they may not actually be available for purchase in 2019. As a result, the Town may need to become proactively involved with the primary property owner to make sure that home builders and home buyers can access building sites.

The owner of the remaining lots in Sunup has a significant investment in the property. The Town also has an investment in municipal services that are provided to the unused lot inventory. It would be mutually beneficial to see these lots utilized, and bring population and households into the community.

If the lot supply in Sunup largely remains unavailable, the community may need to promote the development of other new subdivisions. This could be happening already on the western edge of the community, in an area known as Deer Creek Estates. However, since municipal improvements have not been made previously, any new development areas will require additional public and private investments. New development areas will be at a competitive disadvantage if the lots in Sunup are later placed back into the market. A better use of resources would be to make sure that the lots in Sunup are available as needed in the future.

8. Consider the Creation of Housing Construction Incentives

Findings: As stated above, new home construction has been limited to two or fewer houses annually in Glenrock in recent years. Despite the potential for increased demand for housing going forward, there may be proactive efforts needed to attract a larger market share.

One successful approach used by other communities is to offer some types of financial incentives for new construction. There are many ideas that have been used, including a waiver of municipal fees for building permits or water connection. If allowable, some cities have used a property tax abatement or tax increment financing programs to pay for lot and improvement costs. Others have used a direct cash incentive, such as a down payment assistance program.

Recommendation: With the potential demand that could exist, these types of incentives may not be needed in Glenrock. However, if limited home building proceeds in the future, there may be incentives that could be offered to accelerate home construction in the community.

Home ownership promotes community stability. If investments are needed in the municipal water and sewer systems to create new subdivision areas, it will be important to attract new houses to support the public investment. While costly, financial incentives could provide the community with a competitive advantage over other housing opportunities available in the region.

The impact of the oil and gas activity may lead to financial resources becoming available to the community. Part of the housing strategy for Glenrock would be to promote owner-occupancy housing.

9. Promote Existing Houses as Affordable Ownership Options

Findings: A large majority of the housing units in Glenrock are single family structures. While most households in Glenrock own their housing, a fairly large number of houses and mobile homes have been converted to rental use over time. The continued pressure for rental housing could cause even more units to change from owner to renter-occupancy. It is probably in the best interests of the community to instead promote these houses to owner-occupants.

The best available information indicates that existing homes retain their value. While specific home sales records do not exist, there is secondary value information available. The 2017 American Community Survey showed a median owner-occupied house value of approximately \$185,000. While relatively high, this median for existing houses is well below the probable cost of comparable new construction, making existing houses the most affordable ownership option.

The household tenure by age distribution table provided earlier in this document showed that most home owners in Glenrock were age 55 and older in 2017. As these empty-nester and senior households move through the aging cycle, there could be increased turnover in the single family segment. With strong market conditions, some of these older home owners may look to sell their single family house and move to more age-appropriate housing options.

There are some reports that energy companies have been willing to buy houses in an attempt to provide options for their local work force. While this does address temporary worker housing needs, it lowers that owner-occupancy rate in the community.

Recommendation: The potential exists for above-average housing turnover in the next few years. As overall demand for housing exceeds supply, longtime home owners may wish to sell as prices appreciate. While most of the houses in Glenrock would probably be purchased by owner-occupants, there may also be interest from investors or energy companies looking to create rental options.

It would be in the Town's best interest to keep a high rate of owner-occupancy. Promoting the attractive choices in Glenrock to potential home buyers should be part of the community marketing strategy. The possible incentive programs discussed earlier could also be extended to existing houses to promote owner-occupancy.

10. Support the Development of Temporary Housing Alternatives When Practical

Findings: While not always the preferred solution, in reality much of the near-term housing demand will need to be met through non-traditional forms of housing. Some of the workers only expect to be in the Converse County area for a fixed period of time, and are unwilling to invest in ownership or even enter into a 12-month lease, if that option is even available. Workers in the energy sectors will often have a permanent home elsewhere and follow the temporary jobs that are created when exploration activity moves into a new region.

The proliferation of temporary housing options that develop during "boom" cycles helps to address this issue. In Converse County, there has been strong utilization of RV parks, camp grounds and hotel/motel rooms rented for extended stays. In some cases "man camps" may have located in rural areas, near work sites or energy company operational facilities.

The ability of these temporary housing solutions to address part of the demand is well documented, and consistent with other locations in the U.S. that have experienced similar boom cycles. The draft EIS created for the oil and gas project has anticipated that 78% of the housing demand in Converse County outside of the City of Douglas would be met through temporary housing alternatives. Glenrock was included in these assumptions of high demand for only temporary forms of housing.

Recommendation: The projections contained in the Draft EIS had expected approximately 500 people to be housed in “temporary” housing options. While this was calculated for the larger region, including Casper and Gillette, it is logical that the preferred location for temporary housing would be within close proximity to the actual work locations, so Converse County should capture most of the demand.

Assumptions about work force growth associated with the energy exploration and extraction sectors anticipate a substantial reduction in the number of workers with 10 years. Given the limited time duration that is being forecasted for the area’s work force, it is difficult to address all of the near-term demand with permanent housing construction. To avoid an eventual housing surplus, approaches that effectively utilize temporary housing options should be considered when practical. The temporary housing supply can be more quickly adjusted upward or downward to meet changes in demand.

One of the providers that has been used successfully in other oil and gas areas is Target Hospitality (formerly Target Lodging). This company can create and manage modular and temporary housing projects. Target Hospitality is active in Converse County but attempts to directly contact representatives of this company were not successful.

Community Partners research is not in a position to specifically recommend any single provider, and there are additional companies that are also exploring options in Converse County. But the approach used by a company such as Target Hospitality is well-matched to the temporary housing demand that is growing in and around Glenrock.

11. Mobile Home

Findings: There is a fairly large inventory of mobile homes in Glenrock. Based on the American Community Survey, mobile homes represent approximately 13% of all permanent units in the Town. Mobile homes are occupied by both owners and renters.

Detailed information on the condition, quality, age and value of mobile homes is not readily available, but the American Community Survey does offer some insights into this portion of the local housing inventory. Based on the age of structure estimates, approximately 75% of the mobile homes in Glenrock were built prior to 1980.

Despite the age of most mobile homes, they do generally retain relatively high values. The American Community Survey showed a median value of \$71,000 for the owner-occupied mobile homes in the community. No median was available for rental mobile homes.

The relatively high values for mobile homes are probably a reflection of the strong demand for housing that has been created by an in-migration of workers. Despite the price for mobile homes, the estimated value is well below the median for single family homes, which was above \$185,000 in Glenrock in 2017.

Recommendations: Since mobile homes represent a large share of the housing opportunities in Glenrock, emphasis may be needed to assure that this stock is maintained and provides a safe housing alternative. With a large percentage of the mobile home inventory being 40 or more years old, programs for repair and upgrades may be needed.

Since the units appear to retain their value, a program that promotes the removal of older units with replacement of newer mobile homes could also be encouraged.