



UNIVERSITY OF MINNESOTA EXTENSION

Driven to DiscoverSM



Rewriting the Rural Narrative

Moving In, Moving Out, and Moving Over: The Public Cost of Private (in)Action

**Benjamin Winchester, Rural Sociology
Extension Center for Community Vitality**

The narrative

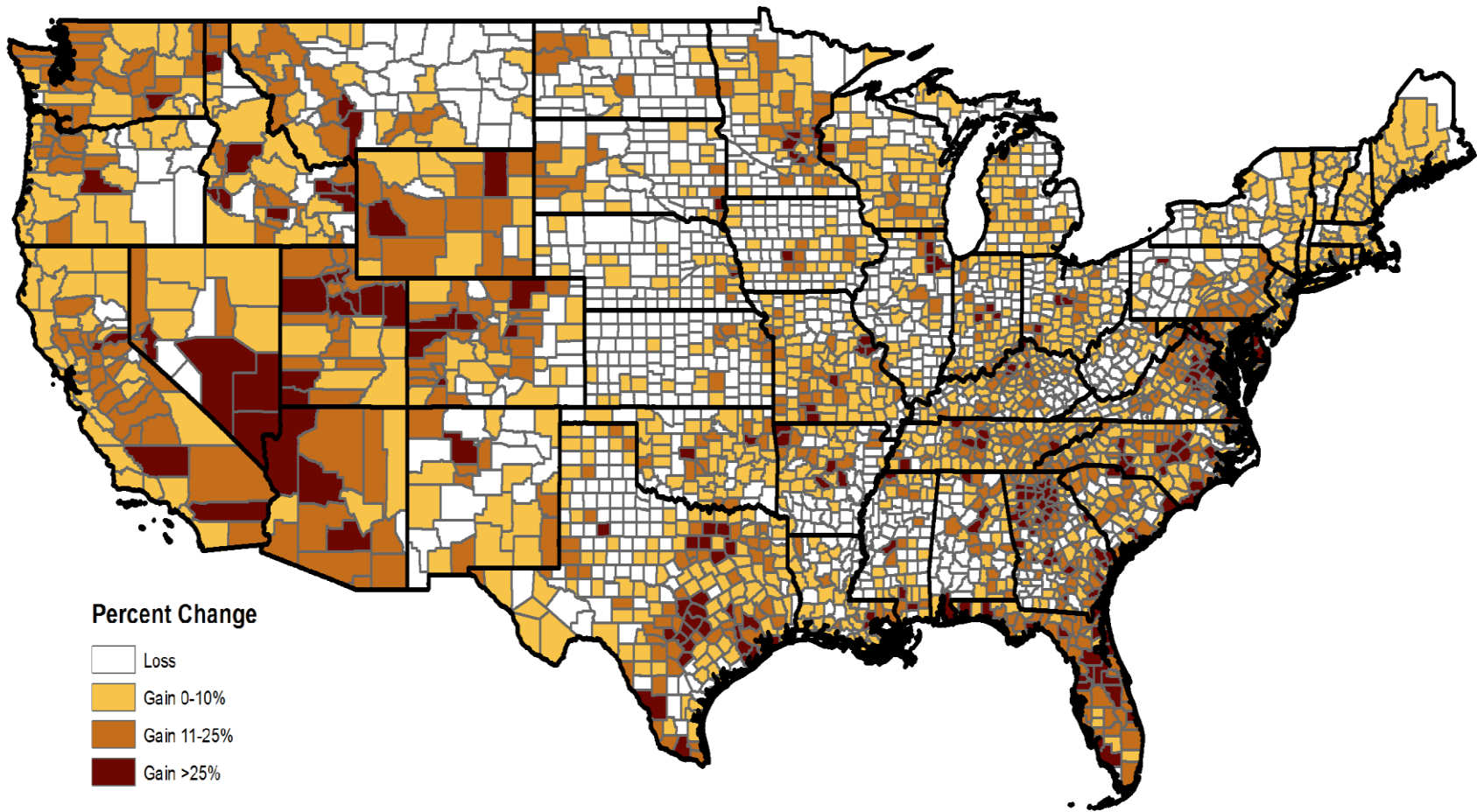
- There's a brain drain
- We live in the middle of nowhere
- We are a sleepy town
- We are dying!

It's true we've been through dramatic changes. One indicator of our decline?



Total Population Infatuation

a.k.a. If you're not growing you're dying



Percent Change

- Loss
- Gain 0-10%
- Gain 11-25%
- Gain >25%



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Total Population Infatuation

Wait, what?

Comparison Historical Population from 1960 to 2010

Community	1960	1970	1980	1990	2000	2010	% Change
UMVRDC Region	69,063	61,806	59,822	50,845	50,011	45,190	-34.57%
<i>Households</i>	19,428	19,367	22,026	20,088	19,846	20,039	3.14%
Big Stone County	8,954	7,941	7,716	6,285	5,820	5,269	-41.15%
Chippewa County	16,320	15,109	14,941	13,228	13,088	12,441	-23.77%
Lac qui Parle County	13,330	11,164	10,592	8,924	8,067	7,259	-45.54%
Swift County	14,936	13,177	12,920	10,724	11,956	9,783	-34.50%
Yellow Medicine County	15,523	14,415	13,653	11,684	11,080	10,438	-32.76%

Source: US Census Bureau





Avg. HH Size:
1940: 3.6
2018: 2.6

*With a fixed # homes, you will lose 29% pop
due to demographic destiny alone.*



Spouse passes

Population: -1

Households: NC

*Yes there is outmigration but demographics work
against growth and even stability (stagnation).*



The Narrative



County	Pop Change	Housing Change
Chase	-5%	-1%
Clay	-6%	+2%
Dickinson	-6%	+3%
Geary	-8%	+6%
Jackson	-2%	+2%
Marion	-6%	+1%
Marshall	-4%	+1%
Morris	-5%	0%



County	Pop Change	Housing Change
Nemaha	1%	+1%
Ottawa	-6%	0%
Pottawatomie	13%	16%
Riley	4%	11%
Saline	-2%	+1%
Shawnee	-1%	+1%
Wabaunsee	-2%	+3%
Washington	-7%	-1%

Population loss is demographic destiny!
(and will continue to be so)



Workforce Housing Shortages since 2005 in rural America

*Why? Not because we are dying.
It's because we are not.*

Confounds our labor force shortage.



Transfer of Wealth in Rural America

Understanding the Potential
Realizing the Opportunity
Creating Wealth for the Future

Toolkit created by: **Center for Rural
Entrepreneurship**
energizing entrepreneurial communities

In partnership with: **CMF** Council of
Michigan
Foundations

Shift indicators of “success” from
population to houses.

Housing stocks are

- 1) a measure of community wealth,
- 2) home to individual wealth, and
- 3) persistent over time.



So, Who is Moving In?



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2004, 2009, 2012

**Latest workforce
movers in 2019
(6 mo before pandemic)**

**Nebraska Buffalo Commons Research
2012**



Montana **Movers** Study, 2021
18 months into pandemic



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The Rural Brain Gain

They choose rural age

30-49

Simpler pace of life



Safety and Security



Low Housing Cost



Source: 2020 University of Minnesota Extension Center for Community Vitality. Rural workforce movers study. Funded by the U. S. Department of Agriculture.



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Newcomers: Who?



	MN	MT
Moved primarily for a job	41%	35%
Lived in the community before	25%	34%*
Have children in household	47%	39%
Household income >\$50k	75%	78%

**14% telecommute
(pre-pandemic!)**

*** Social
housing
supply?**

Source: 2020 University of Minnesota Extension Center for Community Vitality. Rural workforce movers study. Funded by the U. S. Department of Agriculture.

2021 Montana State University Extension Movers Study.

*Still, prepare for one of the largest
demographic changes to rural
America since 1930*



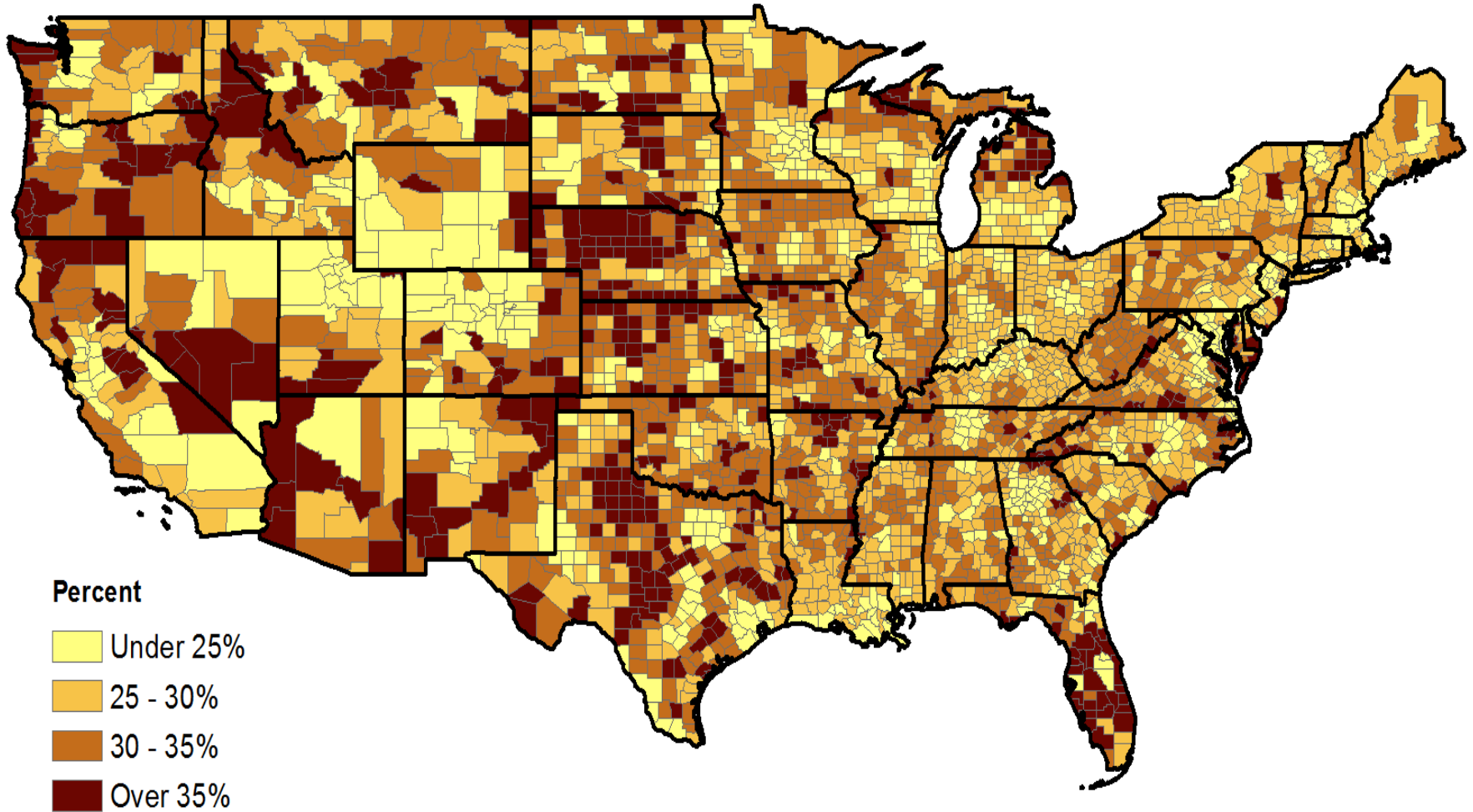
*What's is coming?
Who is in our homes now?*

First glimpses in 2010

*You can't unsee this and
say you don't see this coming.*



Percent Owner-Occupied Homes Owned by Age 65+



Source: 2010 US Census



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% of Owner-Occupied Homes, by Age of Homeowner Minnesota, 2010

	Trailing	Leading	Age 65+	Total Boomer+
1 (urban)	26%	20%	19%	66%
2	23%	24%	26%	73%
3	24%	20%	23%	66%
4	23%	21%	27%	71%
5	23%	20%	24%	67%
6	23%	22%	29%	73%
7	22%	21%	30%	73%
8	22%	22%	32%	76%
9 (rural)	22%	23%	33%	78%
Total	25%	21%	23%	68%

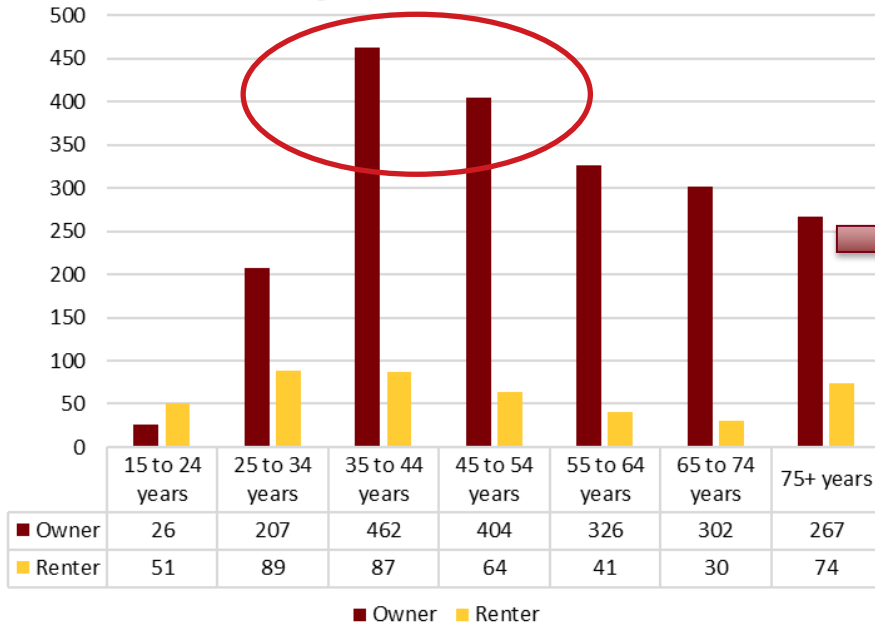
Source: 2010 US Census, Economic Research Service RUCC



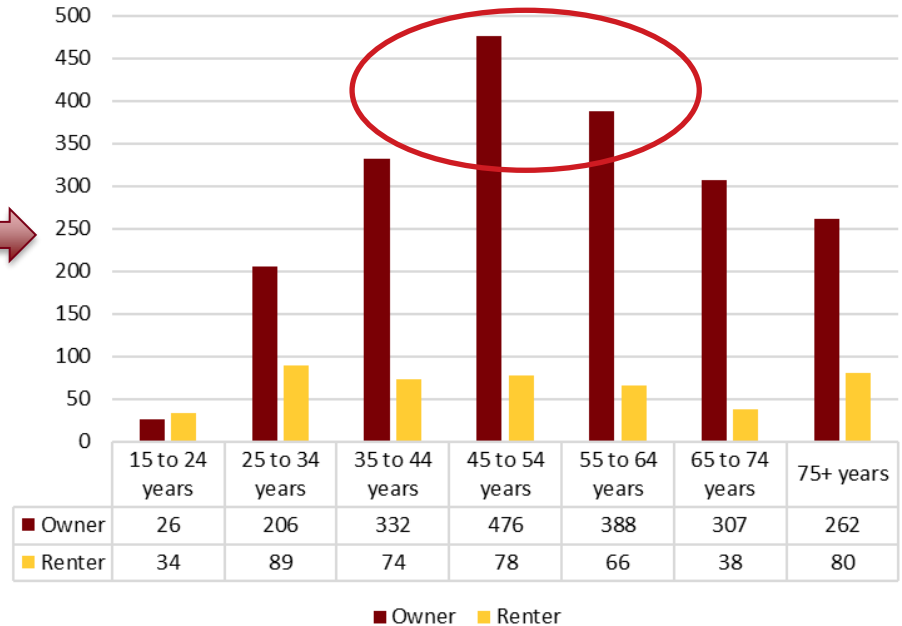
Custom Housing Profile

Baby Boomers

Ottawa County, Kansas
Housing Units, 2000



Ottawa County, Kansas
Housing Units, 2010



Source: U. S. Census Bureau: 2000, 2010 Decennial Census

Workforce housing shortage?

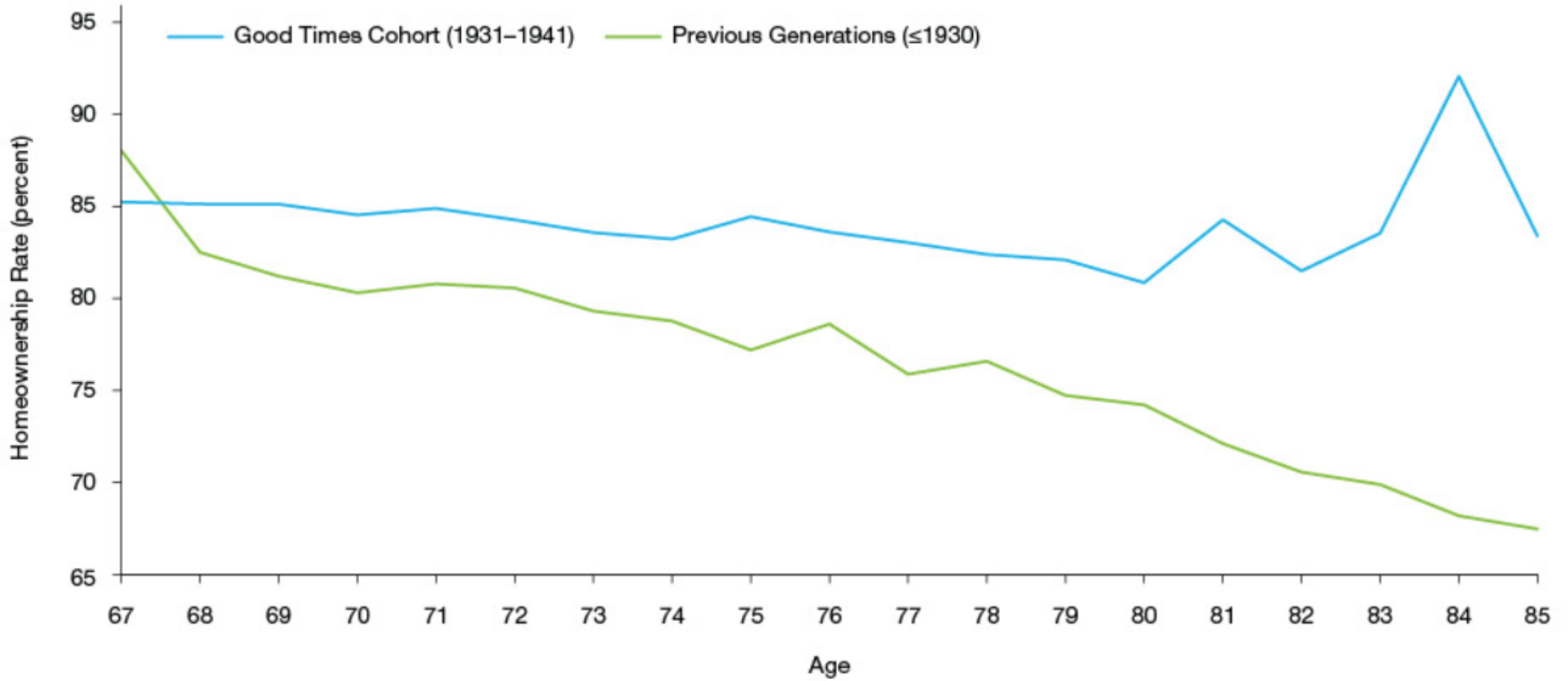
There's plenty of workforce housing, It's currently occupied by our seniors.

But that was 10 years ago,
where is the supply?




Historical homeownership rates for household heads aged 67–85

Current generations of older homeowners are holding onto their homes for longer than previous generations



Staying at Home

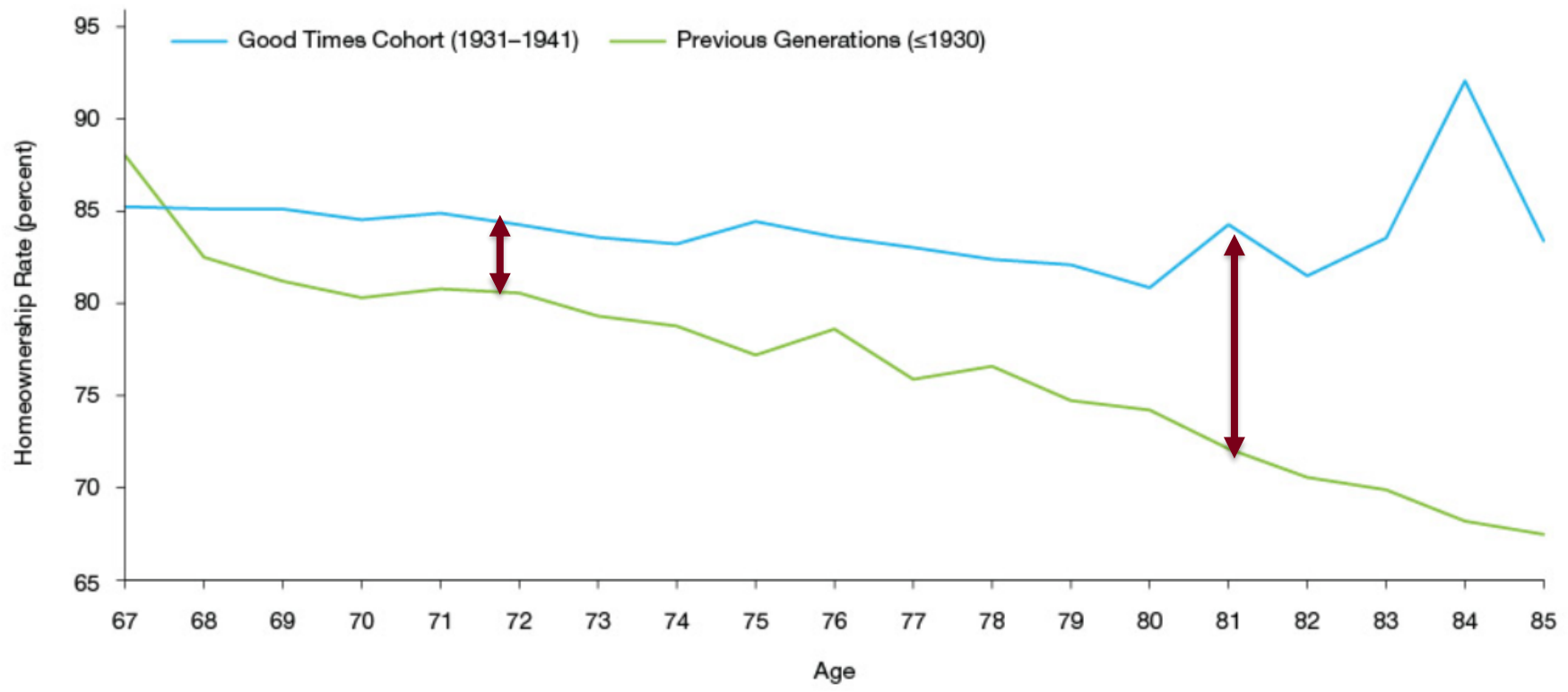


58% of older adults have not changed residences in more than 20 years

Exhibit 1

Historical homeownership rates for household heads aged 67–85

Current generations of older homeowners are holding onto their homes for longer than previous generations



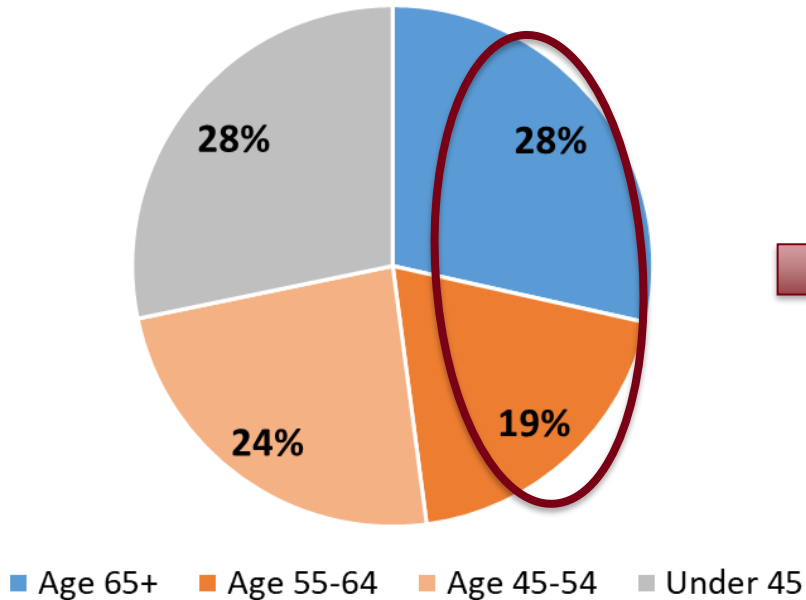
<https://familymattershc.com/the-united-states-of-aging-survey/>

http://www.freddiemac.com/research/insight/20190206_seniors_age_millennials_wait.page?

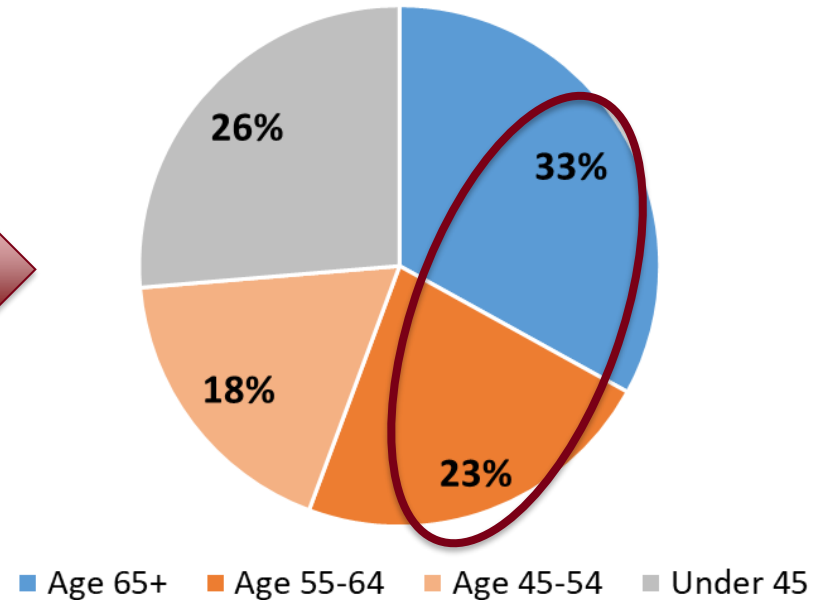
Custom Housing Profile

Home Ownership by Age

Ottawa County, Kansas
Percent of Owner-Occupied Homes by Age, 2010



Ottawa County, Kansas
Percent of Owner-Occupied Homes by Age, 2020

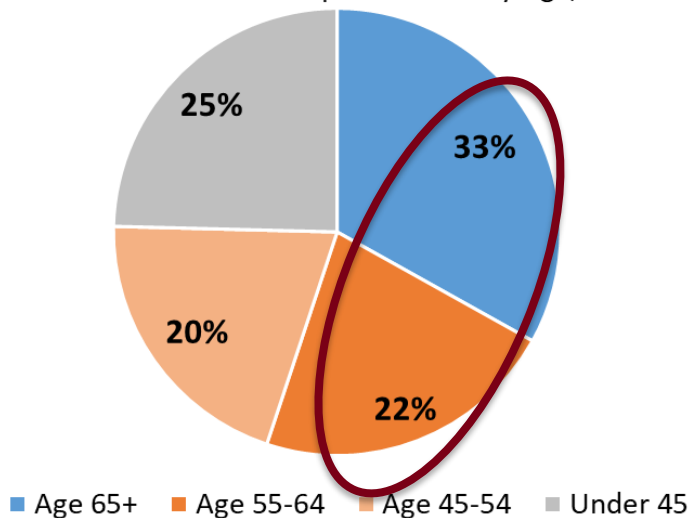


2000-2019 Population change -6%, Housing changes +0%

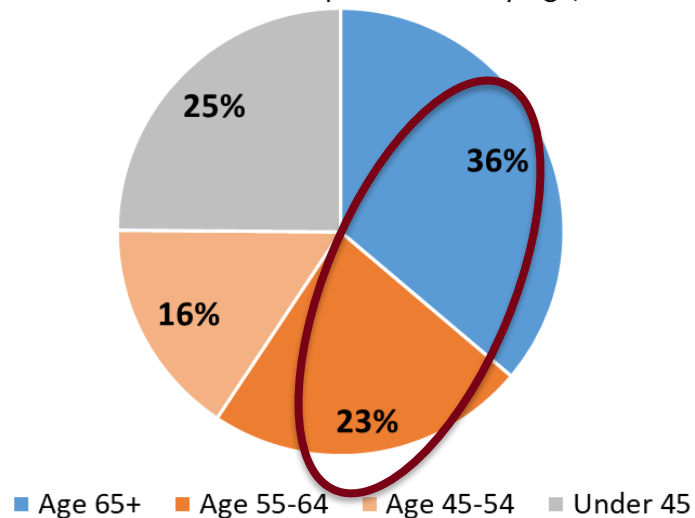
Source: U. S. Census Bureau: 2010, 2020 Decennial Census



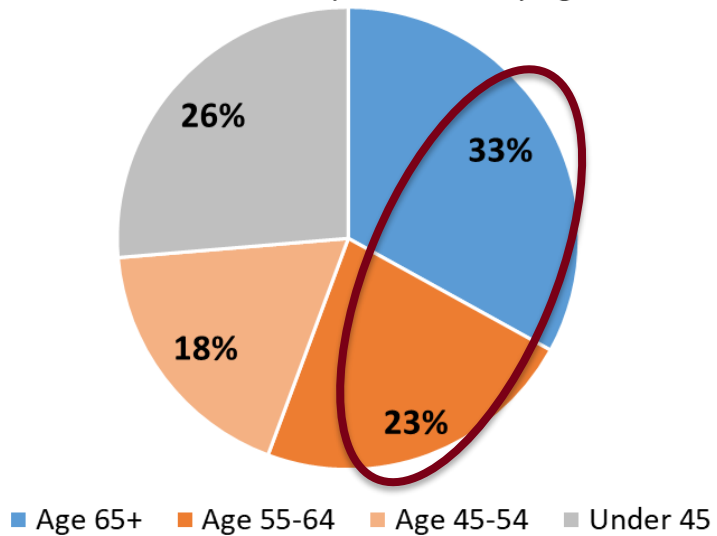
Jackson County, Kansas
Percent of Owner-Occupied Homes by Age, 2020



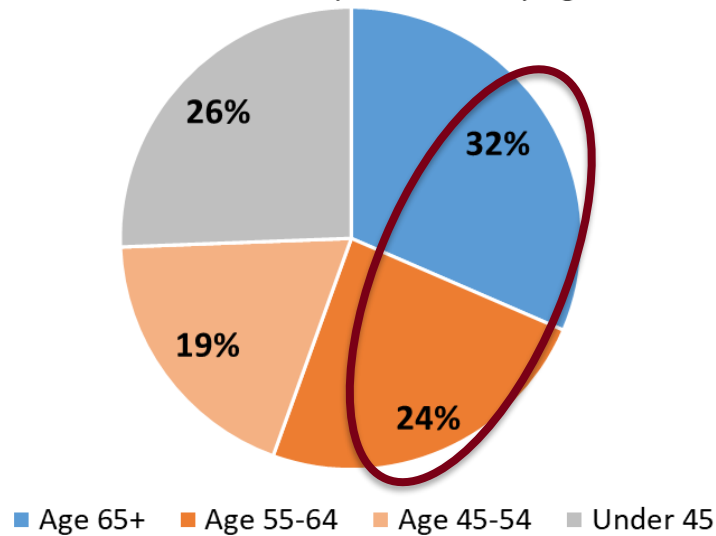
Marshall County, Kansas
Percent of Owner-Occupied Homes by Age, 2020



Ottawa County, Kansas
Percent of Owner-Occupied Homes by Age, 2020



Saline County, Kansas
Percent of Owner-Occupied Homes by Age, 2020



Housing Substitutions: Death brings rebirth

OUT

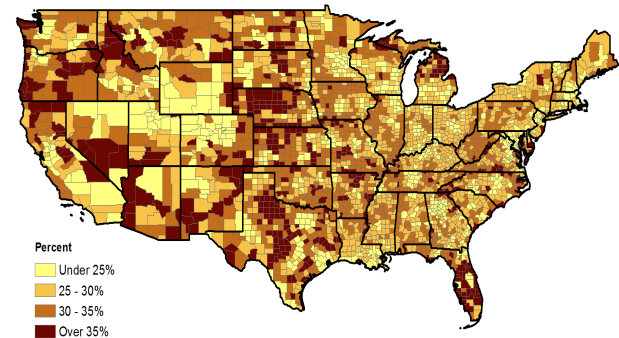
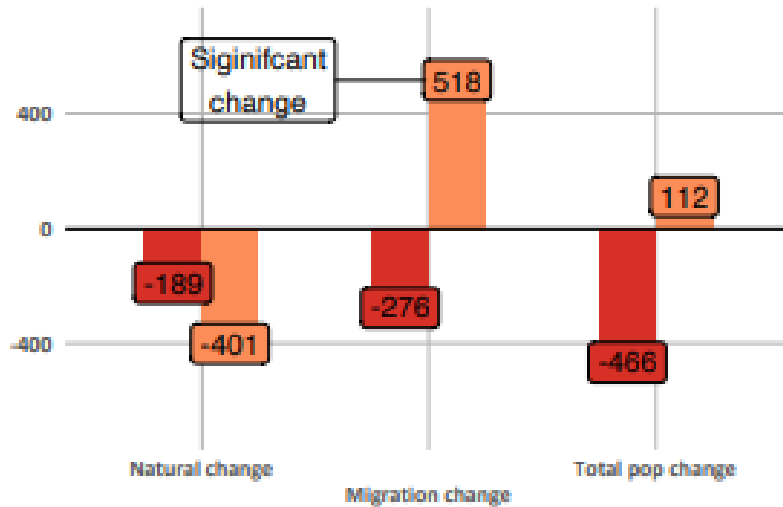


IN



47% of newcomer households have children

Entirely rural



Before the **Continuum of CARE**

there is a

Continuum of LIFE
(and it's not a straight line)



Expected Age of Retirement

	<i>Expected</i>	<i>(Actual)</i>
Under age 60:	9%	(39%)
Aged 60 to 64:	17%	(37%)
Aged 65 to 69:	37%	(19%)
Aged 70-plus:	38%	(4%)

Source: Employee Benefit Research Institute, [2017 Retirement Confidence Survey](#)



Policy of Best Intentions (this isn't really a policy)

Most Americans prefer to die at home, but less than a quarter actually do.

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2708119/>



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Intentions and Reasoning

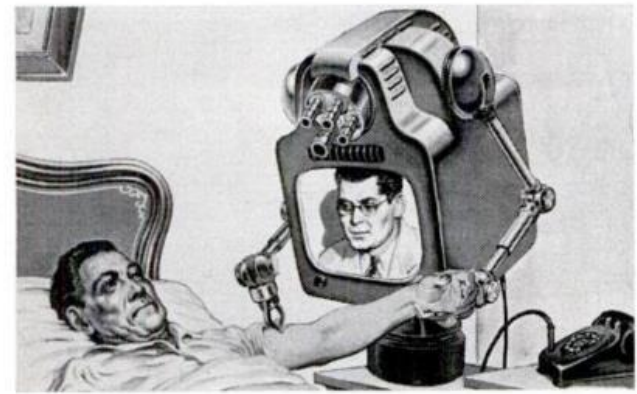
- 90% of seniors intend to stay in their homes
 - Yet only 43% found it “very easy” to live independently
- Reasoning: **Stress** of moving, **fear** of losing independence, **anxiety** over leaving community, **emotional ties** to home, **fear** of the unknown



<https://www.aarp.org/content/dam/aarp/livable-communities/learn/research/the-united-states-of-aging-survey-2012-aarp.pdf>



Aging in Place Industry



1954 Teledoctoring replaces inefficient house calls.

- Most times means current home
 - Which is described as cheaper
 - Many incentives and programs to do so
- **HOWEVER**, this inhibits migration
- Confusion : aging in Community vs. aging in House



However....these only become exacerbated when moving in emergency mode.

Stress of moving, **fear** of losing independence, **anxiety** over leaving community, **emotional ties** to home, **fear** of the unknown



<https://www.aarp.org/content/dam/aarp/livable-communities/learn/research/the-united-states-of-aging-survey-2012-aarp.pdf>



Aging in home long-term

*The relatively higher percentage of seniors living in rural communities, which, combined with their tendency to want to age in place, the emphasis on helping them do so, and the lack of assisted living facilities in rural communities, is causing not only a bottleneck in houses coming on the market but also **increasing the likelihood that the number of dilapidated housing will increase in the future.** – Kelly Asche*

What is the public cost of private inaction?

<https://www.ruralmn.org/the-workforce-housing-shortage-getting-to-the-heart-of-the-issue/>



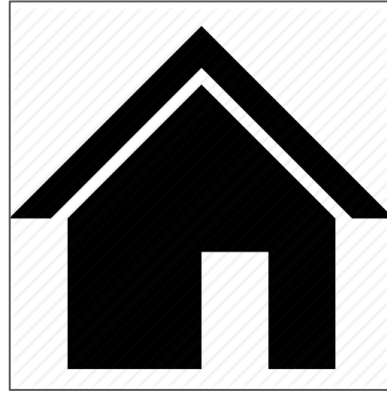
Impact of Dilapidated



\$1,000



\$1,000



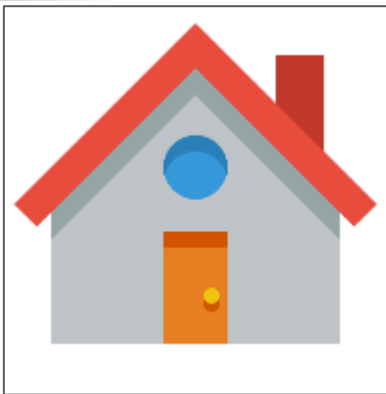
\$1,000



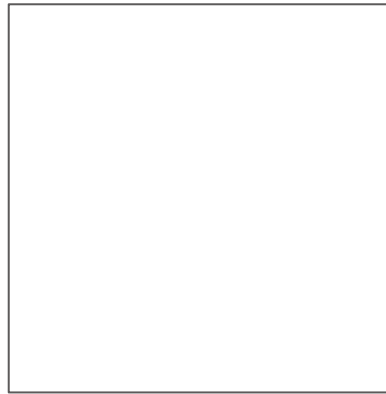
\$1,000



\$1,266



\$1,266



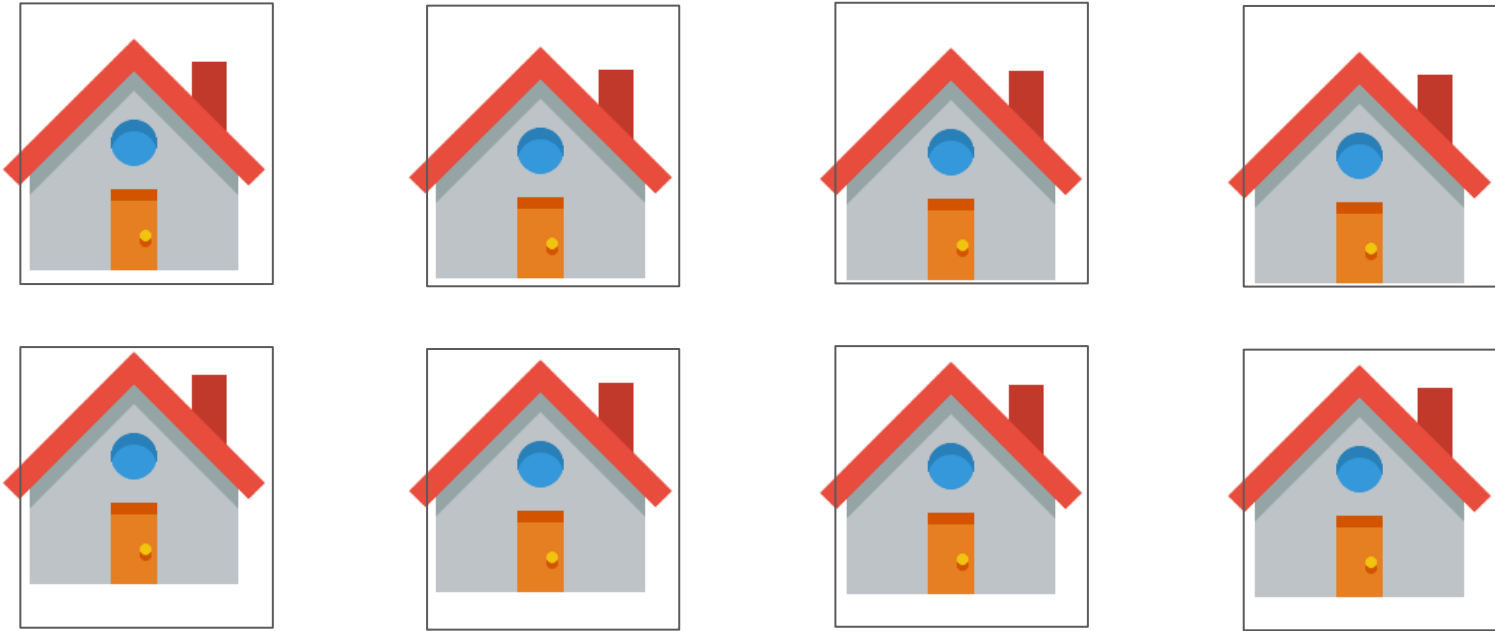
\$ 200



\$1,266



ALL Housing a Community Concern



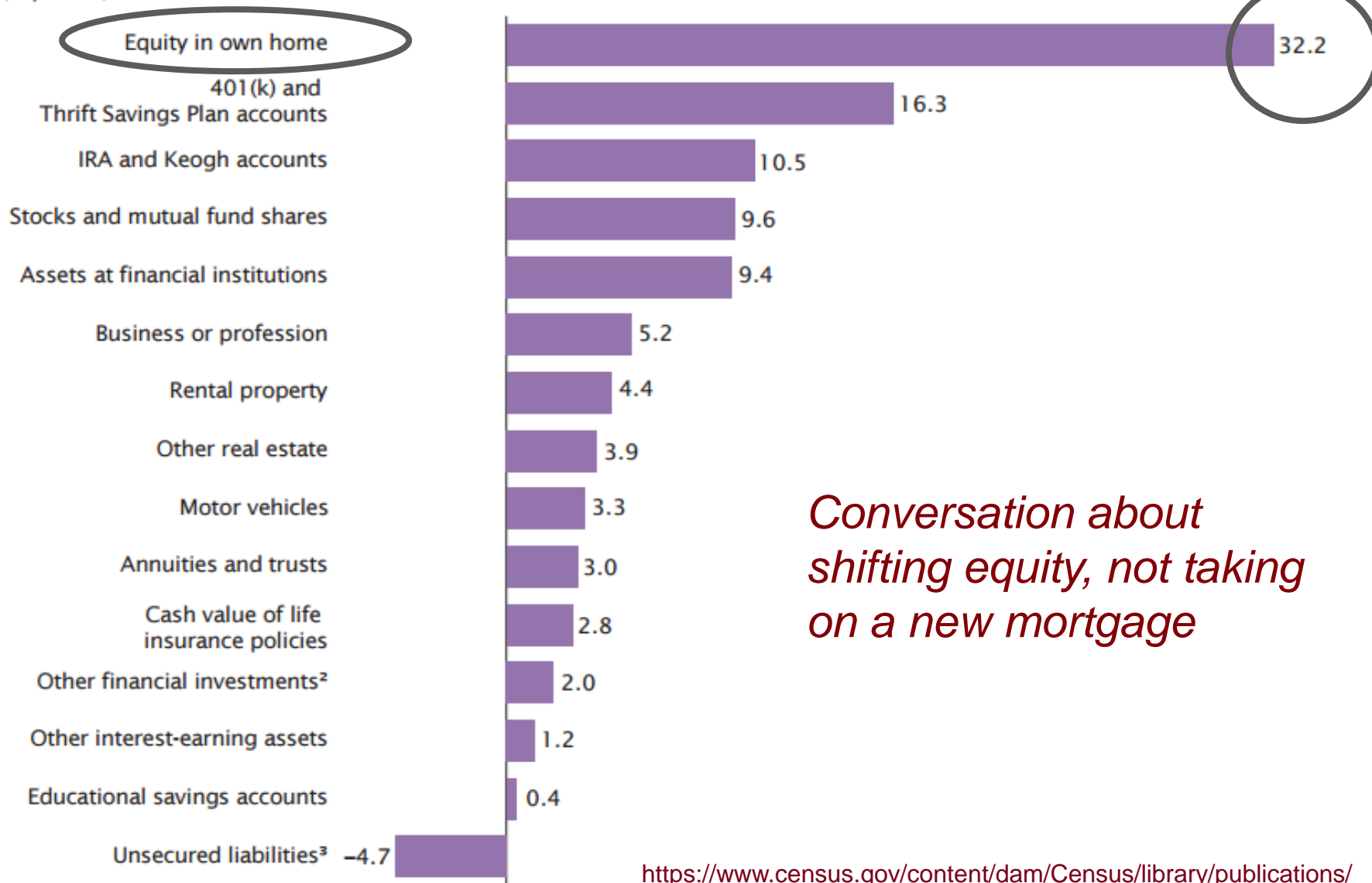
Not just dilapidated, or LMI housed



Figure 1.

Composition of Net Worth, by Asset Type: 2013¹

(In percent)



Conversation about shifting equity, not taking on a new mortgage

<https://www.census.gov/content/dam/Census/library/publications/2017/demo/p70br-143.pdf>

¹ Excludes households in the top 1 percent of net worth.

² Includes mortgages held for sale of real estate, amount due from sale of business or property, and other financial assets.

³ Because net worth is assets minus liabilities, unsecured liabilities are subtracted from the distribution of net worth and are shown as negative.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2014 Panel.

Moving Over



- When seniors move over this opens their house up for supply.
- Inhibiting factors **stress and fear**
- However, making “move over” decision during emergency mode only increases these stresses!
- Maybe lift up the **stories of disaster** where best intentions go wrong as cautionary tale



Patio Homes

They have manageable, senior-friendly floor plans, and often provide landscaping services, minimizing upkeep for the residents.



The Economic Case

Retaining Retirement Dollars and Transfer Receipts

Retirement (Social Security only) and disability insurance benefits and Medicare/Medicaid benefits

Source: Regional Economic Information System, Bureau of Economic Analysis





Jobs



Transfers

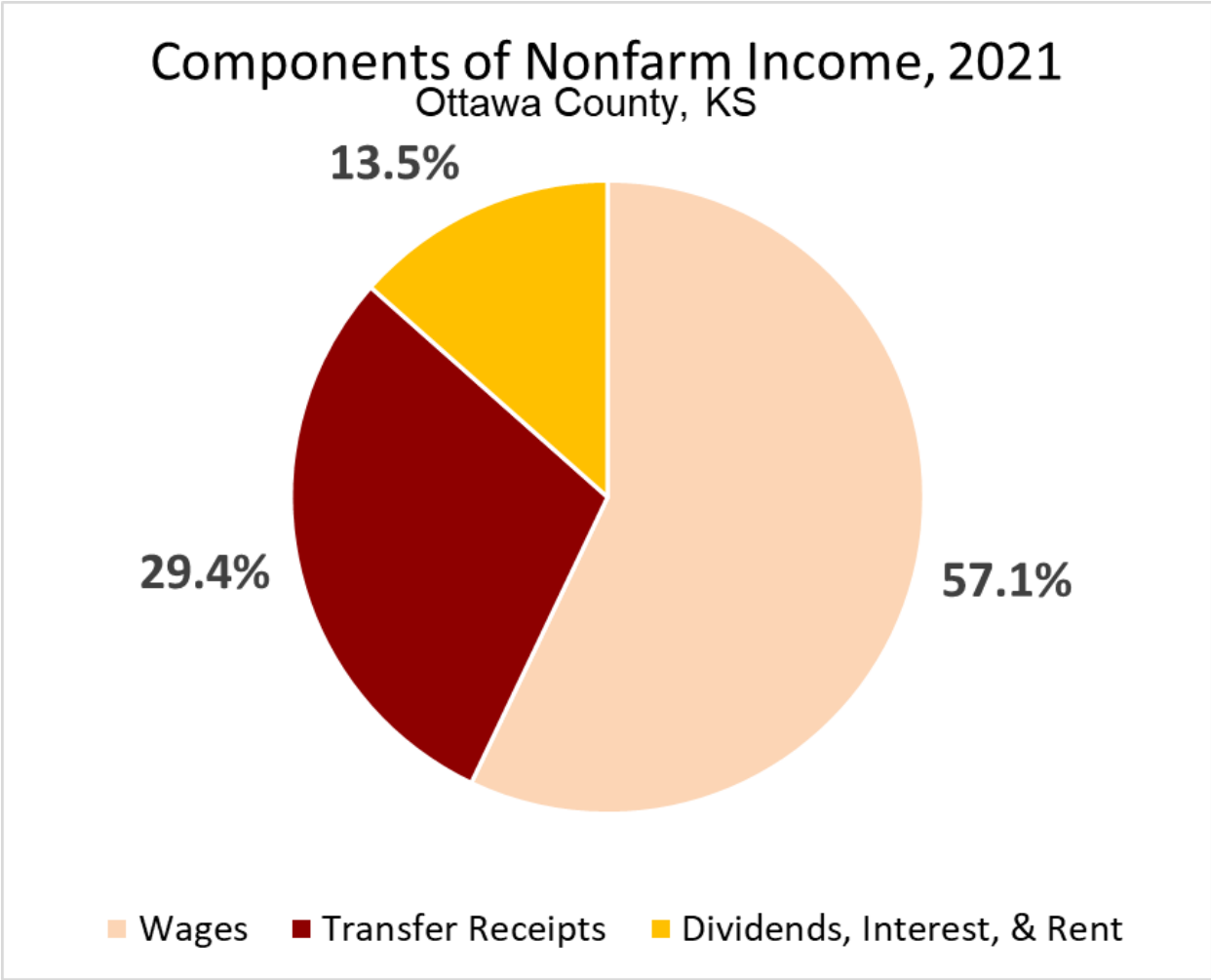


**Dividends
Interest
Rent**

Not all county income comes from just the jobs



Components of Income



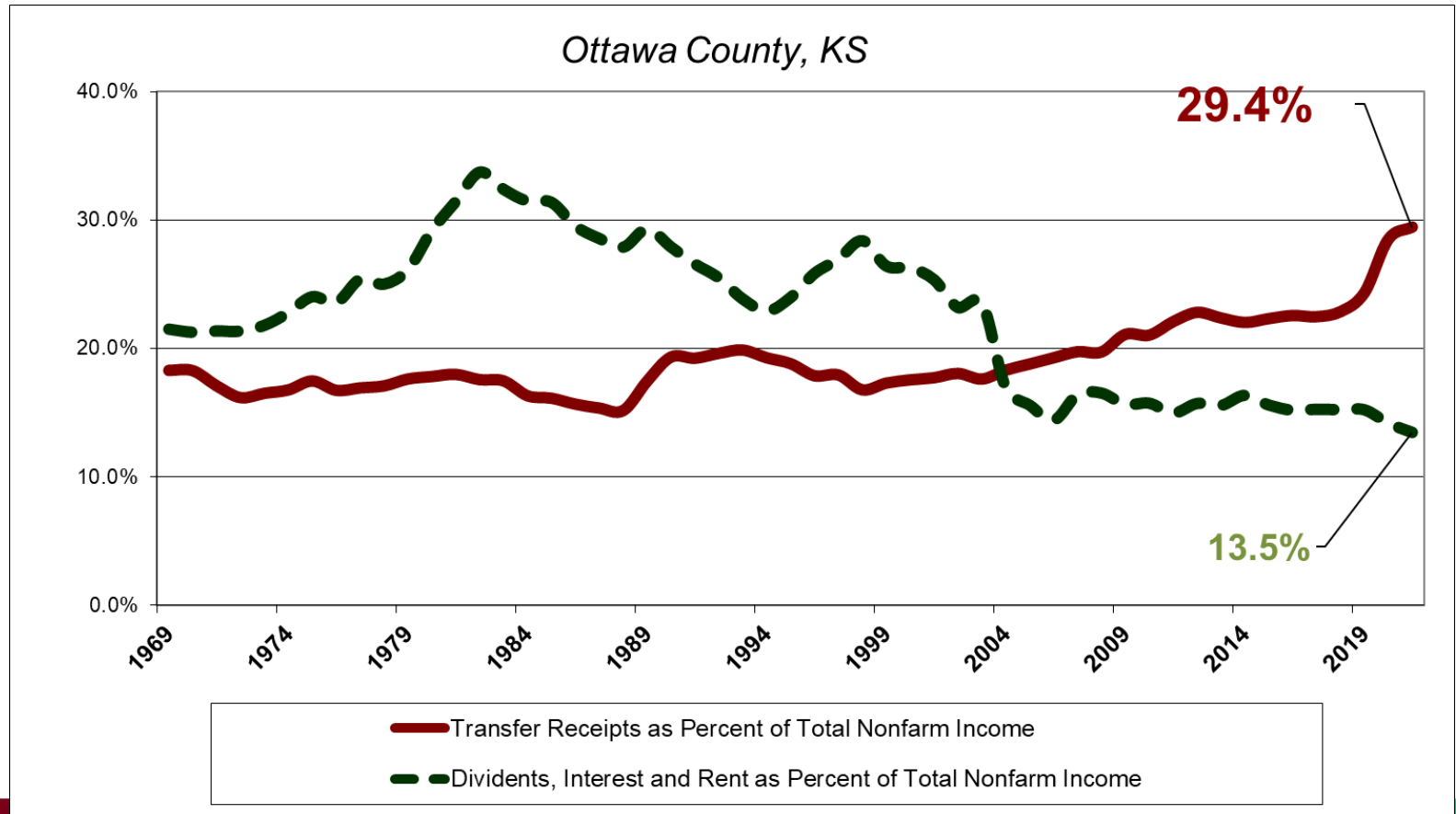
Div, Int = Dividends, Interest



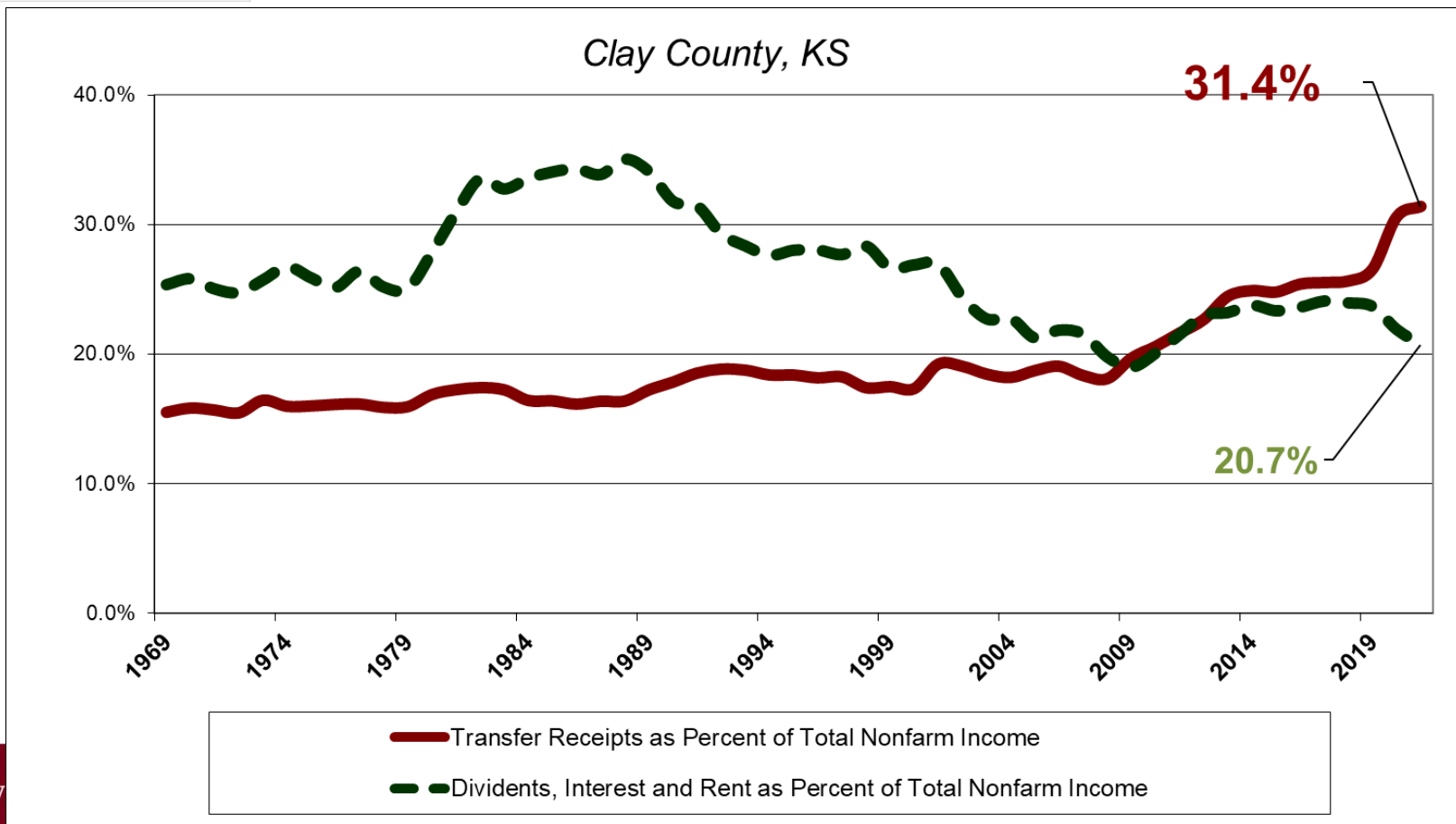
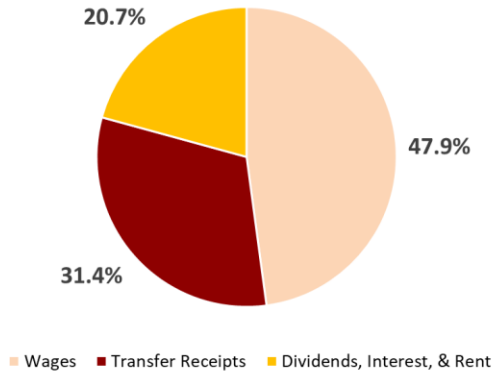
Transfer Receipts are composed of Retirement (Social Security only), disability insurance, and Medicare/Medicaid benefits.

This data does not include private retirement accounts such as 401(k) or Roth IRA.

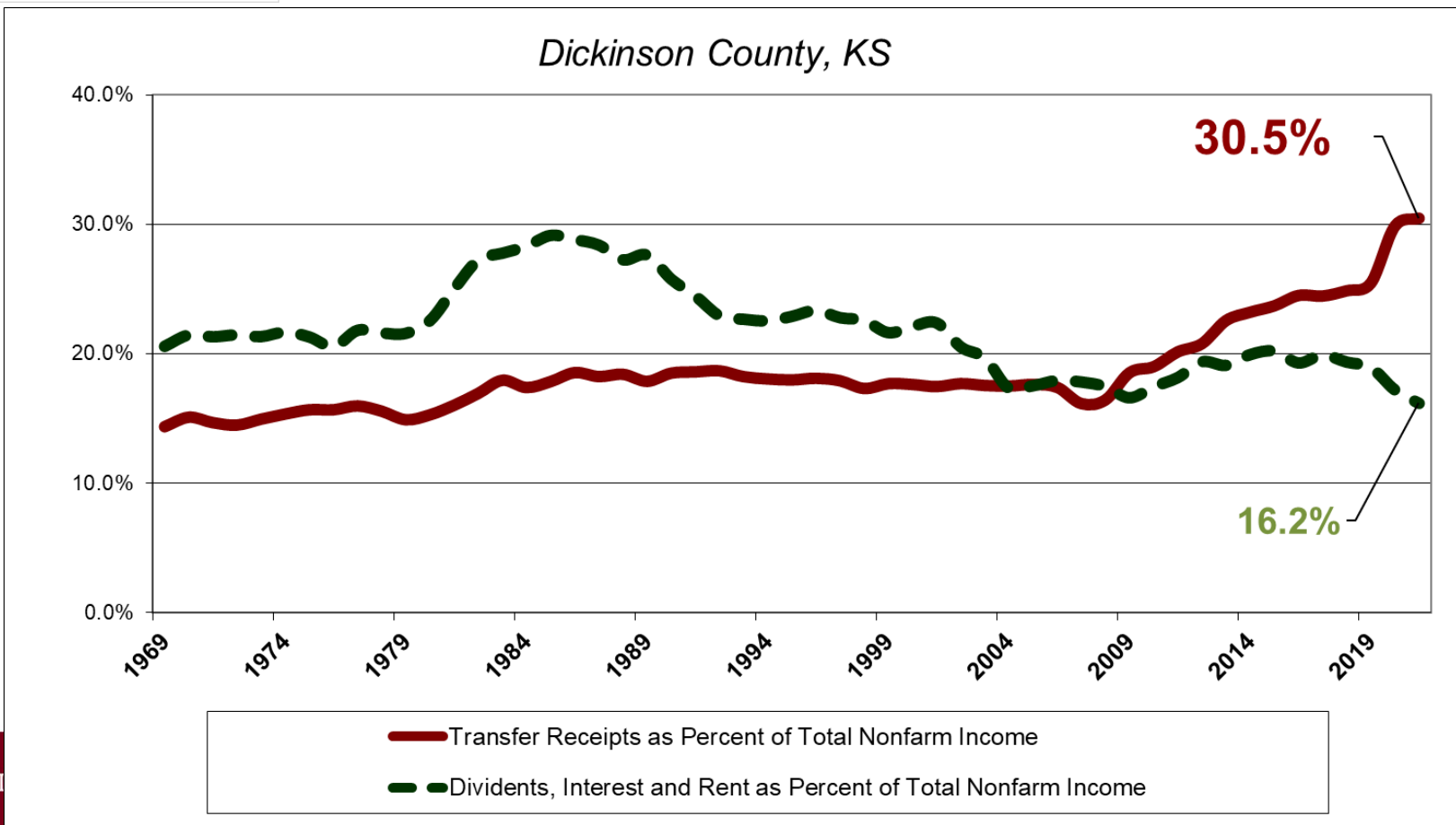
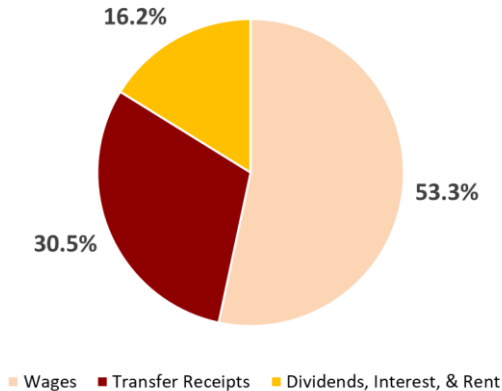
If there's no "move over" housing we risk losing this income.



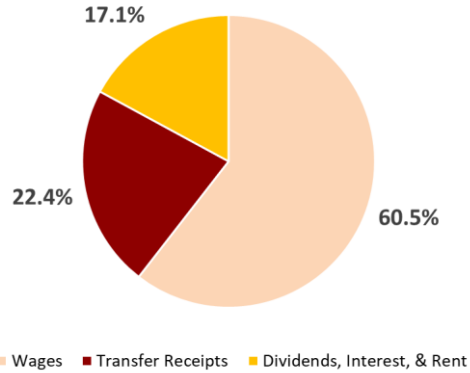
Components of Nonfarm Income, 2021
Clay County, KS



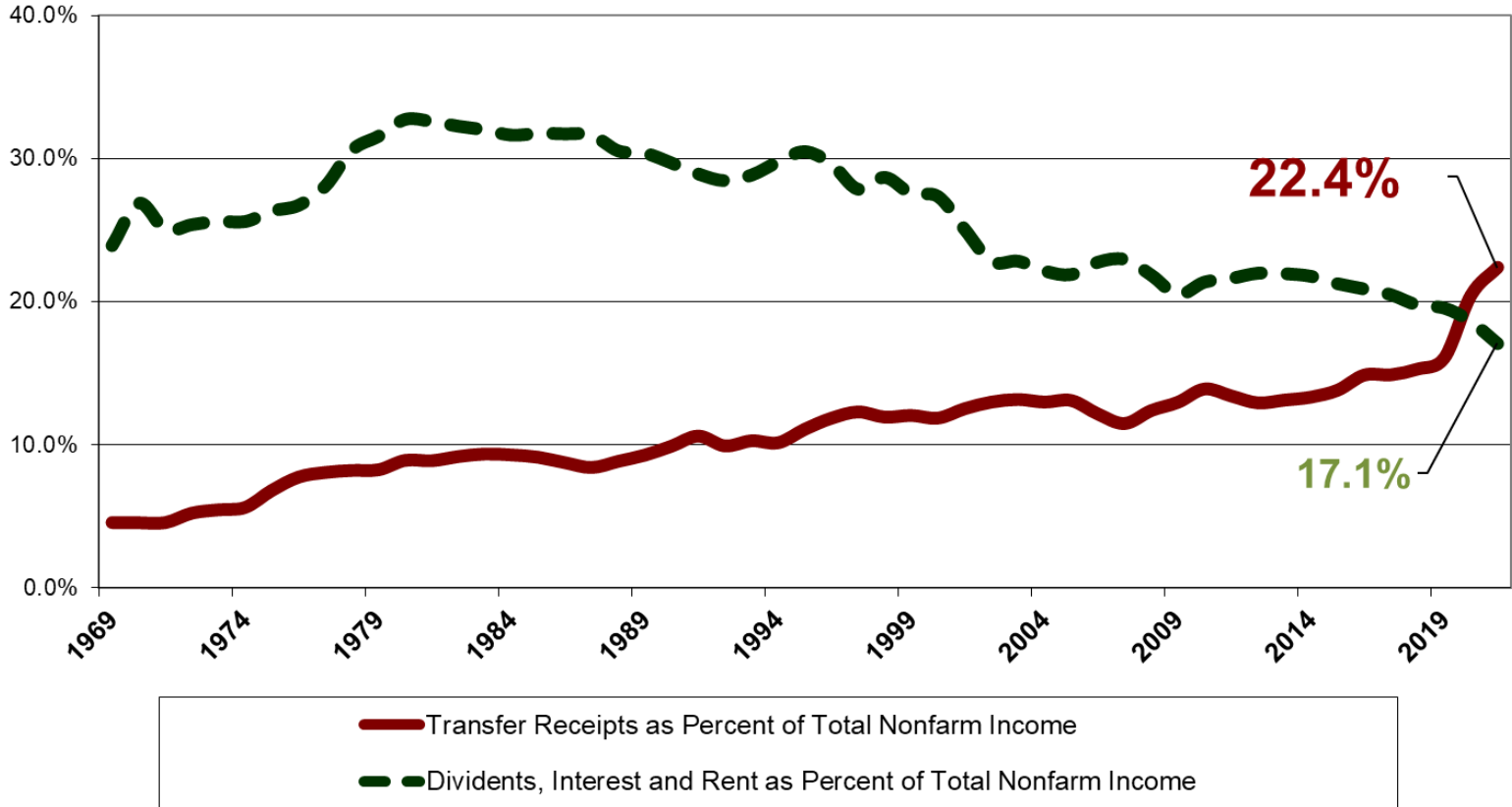
Components of Nonfarm Income, 2021
Dickinson County, KS



Components of Nonfarm Income, 2021
Geary County, KS



Geary County, KS



A Senior Service Economy

- Local economy is only going to become more integrated with Senior/Baby Boomer related economic services
 - Health services already employment driver
- We should want to retain these transfer receipts
- “Move over” housing is the opportunity
 - Current home may be only equity of people



So, ALL housing is a key

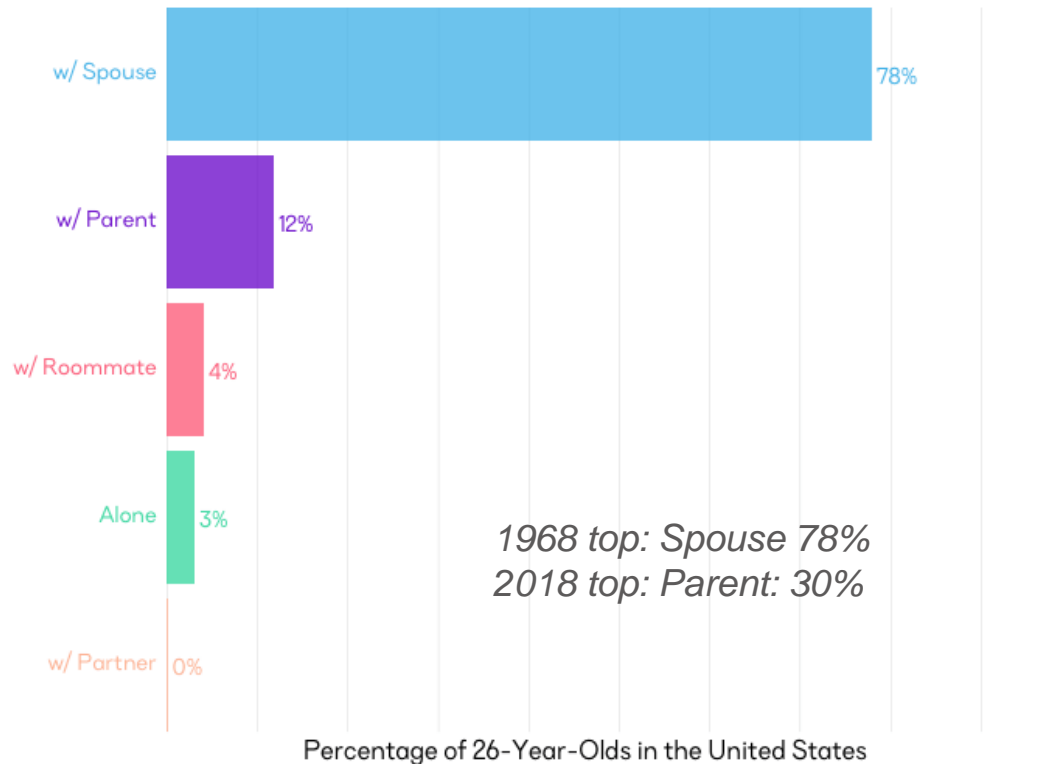
We build supply in workforce housing by making the existing housing stock available.

A house is not just a private asset, but also a **COMMUNITY** asset that (we hope) persists over time.



Return of multi-generational housing

Who Do America's 26-Year-Olds Live With?
1968

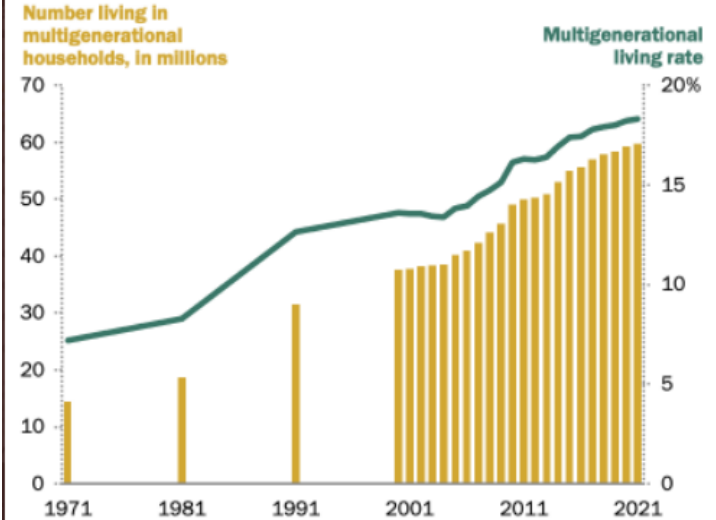


Data Source: US Census Bureau, Current Population Survey



U.S. population in multigenerational households quadrupled since 1971

Number and % of people who live in multigenerational households in U.S.



Note: Multigenerational households include at least two generations of adults mainly 25 and older or grandparents and grandchildren younger than 25.

Source: Pew Research Center analysis of Current Population Survey Annual Social and Economic Supplement (ASEC) data files for 1971, 1981, 1991, and 2000-2021 (IPUMS). "Financial Issues Top the List of Reasons U.S. Adults Live in Multigenerational Homes"

PEW RESEARCH CENTER

Married with Children (Nuclear HH)

1960: 44.2%

2021: 17.8%



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Why the Pandemic Is Making Some City Folks Think Rural

Drawn by remote work, perceived safety and lower cost of living, some young people are making the move.

Americans Big on Idea of Living in the Country

BY FRANK NEWPORT

People Fleeing Big Cities May Spur Economic Growth In Smaller Metros



Remington Tonar and Ellis Talton Senior Contributor
Leadership Strategy
We explore urban innovation and infrastructure.

Millennials Could Be a Boon to Smaller Communities. How Can Those Towns Attract Younger Workers?

Time To Move? Data Suggests Americans May Flee To Rural Areas Post-COVID



Jeff Rose Contributor
Personal Finance
I'll show you a new way to accelerate your wealth building.



The Heartland's Revival

by Joel Kotkin



Related Trends

Speak Your Piece: Is Airbnb Killing the Rural Rental Market?

Property owners say they can generate more profit and fewer headaches by renting to vacationers instead of local residents. The boom in short-term rentals could have some long-term consequences in the rural housing market.

Zillow, Other Tech Firms Are in an 'Arms Race' To Buy Up American Homes

"iBuyers" are gearing up to grow massively in the coming years, with unforeseen consequences for the U.S. housing market.

MS By Maxwell Strachan



Report: 44% of all Single-Family Home Purchases were by Private Equity Firms in 2023

News



medium.com



https://twitter.com/KirkSiegler/status/1481312896277614595

Institutional investors are stiff competition for homebuyers

Amy Scott | Apr 13, 2021

Heard on: MARKETPLACE



Pandemic homes sales were NOT all Arms-Length Transactions



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Engagement: The House Here



- Vacant or new property
- Property entering or leaving the market
- Strategy to work with buyers, or sellers, or both?
 - Unnatural partners: Construction, lumber yards
- Talent Pipeline is vital!

Build Dakota Scholarships



Program Details

- Both in-state students and out-of-state students are eligible for the scholarships.
- Scholars of all ages are welcome to apply.
- The scholarships will support tuition, fees, books and other required program expenses in the eligible technical institute programs.
- Recipients of the scholarships will commit to living and working in the state, in their field of study, for three years following graduation.
- In the first five years, a projected 300 scholarships will be awarded annually. Beyond the first five years, the endowment will support approximately 50 full-ride scholarships.

Student Commitment

- Enroll full-time in a technical institute program determined as high-need workforce area in South Dakota
- Following graduation, work full-time in field of study in South Dakota for a minimum of three years.



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Engagement: The People Here



- Begin discussion about:
 - intentions of those in the house
 - conditions in and out of the house
- Can be sensitive to poor conditions



Engagement: The People Here



Engage seniors and their families, start discussions about community **housing succession.**

*Appeal to **sense of continuity** for families and the community.*

Replace the roof for the next family that cannot afford it, or may not be eligible for weatherization programs.



Community Succession



Maybe one of the best things you can do for the future of your community is to ensure there is somewhere for people to live.

More broadly, community succession plans for housing, leadership, and businesses





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Thank you for writing your narrative.

Ben Winchester
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@GrokRural

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