Direction 2030: Your Voice. Your Choice
Technical Task Force
May 9th, 2012 Meeting

Attending: Samantha Brown, Richard Harrison, Mike Schoettelkotte, Brian Miller, Dan Allen, Tara Ford, Diana Rigg, Thomas Witt, Jim Kreissl, Emi Randall, Tim Bender, Rebecca Weber, Steve Wieland, Simon Bradley, Mary Singler, Marc Hult.

Staff: Keith Logsdon, Sharmili Reddy, Jenna Haverkos, Edward Dietrich, Martin Scribner, Brian Sims.

The meeting began with a review of the March meeting minutes. With no changes to the minutes to note, Mr. Dietrich introduced Michael Dinn, of Dinn Force Marketing, to present his housing market assessment and begin a discussion with the task force around the topic of housing.

Housing Market Overview – Presentation by Dinn Force Marketing
Michael Dinn, of Dinn Force Marketing, provided the task force with a broad understanding of the current housing market with particular focus on the current national market cycle, some local context, and the major housing market drivers.

The National Market – Mr. Dinn explained to the task force that we are seeing the end of a 20 year housing cycle that began in 1991. This current housing cycle has lasted two to three times longer than any other housing cycle in our history and has shown that the fundamental demand for housing has changed. This elongated cycle actually drove through a recession and into a hyper market in 2003. The ability of rental households to afford home ownership, due to subprime lending with no money down, ate into the housing supply. Housing production spiked in the early to mid 2000’s and fell sharply in 2007 in many metro areas throughout the country. As this 20 year housing cycle draws to a close, Mr. Dinn asked the task force to consider the changing make up of households over the past two decades.

Local Context – The Cincinnati Metro market area is a traditionally conservative market and is therefore somewhat insulated from significant market fluctuations. Observations of this metro area throughout the 20 year cycle have indicated that this area did not experience as dramatic of an increase or decrease in the housing market and activity levels have begun to return to the levels seen around 2005. Housing prices, however, appear to have lost about 10 years worth of growth and now appear to be on trend to about 2002 levels. Mr. Dinn noted that new housing production will be the last portion of the housing market to recover and this has not yet happened. Task force members noted that new home production in Northern Kentucky is currently about 20% of what it was in 2006. Though new home production is still lagging the resale market does appear to have recovered.
Market Drivers – Mr. Dinn views the current housing market struggles as an opportunity to examine the market and make corrections where necessary. When asked about how to plan for future housing when the market seems to be changing dramatically, Mr. Dinn explained that it is important to have a variety of housing products to suit the differing needs and preferences of the community. The housing market is driven by several key factors which are fundamentally changing the demand for housing both nationally and locally. Market drivers include:

- **New Household Formations** – The number of newly formed households has been falling in recent years. This can be largely attributed to the fact that, 29% of those between the ages of 25 and 34 now live at home or have moved back home because of economic times. New households are not forming at the same pace as in previous decades.

- **Workforce Growth and Job Creation** – For the first time in our history, the national trend is that the workforce population is actually declining. Locally, this trend does not appear to be declining as significantly.

- **Clear Preference for Walkable Communities** – There is a clear preference to live in walkable communities as people desire and seek out connections to amenities outside of their homes. Mr. Dinn articulated that metro market competition is driven by those who are able to vote with their feet. If this community does not provide for the preferences of college age individuals, they will move away.

- **Growing Preference for Rental Housing** – There is a growing preference for rental housing within our community, though Mr. Dinn points out that there is an undeniable intrinsic value and emotional connection to home ownership.

- **Infrastructure and Service Capacity** – Infrastructure and service capacity is the life blood of a community and demand for regeneration of these items can be seen in such areas as Los Angeles; but it not yet seen as clearly in our metro area.

- **Zoning** – Housing selection is usually based on the product available at the time someone is able to purchase. Zoning drives the product choices made available to a community and can create barriers to diversification of housing supply available on the market.

Technical Task Force Policy Discussion

**Housing Variety** – Planning for the future in a changing market can be challenging. Mr. Dinn indicated that a variety of housing types are needed in order to remain flexible to the changing and uncertain market. Some committee members feel that we may be over regulating and prohibiting the flexibility necessary to adapt to changes in the market. It was noted that older residential communities tend to have a variety of housing options while newer communities seem to have fewer choices of housing variety. Some committee members indicated that they feel zoning regulations may be too rigid and may actually be adding to the challenges of providing a variety of housing to the community. Some task force members feel that over prescriptive regulation reduces creativity and innovation and therefore, limits the housing options provided to the market. Discussion also included the concern that generally people will pay for some green items but not all. If viewed as too expensive, people tend to opt for traditional items rather than green items.

**Live, Work, Play Triangle** – National studies indicate that a large majority of those surveyed, view homeownership as a high priority. However, these surveys are also indicating that many prefer the same nice amenities in their homes, but prefer the homes themselves to be smaller. Generally, surveys are indicating that people are seeking a smaller live, work, play triangle than in previous decades and
they are willing to accept this in either an urban or suburban environment. Task force members indicated that this community’s old neighborhoods were once healthy and need to be made healthy again. Bellevue was discussed as a local example of a healthy neighborhood because it is vibrant, has things to do, and is walkable. It seems that housing is developing faster than amenities in many areas but healthy neighborhoods tend to have both. Committee members indicated that they feel older buildings should be reused because they tend to withstand the test of time far better than newer frame construction homes.

Today’s market appears to have a strong demand for single floor detached housing located within an urban setting. This is a product which is not often feasible and committee members discussed how the use of elevators can help to make urban housing more desirable. This can also allow people to age in place even if that place is in the suburbs. One challenge to aging in place within the suburbs, is not having ability to walk to amenities rather than drive. Kenton County does not have many vibrant walkable neighborhoods. Having a destination is important in making a place walkable and to transform the suburbs into walkable neighborhoods will take bold moves.

*Mix of Uses* – A walkable community can mean different things. A residential only community with sidewalks and trails with a park, playground area and club house is walkable and residents do enjoy these amenities. Finding a mix of commercial and residential uses in a suburban environment can be a challenge as often the commercial component is not developed until the residential population has been established. Fort Mitchell was indicated as a local example of a desirable community because of its charm and its mix of housing styles and densities. Fort Mitchell has locally owned small businesses, tree lined streets, and nice homes, but housing in this area tends to be expensive. The committee questioned whether or not a community like this can be created at an affordable price.

Allowing for multiple types of housing within a development or neighborhood can improve community viability. A desirable neighborhood with a mix of housing can be healthier than a residential area with a very narrow selection of housing. Other parts of the country are trying new things with zoning that allows for a larger variety residential and commercial development and this seems to be working. Current zoning regulations do not allow for the types of options presented during this committee’s discussion and Task Force members indicated that the ideal would be to modify zoning regulations rather than deregulate. The goal may to be to begin contracting the existing live, work, play triangle within Kenton County.

The committee discussed the local development in Carthage Mill. The area was rebuilt to resemble an older neighborhood. It was built for and attracted working class buyers. Most redevelopments like this have to be subsidized. Public money is used in different ways, but using it for the purchase of land, demolishing existing structures, and reestablishing utilities are the most common. Experience has shown that having amenities close by adds to the success of infill/redevelopment projects.

*Connectivity* – For a neighborhood or community to be a desirable place in the long run it needs to be well connected to surrounding neighborhoods and communities. This is regardless of the age group or demographic to which the development is marketed. This seems to be a challenge for the local market. The discussion seems to indicate that the ideal is the early suburbs that tend to be well connected, walkable, but still allow people to have their own space. The committee indicated that this can not be
forced; rather, the market has to be the driving force. The community needs to ensure that zoning does not stand in the way of the market. This task force noted that current zoning needs to be improved and that amenities such as pathways or trails, are desirable and can have a positive impact on communities. The importance of destinations linked by trails is very important. The Licking River greenway is a good example of how the use of public money can be used to initiate such projects. Projects such as this are bold steps that can have a significant impact on the overall community.

**Comprehensive Plan** – The task force indicated that it is appropriate for the comprehensive plan to identify strategic areas where redevelopment should occur. These redevelopment areas may need more than the inherent force of the market to spur action. The committee indicated that there are likely areas within the county which could be transformed into more walkable communities more easily than others. And, planning efforts would be best suited to start in these areas such as first ring suburban neighborhoods could be transformed with a proportionally small investment of public funds.

**Additional Information/Material**
Diana Rigg, of Vision 2015, informed the committee that she is currently in the process of conducting a study of the local housing market. Using Census data, she is examining housing availability, vacancies, homeownership and gross rents as a percentage of income by census tracts. A completed report will be available in Mid June on Vision 2015’s website.

Attached to this document are three additional sources of information surrounding the topic covered at this task force meeting.
- **Attachment 1** – Housing Facts sheet, provided by Emi Randall of OKI Regional Council of Governments
- **Attachment 2** – Executive Summary of The Shifting Nature of U.S. Housing Demand, created by The Demand Institute and provided to NKAPC by Michael Dinn of Dinn Force Marketing.
- **Attachment 3** – City at the Mills of Carthage: A Brownfield Springs to Life. This article was published in the Winter 2003 issue of Modern Homes Development and provides some information about the Mills of Carthage development located in Cincinnati. Referenced to this development was made during this task force meeting discussion. More information about the Mills of Carthage can be found at:
Housing Facts

Housing in Kenton County

- The median year of construction for homes in Kenton County is 1968.
- The median home value is $147,900
- Kenton County has approximately 69,000 housing units, 90% of which are occupied. Of those occupied, 68% are owner-occupied and 32% are renter-occupied.

Kenton Co. Housing, Number of Bedrooms

<table>
<thead>
<tr>
<th>No Bedroom</th>
<th>1 bedroom</th>
<th>2 bedrooms</th>
<th>3 bedrooms</th>
<th>4 bedrooms</th>
<th>5 or more bedrooms</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.8%</td>
<td>12.2%</td>
<td>29.1%</td>
<td>36.8%</td>
<td>17.0%</td>
<td>3.1%</td>
</tr>
</tbody>
</table>

Affordable Housing

Affordable housing is often misunderstood and seen as undesirable by many communities. The appropriate measure for housing affordability is the housing cost burden, or the percentage of a household’s income spent on housing. Households spending more than 30 percent of their income on housing have an excessive cost burden.

- According to the 2008-2010 American Community Survey, more than 24 percent of all households in every county in the region have an excessive housing cost burden
- In the 14-county metropolitan area, the number of households experiencing severe housing cost burden has increased significantly, from 18.2 percent in 2000 to 26.5 percent in 2010, according to the 2011 Housing Report by Affordable Housing Advocates.
- Existing affordable housing is most often in the urban core, is aging, and is often in poor condition. In addition, the recent economic crisis has left many vacant homes and blighted neighborhoods throughout our region.

OKI Region Housing Costs

<table>
<thead>
<tr>
<th>Geography</th>
<th>Annual Housing Costs (Median $)</th>
<th>Household Income Level (Median $)</th>
<th>% of Household Income Spent on Housing (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Less than 20%</td>
</tr>
<tr>
<td>Dearborn</td>
<td>11,268</td>
<td>55,994</td>
<td>46.4</td>
</tr>
<tr>
<td>Boone</td>
<td>13,392</td>
<td>66,587</td>
<td>42.5</td>
</tr>
<tr>
<td>Campbell</td>
<td>10,032</td>
<td>49,212</td>
<td>42.2</td>
</tr>
<tr>
<td>Kenton</td>
<td><strong>10,980</strong></td>
<td><strong>51,646</strong></td>
<td><strong>43.2</strong></td>
</tr>
<tr>
<td>Butler</td>
<td>11,808</td>
<td>54,274</td>
<td>37.5</td>
</tr>
<tr>
<td>Clermont</td>
<td>12,588</td>
<td>59,738</td>
<td>40.0</td>
</tr>
<tr>
<td>Hamilton</td>
<td>10,848</td>
<td>47,541</td>
<td>38.4</td>
</tr>
<tr>
<td>Warren</td>
<td>15,564</td>
<td>69,143</td>
<td>38.7</td>
</tr>
<tr>
<td>*Regional</td>
<td>12,060</td>
<td>56,767</td>
<td>36.2</td>
</tr>
</tbody>
</table>

Subsidized Housing

Many federal programs provide rental assistance to families, seniors and those with disabilities on a sliding scale and require tenants to pay 30 percent of their income for rent.

- Of those who receive housing subsidies, approximately 30% are working, 20% are over 62 years of age, and 30% are disabled and under 62 years of age.
- In the region there are an estimated 35,000 subsidized housing units, the majority of which are located in Hamilton, Kenton and Campbell counties. The demand for these subsidized units however, is spread throughout the region’s eight counties.
- The demand for subsidized housing in the OKI region is an estimated four times greater than the existing supply. As a result, many low income households who need and qualify for subsidized rental housing are unable to receive it.

Families that Qualify for Subsidized Housing
Housing Density and Transportation Costs

- Between 1990 and 2000 the region’s urbanized land increased by approximately 16 percent, while the population increased only 8 percent.
- Transportation costs continue to rise due to higher fuel prices and the distances traveled to and from places of employment and residences.
- Over 55% of the population spends more than 45% of its income on housing and transportation costs.
- The majority of the region’s residential neighborhood are not within a walkable distance to commercial retail and fixed transit routes.

Cincinnati MSA Urbanized Land Density

<table>
<thead>
<tr>
<th>Year</th>
<th>Urbanized Land (Acres)</th>
<th>Pop. of the Region</th>
<th>Urbanized Land per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>OKI 1990*</td>
<td>416,432</td>
<td>1,744,124</td>
<td>0.238</td>
</tr>
<tr>
<td>OKI 2000*</td>
<td>484,472</td>
<td>1,886,650</td>
<td>0.256</td>
</tr>
<tr>
<td>USA 2008</td>
<td>46,094,011</td>
<td>233,505,871</td>
<td>0.190</td>
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</table>


OKI Transportation Expenditures

<table>
<thead>
<tr>
<th>Geography</th>
<th>Annual Trans. Costs (Median $)</th>
<th>Household Income Level (Median $)</th>
<th>15-25%</th>
<th>25-30%</th>
<th>30-35%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dearborn</td>
<td>14,988</td>
<td>55,994</td>
<td>0.0</td>
<td>33.4</td>
<td>66.6</td>
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<tr>
<td>Boone</td>
<td>13,632</td>
<td>66,587</td>
<td>6.4</td>
<td>80.4</td>
<td>13.2</td>
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<tr>
<td>Campbell</td>
<td>12,072</td>
<td>49,212</td>
<td>32.6</td>
<td>56.5</td>
<td>10.9</td>
</tr>
<tr>
<td>Kenton</td>
<td>11,976</td>
<td>51,646</td>
<td>31.9</td>
<td>61.6</td>
<td>6.5</td>
</tr>
<tr>
<td>Butler</td>
<td>12,984</td>
<td>54,274</td>
<td>3.7</td>
<td>83.8</td>
<td>12.5</td>
</tr>
<tr>
<td>Clermont</td>
<td>13,956</td>
<td>59,738</td>
<td>0.0</td>
<td>68.5</td>
<td>31.5</td>
</tr>
<tr>
<td>Hamilton</td>
<td>11,520</td>
<td>47,541</td>
<td>45.7</td>
<td>52.1</td>
<td>2.2</td>
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<tr>
<td>Warren</td>
<td>13,884</td>
<td>69,143</td>
<td>0.0</td>
<td>78.4</td>
<td>21.6</td>
</tr>
<tr>
<td>*Regional</td>
<td>12,456</td>
<td>56,767</td>
<td>25.2</td>
<td>63.5</td>
<td>11.3</td>
</tr>
</tbody>
</table>

Segregation

- The Cincinnati Primary Metropolitan Statistical Area is the 8th most racially segregated metropolitan area in the United States. *(based on 2010 Census data)*
- In a 2002 comparative study of the 25 largest metropolitan areas by Myron Orfield of American Metropolitics, the OKI region’s schools displayed the seventh worst degree of segregation by income.
- While segregation impacts local schools to varying degrees, there is a general misconception of school quality and performance in the region, especially in more urban districts.

Proximity of Housing to Commercial and Transit

Source: OKI GIS Database
The Shifting Nature of U.S. Housing Demand

The U.S. housing market is growing again—but not as we knew it

Louise Keely, Bart van Ark, Gad Levanon, and Jeremy Burbank

May 2012
The Demand Institute

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Our Homes Play a Vital Role in Our Lives.

Some of us wake up each morning in a “charming and intimate” studio apartment (as a real estate agent might describe it) while others begin the day in a mansion. Either way, our homes are where we spend time with family and friends. We cook meals together, watch our favorite television shows, surf the Internet, and enjoy our hobbies. At night we can rest after a long day at work or school.

For many Americans their home is also their most valuable financial asset. But recently this has proved to be a rather volatile asset, and dramatic changes in home values have created stress for many Americans.

The Shifting Nature of U.S. Housing Demand is the first major publication from The Demand Institute. The trajectory of the housing market has now reached a true turning point. Based on our team’s analysis, the worst of the housing crash is over and a recovery has now started.

Yet this recovery will be very different from previous ones, with implications for leaders in most sectors. Where housing goes, the economy follows. Each time a house is sold many industries benefit as consumers arrange financing, launch renovations, and invest to improve the comfort and value of their homes.

In a world where 7 billion consumers will spend over $450 trillion on products and services over the next decade, many senior business and government leaders have told us that they would value more holistic perspectives that illuminate where consumer demand is heading. Our mission at The Demand Institute is to deliver this new knowledge. Future reports will tackle shifts in consumer demand spanning industries and continents across a wide range of strategic issues.

We hope you will find this report on the U.S. housing market to be timely, thought provoking, and valuable. As always, we welcome your feedback and ideas for future initiatives.

Mark Leiter
Chairman, The Demand Institute
Executive Vice President, Nielsen

Jonathan Spector
Vice Chairman, The Demand Institute
President & CEO, The Conference Board
Executive Summary

The worst is over for the U.S. housing market. After six years of declining sales and falling prices that wiped $7 trillion from the value of housing assets, a turning point has been reached. The Demand Institute sees average prices rising by up to 1 percent in the second half of 2012 (in seasonally adjusted terms), marking the start of a housing recovery.

As the market revives, so will consumer spending: the business of building, buying, and selling homes generates enormous expenditure in a wide range of industries, including those associated with the transaction, those that produce goods and services for the home itself, and those that provide goods and services in the neighborhood around the home.

This housing recovery will be different in nature from previous recoveries because it will be shaped by new market conditions and expectations. This report explains those differences and the various ways in which they impact consumer demand.

- This will be a two-stage recovery. Seasonally adjusted average house prices will increase by up to 1 percent in the second half of 2012, rising to an annual rate of increase of 2.5 percent by 2014. Between 2015 and 2017, they will rise by 3 to 3.5 percent a year on average.

- The recovery will be led by demand from buyers for rental properties, rather than, as in previous cycles, demand from buyers acquiring properties for themselves. More than 50 percent of those planning to move in the next two years say they intend to rent.
Young people—who were particularly hard hit by the recession—and immigrants will lead the demand for rental properties. Developers and investors will fulfill it, developers by building multifamily homes for rent (that is, buildings containing two or more units, such as apartment blocks or townhouses), and investors by buying foreclosed single-family properties for the same purpose.

Rental demand will help to clear the huge oversupply of existing homes for sale. In 2011, some 14 percent of all housing units were vacant, while almost 13 percent of mortgages were in foreclosure or delinquent—increases of 12 and 129 percent respectively over 2005 levels. It will take two to three years for this oversupply to be cleared, and at that point home ownership rates will rise and return to historical levels. More than 70 percent of those planning to move three to five years from now say they intend to purchase their home.

The housing market recovery will not be uniform across the country. Some states will see annual price gains of 5 percent or more. Others will not recover for many years. The deciding factors will include the level of foreclosed inventory and rates of unemployment.

There will also be vast differences within states. Here, additional factors count, such as whether local amenities, including access to public transport, are within walking distance of homes. By examining seven factors that influence house prices at a local level, the report identifies four categories of cities and towns in which prices will behave differently (population share in parentheses):

- Resilient Walkables (~15%)
- Slow and Steady (~35%)
- Damaged but Hopeful (~30%)
- Weighed Down (~20%)

We predict that each category will demonstrate a distinct pace and strength of price recovery. The Resilient Walkables are likely to lead the way with strong, early growth, while the Weighed Down will trail behind with slower and slighter price growth than the national average.
The average size of the American home will shrink. Many baby boomers who delayed retirement for financial reasons during the recession will downsize. They will not be alone. The majority of Americans have seen little or no wage increase for several years, and many will scale back their housing aspirations. The size of an average new home is expected to continue to fall, reaching mid-1990s levels by 2015.

Consumer spending patterns will reflect the different nature of housing demand during this recovery, in particular, the high demand for rental properties, for smaller homes, and for homes in vibrant communities close to local amenities. Industries including home remodeling, financial services, media, and retail will all experience shifts in demand and new growth opportunities.

For example, people who rent their home tend to own fewer cars, so demand for neighborhood rental cars should rise. We also predict that the retail banking industry will introduce products and services to address the larger population of renters as well as the desire of many renters eventually to own their homes.

Despite the number of Americans who have been hurt financially by the housing crash, the desire to own a home remains strong. We do not expect to see a long-term drop in ownership rates. Indeed, one survey has revealed that more than 80 percent of Americans recently thought buying a home remained the best long-term investment they could make.

Almost every consumer-facing industry will be affected by the housing recovery over the next six years. Business and government leaders should therefore seek to understand the nature of that recovery. In doing so they will be better able to anticipate how consumer demand will evolve, and to formulate business decisions.
The midwest now has its own showcase of modern, urban-compatible manufactured homes that truly demonstrate just how flexible these designs can be. Following in the tradition of other risk-taking and innovative developers before them, the developers of the Cityscapes at the Mills of Carthage showed their stuff in Cincinnati in the closing weeks of October. In conjunction with a joint seminar of the Manufactured Housing Institute (MHI) and the Automated Builders Consortium (ABC), nine HUD-Code manufactured homes and six modular homes were on display for builders, developers, and the general public. Adding to the impact of the display was an open house held for elected offi-
The public, it seems, never has embraced innovation and advancement in housing construction methods with the same zeal it gives to new concepts in, for example, computer or automotive technology. Tradition is paramount in housing, even if it means that the cost to build homes the old fashion way is running away from people’s ability to pay it. The manufactured home has proven its ability to deliver more per dollar to homebuyers, but it has been a hard sell due to some misperceptions that have burdened it.

Long ago it was found that the only way to influence public policy makers and their activist constituents, was to prove that the homes could actually be permanently placed within city locations and converted from personal property housing products to real estate. Although complex undertakings with no less difficulty than developing actual subdivisions, entrepreneurs of the past paved the way for other demonstrations, each of which has helped shape public opinions about the manufactured home and, in time, has helped roll back cumbersome and unfair regulatory barriers.

The Beginning
Cincinnati-based developer and MHI National Chairman Dan Rolfes expressed his ambition to convincingly show the people of Cincinnati and the surrounding area that manufactured housing needs to be considered only as an alternative process for building homes rather than a product. Throughout 2000 and 2001, Rolfes, owner of Holiday Homes Inc., continued to bring the concept to his peers in quarterly meetings of the MHI Site Development Committee. His persistence and vision resulted in a plan to bring the 2002 MHI Developing with Manufactured Homes Seminar to Cincinnati, with the idea that the seminar would also focus on a development he would create.

Rolfes had his eye on a brownfield property in the Carthage neighborhood, about 10 miles north of downtown Cincinnati. This land had been the site of a carpet and linoleum mill that had been abandoned for years. He calculated the 13.5 acres would yield about 50 lots, each about 6,000 square
feet. The City of Cincinnati was enthused by Rolfes’ ambitions, and sold the property to his new company, Potterhill Homes, headed by Carolyn Rolfes, his enterprising daughter. To further encourage homeownership efforts, the city agreed to waive property taxes for each homebuyer on the improvements segment of their tax bill, not land, for a period of 15 years.

Selectivity Governs Home Designs
Regional manufacturers were then approached with the idea of participating in the project. They responded by submitting proposals to a city architectural review committee, which included Potterhill, city, industry and neighborhood representatives. An emphasis was placed on traditional neighborhood design, since the existing homes in Carthage have common architectural styling.

In the target area of Carthage, single-family homes were built in the first third of the 20th century. Farmhouse and Craftsman style architecture is the most prevalent, with other period styles represented as well. Lots in the area are only 30 feet in width and 100 to 165 feet in depth. Garages, if any, are located in the rear yard, accessible by a driveway that extends alongside the house. No alleys serve the area.

In order to meet their goals, Potterhill set the following minimum criteria for the homes:
• Minimum 5/12 roof pitch
• Energy Star Rating on some of the models
• Hardie Panel siding (cement lap siding) on some models
• Front Porches on all models
• Craftsman, Victorian, American 4-square, Bungalow or Farmhouse Style
• Variety of ranch-style and 2 story homes
• Minimum 8’ flat ceilings on first floors
• 9’ flat ceilings on first floors on some models

Manufacturers that met the test and built homes for the subdivision were The Commodore Corporation, Redman Homes, Patriot Homes, New Era Building Systems, Genesis Homes, and Schult Homes.

The newly-platted lots at the Mills of Carthage are larger than others in the area. Each lot measures 40 feet in width by 145 feet in depth. Rolfes created alleys to serve the lots and therefore the garages are situated in the rear yard, opening to the alley.

There are clear design identifications among the models. The Farmhouse architectural style can easily be recognized in the Eames model. The Ford, Touchstone,
At a fraction of the budget that national builders have at their disposal, Potterhill Homes carried off a masterpiece of planning, showing others how product presentation can be so critical to public acceptance of new technologies in housing.

Stickley and Gatsby reflect touches of Craftsman architecture.

When walking the sidewalks one can see how well these 21st century homes match and complement the older neighborhood.

“The Mills of Carthage development has been such a great boost for the city of Cincinnati because we’re looking for ways to put people in affordable homes and this does it,” stated Cincinnati Mayor Charlie Luken. “It just works perfectly with this neighborhood and for Cincinnati. This has brought great energy to the entire city. It has lifted everybody to start thinking about the opportunities that exist in our city. And I’m sure that other cities will look at this development and recognize what a great opportunity this type of development represents.”

**First Class Marketing**

This development represents perhaps the best effort this industry has made to close the gap with site-builder marketing skills. At a fraction of the budget that national builders have at their disposal, Potterhill Homes carried off a masterpiece of planning, showing others how product presentation can be so critical to public acceptance of new technologies in housing.

“The homes here in the Mills of Carthage development represent the leading edge of technological innovations in the manufactured housing industry” stated Bill Matchneer, administrator of the Manufactured Housing Program at the U.S. Department of Housing and Urban Affairs, the regulatory agency overseeing the manufactured housing industry. “The chance to get out here and see these homes actually sited and open to the public, it’s incredible. There’s just so much ‘wow’ value to the quality of these homes.”

Similarly, homebuyer response has exceeded Rolfe’s expectations, with sales pending on 11 of the 15 models by the end of the seminar-exhibition week, according to Cincinnati’s major newspaper, the Cincinnati Enquirer. With such a favorable reaction by the market, Rolfe is moving rapidly to develop the rest of the lots at the site. The prices for the display models, range from $137,300 to $187,200.

Thanks to the efforts of Dan and Carolyn Rolfe and their team, the Mills of Carthage will become a landmark development for interested persons to judge the viability of manufactured and modern housing as a better method—or process—of home construction. As it fills and matures, it will take its place alongside other well-known and pioneering communities that give choices and better values for people looking for a home of their own.

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