

Chapter 4: Housing

4.1 Introduction

Welcome to ~~the Housing Chapter of the Lyon County Comprehensive Plan~~ the Lyon County Comprehensive Plan Housing Chapter, a framework for addressing our county's diverse housing needs. As Lyon County continues to grow and evolve, ensuring the availability of safe, affordable, and sustainable housing options is paramount to fostering a thriving and sustainable community. This chapter ~~aims to analyze current housing conditions, identify opportunities, and outline~~ analyzes current housing conditions, identifies opportunities, and outlines strategic goals and policies that will guide future housing development and community efforts.

Commented [JW1]: The word “sustainable” is used in several places and contexts within this document. Participants wanted the term either “unpacked” or further explained/clarified with each use.

Lyon County, located in the heart of Southwestern Minnesota, enjoys a rich tapestry of communities, each with unique characteristics and housing demands. From the bustling streets of Marshall to the serene landscapes of rural townships, our county encompasses a wide spectrum of housing needs; from affordable housing solutions for families and seniors to innovative approaches that promote sustainable and accessible living spaces. By understanding these various needs and employing strategic planning principles, Lyon County aims to promote suitable housing opportunities that support economic vitality and overall community well-being.

Through collaboration with local governments, stakeholders, and local partners, this chapter seeks to set forth a comprehensive vision for housing that aligns with our county's growth objectives while respecting our natural resources. By fostering a sustainable environment for housing development and implementation of sound policies, Lyon County endeavors to create a resilient housing landscape that meets the needs of current and future residents, ensuring that our communities remain vibrant places to live, work, and thrive.

4.2 Current Housing Market

Across all communities in Lyon County, housing availability and affordability ~~remains key considerations, with local government and stakeholders collaborating to address housing challenges and promoting sustainable growth. Efforts include initiatives to incentivize housing development, preserve historic properties, and building~~ remain key considerations. Local government and stakeholders collaborate to address housing challenges and promote sustainable growth. Efforts include initiatives to incentivize housing development, preserve historic properties, and build infrastructure to support residential expansion. By balancing growth with community character and affordability, Lyon County continues to foster a housing market that meets the evolving needs of its residents while maintaining the region's distinctive quality of life.

Commented [JW2]: Somewhere in 4.2 participants wanted you to also add something about a workforce shortage in the trades (not enough carpenters, electricians, plumbers, etc.) to build the needed housing.

They also want this chapter to address tax forfeited properties and the county wanting to do whatever it can within the law to either get ahead of the root cause of properties getting forfeited, or to be able to tear them down when appropriate to clear the lot for development to avoid the constant churn of forfeiture, purchase, the forfeiture again.

{Info Graphic on recent housing study??}

~~Throughout the county,~~ The county's efforts to address housing needs emphasize sustainable growth, housing affordability, and community development. Strategies include promoting infill development, supporting mixed-use projects, and collaborating with developers and stakeholders to meet the demand for diverse housing options. By balancing growth with the preservation of rural landscapes and community identity, Lyon County strives to maintain a vibrant housing market that supports the quality of life for all residents now and in the future.

4.3 Current Housing Values

As of 2022, the median value of owner-occupied housing units in Lyon County was approximately \$177,600. While this represents significant growth from the median home value of \$81,000 in 2000, it remains notably lower than the Minnesota state median, ~~which was of~~ \$305,500 in 2022. This gap reflects the broader trend of lower housing costs in Greater Minnesota compared to urban and suburban areas of the state, where housing development pressures are higher.

More recent data from January 2025 indicates that the median sale price of a home in Lyon County reached \$176,500, reflecting an 18.5% increase from the previous year. This growth aligns with statewide trends, as Minnesota ~~as a whole~~ has experienced rising home values driven by strong demand and limited housing supply. However, Lyon County's housing market remains more affordable ~~compared to metro areas such as the Twin Cities, or Mankato~~ compared to metro areas such as the Twin Cities or Mankato, where median home prices consistently exceed \$350,000.

~~Within the county, housing values vary~~ Housing values vary within the county based on location. The city of Marshall, Lyon County's largest community and economic hub, reported a median home value of \$198,900, higher than the countywide median but still below the state average. This suggests that urban properties within Lyon County tend to command higher prices, likely due to increased access to employment, services, and amenities. Conversely, more rural areas of the county maintain lower median home values, contributing to overall affordability.

Despite the steady appreciation of home values, Lyon County remains an attractive option for homebuyers seeking affordability within Minnesota. While housing prices have risen, they have done so at a more moderate pace compared to the state's metro areas, where affordability concerns have become more pronounced. As Lyon County continues to grow and evolve, monitoring housing trends and ensuring a balance between development and affordability will be essential for sustainable community growth.

4.4 Housing Affordability

Housing affordability in Lyon County remains relatively favorable ~~when~~ compared to more urbanized areas of Minnesota, such as the Twin Cities metropolitan region. As of 2022, the median home value in the county was \$177,600, ~~which is~~ significantly lower than the ~~Minnesota~~ state median of \$305,500. This price point allows many residents to access homeownership, particularly in rural areas ~~where land and property values are more modest~~ with more modest land and property values. Furthermore, the cost of housing in Lyon County is generally more attainable for households with moderate incomes, creating a more accessible market for first-time homebuyers and retirees ~~alike~~.

Despite recent increases in home values, Lyon County continues to offer relatively affordable housing compared to the higher price trends seen in urban areas. The median sale price of a home in Lyon County in early 2025 reached \$176,500, reflecting a strong but ~~still~~ manageable increase of 18.5% over the previous year. These price increases are in line with broader state trends, ~~but Lyon~~. Still, Lyon County's housing market remains below the state average, which makes it an attractive option for residents who may be priced out of more metropolitan areas. This affordability has attracted individuals and families seeking a balance of rural living with proximity to regional economic centers like Marshall.

Commented [JW3]: In this section, they wanted to note that the median salaries in Lyon County compared to the Metro are also significantly lower.

According to the U.S. Census Bureau's 2018-2022 American Community Survey, the median gross rent in Lyon County, Minnesota, was \$718. This figure represents the midpoint of rent prices, indicating that half of the renters paid more, and half paid less. The county's rental market is influenced by various factors, including the presence of Southwest Minnesota State University (SMSU) in Marshall, which attracts students and faculty seeking housing. Additionally, local economic conditions, employment opportunities, and housing availability contribute to rent levels.

{Info Graphic on the ACS Cost of Living Estimates}

However, while housing in Lyon County is relatively affordable compared to the state's more urbanized areas, there are still challenges related to housing availability and the supply of affordable rental units. As the county grows, particularly in urban areas like Marshall, the demand for housing may outpace supply, potentially driving up prices over time. This could limit access for low- and moderate-income households. Addressing these concerns through targeted housing development, investment in affordable rental properties, and incentives for first-time homebuyers could help preserve Lyon County's reputation as an affordable place to live while accommodating future growth.

4.5 Housing Analysis & Needs Assessment

The diversity of its communities ~~from the county seat of Marshall to smaller communities such as Balaton, or Tracy, from the county seat of Marshall to smaller communities such as Balaton or Tracy,~~ brings forth varied housing needs and corresponding solutions. Larger communities typically contend with higher demand for housing due to greater population influx and economic activity. Solutions often involve larger-scale developments, and infrastructure investments to accommodate growth while maintaining quality of life. Marshall, for instance, might focus on mixed-use developments and revitalization projects to meet diverse housing demands and support its economic role as a regional hub.

{Info Graphic or Quote on recent multiple family housing development in Marshall}

Conversely, smaller communities like Minneota and Cottonwood face distinct challenges such as maintaining affordable housing options and preserving community character amidst slower or ~~even~~ declining population growth. Solutions in these areas often emphasize preserving existing housing stock, promoting infill development, and leveraging community partnerships to address specific local needs.

{Info Graphic highlighting the recent development in Balaton, Nursing Home Change}

By recognizing the unique needs of each community and tailoring solutions accordingly, Lyon County can effectively collaborate, and support housing market dynamics throughout the county. Collaboration among local governments, developers, and community stakeholders is crucial in implementing solutions that balance growth, affordability, and community preservation across the diverse landscape of Lyon County. The ~~role of the county shall be to support its communities with such tailored approaches to help ensure that all residents have access to housing that meets their needs and enhances their quality of life within their respective county shall support its communities with such tailored approaches to help ensure that all residents have access to housing that meets their needs and enhances their quality of life within their~~ communities.

4.6 Community Amenities and Their Impact on Housing and Attracting Residents

Community amenities such as grocery stores, schools, healthcare facilities, recreational options, and cultural hubs play a crucial role in shaping the overall livability of a community. In Lyon County, the availability of essential services and amenities directly influences the ~~attractiveness of the area~~area's attractiveness for prospective residents. For example, easy access to grocery stores, banks, and healthcare facilities like nursing homes ~~ensures~~ensure that residents have the necessities for daily life close to home. Communities that offer these services are often viewed as more convenient, reducing the need for residents to travel long distances for basic needs, thus improving the quality of life and drawing in potential homebuyers.

Healthcare services, particularly ~~nursing homes and clinics~~are another important factor influencing, ~~influence~~housing demand. As Lyon County's population ages, ~~the presence of quality healthcare services becomes~~quality healthcare services become even more significant. Nursing homes and medical facilities not only provide essential care for the elderly but also ensure that residents of all ages have access to timely medical attention. These healthcare services act as an anchor for residents considering relocation, especially retirees or individuals looking for long-term stability in a community. The proximity to these services can increase housing demand, as potential residents view access to healthcare as a key factor when choosing where to live.

Commented [JW4]: They wanted to add assisted living and senior housing availability here.

Recreational amenities, including parks, trails, and gyms, also significantly impact housing desirability. Lyon County's network of parks and trails encourages outdoor activities, healthy lifestyles, and community engagement, all of which enhance ~~the the appeal of the area~~area's appeal to a diverse group of residents. Families with young children, in particular, are drawn to neighborhoods with easy access to parks and playgrounds, ~~while. At the same time,~~ active individuals may seek properties near fitness centers or trails for biking and walking. The existence of these amenities can increase the demand for housing in specific neighborhoods, as they contribute to a lifestyle that promotes wellness and a sense of community.

Restaurants, community centers, and libraries further contribute to the vibrancy and social fabric of Lyon County, creating spaces for interaction and cultural engagement. Dining options, from casual eateries to fine dining, not only enhance the community's appeal but also attract a variety of residents, including young professionals and retirees. A well-stocked library serves as both an educational resource and a community gathering place, offering programs and events that enrich the lives of all ages. Additionally, community centers serve as venues for events, meetings, and local activities, fostering a sense of belonging and engagement. These amenities contribute to the development of social capital, making Lyon County an attractive place ~~to live for individuals and families seeking both~~for individuals and families seeking community connection and a wide range of services.

Finally, the presence of quality schools is perhaps the most significant amenity influencing housing demand in Lyon County. Educational institutions are a top priority for families with children, and the availability of good schools is often a deciding factor when choosing where to live. Lyon County's schools offer a solid educational foundation that draws families to the region. Communities with excellent schools tend to see higher home values, as prospective buyers are often willing to pay a premium for homes located within reputable school districts. In turn, the demand for housing increases in these areas, helping to stabilize the local housing market and foster long-term community growth.

In summary, the availability and quality of community amenities in Lyon County, from grocery stores and healthcare services to parks, schools, and recreational facilities, play a critical role in attracting new residents. These amenities ~~not only improve the overall quality of life for current residents but also improve the overall quality of life for current residents and~~ act as powerful drivers of housing demand and community growth. As Lyon County continues to invest in and enhance these amenities, it will increase its ability to attract and retain residents, supporting sustainable development and long-term economic vitality.

4.7 Rural Housing in Lyon County Townships

Housing in Lyon County's townships offers a unique rural living experience, blending the advantages of space and privacy with the challenges of rural infrastructure. One of the primary benefits of rural housing is the availability of larger plots of land, which provide homeowners with ample space for farming, recreational activities, or simply enjoying a quieter, more isolated lifestyle. Additionally, homes in the townships are often more affordable than those in urban areas, offering an appealing option for families, retirees, or individuals seeking a lower-cost housing solution.

Despite these advantages, rural housing in townships also faces ~~a variety of various~~ struggles. A significant challenge is the lack of access to essential infrastructure, such as public water and sewer systems. In many rural areas, homes rely on private wells for drinking water and septic systems for waste disposal, ~~which can create creating~~ maintenance challenges and higher costs for homeowners. These systems require regular upkeep, and failures or malfunctions can be costly and complicated to address. Moreover, concerns around water quality and contamination, particularly in areas with aging infrastructure, remain an ongoing issue that must be addressed to ensure safe, reliable access to water for rural residents.

Broadband accessibility is another critical consideration for rural housing in townships. As remote work, online education, and digital services become increasingly essential, access to reliable internet has become ~~a necessity necessary~~ for residents. However, rural areas often struggle with limited or no broadband options. In Lyon County's townships, the lack of high-speed internet can hinder residents from fully participating in the digital economy or accessing important services such as telehealth and online education. Expanding broadband infrastructure in rural areas should be a priority, ensuring that all township residents have access to the connectivity needed to thrive in today's world.

Accessory dwelling units (ADUs) present an opportunity to expand housing options in rural townships, providing affordable living spaces for extended family members, caretakers, or renters. ~~These smaller, self-contained units built on the same property as a primary residence can help alleviate housing shortages and offer flexible living arrangements in rural areas. Adjusting zoning laws to facilitate ADU development would allow for greater housing diversity, benefiting homeowners and the broader community alike.~~

Other considerations for rural housing in townships include addressing the challenges of septic systems and water quality concerns. As more people move to rural areas, ensuring that septic systems are properly regulated and maintained becomes increasingly important to prevent contamination of local water supplies. Additionally, developing solutions to improve access to rural water systems, such as ~~providing support for supporting~~ the maintenance and upgrading of ~~well infrastructure~~, will be essential for maintaining the quality of life in Lyon County's rural communities. By tackling these infrastructure

Commented [JW5]: In this paragraph, they want to specifically mention unincorporated villages Amiret and Green Valley, which are on small, substandard lots and rely on individual wells and septic. In the future, they want this spelled out to aid in assisting them when needed.

Commented [JW6]: Participants mentioned a need for housing on the farm for farm labor. They also wanted to address, in some way, being able to provide housing for H2A visa holders, in this section.

Commented [JW7]: Change to "system" or "drinking water supply" per Jason Overby - LPRW.

and housing challenges, Lyon County can foster vibrant and sustainable townships that continue to meet the evolving needs of ~~their~~its residents.

4.8 Infrastructure and Services

Local infrastructure plays a vital role in supporting the quality of life and facilitating community development. The county's ~~infrastructure as well as its local government partners infrastructure, as well as its local government partners' infrastructure~~, includes essential components such as transportation networks, water and sewer systems, utilities, and public services that are integral to housing development and maintenance. Roadways and highways connect residential areas to amenities and employment centers, ensuring accessibility and mobility for residents across the county's diverse communities.

Water and sewer systems are critical infrastructure elements that provide essential services to homes and businesses throughout Lyon County. These systems are maintained and expanded to accommodate population growth and development, ensuring reliable access to clean water and effective wastewater management. Utilities such as electricity, natural gas, and ~~telecommunications~~ infrastructure are also essential in supporting modern housing needs, enabling residents to enjoy connectivity and essential services ~~necessary~~ for daily life.

Public services in Lyon County encompass a range of amenities and facilities that enhance community well-being and quality of life. These ~~services~~ include emergency response services, healthcare facilities, schools, parks and recreational facilities, and community centers. Efficient emergency services ensure the safety and security of residents, while healthcare facilities provide essential medical services and support. Schools and educational institutions contribute to ~~the development of~~developing a skilled workforce and a well-educated community, enhancing Lyon County's attractiveness as a place to live and work.

Overall, Lyon County encourages development to occur near existing services. This can optimize existing infrastructure investments, promote sustainable growth patterns, and create vibrant, resilient communities where residents can live, work, and thrive. This approach ~~not only supports efficient resource utilization but also~~supports efficient resource utilization and enhances community cohesion and overall livability for current and future generations.

Lyon County's ~~infrastructure and services related to housing~~housing infrastructure and services need to be carefully planned and managed to meet the evolving needs of its residents and support sustainable growth and development. By investing in and maintaining robust infrastructure and essential services, Lyon County continues to foster a thriving community where residents can enjoy a high quality of life and economic opportunity.

Commented [JW8]: Participants had a lot of discussion about broadband and having some kind of county oversight. They gave the example of Frontier taking federal money to install lines, but never connecting them to anything.

They also wanted to have clear ways to communicate with new residents what the available utilities are to the properties.