

# Gallatin County

## COMMUNITY PROFILE

Gallatin County, KY  
Geography: County

8,671	-0.10%	2.68	27.0	39.7	\$57,634	\$162,730	\$116,610	22.4%	60.8%	16.7%
Population Total	Population Growth	Average HH Size	Diversity Index	Median Age	Median HH Income	Median Home Value	Median Net Worth	Age <18	Age 18-64	Age 65+



17.3%  
Services

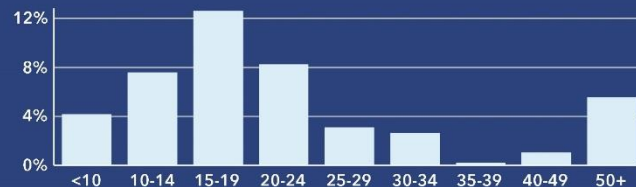


35.6%  
Blue Collar

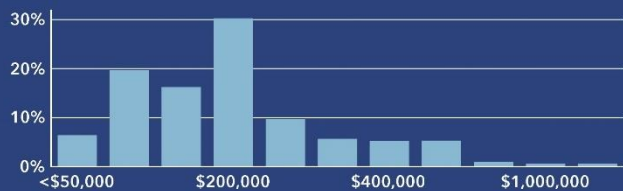


47.1%  
White Collar

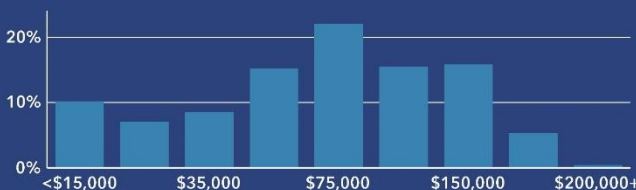
Mortgage as Percent of Salary



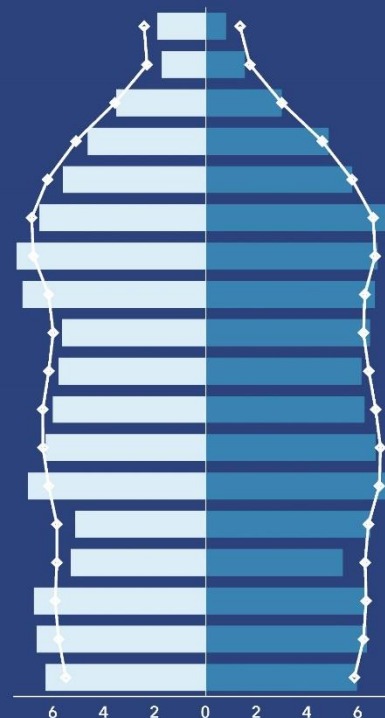
Home Value



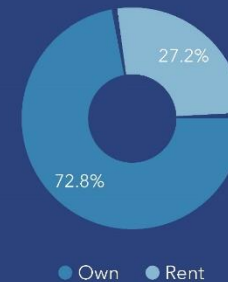
Household Income



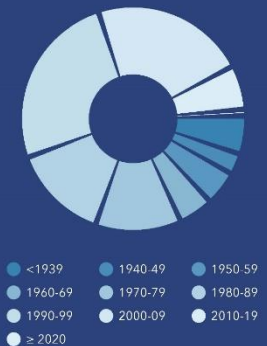
Age Profile: 5 Year Increments



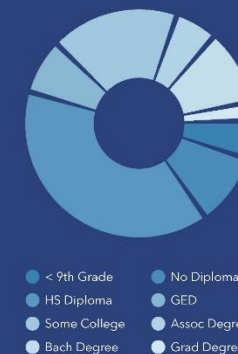
Home Ownership



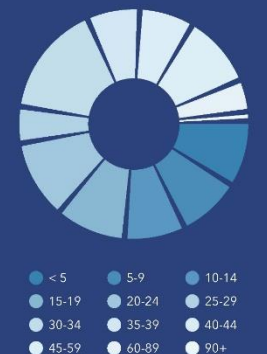
Housing: Year Built



Educational Attainment



Commute Time: Minutes



Source: Esri, ACS, Esri forecasts for 2022, 2017-2021, 2027.

Dots show comparison to Kentucky



# High Level Analytical Take-Aways

- **Connectivity:**
  - Gallatin is not a major destination for recreational or daily trips. Beyond small groceries and dollar stores, Gallatin lacks major grocery shopping centers, with residents instead likely to commute to Carrollton.
- **Economy:**
  - The declining use of the Kentucky Speedway has detrimentally impacted the employment base. Gallatin residents often commute elsewhere for work, and the region's housing stock attracts those interested in more rural living options and hobby farms, despite not being employed in primary production sectors. Poverty indicators are higher in the northern part of the county – an in between region outside of both Carrollton's employment base and Boone.
- **Housing:**
  - Gallatin's housing stock is geographically disbursed, with no large suburban tract housing developments. Housing is relatively affordable compared to incomes, however lower-income households struggle to find affordable rental options. Opportunity exists for new housing to serve either Carroll or Boone County's growing employment base across income spectrums, however Gallatin's 'in the middle' location means either Carroll or northern Grant may prove better locations for additional suburban subdivisions or rental housing development.

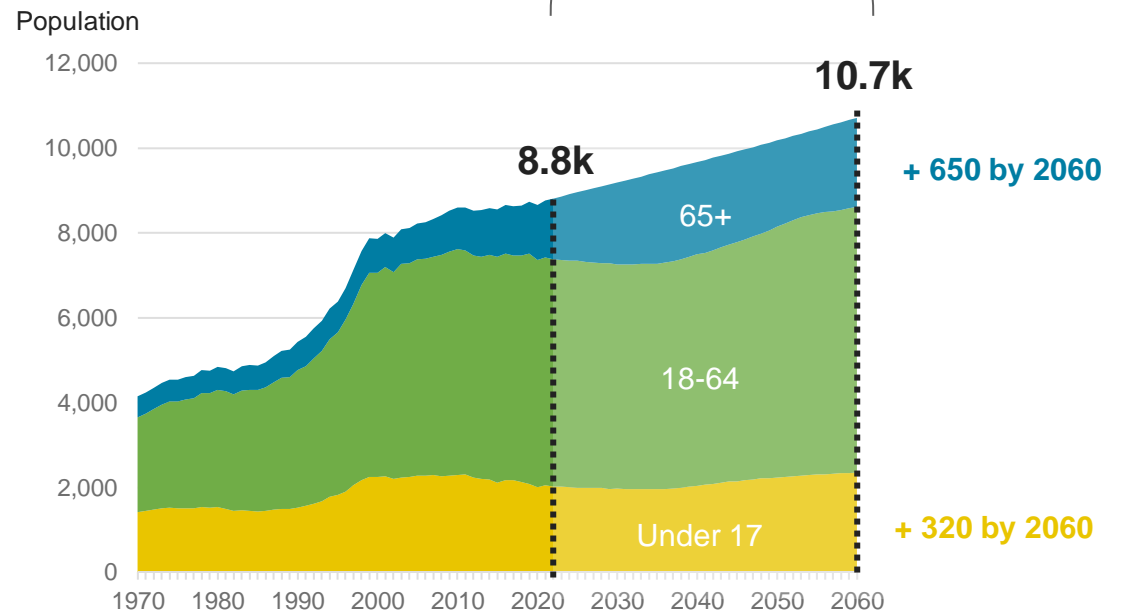


# Gallatin is a smaller county but is growing

Gallatin County, KY is projected to experience a steady increase in population until 2060. The county is expected to become more diverse, with a higher percentage of Hispanic and Asian residents.

## Population, by age group

Source: Woods & Poole





# Gallatin's job growth is projected to be more significant than that of similarly-sized counties

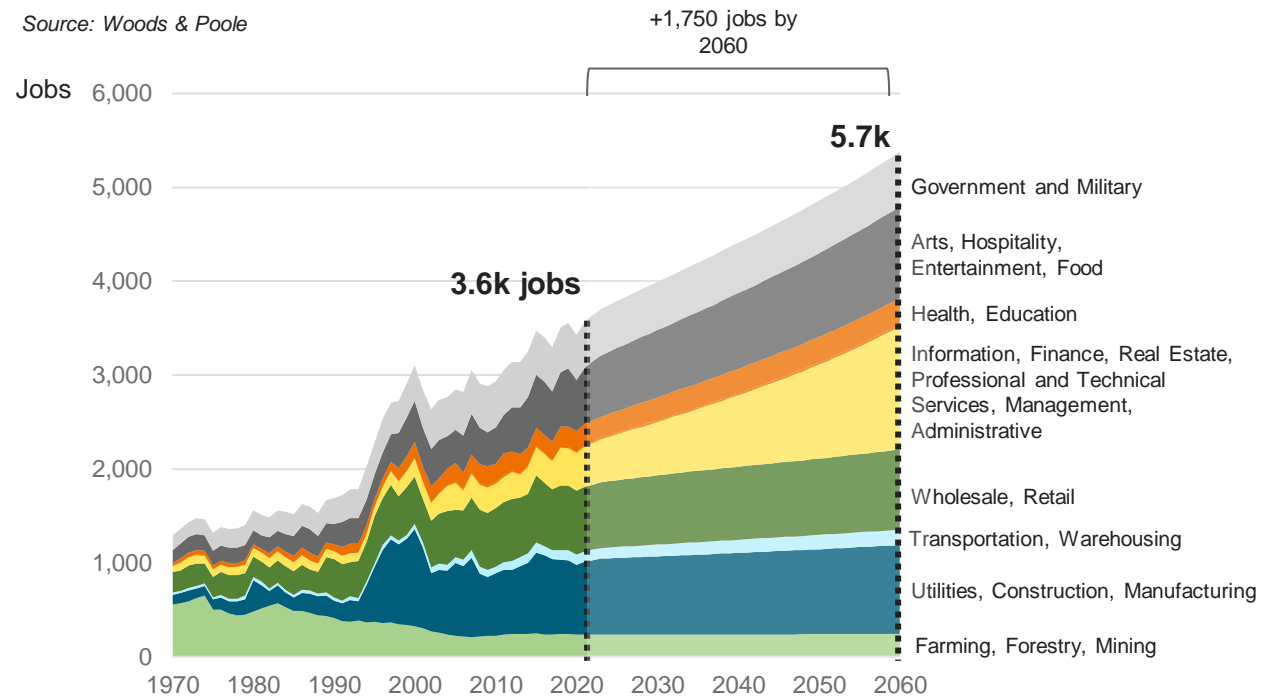
The employment data used by Woods & Poole comprise the most complete definition of the number of jobs by county.

The employment data are by two-digit North American Industry Classification System (NAICS) industry. Woods & Poole has estimated the NAICS industry data for 1969-2000 from the BEA SIC 1969-2000 employment industry data and the NAICS employment industry data for the years 2001-2020. The employment data include wage and salary workers, proprietors, private household employees, and miscellaneous workers.

The accuracy of Woods & Poole's projections has been comparable to the accuracy of other regional forecasting programs, such as the Department of Commerce Bureau of Economic Analysis (BEA) and Census Bureau projections over comparable forecast horizons.

## Employment, by sector

Source: Woods & Poole





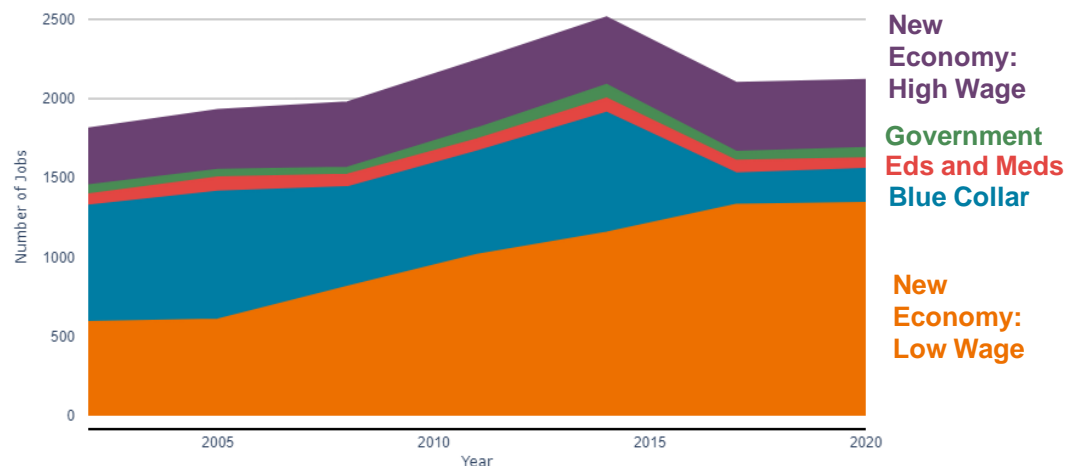
# Gallatin County: Recent Job Loss

Gallatin is not a large employment center, with service-sector retail, grocery, and hospitality the main employment base in New Economy: Low Wage jobs. Professional jobs include local accountants and lawyers. Agriculture remains a small but active sector, but not a large employment base.

During the early to mid 2000s, the Kentucky Speedway – built in 2001 – operated as an employment hub. However, its use has slowly declined as both IndyCar and NASCAR have withdrawn major circuit races.

## County Industrial Structure

Source: LEHD, 2002-2020



## County Wages in Key Occupations

Source: BLS: Quarterly Census of Employment and Wages (3Q 2022)

\*sample is not exhaustive of all employees, but is indicative of proportions



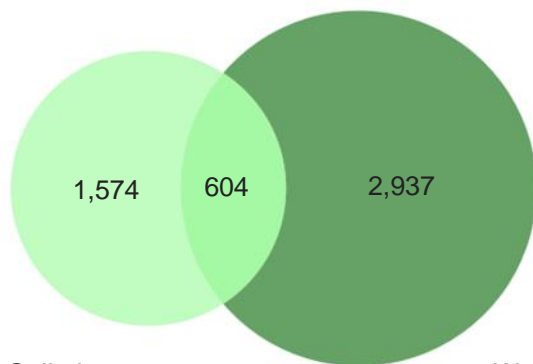
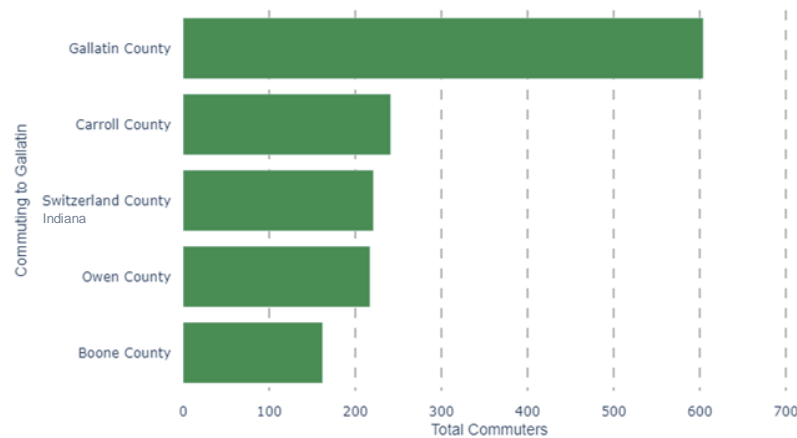


# Gallatin's economic base lacks a large economic driver, and majority work elsewhere.

## Chart and map of home locations for county employees

### Commuting to County Jobs

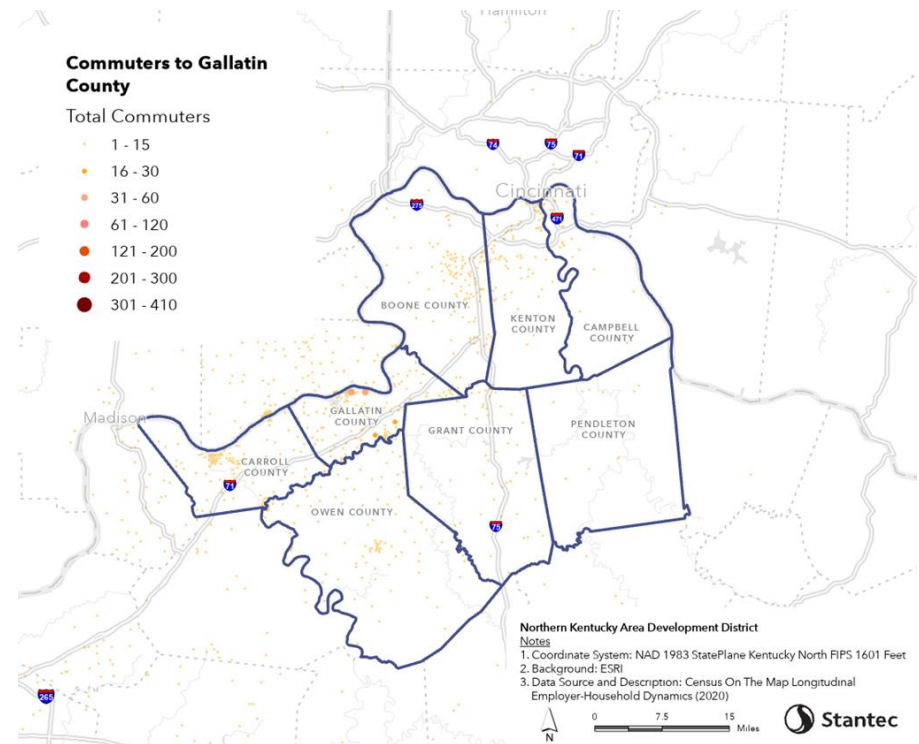
Source: LEHD, 2020



Work in Gallatin,  
Live Elsewhere

Live and Work  
in Gallatin

Work Elsewhere,  
Live in Gallatin





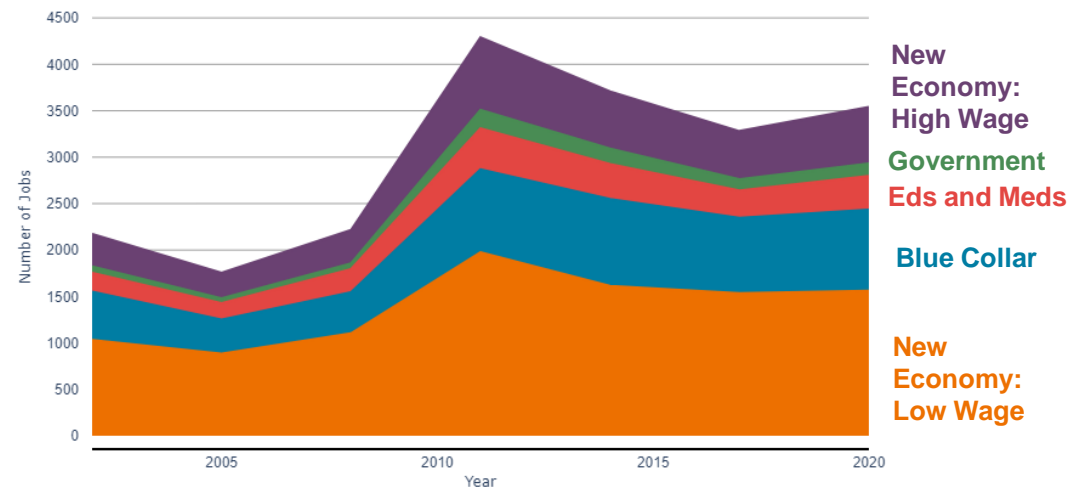
# Gallatin County: Commuting North and South

Gallatin County is a net exporter of labor, with fewer jobs than employed persons. The rise of the Kentucky Speedway and NASCAR/IndyCar popularity drove sharp growth in employment, only to see those peaks decline as the Speedway's integration into the major circuits decreases. The most major employment declines have been in management and office/administrative occupations.

As a result, people living in the region are increasingly commuting out to blue collar jobs south in Carroll county and into low wage and high wage New Economy jobs in Boone and Kenton.

## County Residents: Industry Sector Employed

Source: LEHD, 2002-2020



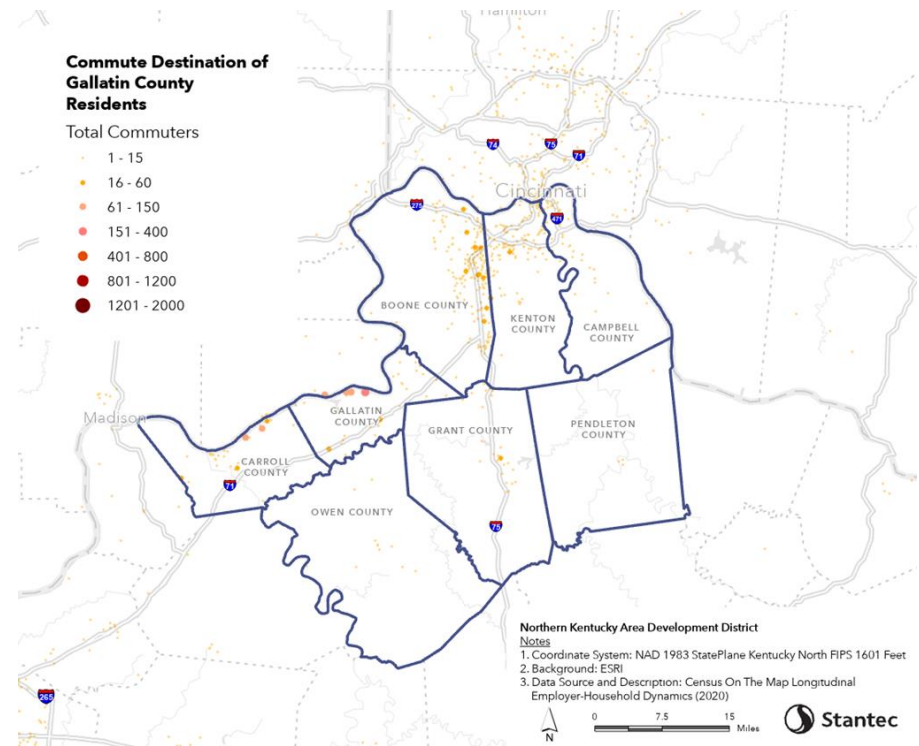
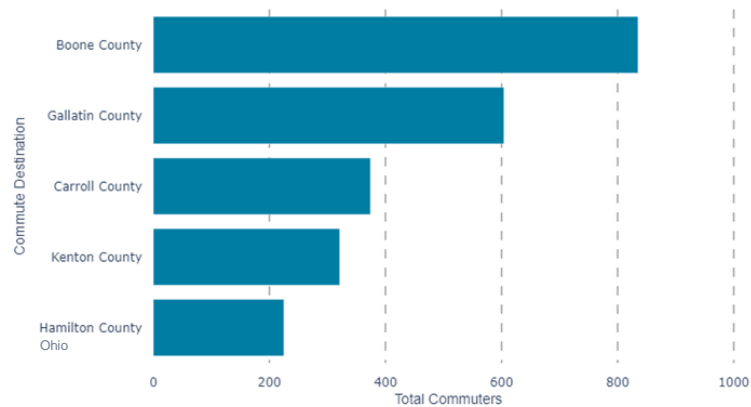


# Gallatin County: Commuting North and South

## Chart and map of work locations for county residents

### County Residents: Commute Destination

Source: LEHD, 2020







# Gallatin needs 1- and 2-BR ownership housing for households earning \$60k to \$170k.

Gallatin's home values are low compared to the growing incomes in the region. New housing should target social support (subsidized low-income housing) as well as small middle-income earning households.

**Housing demand:** households profiled by tenure, size, and spending capacity

Source: Woods & Poole, Replica, ACS, CoStar, Apartments.com, Padmapper

Household Income Required	Max Monthly Housing Cost	Rent				Own			
		1BR	2BR	3BR	4BR+	1BR	2BR	3BR	4BR+
Less than \$15000	\$313	72	97	62	7	7	45	94	24
\$15,000-24,999	\$521	44	45	17	4	14	52	117	32
\$25,000-34,999	\$729	46	56	22	5	8	36	113	41
\$35,000-49,999	\$1,042	15	37	34	4	12	69	227	67
\$50,000-74,999	\$1,563	20	57	61	11	11	71	274	99
\$75,000-99,999	\$2,083	10	30	17	8	6	38	169	95
\$100,000-149,999	\$3,125	6	7	10	6	3	28	203	159
\$150,000-199,999	\$4,167	1	3	2	4	1	2	45	46
\$200,000 or more	--	2	1	3	1	1	2	25	90



# Gallatin needs 1- and 2-BR ownership housing for households earning \$60k to \$170k.

Gallatin's home values are low compared to the growing incomes in the region. New housing should target social support (subsidized low-income housing) as well as small middle-income earning households.

## Housing supply: units categorized by tenure, size, and monthly cost

Source: Woods & Poole, Replica, ACS, CoStar, Apartments.com, Padmapper

Household Income Required	Max Monthly Housing Cost	Rent				Own			
		1BR	2BR	3BR	4BR+	1BR	2BR	3BR	4BR+
Less than \$15,000	\$313	0	0	0	0	0	6	21	5
\$15,000-24,999	\$521	10	0	0	0	1	9	25	2
\$25,000-34,999	\$729	166	119	1	0	0	10	39	5
\$35,000-49,999	\$1,042	0	25	44	0	4	53	189	9
\$50,000-74,999	\$1,563	6	144	269	6	33	257	1,216	198
\$75,000-99,999	\$2,083	6	49	181	26	4	42	187	86
\$100,000-149,999	\$3,125	8	4	6	21	1	12	59	18
\$150,000-199,999	\$4,167	0	0	0	0	1	2	12	6
\$200,000 or more	--	0	0	0	0	1	2	3	5



# Gallatin needs 1- and 2-BR ownership housing for households earning \$60k to \$170k.

Gallatin's home values are low compared to the growing incomes in the region. New housing should target social support as well as small middle-income earning households.

Opportunity exists to expand housing options for middle-income earners who work either in Boone or Carroll Counties. The main constraint is the relative distance in either direction to major employment hubs, with Carroll County a more logical place for increased development, and Grant county and southern Boone working vigorously to fill housing needs for lower-income households based in Boone's labor force.

## Difference between supply and demand: units by tenure, size, and monthly cost

Source: Woods & Poole, Replica, ACS, CoStar, Apartments.com, Padmapper

Household Income Required	Max Monthly Housing Cost	Rent				Own			
		1BR	2BR	3BR	4BR+	1BR	2BR	3BR	4BR+
Less than \$15000	\$313	-72	-97	-62	-7	-7	-39	-73	-19
\$15,000-24,999	\$521	-40	-45	-17	-4	-13	-43	-92	-30
\$25,000-34,999	\$729	-40	-48	-21	-5	-8	-26	-74	-36
\$35,000-49,999	\$1,042	-15	-12	-4	-4	-8	-16	-38	-58
\$50,000-74,999	\$1,563	-14	87	208	-5	22	186	942	99
\$75,000-99,999	\$2,083	-4	19	164	18	-2	4	18	-9
\$100,000-149,999	\$3,125	2	-3	-4	15	-2	-16	-144	-141
\$150,000-199,999	\$4,167	-1	-3	-2	-4	0	0	-33	-40
\$200,000 or more	--	-2	-1	-3	-1	0	0	-22	-85

*Note on interpretation:* Blue cells denote a deficit of housing at that size and price point. For example, there is a deficit of one- and two-bedroom units in the home ownership market. The darker the color, the deeper the deficit. Red cells represent a housing surplus, or where the supply of housing is larger than current demand. Here, there is a surplus of 3- and 4-bedroom units in mid-price ranges.



# New Ownership: New housing is concentrated in single-family homes in the lower-middle incomes and new Manufactured Homes

\* 'New' Development is post-2000

New Construction in Gallatin largely builds adjacent to County Roads and Highways, with few planned subdivisions. New houses are still relatively expensive, especially in relation to incomes.

Many homes are also built on hobby farms and large parcels, with commuters traveling into Boone and Kenton for higher-income jobs.

No new workforce housing or more affordable subdivisions are present, despite the opportunity to absorb growth out of southern Boone County and the blue-collar cluster in Carrollton.

Household Income Required	Max Costs	Manufactured Home			Single Family			
		2BR	3BR	4BR+	1BR	2BR	3BR	4BR+
Less than \$15,000	\$313	0	2	0	0	0	2	1
\$15,000-24,999	\$521	1	3	0	0	0	6	1
\$25,000-34,999	\$729	1	4	2	0	1	7	1
\$35,000-49,999	\$1,042	1	8	0	0	3	26	4
\$50,000-74,999	\$1,563	10	93	16	9	15	235	44
\$75,000-99,999	\$2,083	0	2	1	1	9	79	35
\$100,000-149,999	\$3,125	0	0	0	0	1	14	7
\$150,000-199,999	\$4,167	0	0	1	0	0	5	3
\$200,000 or more	--	0	0	0	0	0	1	2

Source: Woods & Poole, Replica, ACS, CoStar, Apartments.com, Padmapper



# New Rental: New housing is concentrated in single-family homes in the lower-middle incomes and new manufactured homes

\* 'New' Development is post-2000

No new multi-family construction has been built, with only single-family homes and manufactured homes making up the current rental market. Few properties are available for rent in the county, causing renters to look to Boone or Kenton for rental opportunities. Manufactured homes are built on large single-family lots in similar positions off highways, hence the higher price range.

Potential may exist for market-rate affordable units for both Carrollton and Boone County labor markets. Glencoe and Warsaw are a 25 minutes commute from labor markets in Burlington and the airport, Florence, Carrollton, Richwood, and Walton.

Household Income Required	Max Costs	Manufactured Home			Single Family			
		2BR	3BR	4BR+	1BR	2BR	3BR	4BR+
\$35,000-49,999	\$1,042	6	9	0	0	0	0	0
\$50,000-74,999	\$1,563	4	32	0	0	4	15	0
\$75,000-99,999	\$2,083	2	8	3	0	5	19	3
\$100,000-149,999	\$3,125	0	0	1	1	1	2	8

Source: Woods & Poole, Replica, ACS, CoStar, Apartments.com, Padmapper



# Development Types (Typical Examples)



## Manufactured Housing

3915 KY-16, Glencoe, KY

3 Bedroom Manufactured Home

Price:  
\$140,000  
(\$950 month cost of ownership)



## Single Family

1360 Old Sparta Rd, Sparta KY

3 Bedrooms

Prices:  
\$187,000  
(\$1,260 month cost of ownership)



# Gallatin is adding households and the upper middle-income segment

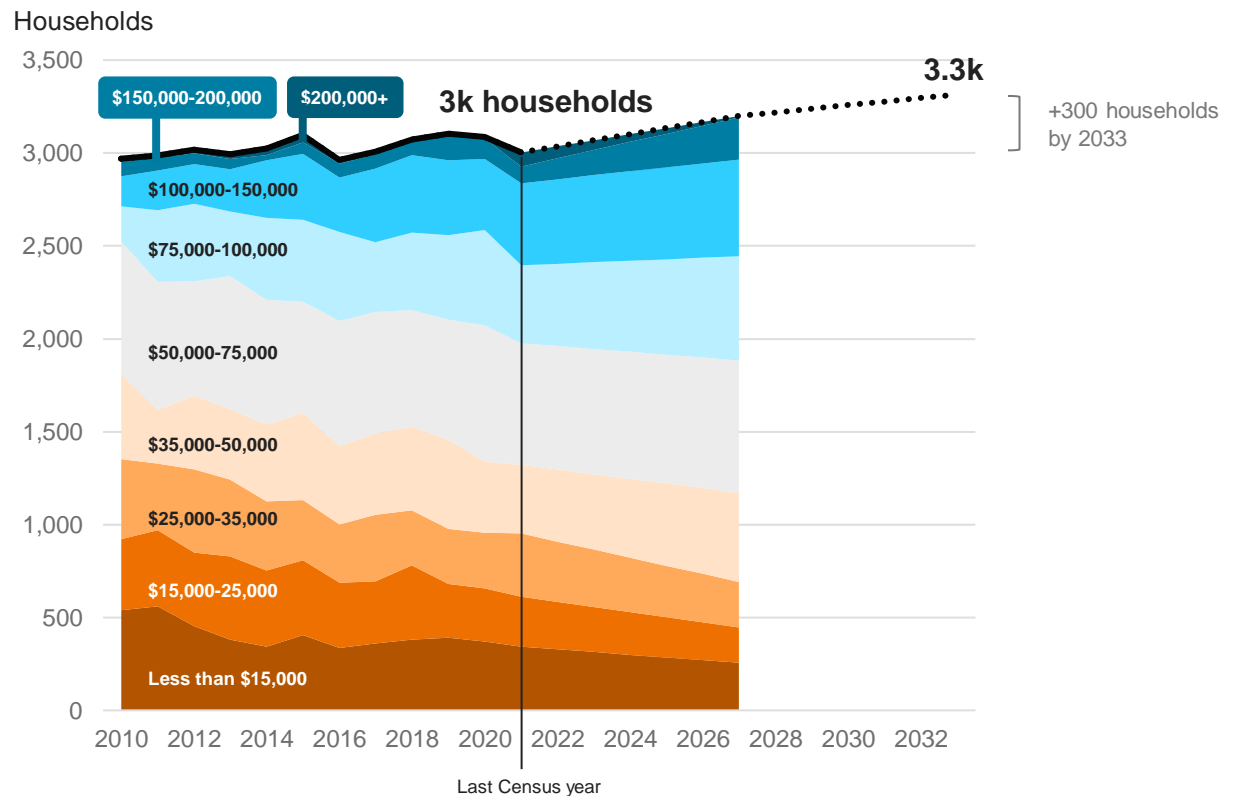
This table tracks total household change over time by income to indicate overall trends as well as growth or reduction within individual income brackets.

These income brackets correspond to household income and housing unit cost levels on other charts in this section to help compare the current status with historical and future conditions.

Gallatin County is expected to see **slight growth**, especially in the the upper middle-income segment.

## Gallatin County Households, by income bracket

Source: ACS, ESRI, Woods & Poole





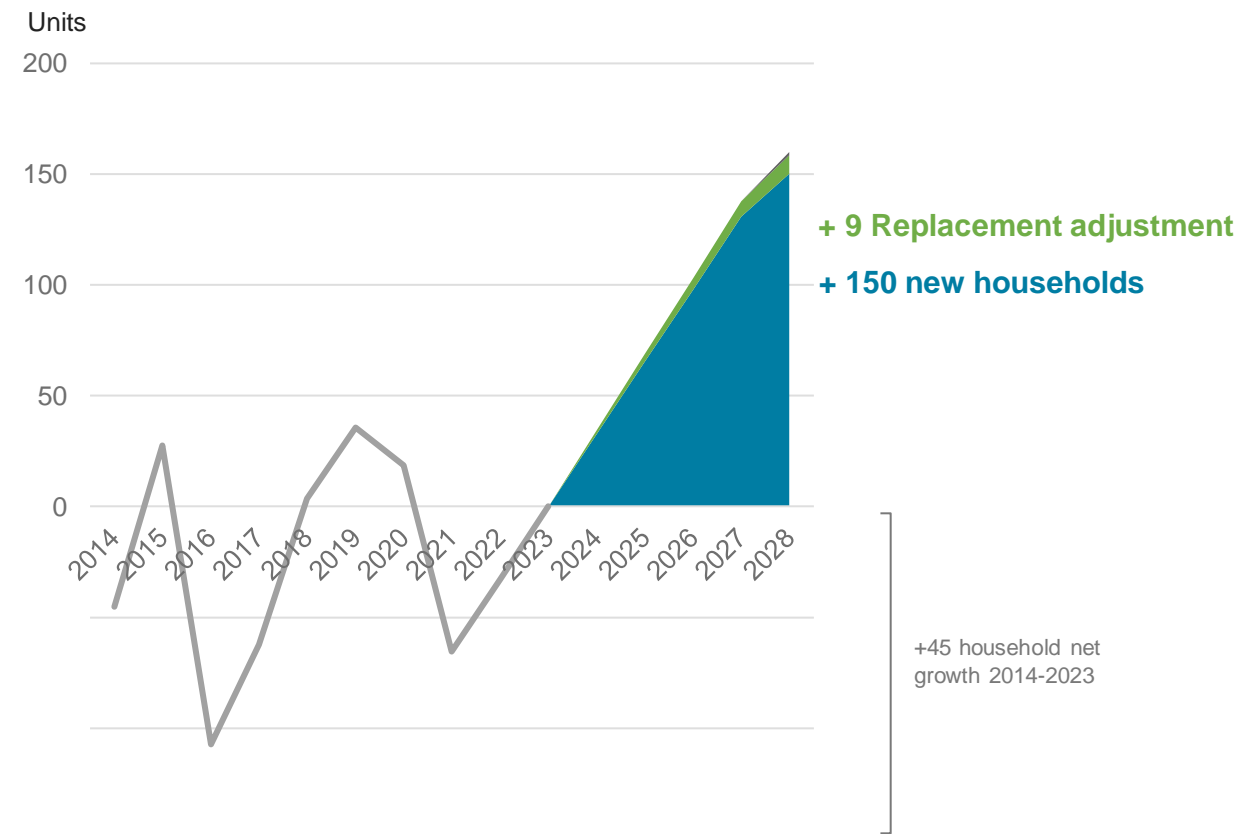
# Production needs

This forecast indicates the housing production necessary over the next 5 years to accommodate projected new households while also incorporating other market dynamics such as organic unit replacement and vacancy fluctuations.

The totals at right combine to represent the number of new units required to meet demand driven by these new households.

## Housing production need forecast

Source: ACS, ESRI, Woods & Poole







# Five-year production need

This step in the analysis translates the production need forecast into a distribution of needed housing units in terms of cost, tenure (rent/own), and bedroom count.

Larger numbers indicate unit types (cost/tenure/size) that should be developed at higher volumes to meet expected household growth.

Smaller numbers indicate unit types less urgently in need based on projected household growth.

The table is annotated with the approximate % AMI levels associated with each monthly cost bracket to help indicate which batches of units might require subsidy or other support to deliver. In general, housing that is affordable to households at or above 120% AMI is considered feasible to develop without subsidy.

**5-year production need:** new units by tenure, size, and monthly cost to accommodate the forecasted household growth and any replacement and vacancy adjustment

Maximum monthly housing cost	Rent				Own				
	1BR	2BR	3BR	4BR+	1BR	2BR	3BR	4BR+	
\$313	1	1	1	0	0	0	0	0	<60% AMI
\$521	1	1	1	0	0	0	0	0	
\$729	2	2	1	0	0	0	1	0	
\$1,042	3	3	2	0	0	1	1	1	
\$1,563	5	6	4	1	0	1	4	2	60-80% AMI
\$2,083	3	5	4	1	0	2	6	3	
\$3,125	4	7	6	2	0	3	12	10	80-120% AMI
\$4,167	2	3	3	1	0	1	7	9	>120% AMI
More than \$4,167	1	2	1	1	0	1	4	6	

Notes:

- **Darker purples** indicate proportionally higher production volumes needed.
- **Lighter purples** and **white** indicate proportionally lower production volumes needed.
- The county's Area Median Income (AMI) = \$103,600