

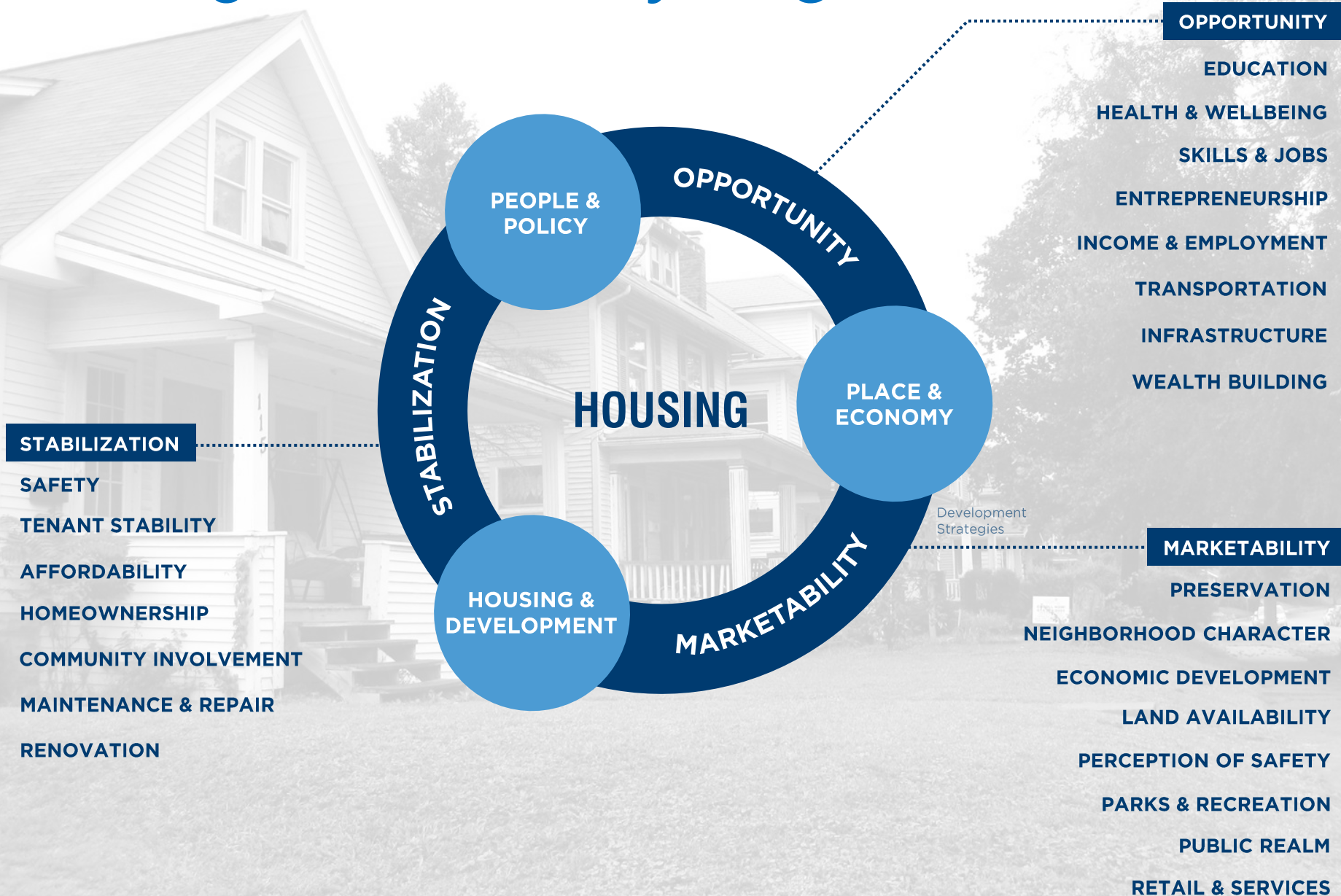
CITY-WIDE HOUSING STUDY: STRATEGIC FRAMEWORK

PREPARED FOR
City of Independence

December 13, 2021

DEVELOPMENT STRATEGIES®

Housing touches **everything**



Goal of the Study

- Understand housing barriers and needs
- Understand the market for all types of housing
- Understand the neighborhood context
- Recommend strategy ideas for future action

Keep in Mind

There are **no silver bullet solutions**

The city **has several housing challenges**—but has begun the work of addressing them

There is a need to:

- Engage the community and build trust
- Improve housing quality
- Increase overall commitment to housing
- Improve perceptions of the city

PRESENTATION **OUTLINE**

DATA ANALYSIS: KEY CONCLUSIONS

WHAT WE HEARD: STAKEHOLDERS & SURVEY

MARKET ANALYSIS

NEIGHBORHOOD ANALYSIS

STRATEGIC FRAMEWORK

NEXT STEPS

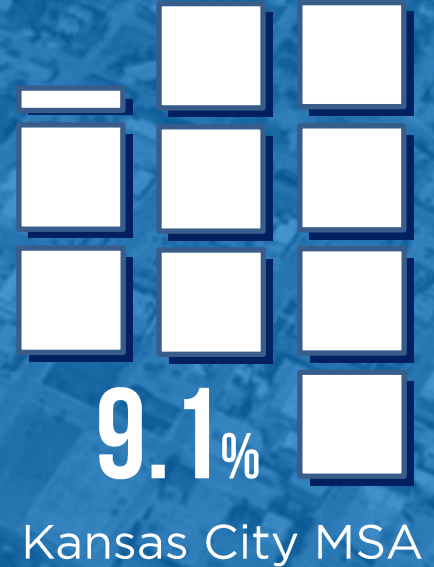
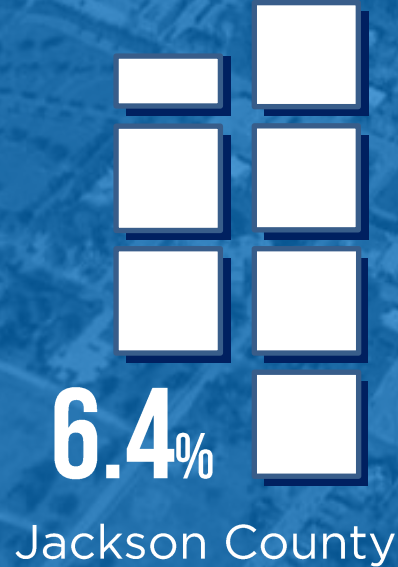
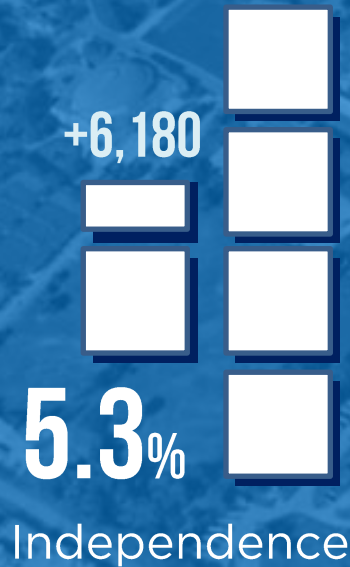
PRESENTATION **OUTLINE**

DATA ANALYSIS: KEY CONCLUSIONS



1

Independence is growing,
but at a slower rate than the
region.



Population Change 2010-2020

Understanding affordability
is a critical starting point for
the conversation...

\$1,021^{*}
per month

to rent a 2-bedroom unit
of safe and decent quality

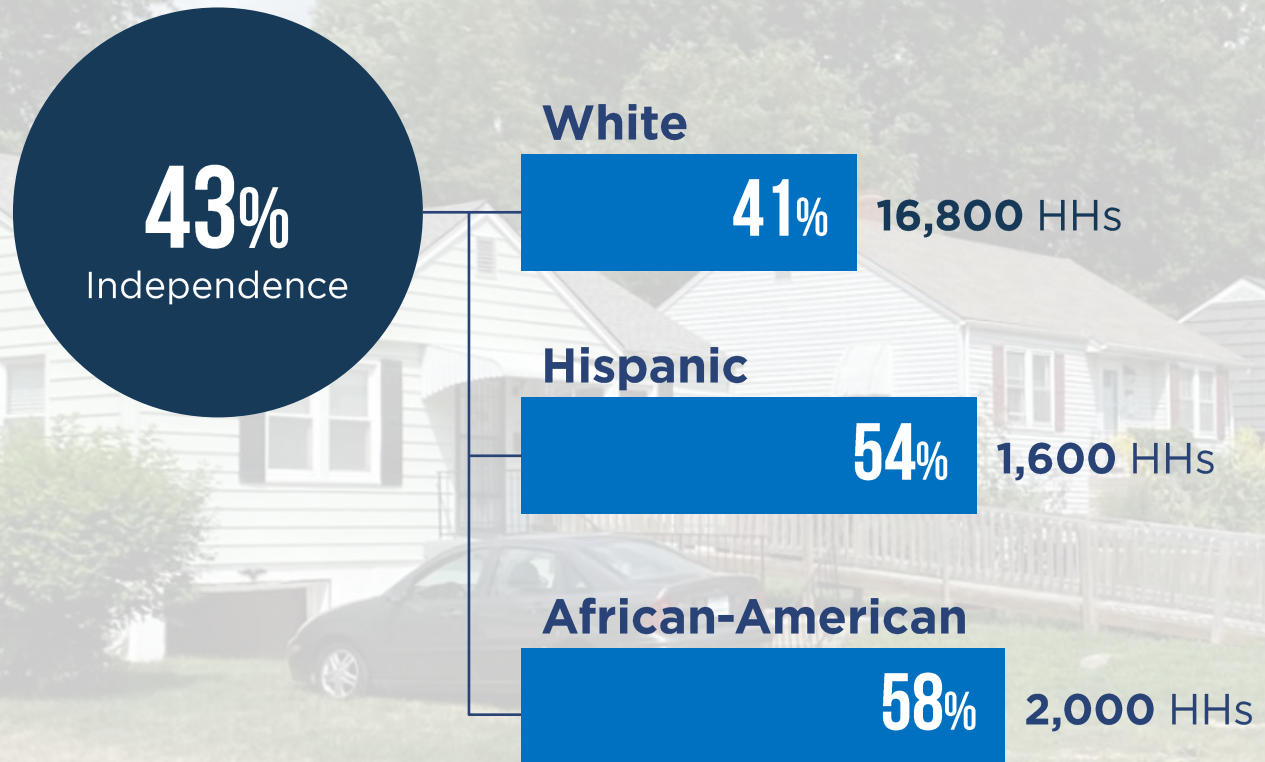
Based on FY21 HUD Fair Market Rent for Kansas City, MO-KS MSA.
*Gross rent, including \$200/month for utilities.
Utilities assumption based on max. utility allowance limits by HUD.

\$21/HR
hourly wage

bare minimum to afford a
2-bedroom unit of safe and
decent quality

Calculated based on a \$1,021 rent, assuming 30% of income
toward rent, full-time employment

...and many households in Independence cannot afford that two-bedroom unit without being cost burdened.



Affordable and workforce housing will continue to be in demand based on projected job growth and wages.

40%

of new jobs will pay **<\$35k***

Renters can afford rent + utilities up to **\$880**

Owners can afford payments for homes priced up to **\$160K**

30%

of new jobs requiring a high school diploma will pay **\$35k to \$75k***

Renters can afford rent + utilities up to **\$880 & \$1,880**

Owners can afford payments for homes priced up to **\$160K & \$340K**

Independence exhibits unique demographic characteristics compared to the region—it has a smaller average household size, a higher median age, and fewer family households.



HOUSEHOLD SIZE

2.36

MSA AVERAGE

2.50



MEDIAN AGE

41 YRS.

MSA AVERAGE

38.3



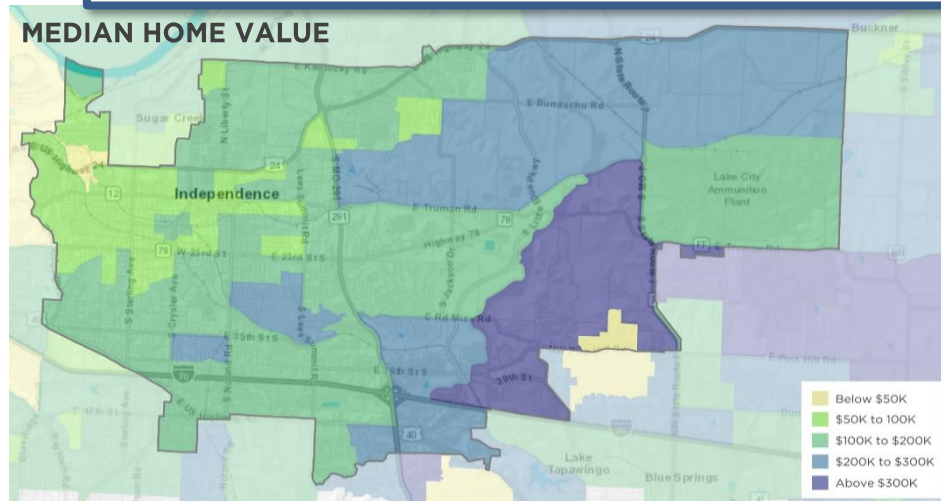
FAMILY HOUSEHOLDS

61%

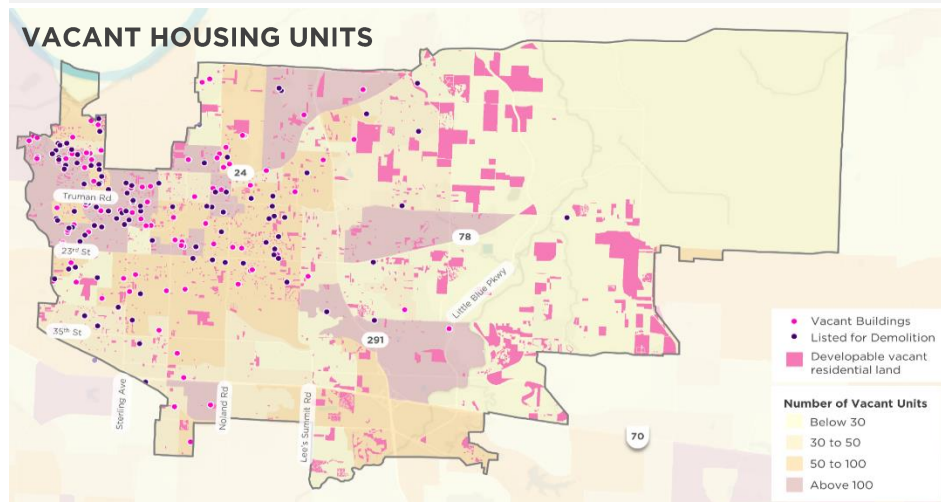
MSA AVERAGE

65%

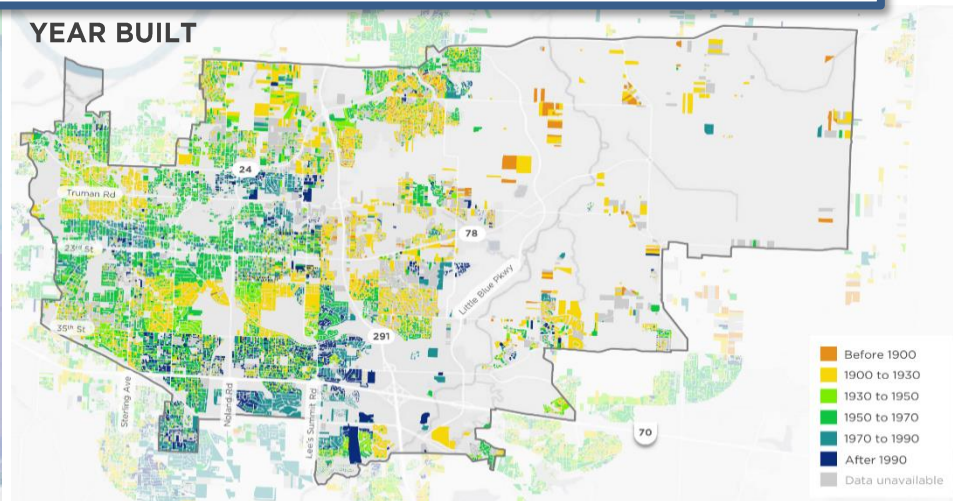
Independence has an ageing housing stock with vacancies and substandard stock concentrated in its northwest, and most of the new construction momentum east of Rte. 291.



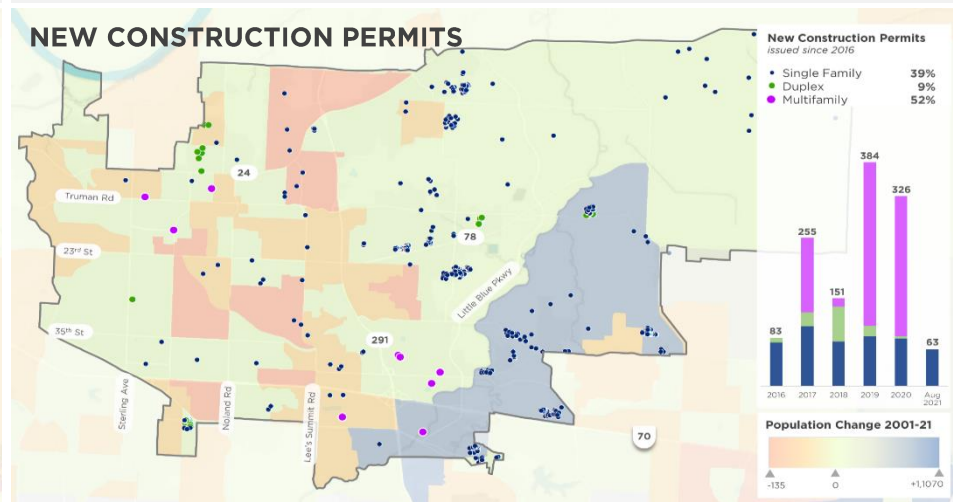
\$140K City Median Home Value



4060ac developable vacant land. **4,500** vacant housing units



54% of homes built before 1950



74% of new construction permits issued since 2016 is east of Rte. 291

PRESENTATION **OUTLINE**

WHAT WE HEARD: STAKEHOLDERS & SURVEY



WHAT WE HEARD

COMMUNITY SURVEY RESULTS

53%

Found it **challenging to find suitable housing** in Independence

62%

Face **physical or structural issues** with their home that they need help for

30%

Face **health and safety** related issues

Top 3 reasons

33%

Housing costs too high

22%

Utility costs too high

19%

Unable to find a **healthy & safe** homes at my range

45%

Maintenance & repairs

43%

Weatherization / Energy efficiency upgrades

11%

Accessibility issues

12%

Fire alarm / CO detectors

12%

Pest Control

12%

Mold Removal

WHAT WE HEARD

COMMUNITY SURVEY COMMENTS

Our neighborhoods are well designed but because there **isn't good infrastructure** like sidewalks and **the housing is outdated, the houses aren't marketable to professionals or retirees.**

Independence lacks **affordable rentals** for young people and **young families.** The average price for a 1 bedroom apartment in the greater Kansas City area is about \$1200 a month. This is far out of reach for young people trying to make it on their own with **wages in many jobs being so low.**

New construction should focus on the needs of people -- **safety** and sense of community like the new apartments that are being built with lots of **amenities, near trails, restaurants, entertainment and shopping.**

Senior citizen assistance to **improve** their **homes** would be helpful.

WHAT WE HEARD

STAKEHOLDER CONVERSATION SUMMARY

Independence has a **housing quality challenge**

The **slow pace of new development** is concerning

Too many **luxury units** are being built, but the **city hasn't had enough new housing** built either

Independence has a **problem with homeless individuals**

Many "mom and pop" landlords are **aging out and selling** their portfolios, leading to less stability

The influx of **corporate ownership of rental properties** has led to more condition challenges

More options for **moderate-income households** are needed

Opportunity to **improve existing housing stock** and room to **add new units**

HOUSING GOALS

WHAT WE HEARD

Housing Needs:

- Improve the **condition** of the **existing housing**
- Improve **neighborhood conditions**
- Quality **infill development**
- **Senior** housing options / **aging in place**
- **Moderate-income** housing
- Address challenges **corporate ownership** of **single-family rental housing**
- Address **homelessness**
- More **new housing construction**, particularly single-family
- **New housing types**, like villas/townhomes

Housing Goals:

1. **Reinvest in what already exists**
2. **Expand housing options**
3. **Improve housing stability**
4. **Streamline processes**
5. **Change perceptions**
6. **Engage the community**

PRESENTATION **OUTLINE**

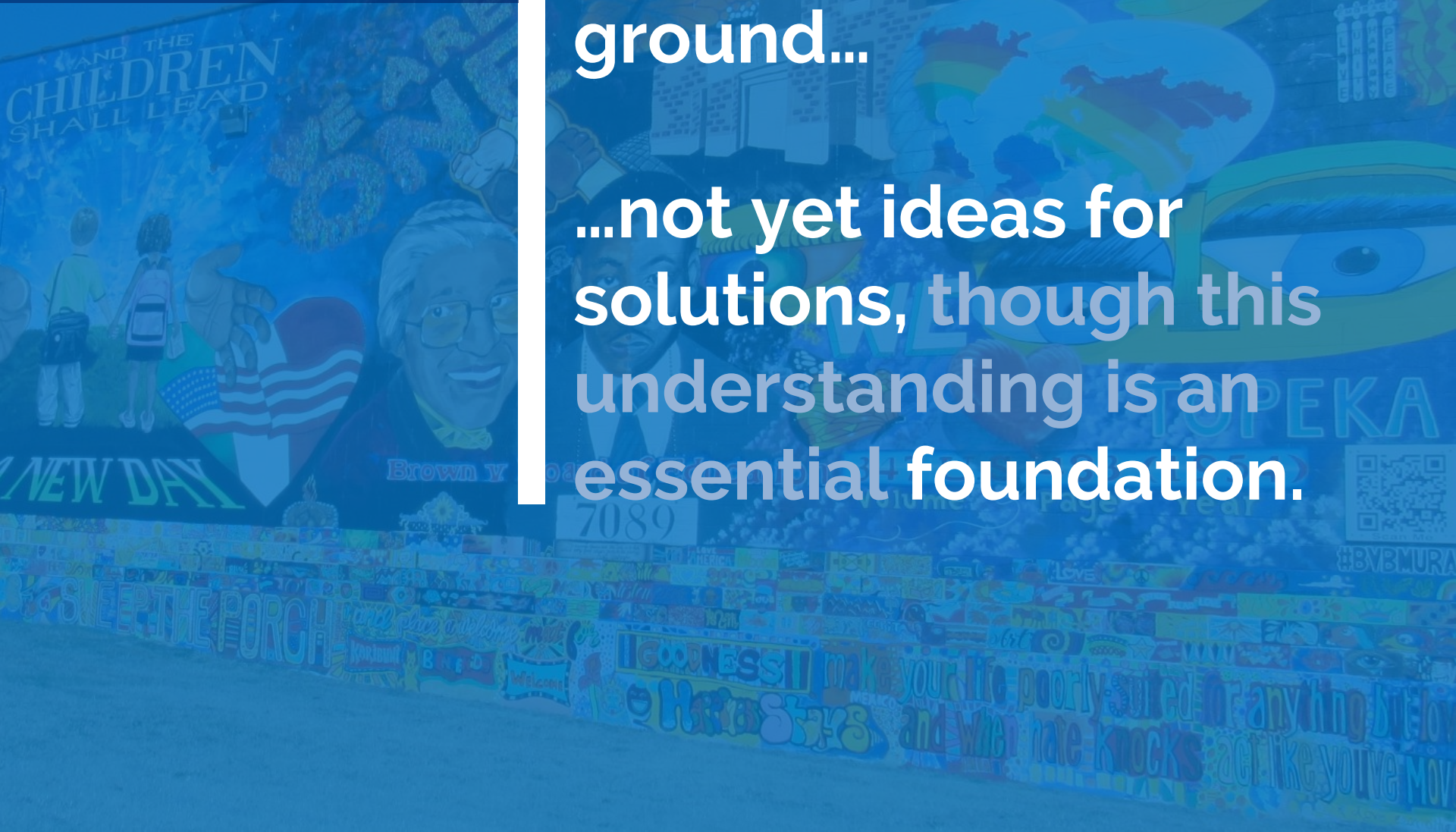
An aerial photograph of a large outdoor festival at night. A massive crowd of people fills the foreground and middle ground. In the background, a large, multi-story building with a classical facade and a central clock tower is illuminated. Various food stalls and tents are visible throughout the festival area.

MARKET ANALYSIS

Market Analysis

A market-based look
at conditions on the
ground...

...not yet ideas for
solutions, though this
understanding is an
essential foundation.

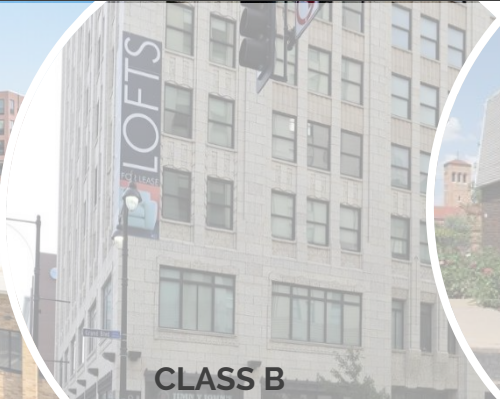


HOUSING SUPPLY
MARKET-RATE RENTAL SUMMARY METRICS



City of Independence

9,341	8.3%	\$904	4,365	HOUSING UNITS	4,546
HOUSING UNITS	VACANCY RATE	AVERAGE RENT/MO	11.9%	VACANCY RATE	5.3%
			\$992	AVERAGE RENT/MO	\$795

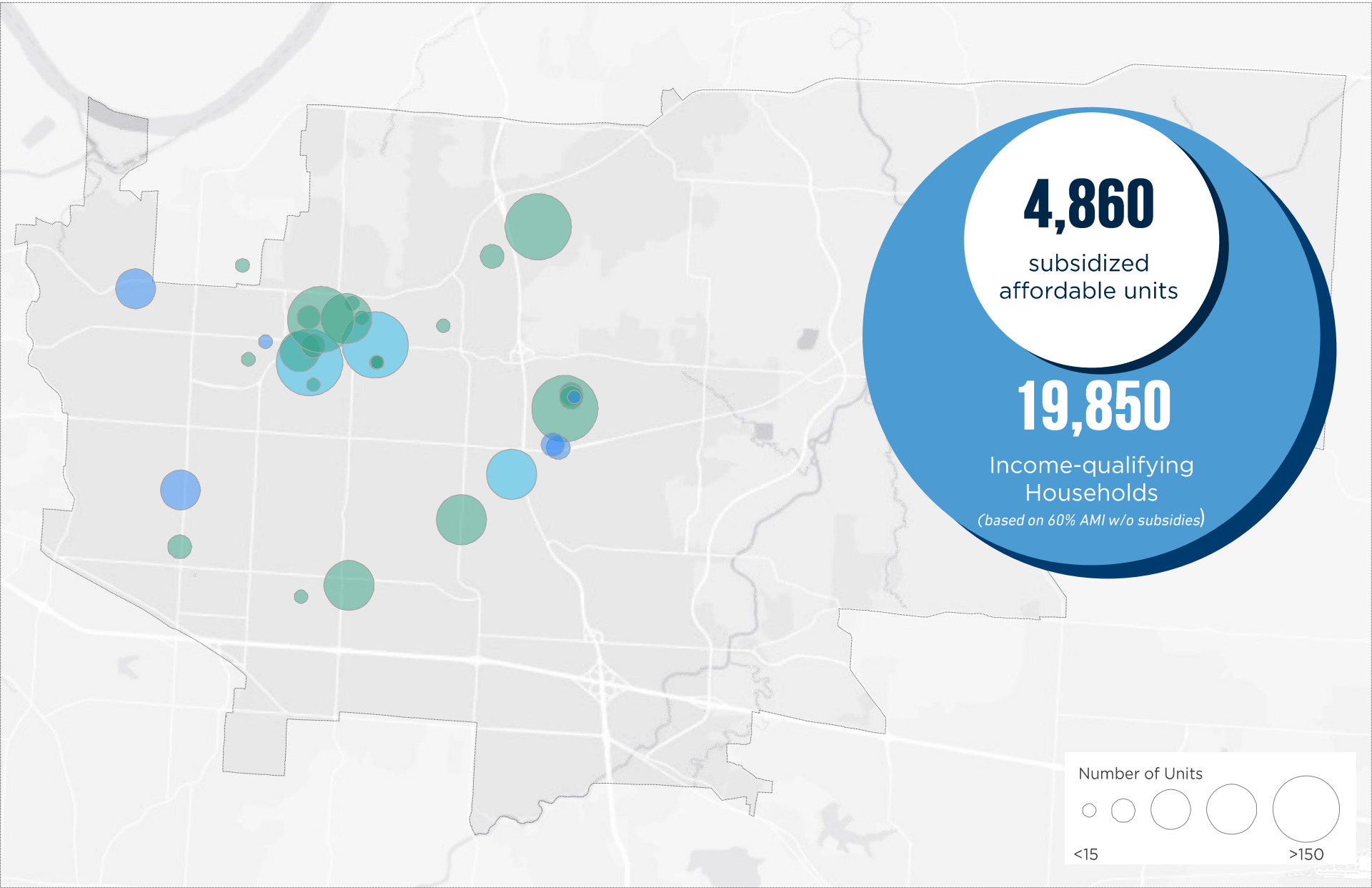


Jackson County

80,454	7.6%	\$1,034	228,505	HOUSING UNITS	39,540
HOUSING UNITS	VACANCY RATE	AVERAGE RENT/MO	7.3%	VACANCY RATE	7%
			\$1,054	AVERAGE RENT/MO	\$829

Source: CoStar 2021, Development Strategies; data reflect only existing units, not those under construction or proposed; * Vacancy rate only reflects actively marketed properties

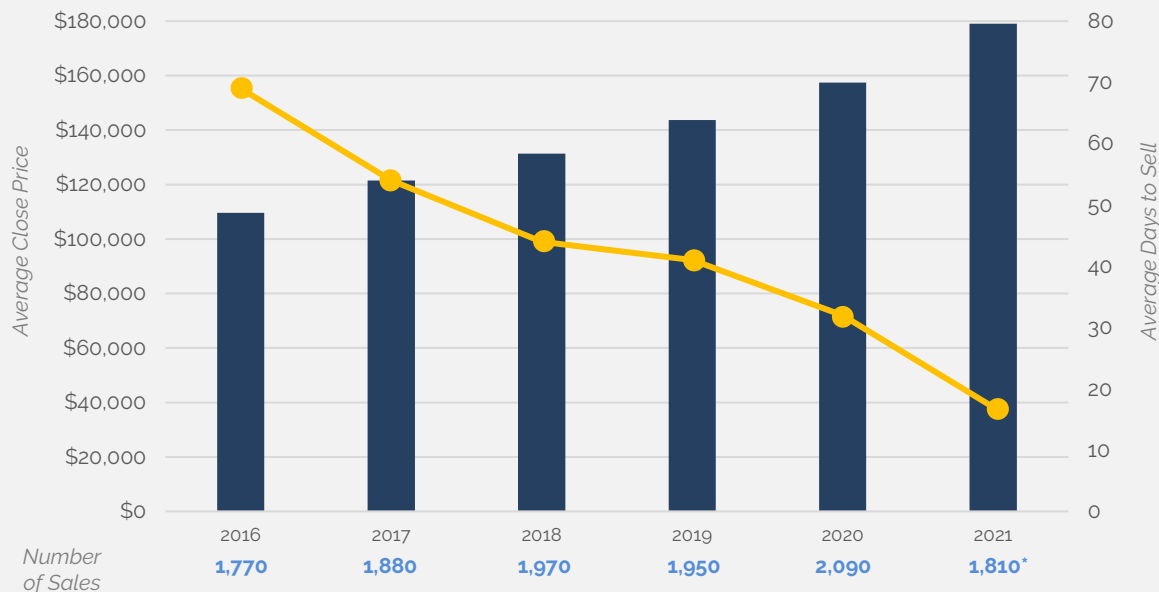
EXISTING SUPPLY
SUBSIDIZED AFFORDABLE HOUSING



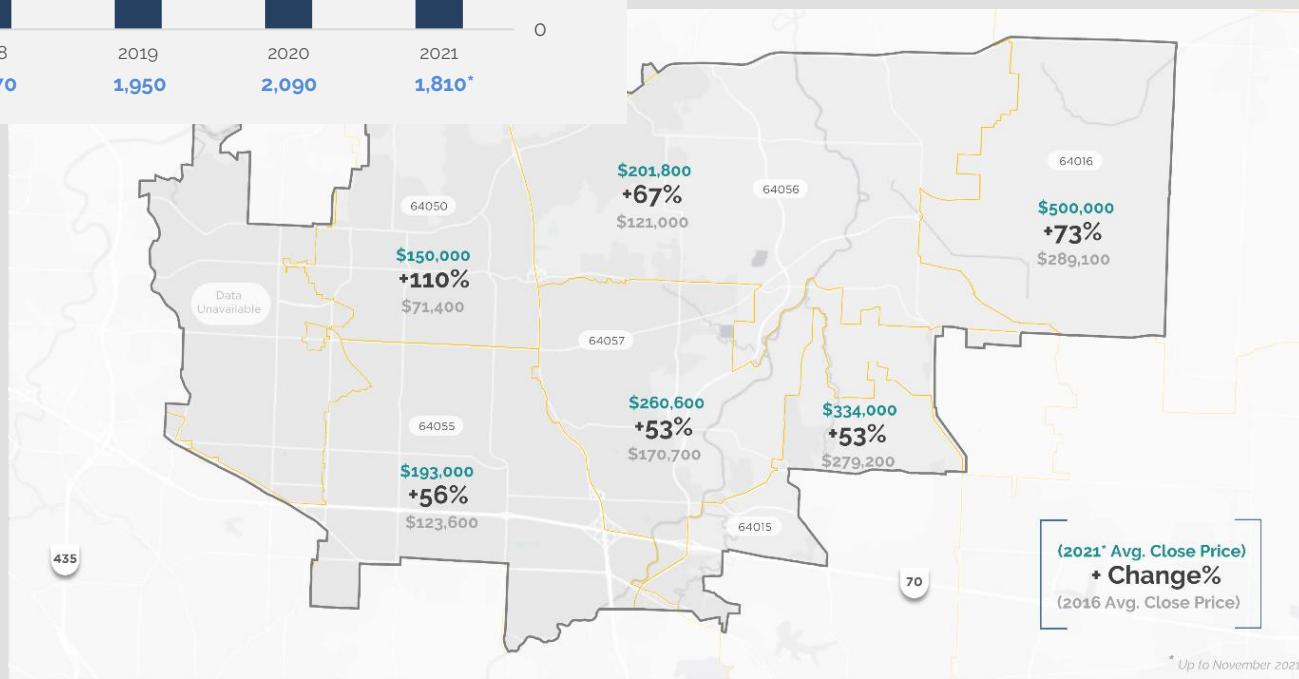
SINGLE-FAMILY MARKET

MLS HOME SALE TRENDS

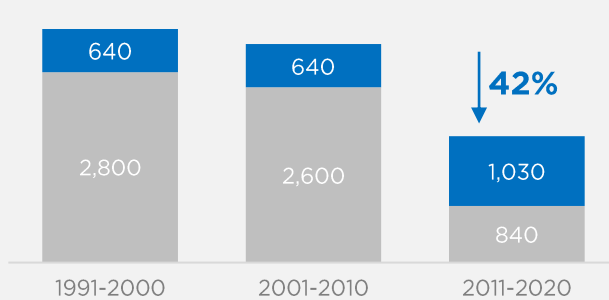
FOR-SALE MARKET TRENDS 2016-21



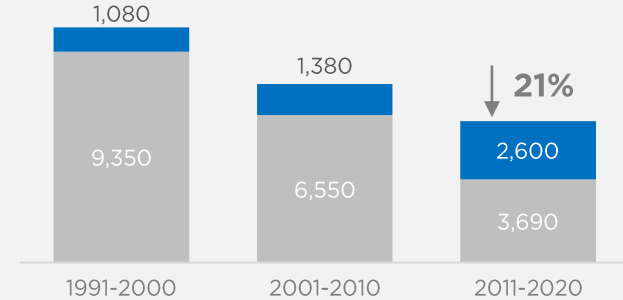
Independence
has seen a
substantial
increase in
sales prices and
decrease in
supply.



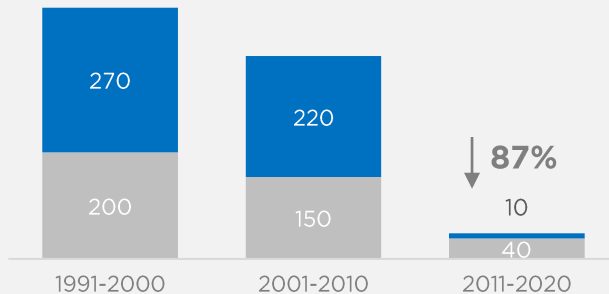
There is a trend of lower permitting activity regionally, but Independence lags behind its neighbors....



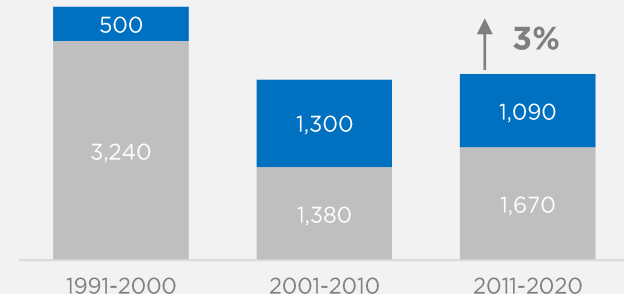
INDEPENDENCE



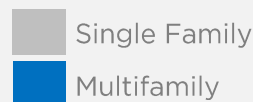
LEE'S SUMMIT



RAYTOWN



BLUE SPRINGS



Market Analysis

DEMAND

What are future needs?



HOUSING DEMAND

OUR METHODOLOGIES



Affordability



What can current and nearby residents afford?



Target Market



**Who are common market segments in Jackson County?
What are their housing needs?**



In-Migration



How many people might move from other areas?

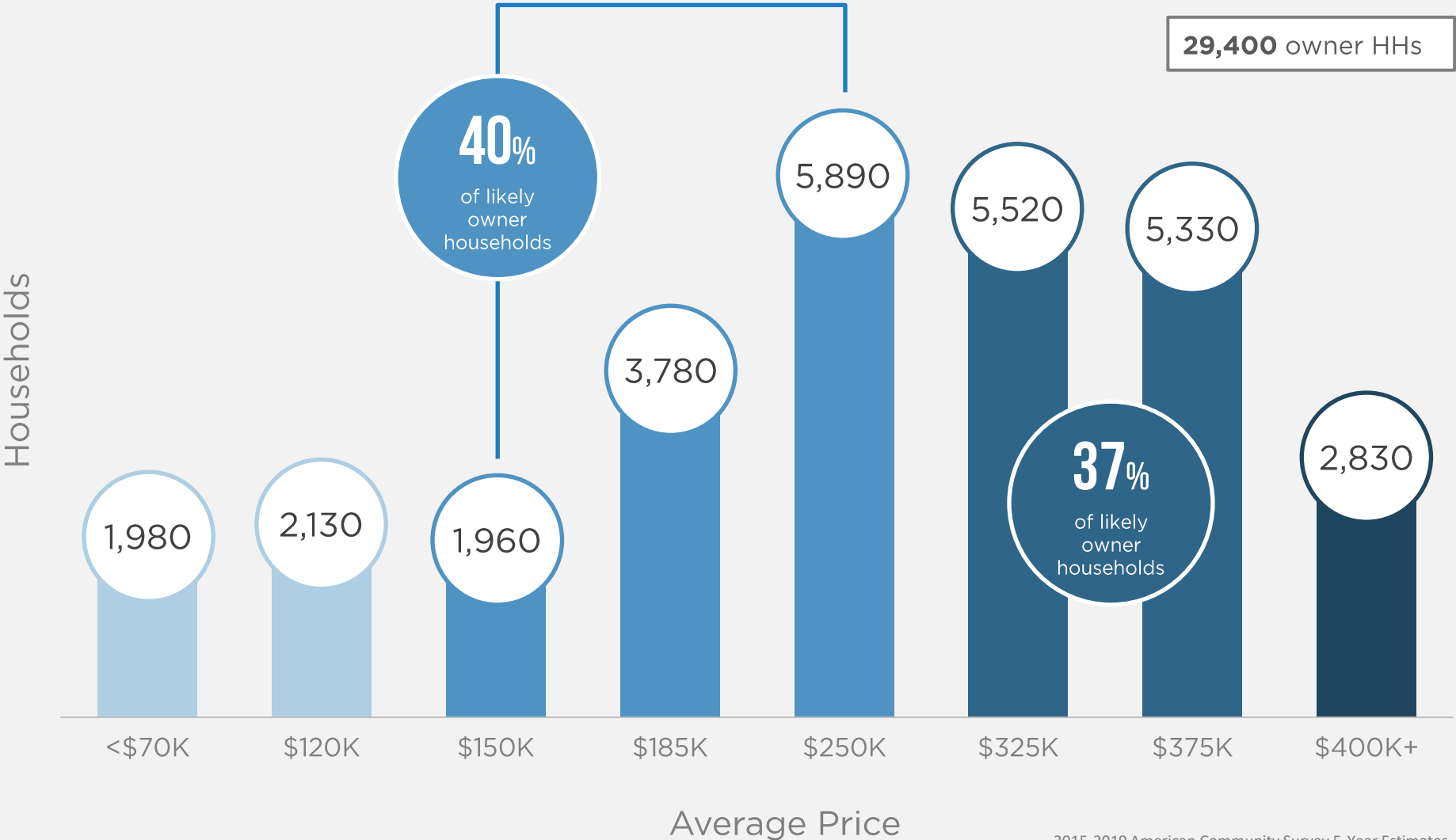


Peer Cities



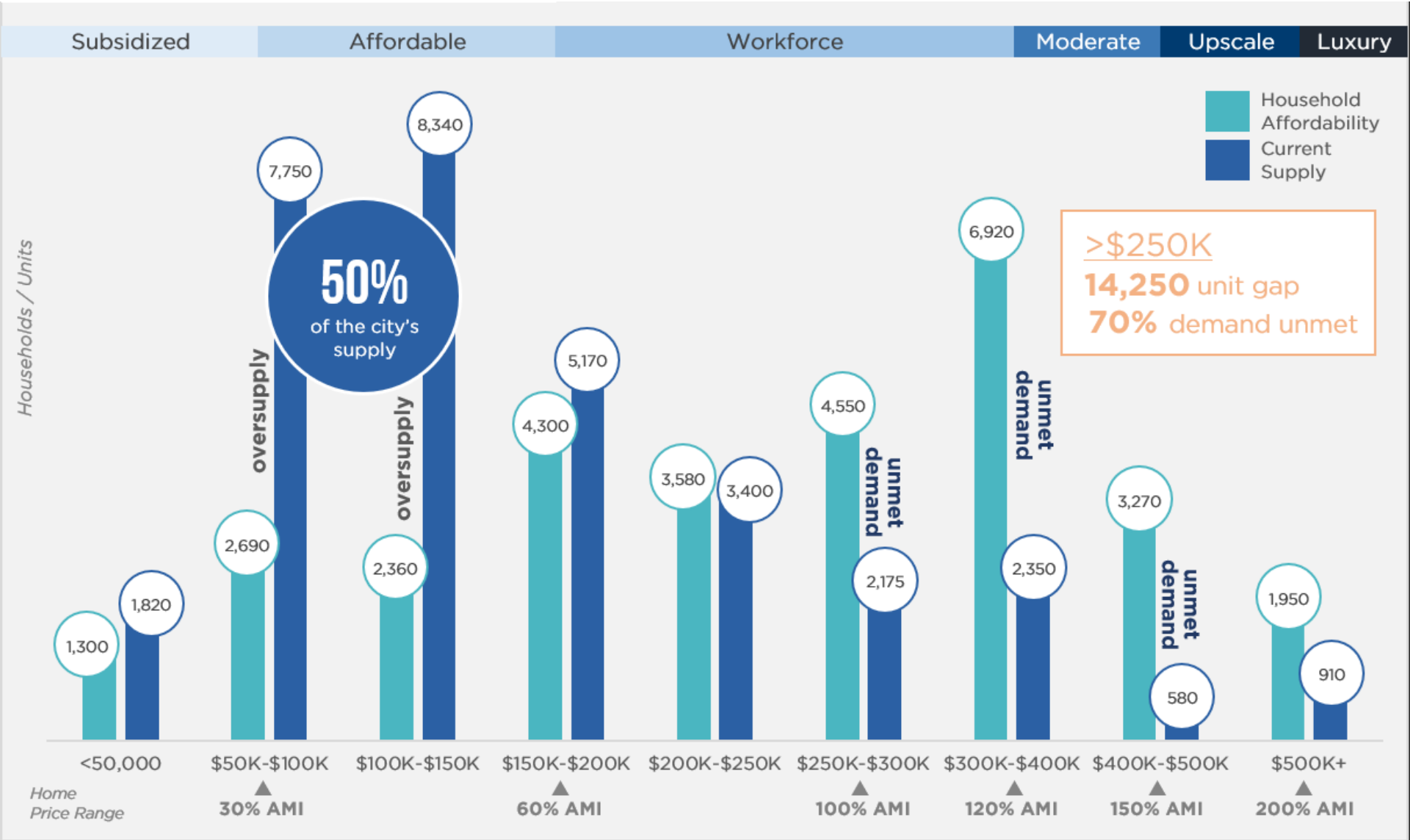
How do housing & development in Independence compare to other cities?

HOUSEHOLD HOUSING AFFORDABILITY
INDEPENDENCE – FOR-SALE

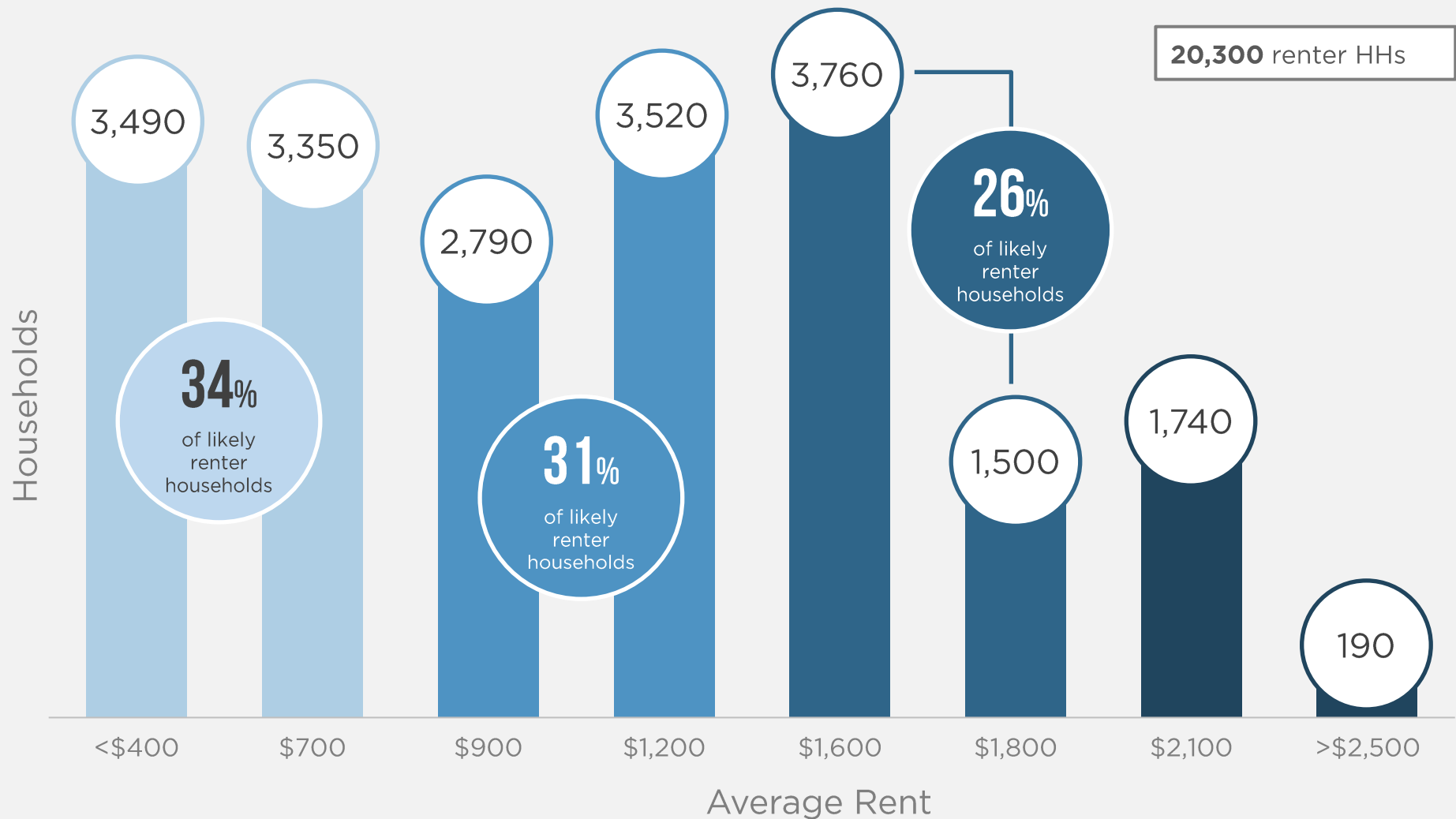


HOUSEHOLD HOUSING AFFORDABILITY

INDEPENDENCE- FOR-SALE

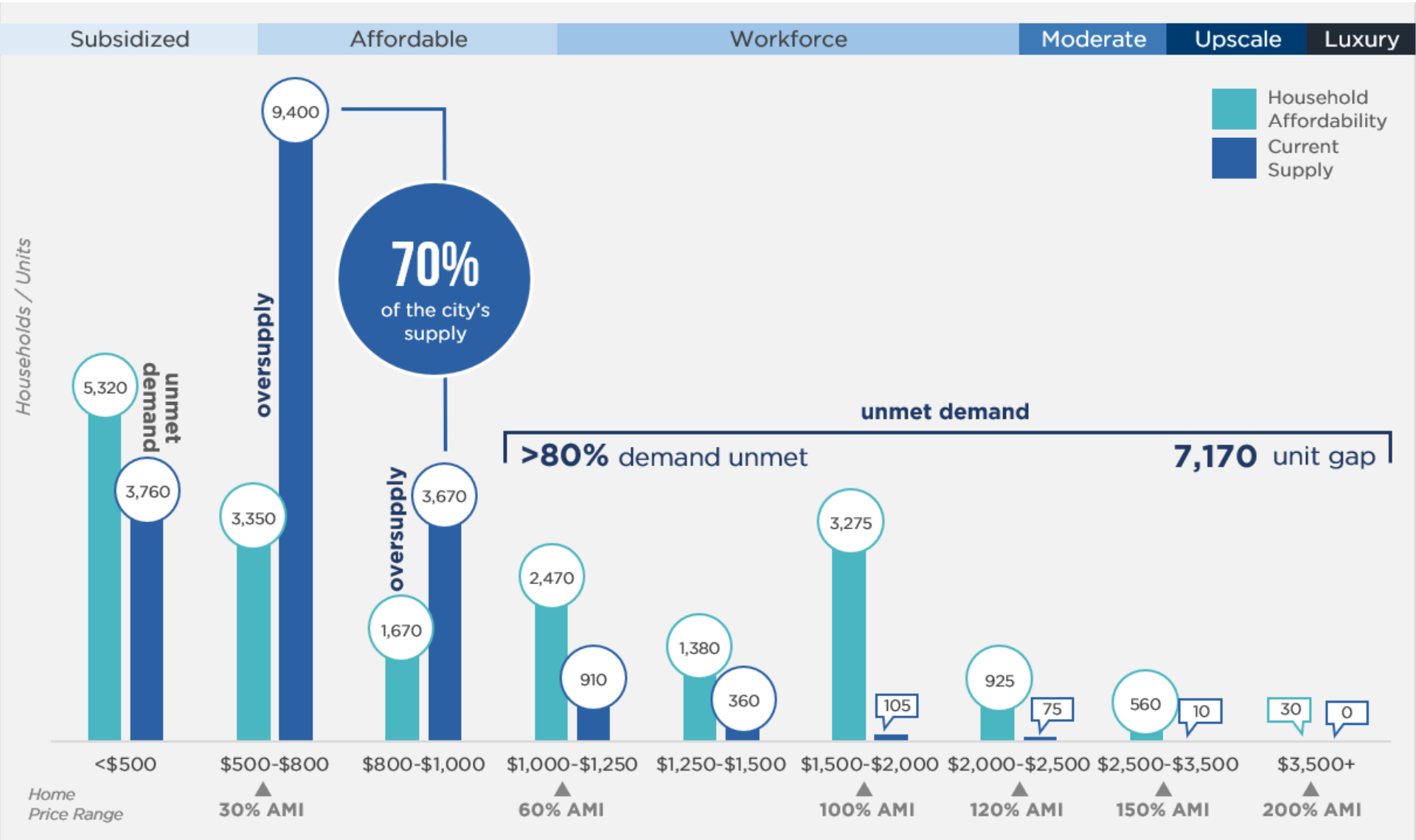


HOUSEHOLD HOUSING AFFORDABILITY
INDEPENDENCE - RENTAL



HOUSEHOLD HOUSING AFFORDABILITY

INDEPENDENCE- RENTAL



MARKET SEGMENTATION

NEARBY TAPESTRY GROUPS: FAMILY LANDSCAPES



Workday Drive

Median Household Income

\$74,000

Median Age

37

Percentage of Ownership

85%

Average Household Size

3.0

Predominant Household Type

Couples w/ Children

Common Occupations

**Healthcare, Management,
Education**



Home Improvement

Median Household Income

\$60,000

Median Age

38

Percentage of Ownership

79%

Average Household Size

2.9

Predominant Household Type

Couples w/ Children; Singles

Common Occupations

**Education, Sales,
Management**



Middleburg

Median Household Income

\$49,000

Median Age

36

Percentage of Ownership

73%

Average Household Size

2.8

Predominant Household Type

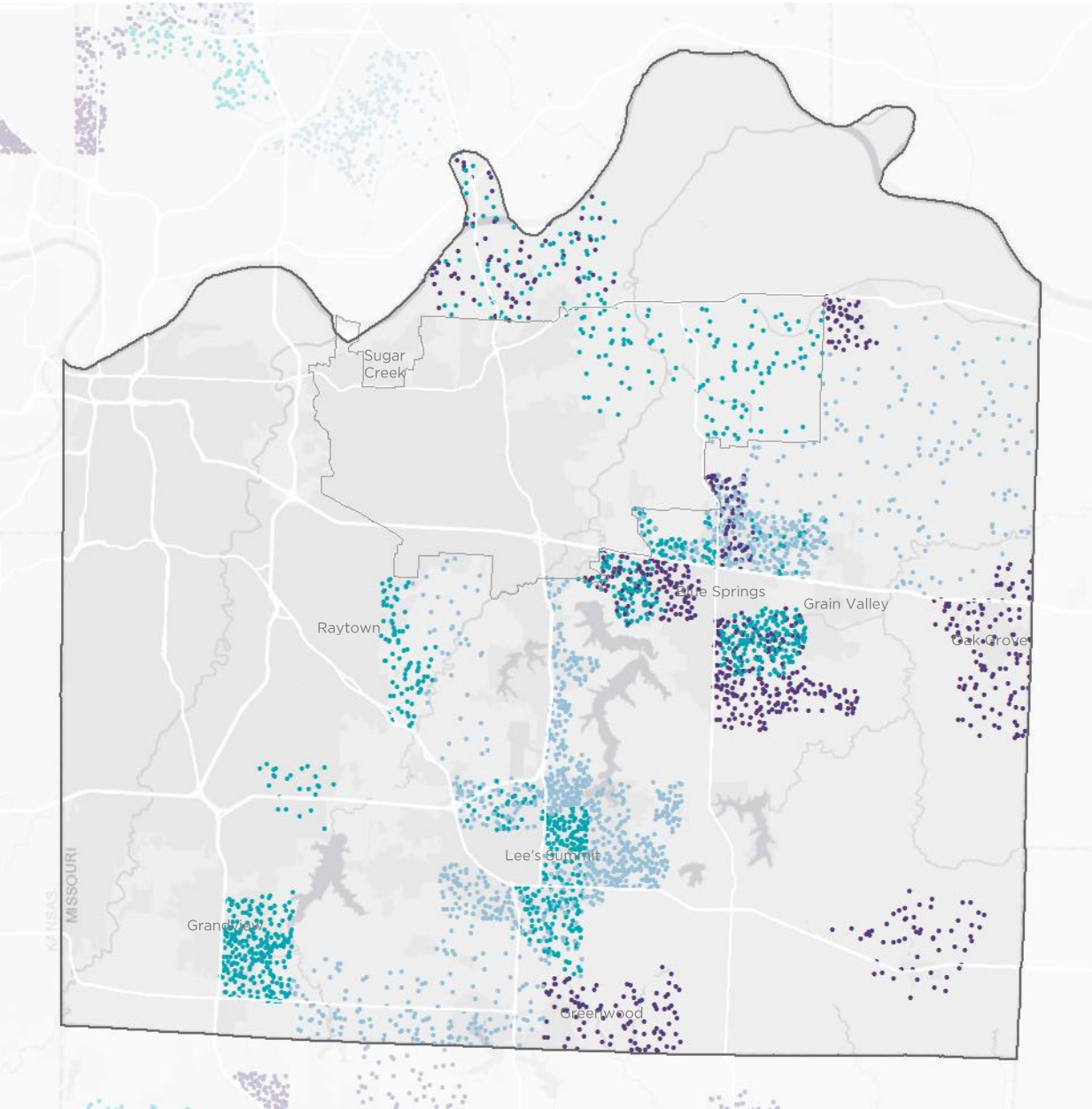
Couples w/ Children

Common Occupations

**Management, Production,
Office**

MARKET SEGMENTATION

NEARBY TAPESTRY GROUPS: FAMILY LANDSCAPES



Implied **Home Price** Affordability

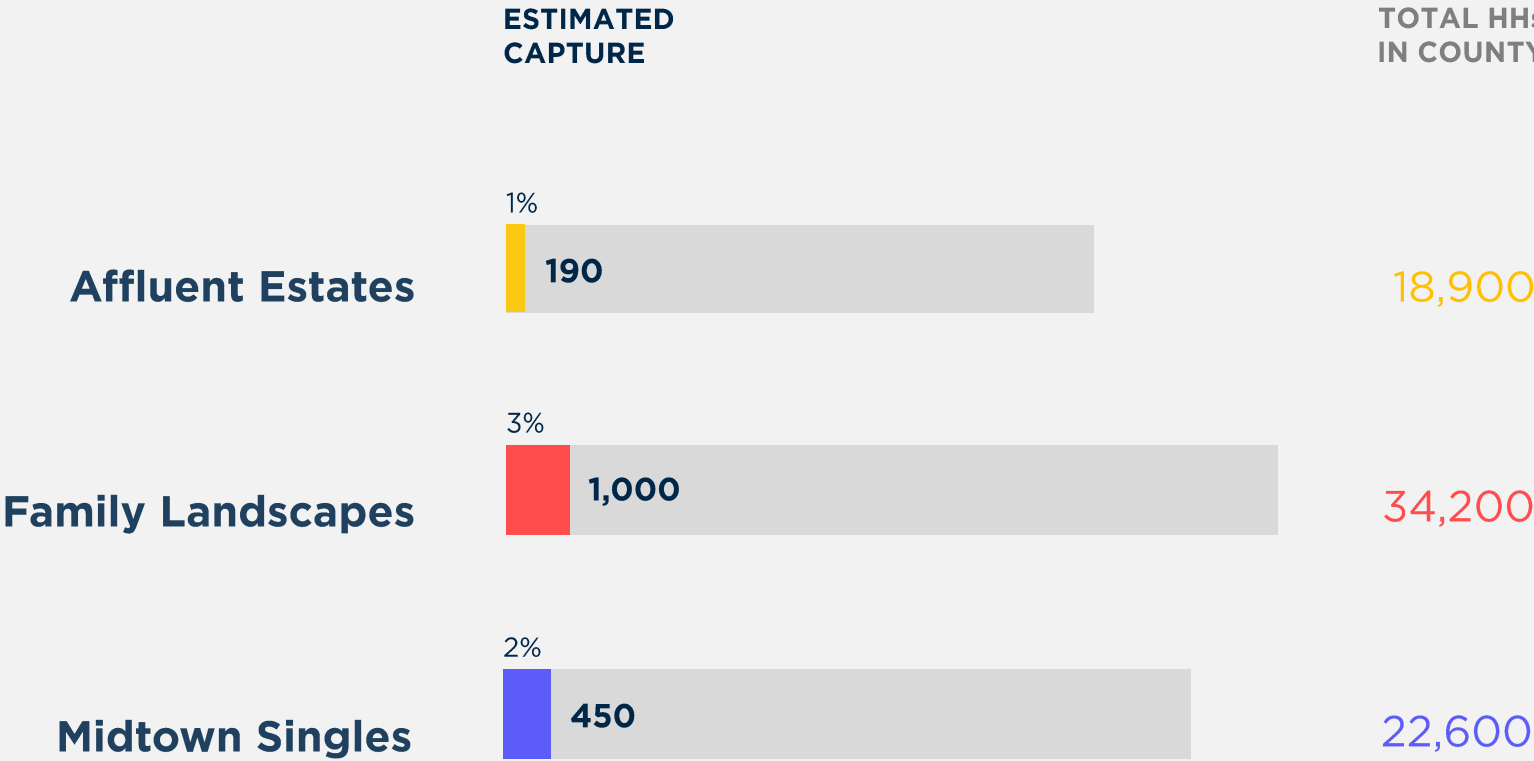
Workday Drive	\$340k
Home Improvement	\$280k
Middleburg	\$230k

Implied **Rent** Affordability

Workday Drive	\$1,850/mo
Home Improvement	\$1,500/mo
Middleburg	\$1,230/mo

1 Dot = 10 Households

MARKET SEGMENTATION
EXISTING



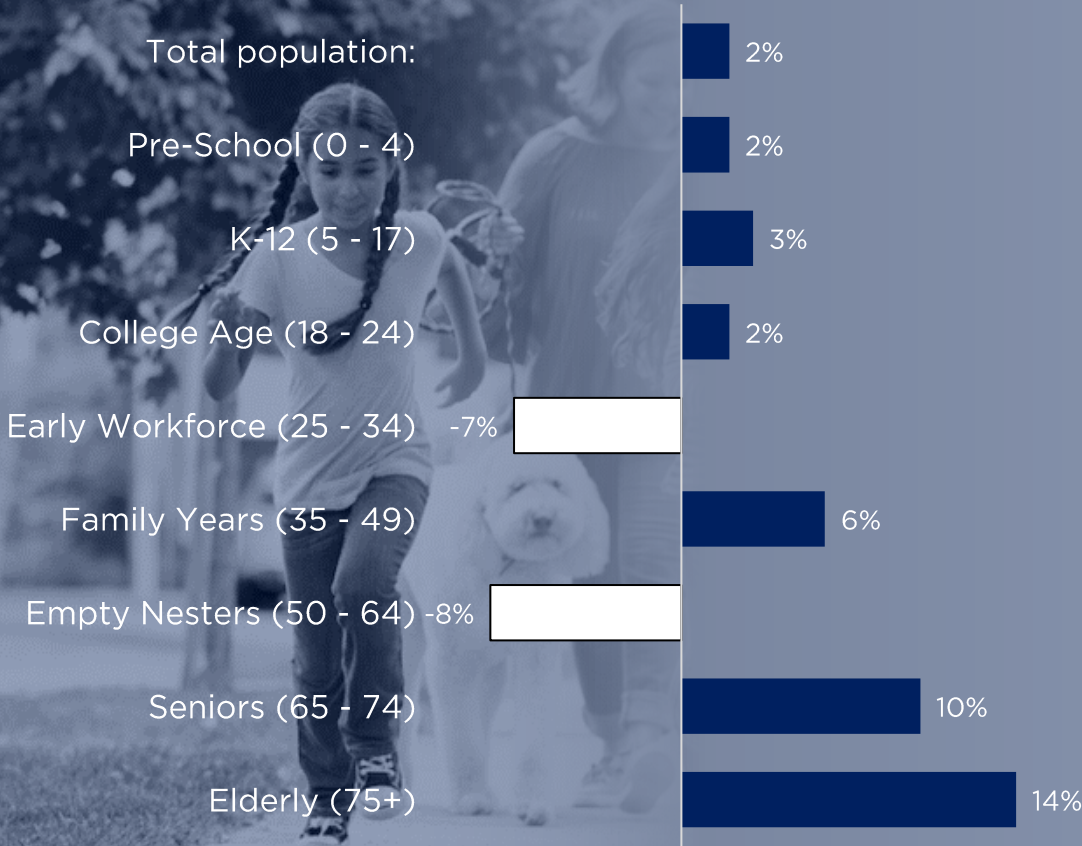
1,670 units 1,090 for-sale | 580 rental

SENIOR HOUSING
SENIOR HOUSING DEMAND

Projected Population Growth

Independence: 2021-2026

Source: ESRI, 2021



54%

of senior households fall
below 60% AMI,
constituting

57%

of the households that
qualify for affordable
housing in the city

HOUSING DEMAND CONCLUSIONS

20-YEAR PROJECTIONS

AMI Level	HH Income	Avg. Rent	Avg. Sale Price	Total Unit Demand	Sale	Rent
30%	\$21,700	\$550	\$90,000	1,025	155	870
60%	\$43,500	\$1,100	\$190,000	1,105	565	545
120%	\$86,900	\$1,900	\$360,000	1,375	910	465
150%	\$108,600	\$2,300	\$450,000	480	355	120
200%	\$145,000	\$2,700	\$530,000	500	420	80
>200%	>\$145,000	>\$2,700	>\$530,000	375	330	45
Totals				4,865	2,735	2,135

PRESENTATION **OUTLINE**







NEIGHBORHOOD ANALYSIS

UNDERSTANDING NEIGHORHOODS IN INDEPENDENCE

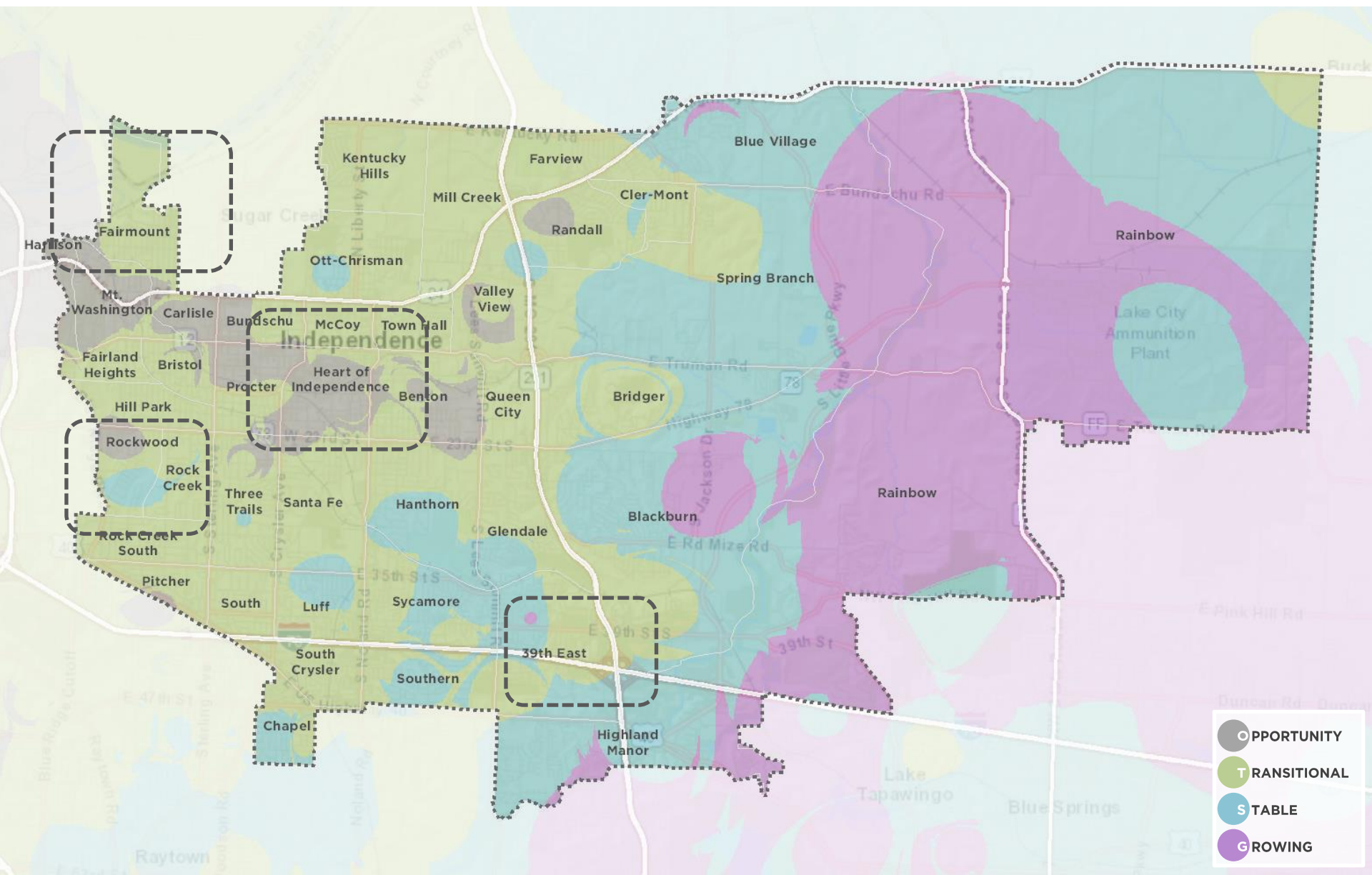
OVERVIEW

PEOPLE & HOUSEHOLDS INDICATORS

	OPPORTUNITY	TRANSITIONAL	STABLE	GROWING
				
Poverty Level	>35%	20% to 35%	10% to 20%	<10%
Cost Burden	>35%	20% to 35%	10% to 20%	<10%
College Graduates	<20%	20% to 35%	35% to 50%	>50%
Homeownership	<50%	50% to 65%	65% to 80%	>80%

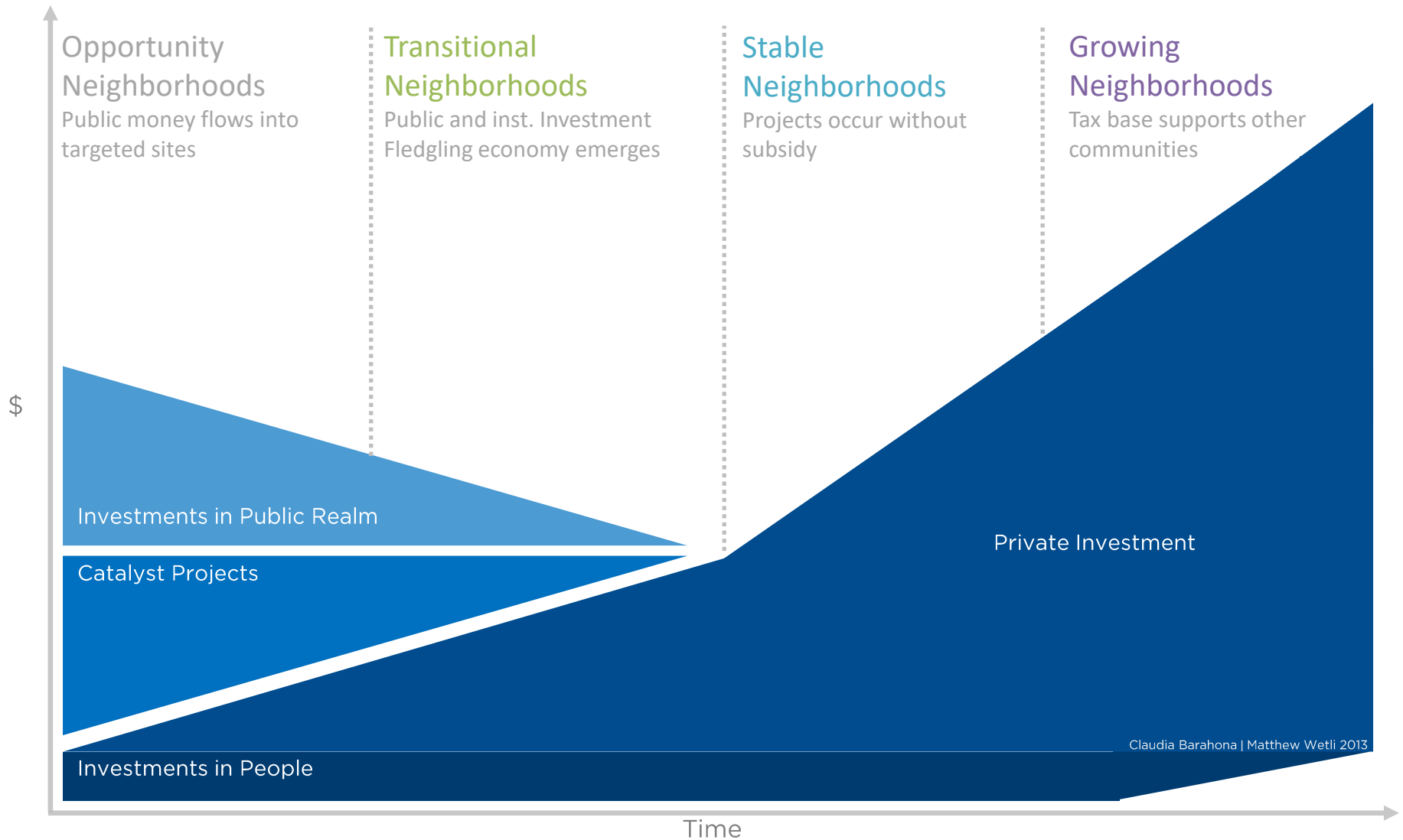
UNDERSTANDING NEIGHBORHOODS IN INDEPENDENCE

COMPOSITE OF ALL INDICATORS



UNDERSTANDING NEIGHBORHOODS IN INDEPENDENCE

INVESTMENTS NEEDED



PRESENTATION **OUTLINE**



STRATEGIC FRAMEWORK

HOUSING GOALS

WHAT WE HEARD

Housing Needs:

- Improve the **condition** of the **existing housing**
- Improve **neighborhood conditions**
- Quality **infill development**
- **Senior** housing options / **aging in place**
- **Moderate-income** housing
- Address challenges **corporate ownership** of **single-family rental housing**
- Address **homelessness**
- More **new housing construction**, particularly single-family
- **New housing types**, like villas/townhomes

Housing Goals:

1. **Reinvest in what already exists**
2. **Expand housing options**
3. **Improve housing stability**
4. **Streamline processes**
5. **Change perceptions**
6. **Engage the community**



STRATEGIC FRAMEWORK

CITY OF INDEPENDENCE

1 Improve the **quality and condition** of the existing housing stock

2 Be **proactive** about new development

3 Be **intentional** about **engaging** the community

4 Address **homelessness** and overall **housing stability** for Independence's neediest residents

5 Change the **perception of the city**, locally and around the region

1

Improve the **quality and condition** of the existing housing stock

Align public investments, demolition activities, and home repair in focus areas

Partner with organizations to provide programs and services to **support aging in place**

Continue to work with landlords to **improve the condition of rental housing**

Provide residents with clear information on permitting to **support homeowner investments**

Adequately fund **code enforcement** and continue **rental registration programs**

Establish an **affordable housing fund** (repair, rehab, new construction, & services)

2

Be **proactive** about new development

Create a map and provide information of **available platted subdivision lots** to facilitate building

Identify locations of **ongoing and planned public investment**

Map **infill development opportunities**

Market specific housing opportunities such as greater variety of senior housing

Work with Chamber, KCHBA, Realtor's Association to **promote development opportunities**

3

Be **intentional** about **engaging** the community

Identify community partners to **host public forums and focus groups**

Coordinate with and/or hire partners to **facilitate meetings with translation services**

Create an engagement plan, with scheduled events around specific topics

Ensure outreach is done as part of the planning and rollout of future housing programs

4

Address **homelessness** and overall **housing stability** for Independence's neediest residents

Expand supports to **prevent and address eviction and homelessness**

Connect vulnerable tenants to **housing counseling and emergency rent/utility support**

Support a **Second Chance Tenancy program**

Identify acceptable **locations for shelters and permanent supportive housing**

Continue efforts to **promote neighborhood stability**

Provide housing options that **support aging in place**

5

Change the **perception of the city**, locally and around the region

Establish a marketing campaign to **better market the city and its assets**

Market development **(infill and new construction)** and entrepreneurial opportunities

Create more welcoming gateways to the city along major corridors

NEXT STEPS

REFINE & COMPLETE DRAFT REPORT (DECEMBER 22nd)

COUNCIL APPROVAL OF STUDY (JANUARY 3rd)